STATE OF WASHINGTON DEPARTMENT OF FINANCIAL INSTITUTIONS **SECURITIES DIVISION**

2

1

3

4

5

6

7

8

9

10

11

12

13

14

15

16 17

18

19

20

21

22

23

24

25

of the Franchise Investment Protection Act of

Beyond Juice Corporation and Beyond Juice LLC,

IN THE MATTER OF DETERMINING

whether there has been a violation

Washington by:

Respondents.

Order Number S-04-211-06-CO01

CONSENT ORDER

INTRODUCTION

On December 20, 2005, the Securities Division, Department of Financial Institutions, Washington State, ("the Securities Division") entered Statement of Charges And Notice of Intent to Enter an Order to Cease and Desist, Order Number S-04-211-05-SC01, ("Statement of Charges") against Respondents, Beyond Juice Corporation and Beyond Juice LLC. Pursuant to the Franchise Investment Protection Act of Washington, RCW 19.100, the Securities Division and Respondents, Beyond Juice Corporation and Beyond Juice LLC, do hereby enter into this CONSENT ORDER in settlement of the matters alleged herein. Respondents, Beyond Juice Corporation and Beyond Juice LLC, neither admit nor deny the Findings of Fact and Conclusions of Law stated below.

1

CONSENT ORDER

DEPARTMENT OF FINANCIAL INSTITUTIONS **Securities Division** PO Box 9033 Olympia, WA 98507-9033 360-902-8760

- .

FINDINGS OF FACT

Respondents

- 1. Beyond Juice Corporation, a Nevada corporation, was established on January 10, 1996 and is currently doing business at 10170 Splendor Ridge, Las Vegas, NV 89135. Sally Kline is listed as the President.
- 2. Beyond Juice LLC, a Nevada limited liability company, was established on June 17, 2003, but is in default status from July 1, 2005 until at least the date of this order. Beyond Juice LLC is currently doing business at 10170 Splendor Ridge, Las Vegas, NV 89135. Sally Kline is listed as the Manager.

Nature of Offering

- 3. Beyond Juice Corporation and Beyond Juice LLC (together as "Beyond Juice") are the sellers of a franchise opportunity to own and operate a retail restaurant, called Beyond Juice Café, in which coffee, blended juice drinks, salads, health supplements, and healthy sandwiches are sold.
- 4. According to Beyond Juice, purchasers of the opportunity can purchase a Beyond Juice Café for between \$199,500 and \$275,000 depending on local construction and real estate considerations. Beyond Juice also offers financing for the purchaser if approximately 25% of the café cost is made as a down payment.
- 5. Purchasers of the opportunity are provided with training, as well as start up support that includes assistance in selecting wholesale suppliers, selection and preparation of store location, hiring and training personnel, handling and establishing protocol, and merchandising. Purchasers are entitled to ongoing assistance and advice relating to operation of the business.
- 6. Purchasers are entitled to use the marks and associated trade names, trademarks, service marks, logotypes and other commercial symbols associated with Beyond Juice. Purchasers must comply with CONSENT ORDER 2 DEPARTMENT OF FINANCIAL INSTITUTIONS

1	graphics standardization, basic menus, conceptual integrity, and standards of service to the general
2	public.
3	7. Purchasers of the opportunity are obligated to pay an annual fee. The Beyond Juice website
4	(www.beyondjuice.com) gives an example of a generic franchisee paying annual royalties of \$24,000
5	based on an 8% royalty and annual gross income of \$300,000. Beyond Juice states that this sample
6	royalty amount is over 60% greater than what a Beyond Juice purchaser's annual fee would be, putting
7	the Beyond Juice annual fee at approximately \$9,600.
8	8. Beyond Juice offered and/or sold its opportunity to Washington residents via advertisements in
9	the Yakima Herald Republic. One classified ad was placed in the October 3, 2004 issue and two
10	classified ads were placed in the October 24, 2004 issue. Additionally, Beyond Juice offered and/or sold
11	its opportunity to Washington residents through the Beyond Juice website (www.beyondjuice.com).
12	Registration Status
13	9. Beyond Juice Corporation and Beyond Juice LLC are not currently and have not previously been
14	registered to offer or sell franchises in the state of Washington.
15	
16	Based upon the above Findings of Fact, the following Conclusions of Law are made:
17	
18	CONCLUSIONS OF LAW
19	1. The offers and/or sale of the opportunity described above constitute the offer and/or sale of a
20	franchise as defined in RCW 19.100.010(4) and RCW 19.100.010(16).
21	
22	
23	CONSENT ORDER 3 DEPARTMENT OF FINANCIAL INSTITUTIONS Securities Division PO Reserved PO Re
24	PO Box 9033 Olympia, WA 98507-9033 360-902-8760
25	

2. The offer and/or sale of said franchises was in violation of RCW 19.100.020, the registration requirement provision of the Franchise Investment Protection Act, because no registration for offers and/or sales is on file with the Securities Administrator.

CONSENT ORDER

Based upon the foregoing:

IT IS AGREED AND ORDERED that Respondents, Beyond Juice Corporation, Beyond Juice LLC, and their agents and employees each shall cease and desist from offering or selling franchises in violation of RCW 19.100.020, the registration section of the Franchise Investment Protection Act of the State of Washington.

IT IS FURTHER AGREED AND ORDERED that Respondents, Beyond Juice Corporation and Beyond Juice LLC, together, shall pay to the Securities Division the costs, fees, and other expenses incurred in the investigation and prosecution of this matter in the amount of \$1,500 on or before the date of entry of this order.

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

IT IS FURTHER AGREED that in consideration of the foregoing, Respondents, Beyond Juice Corporation and Beyond Juice LLC, waive their rights to a hearing in this matter and judicial review of this matter pursuant to Chapter 34.05 RCW.

1	SIGNED this 21 st day of March, 2006.
2	Approved for Entry by:
3	
4	By/s/
5	Neil J. Beller, NSBA #2360 Attorney for Respondents
6	
7	
8	Signed by:
9	Beyond Juice Corporation
10	
11	By/s/Sally Kline, President
12	
13	Signed by:
14	Beyond Juice, LLC
15	
16	Sally Kline, Manager
17	
18	
19	SIGNED and ENTERED this5th day ofJuly, 2006.
20	Quidel Z, Stevenson
21	MICHAEL E. STEVENSON
22	Securities Administrator
23	CONSENT ORDER 5 DEPARTMENT OF FINANCIAL INSTITUTIONS Securities Division PO Box 9033
24	Olympia, WA 98507-9033 360-902-8760

Approved by:

Martin Cordell
Chief of Enforcement

Presented by:



Dylan Waits Financial Legal Examiner