

**STATE OF ARKANSAS
SECURITIES DEPARTMENT**

IN THE MATTER OF

@HAND MEDICAL TECHNOLOGIES, INC.

ORDER PROVIDING A
TRANSACTIONAL EXEMPTION
FROM REGISTRATION
NO. 00-013-S

FINDINGS OF FACT

1. On March 31, 2000, a letter was received by the Arkansas Securities Commissioner requesting that the proposed issuance of options to purchase shares of common stock (the "Options") of @Hand Medical Technologies, Inc. (the "Company"), to one Arkansas resident (the "Transaction"), be determined to be an exempt transaction pursuant to Ark. Code Ann. § 23-42-504(a)(12).

2. The Company is a corporation organized under the laws of the State of Delaware. The Company proposed to issue to one Arkansas resident certain options to purchase 8,668 shares of the Company's common stock and to six non-Arkansas residents certain options to purchase 57,992 shares of the Company's common stock at an exercise price of \$0.10 per share on the terms described in the Purchase and Sale Agreement. The Options have a ten-year life.

3. The purchasers are students in medical school. The purchasers formed a limited liability company, Handheldmed, LLC ("HHM") that is being acquired by the Company in this transaction.

4. An exemption from registration has been requested pursuant to the Commissioner's discretionary authority under Ark. Code Ann. § 23-42-504(a)(12). The Company and the purchasers have fully and completely been involved in the negotiation of an

agreement for the terms of the Options and the exercise of such Options to purchase the common stock, and they have been, or had the opportunity to be represented in these negotiations by counsel. The Company and the purchasers have had access to financial and other information concerning the parties as is necessary to make an informed investment decision. Based upon the foregoing, the Transaction is not the type the Arkansas Securities Act (the "Act") was designed to protect by requiring registration.

CONCLUSIONS OF LAW

1. Under Section 23-42-504(a)(12) of the Act, the Commissioner may by order exempt certain transactions from Sections 23-42-501 and 23-42-502 of the Act as not being necessary or appropriate in the public interest for the protection of investors.
2. It is not necessary or appropriate in the public interest for the protection of investors for the Company or the purchasers to be required to register the Transaction under the Act for the purposes of the contemplated offering.
3. It is not necessary or appropriate in the public interest for the protection of investors for the Company or the purchasers to be required to engage the services of a registered agent for the purpose of making sales of the securities.

OPINION

In recognition of the representations made by the Company, it appears registration of this Transaction is unnecessary in this instance.

This order does not exempt the Company or the purchasers from the antifraud provisions of the Act.

ORDER

IT IS THEREFORE ORDERED that securities offered or sold in Arkansas for the proposed Transaction, if offered and sold in compliance with the representations made in the letter of March 31, 2000, and the attached exhibits, and in accordance with the Findings of Fact stated herein, shall be exempted from Sections 23-42-501 and 23-42-502 of the Act.

WITNESS MY HAND AND SEAL this 7th day of April 2000.



MAC DODSON
SECURITIES COMMISSIONER