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**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 the State
of Washington by:

Success Concepts Enterprises, Inc. dba Success
POS; David B. Tarr; World Business Consultants,
Inc.; Christopher W. Jones; their agents and
employees;

Respondents.

S-02-350-03-FO01

ENTRY OF FINDINGS OF FACT AND
CONCLUSIONS OF LAW AND FINAL ORDER
TO CEASE AND DESIST AND IMPOSING FINE
AS TO SUCCESS CONCEPTS ENTERPRISES,
INC. DBA SUCCESS POS, DAVID B. TARR,
AND WORLD BUSINESS CONSULTANTS,
INC.

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THE STATE OF WASHINGTON TO: Success Concepts Enterprises, Inc.
dba Success POS
1280 SW 36th Ave Ste, 303
Pompano Beach, Florida 33069

David B. Tarr

World Business Consultants, Inc.
1250 Hallandale Beach Boulevard, Ste 505
Hallandale, Florida 33009

INTRODUCTION

On August 26, 2003, the Securities Administrator of the State of Washington issued Statement of Charges and Notice of Intent to Enter Summary Order to Cease and Desist and Intent to Impose Fines number S-02-350-03-SC01 hereinafter referred to as the Statement of Charges.

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INC

1 The Statement of Charges, together with a Notice of Opportunity to Defend and Opportunity for
2 Hearing, hereinafter referred to as "Notice of Opportunity for Hearing" and an Application for Adjudicative
3 Hearing, hereinafter referred to as "Application for Hearing", were served on Success Concepts Enterprises,
4 Inc. dba Success POS and David B. Tarr on September 23, 2003. The Notice of Opportunity for Hearing
5 advised Success Concepts Enterprises, Inc. dba Success POS and David B. Tarr that a written application for an
6 administrative hearing on the Statement of Charges must be received within twenty days from the date of
7 receipt of the notice. Success Concepts Enterprises, Inc. dba Success POS and David B. Tarr failed to request
8 an administrative hearing within twenty days of receipt of the Statement of Charges and Notice of Opportunity
9 for Hearing, either on the Application for Hearing provided or otherwise.

10 The Statement of Charges, together with a Notice of Opportunity for Hearing and an Application for
11 Hearing, were served on World Business Consultants, Inc. on September 2, 2003. The Notice of Opportunity
12 for Hearing advised World Business Consultants, Inc. that a written application for an administrative hearing
13 on the Statement of Charges must be received within twenty days from the date of receipt of the notice. World
14 Business Consultants, Inc. failed to request an administrative hearing within twenty days of receipt of the
15 Statement of Charges and Notice of Opportunity for Hearing, either on the Application for Hearing provided or
16 otherwise.

17 The Statement of Charges, together with a Notice of Opportunity for Hearing and an Application for
18 Hearing, were served on Christopher W. Jones on September 8, 2003. The Notice of Opportunity for Hearing
19 advised Christopher W. Jones that a written application for an administrative hearing on the Statement of
20 Charges must be received within twenty days from the date of receipt of the notice. Christopher W. Jones
21 submitted a written application for a hearing in a timely manner on September 22, 2003.

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1 The Securities Administrator therefore will adopt below as final the findings of fact and conclusions of
2 law as to Respondents Success Concepts, Inc. dba Success POS, David B. Tarr, and World Business
3 Consultants, Inc., as set forth in the Statement of Charges.

4
5 The Securities Administrator makes the following findings of fact and conclusions of law:

6 **FINDINGS OF FACT**

7
8 **PARTIES**

9 **I.**

10 Success Concept Enterprises, Inc (“Success POS”) is a Florida Corporation with its principal place
11 of business at 1280 SW 35th Ave. Suite 303, Pompano Beach, Florida 33069. Success Concepts Enterprises,
12 Inc. does business as Success POS.

13
14 **II.**

15 David B. Tarr (“Tarr”) is the Chief Executive Office of Success Concepts Enterprises, Inc. Tarr is a
16 resident of Florida.

17
18 **III.**

19 World Business Consultants, Inc. (“WBCI”) is a Florida corporation and was a sales office for
20 Success POS at all times relevant to this matter. WBCI’s sole client was Success POS.

21
22 **IV.**

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1 Christopher W. Jones (“Jones”) was a salesperson for WBCI at all times relevant to this matter. Jones is a
2 resident of Tamarac, Florida.

