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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: Hair Loss Control Clinic
William C. Blatter aka Bill Blatter
Nancy Bellard
2970 Workman Avenue
West Covina, CA 91791
and
4 Avis Drive
Latham, NY 12110

DESIST AND REFRAIN ORDER
(For violations of section 31110 of the Corporations Code)

The California Corporations Commissioner finds that:

1. At all relevant times, Hair Loss Control Clinic (herein "Hair Loss") is or was a business entity of unknown formation with its principal place of business located at 4 Avis Drive in Latham New York, doing business over the internet and in California. Hair Loss did or does operate clinics specializing in hair loss programs. Hair Loss also sells technology, products and customer service support business opportunity franchises referred to by Hair Loss as "Franchise / Affiliate Partnership Programs" or "Turnkey Hair Loss Control Clinic" specifically for hair loss treatment. Hair Loss purports to have been established in 1987, and has or does operate at least twenty-five (25) franchises in California. Hair Loss also purports to operate at least twenty (20) other franchises worldwide.

2. At all relevant times, William C. Blatter aka Bill Blatter (herein "Blatter") and Nancy Bellard (herein "Bellard") are representatives of Hair Loss. Specifically, Blatter is or was the president of Hair Loss and represents to others that he is or was the "owner" of Hair Loss. Blatter did or does exercise management responsibility and control with regard to Hair Loss's operations, including the franchises offered by Hair Loss. Bellard is or was the vice president of sales and marketing of Hair Loss.

1 3. Beginning in at least 2006, Hair Loss, Blatter and Bellard marketed and sold Hair Loss
2 franchises to California residents. In purchasing a Hair Loss franchise for approximately \$41,000.00,
3 one would receive, and Hair Loss would provide at least the following regarding hair loss treatment:
4 (1) products; (2) equipment; (3) education; (4) customer service; (5) training regarding the use of all
5 products, methods and equipment; (6) right to use Hair Loss’s trademarks; (7) use of licensed
6 proprietary material; and (8) exclusive marketing or sales territory rights.

7 4. From 2006 to present, Hair Loss was not and is not registered with the Department of
8 Corporations as required under California Franchise Investment Law and was not exempted under
9 Corporations Code section 31100, *et seq.*

10 Based upon the foregoing findings, the California Corporations Commissioner finds that
11 Blatter, Bellard and Hair Loss sold franchises in California that were subject to registration under the
12 Franchise Investment Law without first being registered, in violation of Corporations Code section
13 31110.

14 Pursuant to section 31402 of the Corporations Code, Hair Loss Control Clinic, William C.
15 Blatter aka Bill Blatter, and Nancy Bellard are hereby ordered to desist and refrain from the further
16 offer or sale of Hair Loss Control Clinic franchises unless and until the offers have been duly
17 registered in California or unless exempt under the Franchise Investment Law.

18 The California Corporations Commissioner finds that this Order is necessary or appropriate in
19 the public interest or for the protection of investors and consistent with the purposes fairly intended
20 by the policy and provisions of this law.

21 Dated: November 13, 2007
22 Sacramento, California

23 PRESTON DuFAUCHARD
24 California Corporations Commissioner

25
26 By: _____
27 ALAN S. WEINGER
28 Lead Corporations Counsel
Enforcement Division