

1  
2  
3  
4  
5  
6  
7

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

IN THE MATTER OF DETERMINING ) Order No.: S-16-1979-16-CO01  
whether there has been a violation of the )  
Franchise Investment Protection Act of ) CONSENT ORDER  
Washington by: )  
Astral Health & Beauty, Inc. f/k/a Aloette )  
Cosmetics, Inc., )  
Respondent )

---

8 Pursuant to the Franchise Investment Protection Act of Washington, RCW 19.100, the Securities  
9 Division and Respondent Astral Health & Beauty, Inc. f/k/a Aloette Cosmetics, Inc. do hereby enter into  
10 this Consent Order in settlement of the matters alleged herein. Respondent Astral Health & Beauty, Inc.  
11 f/k/a Aloette Cosmetics, Inc. neither admits nor denies the Findings of Fact or Conclusions of Law as stated  
12 below.  
13

14 **FINDINGS OF FACT**

15 **Respondents**

16 1. Astral Health & Beauty, Inc. f/k/a Aloette Cosmetics, Inc. (“Astral Health”) is a  
17 Pennsylvania corporation formed on September 26, 1977 with its principal place of business in Atlanta,  
18 Georgia. Astral Health offers franchises that specialize in the marketing of aloe-vera based skin care  
19 products, makeup, fragrances, and cosmetic accessories under the trade name Aloette.  
20

21 **Unregistered Activity**

22 2. In 2010, Astral Health offered and sold a franchise opportunity to a Washington State  
23 resident (“Franchisee”). Astral Health and Franchisee entered into a franchise agreement with a term of five  
24 years. Astral Health and Franchisee had a prior franchise relationship that ended in 2008.  
25

3. Franchisee paid a royalty of five percent of gross sales to Astral Health.

1 4. Astral Health granted Franchisee the use of the Astral Health trademark and provided  
2 ongoing support and resources to Franchisee.

3 5. Astral Health provided Franchisee with access to Astral Health products, training manuals,  
4 marketing and promotional materials, order forms, special deals, monthly webinars, corporate events, and a  
5 website. This website allowed Franchisee's customers to order Astral Health products online.

6 **Registration Status**

7 6. Astral Health was not registered to sell franchises in Washington State when it sold a  
8 franchise to Franchisee in 2010. There was no notification of exemption on file with the state of  
9 Washington.

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

11 **CONCLUSIONS OF LAW**

12 1. The offer or sale of the franchise described above constitutes the offer or sale of a franchise  
13 as defined in RCW 19.100.010(6), RCW 19.100.010(12), and RCW 19.100.010(17).

14 2. The offer or sale of said franchise was in violation of RCW 19.100.020 because no  
15 registration for such offer or sale is on file with the Washington Securities Administrator.

16 **CONSENT ORDER**

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

18  
19 IT IS AGREED AND ORDERED that Respondent Astral Health & Beauty, Inc. f/k/a Aloette  
20 Cosmetics, Inc., and its agents and employees shall each cease and desist from offering or selling franchises  
21 in violation of RCW 19.100.020, the registration section of the Franchise Investment Protection Act of the  
22 state of Washington.  
23  
24  
25

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

IT IS FURTHER AGREED AND ORDERED that Respondent Astral Health & Beauty, Inc. f/k/a Aloette Cosmetics, Inc., shall be liable for and shall pay investigative costs of \$1,000 prior to the entry of this Consent Order.

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

IT IS FURTHER AGREED that Respondent Astral Health & Beauty, Inc. f/k/a Aloette Cosmetics, Inc., enters into this Consent Order freely and voluntarily and with a full understanding of its terms and significance.

IT IS FURTHER AGREED that in consideration of the foregoing, Respondent Astral Health & Beauty, Inc. f/k/a Aloette Cosmetics, Inc. waives its right to a hearing and to judicial review of this matter.

Signed this July day of 27<sup>th</sup>, 2016

Signed by:  
Astral Health & Beauty, Inc.

Approved as to form by:

By /s/  
Robert K. Cohen  
CEO

/s/  
Howard Bundy, Attorney for Respondent  
Bar No. 11762

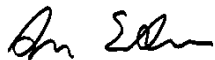
SIGNED and ENTERED this 9th day of August, 2016



---

William M. Beatty  
Securities Administrator

Approved by:



---

Suzanne Sarason  
Chief of Enforcement

Presented by:



---

Brian J. Guerard  
Financial Legal Examiner

Reviewed by:



---

Jack McClellan  
Financial Legal Examiner Supervisor