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

**TO:** Jeffrey Lenn Pickett, individually and  
doing business as Nutrition Marketing Company,  
Nutrition Marketing, Inc., Jeff Pickett Consulting,  
and Nutrition Marketing Limited  
901 Sunrise Avenue, Suite A16  
Roseville, California 95661

Jeffrey Lenn Pickett  
Deanna W. Pickett  
Brian R. Pickett  
1507 Edgewater Court  
Roseville, California 95678

Nutrition Marketing, Inc., a Nevada Corporation  
2533 N. Carson Street  
Carson City, Nevada 89706

Nutrition Marketing Limited  
13 St. Georges Street  
Douglas, Isle of Man IM11AJ

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

The California Corporations Commissioner finds that:

1. Jeffrey Lenn Pickett ("Pickett") is the owner and operator of a business called Nutrition Marketing Company which is located at 901 Sunrise Avenue, Suite A16 in Roseville, California 95661. Pickett's business card lists the company phone number as (916) 782-6450. A Yellow Pages listing for that number is maintained in the name "Jeff Pickett Consulting." Pickett has been doing business under the name "Nutrition Marketing Company" since at least 1991.

1 2. Nutrition Marketing, Inc. is a Nevada corporation filed July 30, 1997. Its registered  
2 office address is 2533 N. Carson Street, Carson City, Nevada 89706. According to records  
3 of the Nevada Secretary of State, Pickett is the president of Nutrition Marketing, Inc.  
4 Deanna W. Pickett is the company secretary and Brian R. Pickett is the company treasurer.  
5 The address of record of all three officers is 1507 Edgewater Court, Roseville, California  
6 95678.

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8 3. Pickett claims to have formed an offshore company on the Isle of Man called Nutrition  
9 Marketing Limited and claims that it conducts business at 13 St. Georges Street, Douglas,  
10 Isle of Man IM11AJ. Hereafter Nutrition Marketing Company, Nutrition Marketing, Inc. and  
11 Nutrition Marketing Limited are referred to collectively as "Nutrition Marketing."  
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13 4. During a period of time extending from at least mid-2001 to the present, Pickett has  
14 been attempting to attract potential investors in Nutrition Marketing by methods which have  
15 included ads placed in the Wall Street Journal.

16  
17 5. In August of 2001, Pickett placed an ad in the Wall Street Journal seeking an  
18 investment in the amount of \$1.5 million. When persons responded to the ad, Pickett  
19 provided them solicitation materials setting forth a series of false representations concerning  
20 Pickett, his business activities, and the investment he was offering.  
21

22 6. Pickett represented to potential investors that he is a business consultant in the  
23 natural foods industry with many years of experience and success in helping manufacturing  
24 companies to develop and market food products. He claimed that his crowning  
25 achievement occurred in the year 2000, when he developed the InterWellness High Protein  
26 Drink, which he claims is the healthiest and best tasting high protein food ever made.  
27 Pickett claimed that in the late 1990's he met a powerful, influential retired oil tycoon named  
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1 Sam White who was so impressed with Pickett that he joined forces with Pickett to launch  
2 the high protein drink onto the international trade scene.

3  
4 7. Pickett claimed that with the help of Sam White he succeeded in arranging “high-level  
5 discussions” with a man named Ali Muhan who he claimed is “the heir to a \$25 Billion oil  
6 tycoon’s fortune in Iran” with business connections throughout the Middle East. Pickett  
7 claimed that on March 7, 2000 Ali Muhan entered into an agreement to pay \$50 million for  
8 the exclusive rights to distribute the high protein drink in the Middle East.

9  
10 8. Pickett claimed that he and Sam White next engaged in a “successful bid to forge a  
11 partnership with the largest food conglomerate in the world – Nestle of Switzerland.” Pickett  
12 claimed that Nestle sensed “a golden opportunity for them to establish a major distribution  
13 foothold in the Middle East” and therefore agreed to provide Pickett and Sam White with a  
14 1-year corporate bond, serial number 102593C, in the amount of \$150 million, bearing  
15 interest at the rate of 5%, in exchange for their services in expanding Nestle’s distribution  
16 network in the Middle East. Pickett claimed that the agreement with Nestle was reached in  
17 a meeting that took place in Los Angeles on February 1, 2001 among Pickett, Sam White  
18 and Rainer Gut, the chairman of Nestle, who had flown to Los Angeles on that date “for the  
19 sole purpose of meeting with [them] to work out some kind of deal.”

20  
21 9. Pickett claimed further that he next formed “an offshore corporation, for business and  
22 tax purposes” in the name Nutrition Marketing, Ltd., on the Isle of Man. He claimed that he  
23 “determined that Scotland was the best emerging tax haven in Europe” and therefore  
24 decided that all of the banking for Nutrition Marketing, Ltd. would be transacted through the  
25 Bank of Scotland.

