

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

TO: Automated Vending Technologies, Inc.
AVT, Inc.
AVT Vending, Inc.

2320 Whiteoak Lane
Corona, CA 92882
and
341 Bonnie Circle, Suite 102
Corona, CA 92882

**DESIST AND REFRAIN ORDER
(For violations of sections 25110 and 25401 of the California Corporations Code)**

The California Corporations Commissioner finds that:

1. Automated Vending Technologies, Inc. is also known as AVT, Inc. and AVT Vending, Inc. (“AVT”). According to the California Secretary of State, AVT is a Delaware corporation located at 2320 Whiteoak Lane, Corona, CA 92882 that surrendered its corporate license with the California Secretary of State. AVT’s current business address is 341 Bonnie Circle, Suite 102, Corona, California.

2. AVT sells vending machines and equips vending machines with televisions that can be used to for advertising. It raises capital by offering notes, warrants, stock and investment contracts to investors. The notes AVT offers promise interest rates of 10%-15% for the minimum investment of \$25,000. AVT permits its notes to be converted to stock and issues warrants in connection with its notes. AVT is listed for trading under the symbol AVTC and has 35 million shares outstanding. AVT represents to investors that its stock would be trading at between \$3.00 and \$3.50.

3. AVT uses telemarketing companies to make “cold calls” to potential investors from a list provided by AVT. The investors acquired from the telemarketing companies lack a pre-existing relationship with AVT’s officers or directors and do not have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of the investment.

1 4. The investments offered by AVT including notes, stock, warrants and investment
2 contracts constitute securities. These securities were required to be but were not qualified under
3 the California Corporate Securities Law.

4 5. After AVT acquired funds from investors they had difficulty obtaining a return on their
5 investment in the form of interest payments or their principal. AVT ceased making payments and
6 offered a variety of excuses or avoided contact with investors.

7 6. AVT did not disclose to investors that in June 2007, the Texas State Securities Board
8 issued a Cease & Desist Order to AVT for the offer of unregistered securities by unregistered sales
9 agents. AVT did not disclose to investors that on December 14, 2010, the Pennsylvania Securities
10 Commission issued a Cease & Desist Order to AVT based on its cold call solicitations.

11 7. AVT did not inform investors that AVT was not in good legal standing in California.

12 Based upon the foregoing findings, the California Corporations Commissioner is of the
13 opinion that the activities of Automated Vending Technologies, Inc. also known as AVT, Inc. and
14 AVT Vending, Inc. involve offers or sales of securities in California that are subject to qualification
15 under the California Corporate Securities Law, without such offers or sales first being qualified or
16 exempt, in violation of Corporations Code section 25110.

17 The California Corporations Commissioner is also of the opinion that such offers and sales
18 of securities in this state were made by means of written or oral communications which included an
19 untrue statement of a material fact or omitted to state a material fact necessary in order to make the
20 statements made, in the light of the circumstances under which they were made, not misleading, in
21 violation of Corporations Code section 25401.

22 Pursuant to section 25532 of the Corporations Code, Automated Vending Technologies, Inc.
23 also known as AVT, Inc. and AVT Vending, Inc. are hereby ordered to:

24 1. Desist and refrain from the further offer or sale of securities including, but not limited to
25 notes, stock, warrants and investment contracts until the offers and sales have been duly qualified
26 under the California Corporate Securities Law or unless exempt; and

27 2. Desist and refrain from offering or selling any security in the State of California by
28 means of any written or oral communication which includes an untrue statement of a material fact

1 or omits to state a material fact necessary in order to make the statements made, in the light of the
2 circumstances under which they were made, not misleading.

3 This Order is necessary, in the public interest, for the protection of investors and consistent with
4 the purposes, policies and provisions of the California Corporate Securities Law of 1968.

5 Dated: April 29, 2011
6 Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

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9 By _____
10 ALAN S. WEINGER
11 Deputy Commissioner
12 Enforcement Division
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