

STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION

IN THE MATTER OF DETERMINING)
Whether there has been a violation of the)
Business Opportunity Fraud Act of) Order Number S-10-435-11-CO01
Washington by:)
)
Vend Natural, Inc.,) CONSENT ORDER
)
)
Respondent)

Pursuant to the Business Opportunity Fraud Act of Washington, RCW 19.110, the Securities Division of the Department of Financial Institutions and Vend Natural, Inc. do hereby enter into this CONSENT ORDER in settlement of the matters alleged herein. Respondent Vend Natural, Inc. neither admits nor denies the Findings of Fact and Conclusions of Law stated below.

FINDINGS OF FACT

Respondent

1. Vend Natural, Inc. is a California corporation in the business of selling vending machines for the distribution of “healthy, natural and organic food and drink products” with its principal place of business in Ventura, California. Gil Sanchez is the president of Vend Natural, Inc.

Nature of the Offering

2. In or about the fall of 2009, Vend Natural, Inc. advertised for sale on the Internet and on its website at www.vendnatural.com the availability of its “Distributorship Programs” in which it offered prospective purchasers the opportunity to purchase a package of vending

1 support and marketing support. The Vend Natural, Inc. website advertises “Exclusive
2 Distributorship Programs” for which the company offers:

- 3 Exclusive Territory Agreements with Counties and Cities Within
- 4 • 10+ New Vending Machines with Graphics
 - 5 • Professional Delivery and Installation of Machines
 - 6 • Comprehensive Training on Equipment
 - 7 • 24 Hour Software Reporting System Installed in Each Machine
 - 8 • Web-based Software Training
 - 9 • Location Assistance Program
 - 10 • Continuous Phone Support
 - 11 • General Vending Business and Product Training
 - 12 • Marketing Support for Future Growth

13 3. In 2009, a Washington resident contacted Vend Natural, Inc. by telephone after finding
14 out about the company on the Internet. The Washington resident spoke with Vend Natural,
15 Inc.’s president Gil Sanchez several times regarding the company’s distributorship programs.
16 During the course of the negotiations, Vend Natural, Inc. offered to provide the Washington
17 resident with three vending machines, assistance in finding locations for the machines, and
18 training on how to operate the machines. Vend Natural, Inc. did not provide the Washington
19 resident with a written disclosure document, as required by RCW 19.110.070. As a result of
20 the negotiations, in December, 2009, the Washington resident wired Vend Natural, Inc. an
21 \$8,700 down payment for three machines. Due to an inability to reach a final agreement on
22 the terms of the contract, Vend Natural, Inc. and the Washington resident subsequently
23 terminated the relationship.

24 Registration Status

25 4. Vend Natural, Inc. is not currently and has never been registered to offer or sell
business opportunities in the state of Washington.

1 **CONCLUSIONS OF LAW**

- 2 1. The offer or sale of business opportunities described above constitutes the offer or sale
3 of a business opportunity as defined in RCW 19.110.020 and RCW 19.110.030(1).
4
5 2. The offer or sale of said business opportunities is in violation of RCW 19.110.050
6 because no registration for such offer or sale is on file with the Securities Administrator.
7
8 3. The offer or sale of said business opportunities was made in violation of
9 RCW 19.110.070 because Vend Natural, Inc. failed to provide the prospective purchaser with
10 the required written disclosure document containing complete and material information
11 regarding the business opportunity.

12 **CONSENT ORDER**

13 Based upon the foregoing and finding it in the public interest:

14 IT IS AGREED AND ORDERED that Respondent, Vend Natural, Inc., its agents and
15 employees, each shall cease and desist from offering or selling business opportunities in
16 violation of RCW 19.110.050, the registration section of the Business Opportunity Fraud Act
17 of the State of Washington.

18 IT IS FURTHER AGREED AND ORDERED that Respondent, Vend Natural, Inc.,
19 its agents and employees, each shall cease and desist from violating RCW 19.110.070, the
20 disclosure document section of the Business Opportunity Fraud Act of the State of
21 Washington.

22 IT IS FURTHER AGREED AND ORDERED that Respondent, Vend Natural, Inc.
23 shall pay the Securities Division the costs and other expenses incurred in the investigation of
24 this matter in the amount of \$800 on or before the date of entry of this Consent Order.
25

1 IT IS FURTHER AGREED that the Securities Division has jurisdiction to enter this
2 Order.

3 IT IS FURTHER AGREED that in consideration of the foregoing, Respondent, Vend
4 Natural, Inc., waives its rights to a hearing in this matter and judicial review of this order.

5 SIGNED this 11th day of July, 2011

6 Vend Natural, Inc. by:

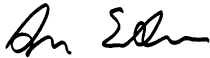
7
8 /s/
9 _____
10 Gil Sanchez, President

11 SIGNED and ENTERED this 26th day of July, 2011

12
13 

14 WILLIAM M. BEATTY
15 Securities Administrator

16 Approved By:

17 

18
19 SUZANNE SARASON
20 Chief of Enforcement

Presented By:

21 

22 MARTIN CORDELL
23 Financial Legal Examiner

24 Reviewed by:

25 

ROBERT KONDRAT
Financial Legal Examiner Supervisor