26  
27 10. To investors who responded to the Wall Street Journal ad of late 2001, Pickett  
28 claimed that Nestle issued the \$150 million bond to Nutrition Marketing Limited on July 20,

1 2001, with a maturity date of July 20, 2002. Picket represented further that the Bank of  
2 Scotland held the bond in its "custodial account vault" and that it agreed to extend a \$100  
3 million line of credit to Nutrition Marketing, Ltd. to be used to purchase raw materials and  
4 equipment necessary to produce the protein drink at a production facility in Edinburgh,  
5 Scotland. Pickett represented that the \$1.5 million investment he was seeking would be  
6 used as working capital and would be fully secured by the \$150 million bond. Pickett  
7 promised 15% of the common stock of Nutrition Marketing, Inc. and Nutrition Marketing, Ltd.  
8 to the investor who agreed to provide the \$1.5 million he was seeking. Pickett promised  
9 further that if the international food business was not operational by the target date of April  
10 1, 2002, the investor would be paid 15%, or \$22.5 million, from the cash proceeds of the  
11 bond when it matured and was converted to cash on July 20, 2002, plus 15% of the accrued  
12 interest.

13  
14 11. Pickett succeeded in obtaining at least \$750,000 in investment funds by means of  
15 these actions and representations.

16  
17 12. More recently, in May of 2002, Pickett has placed a different ad in the Wall Street  
18 Journal, seeking an investment in the amount of \$5,000,000. To persons responding to the  
19 ad of May, 2002, Pickett has claimed that Nestle issued the \$150 million bond, serial  
20 number 102593C, to Nutrition Marketing Limited on March 1, 2002 pursuant to an  
21 agreement reached with Chairman Rainer Gut in Los Angeles on February 1, 2002. Pickett  
22 has claimed that the bond is due and payable on March 1, 2003. Pickett has represented  
23 that an investor who contributes \$5 million in working capital will receive 33.3% of the  
24 common stock of Nutrition Marketing Ltd. (U.K.) and 33.3% of the common stock of Nutrition  
25 Marketing, Inc. Pickett has represented further that in the event that the international food  
26 business is not operational by the target date of October 1, 2002, the investor will  
27 nevertheless receive 33.3%, or \$50 million, from the cash proceeds of the Nestle bond  
28

1 when it matures and is converted to cash on March 1, 2003, plus 33.3% of the accrued  
2 interest.

3  
4 13. As purported substantiation of the representations he is making about Sam White to  
5 induce investments, Pickett has provided potential investors an alleged report, dated June  
6 6, 2001, of a background check that was carried out by a Los Angeles investigative agency  
7 at Pickett's request. The report Pickett has provided to potential investors culminates with  
8 the conclusion that "Sam White is, in fact, an oil tycoon and a billionaire and one of the  
9 leading industrialists of the world."

10  
11 14. In fact, Pickett did request a Los Angeles investigative agency to carry out a  
12 background check of a man named Sam White allegedly residing in Los Angeles, and the  
13 agency did conduct such an investigation and did prepare a two-page report dated June 4,  
14 2001. That report did not conclude, however, that Sam White is an oil tycoon and a  
15 billionaire but rather observed that:

16  
17 This subject does not own any real property, does not own the property where he  
18 reportedly resides, and has a name that makes tracing his information hazy at  
19 best.... There are serious red flags involved with this subject and further scrutiny  
20 may be advised for clarification purposes once positive identifiers are in place.

21  
22 15. The Nestle Corporation has not issued a bond to Pickett in the amount of \$150  
23 million.

24  
25 16. The Bank of Scotland has not extended a \$100 million line of credit to Pickett.

26  
27 17. The Department of Corporations has not issued any permit, license or other form of  
28 authorization, approval or qualification to allow any person to offer and sell stock of Nutrition

1 Marketing, including Nutrition Marketing Company, Nutrition Marketing Inc., and/or Nutrition  
2 Marketing, Ltd.

3  
4 Based upon the foregoing findings, the California Corporations Commissioner is of  
5 the opinion that the common stock of Nutrition Marketing Inc. and Nutrition Marketing  
6 Limited constitute securities which are subject to qualification under the California Corporate  
7 Securities Law of 1968 and that these securities have been and are being offered and sold  
8 without being qualified.

9  
10 The California Corporations Commissioner is of the further opinion that the securities  
11 of Nutrition Marketing, Inc. and Nutrition Marketing Limited have been and are being offered  
12 in this state by means of written and oral communications which include untrue statements  
13 of material fact, in violation of section 25401 of the California Corporate Securities Law of  
14 1968.

15  
16 Pursuant to Corporations Code section 25532, Jeffrey Lenn Pickett, Deanna W.  
17 Pickett, Brian R. Pickett, Nutrition Marketing, Inc. and Nutrition Marketing Limited are hereby  
18 ordered to desist and refrain from the further offer or sale in the State of California of  
19 common stock of Nutrition Marketing, Inc. and/or Nutrition Marketing Limited unless and  
20 until qualification has been made under the California Securities Law or until evidence is  
21 offered pursuant to Corporations Code section 25163 to establish that the offer or sale of  
22 such memberships is exempt from the qualification requirement.

23  
24 Pursuant to Corporations Code section 25532, Jeffrey Lenn Pickett, Deanna W.  
25 Pickett, Brian R. Pickett, Nutrition Marketing, Inc. and Nutrition Marketing Limited are hereby  
26 further ordered to desist and refrain from the further offer or sale in the State of California of  
27 common stock of Nutrition Marketing, Inc. and/or Nutrition Marketing Limited by means of  
28 any written or oral communication which includes an untrue statement of a material fact.

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

Dated: August 21, 2002  
Sacramento, California

DEMETRIOS A. BOUTRIS  
California Corporations Commissioner

By \_\_\_\_\_  
VIRGINIA JO DUNLAP  
Supervising Counsel  
Enforcement and Legal Services Division