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

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IN THE MATTER OF DETERMINING

Whether there has been a violation of the

Securities Act of Washington by:

HEIDI KENYON,

Respondents.

CULINARY COMMUNION, LLC; GABRIEL CLAYCAMP: and

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CONSENT ORDER

S-04-026-04-CO01

CONSENT ORDER

Pursuant to the Securities Act of Washington, RCW 21.20, the Securities Division of the Department of Financial Institutions ("Securities Division") and the Respondents, Culinary Communion, LLC; Gabriel Claycamp; and Heidi Kenyon, do hereby enter into this CONSENT ORDER in settlement of the matters alleged herein. Respondents neither admit nor deny the Findings of Fact and Conclusions of Law stated below.

FINDINGS OF FACT

I. Respondents

- 1. Culinary Communion, LLC ("Culinary Communion") is a Washington limited liability company with a principal place of business at 4122 SW Southern St., Seattle, WA 98136-2344.
 - 2. Gabriel Claycamp ("Claycamp") is Director of Operations of Culinary Communion.
- 3. Heidi Kenyon ("Kenyon") is Director of Communications of Culinary Communion. Kenyon is married to Claycamp and resides with him in Seattle, Washington.

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II. Nature of the Offering

- 4. Culinary Communion operates as a school for the culinary arts, offering classes in Seattle, Washington. Culinary Communion maintains a website located at www.culinarycommunion.com, that is available to residents of Washington. As of January 2004, the website included a link labeled "Invest in Us" that encouraged interested persons to contact the company by telephone or email.
- 5. In January 2004, a Washington resident contacted Culinary Communion by email, and requested information about investing with the company. Kenyon subsequently sent offering and promotional materials to the resident, including an unsigned convertible promissory note, and correspondence from Claycamp and Kenyon.
- 6. In February 2004, Kenyon spoke to a Washington resident by telephone and offered to sell him a convertible promissory note on behalf of Culinary Communion. Kenyon stated that a \$25,000 investment would earn 10% interest per year for five years, payable on a quarterly basis. Offering materials provided to the resident stated that an investment of \$5,000 would generate a return of 50% over five years.
- 7. On February 4, 2004, the Pennsylvania Securities Commission issued a Summary Order to Cease and Desist against Culinary Communion, Claycamp, and Kenyon to halt the offer and sale of unregistered securities in Pennsylvania.
- 8. In the offer and sale of the Culinary Communion convertible promissory notes, Respondents failed to disclose material information, including, but not limited to, the specific use of investor proceeds, their experience and track record in investment programs, the basis and source of payment for the projected returns on the investment, and the compensation Claycamp and Kenyon would receive.
- 9. Respondents also failed to disclose the risks of the investment and misrepresented the safety and risk involved in the investment. The offering materials distributed by the Respondents contained no discussion of the risk factors involved in the investment. The Respondents also distributed a business plan

CONSENT ORDER

that described Culinary Communion as a "low-risk" investment. When asked about risk factors, Kenyon told a Washington resident that risk was "almost nil."

III. Registration Status

- 10. The offering of Culinary Communion convertible promissory notes is not currently and has not previously been registered under the Securities Act and no notification of exemption is on file with the Securities Administrator of the State of Washington.
- 11. Neither Claycamp, nor Kenyon, is currently registered as a securities salesperson or broker-dealer in the State of Washington and neither has previously been so registered.

Based upon the above Findings of Fact, the following Conclusions of Law are made:

CONCLUSIONS OF LAW

- 1. The offer and/or sale of Culinary Communion convertible promissory notes by Respondents, as set forth in the above in the Findings of Fact, constitutes the offer and/or sale of a security, as defined in RCW 21.20.005(10) and (12).
- 2. Culinary Communion, Claycamp, and Kenyon have each violated RCW 21.20.010 because, in connection with the offer or sale of Culinary Communion convertible promissory notes, they each made untrue statements of material fact or omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.
- 3. Culinary Communion, Claycamp, and Kenyon have each violated RCW 21.20.140, the securities registration provision of the Securities Act, because they offered and/or sold securities for which there was no registration on file with the Securities Administrator, and it appears that they do not otherwise qualify for an exemption from registration.
- 4. Claycamp and Kenyon have each violated RCW 21.20.040, the salesperson registration provision of the Securities Act, because they offered and/or sold Culinary Communion convertible

promissory notes while not registered as securities salespersons or broker/dealers in the State of Washington.

CONSENT ORDER

Based upon the foregoing:

IT IS AGREED AND ORDERED that the Respondents, Culinary Communion, LLC; Gabriel Claycamp; and Heidi Kenyon, and their agents and employees each shall cease and desist from violating RCW 21.20.010, the anti-fraud section of the Securities Act of Washington.

IT IS FURTHER AGREED AND ORDERED that Respondents, Culinary Communion, LLC; Gabriel Claycamp; and Heidi Kenyon, and their agents and employees each shall cease and desist from offering or selling securities in violations of RCW 21.20.140, the securities registration section of the Securities Act of Washington.

IT IS FURTHER AGREED AND ORDERED that Respondents, Gabriel Claycamp and Heidi Kenyon, and their agents and employees each shall cease and desist from acting as an unregistered securities broker-dealer or salesperson in violation of RCW 21.20.040, the broker-dealer and securities salesperson registration section of the Securities Act of Washington.

IT IS FURTHER AGREED that Respondents, Culinary Communion, LLC; Gabriel Claycamp; and Heidi Kenyon, shall be jointly and severally liable for and shall pay a fine in the amount of \$5,000, the entire amount which is suspended based on future compliance with this Order and based on their filings with the Division demonstrating an inability to pay.

IT IS FURTHER AGREED that Respondents, Culinary Communion, LLC; Gabriel Claycamp; and Heidi Kenyon, shall be jointly and severally liable for and shall pay investigative costs in the amount of \$500. A payment of \$500 is to be made to the Securities Division prior to the entry of this Consent Order.

360-902-8760

1	IT IS FURTHER AGREED that the Securities Division has jurisdiction to enter this Order.			
$\begin{bmatrix} 1 \\ 2 \end{bmatrix}$	IT IS FURTHER AGREED that in o	consideration of the for	regoing Respondents,	Culinary
3	Communion, LLC; Gabriel Claycamp; and Hei	di Kenyon, each waive	their rights to a hearing	ng in this
4	matter and judicial review of this order.			
5	SIGNED this <u>23rd</u> day of September, 2004.			
6	Signed by:			
7	Culinary Communion, LLC			
8	/s/ Gabriel Claycamp By			
10	Gabriel Claycamp, Director of Operations			
11	Signed by:			
12	/s/ Gabriel Claycamp			
13	Gabriel Claycamp, individually	_		
14	Signed by:			
15 16	/s/ Heidi Kenyon			
17	Heidi Kenyon, individually			
18	SIGNED and ENTERED this 21st day of October, 2004			
19		Quideel Z, Steer	ews	
20		Michael E. Stevenson Securities Administrat	or	
21	Approved by:	Presented by:		
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23	Martin Cordell	Dobart Konduct		
24	Martin Cordell Chief of Enforcement	Robert Kondrat Financial Legal Exami	iner	
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