3 NATURE OF THE OFFERING

4 V.

5 1. On March 14, 2002, Success POS filed a Business Opportunity Application (“Application”)
6 with the Securities Division. In the Disclosure Document provided with the Application, Success POS
7 describes its business opportunity as the ability to participate in the electronic point of sale market. Success
8 POS states that the purchaser will operate the business and use purchased items as the purchaser sees fit;
9 Success POS will not interfere in the day-to-day operation of the business. The Application does not
10 mention locating or management services. The contract attached to the Application briefly mentions a
11 Management Services Agreement, but Success POS makes no attempt to describe this agreement and the
12 agreement itself was not included as part of the Application.
13

14 2. In April 2002, a Washington resident began receiving unsolicited telephone calls from
15 various representatives of Success POS who were employed by WBCI. These representatives stated that
16 they were offering a Business Opportunity, whereby the purchaser would purchase point of sale terminals
17 (“POS terminals”). They represented that they were registered under the Business Opportunity Fraud Act,
18 RCW 19.110, to sell Business Opportunities in the State of Washington. On April 5, 2002, an employee of
19 WBCI faxed a copy of the Success POS disclosure document to the Washington resident. The Washington
20 resident declined to purchase the Business Opportunity at that time.
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1 3. On May 6, 2002, the Securities Division approved the Application for Success POS and
2 issued Registration number 70012101. This registration was valid from May 6, 2002 until May 6, 2003.

3 4. In September 2002, the same Washington resident began receiving unsolicited electronic
4 mail messages from Jones regarding a potential investment opportunity. Jones stated that he worked for
5 WBCI, a consulting firm that provided telemarketing services for Success POS. Jones stated that Tarr was
6 the president of Success POS.

7 5. The electronic mail messages stated that the investment opportunity was paying monthly
8 returns of 3% to 6%. The Washington resident called the telephone number that had been provided.

9 6. On September 13, 2002, a second Washington resident contacted Jones. This Washington
10 resident was told that the investment opportunity involved the purchase of point of sale terminals (“POS
11 terminals”). A purchaser was required to purchase at least five POS terminals, which would equal a unit.
12 Each unit would cost \$12,500. Jones represented that the Washington resident could purchase five units for
13 a discounted price of \$50,000.

14 7. Jones stated that the investment opportunity was completely passive for the purchaser. Jones
15 stated that Success POS handled placing the POS terminals at profitable locations, the bookkeeping and
16 accounting services for the purchaser, and setting up the account for the owner of the location. Success POS
17 even guaranteed that they would buy back each POS terminal at the end of a three year commitment. Jones
18 stated that once the purchase had been made, the purchaser could just collect the profits from Success POS.
19 Success POS handled every other aspect of the investment.
20

1 8. Jones claimed that each machine would produce a monthly income of \$80, so for five units,
2 25 POS terminals, a purchaser would earn \$2000 per month, or \$24,000 per year. Jones stated that the
3 poorest performing machine would generate \$1250 per month and that he was not aware of any machine
4 generating less than \$1000 per month.

5 **MISREPRESENTATIONS AND OMISSIONS**

6 **VI.**

7
8 9. Success POS, Tarr, WBCI and Jones failed to disclose that the Commonwealth of
9 Pennsylvania issued a Summary Order to Cease and Desist on July 1, 2002. This document determined that
10 the program offered by Success POS was a security under the Pennsylvania Securities Act of 1972 and
11 ordered Success Concepts Enterprises, Inc., dba Success POS to cease and desist from violating the
12 Pennsylvania Securities Act.

13 10. Success POS, Tarr, WBCI and Jones failed to provide the potential purchaser with the data on
14 which the earnings claims were based.

15 **REGISTRATION STATUS**

16 **VII.**

17 Success Concepts Enterprises, Inc. dba Success POS was not registered to sell its securities in the
18 state of Washington at the time of the offer and had not previously been so registered.

19 **VIII.**

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21
22 **ENTRY OF FINDINGS OF FACT AND**
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1 World Business Consultants, Inc. was not registered as a broker-dealer in the state of Washington at
2 the time of the offer and has not previously been so registered.

3 IX.

4 David B. Tarr was not registered as a securities salesperson or broker-dealer in the state of
5 Washington at the time of the offer and has not previously been so registered.

6 X.

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8 Christopher W. Jones was not registered as a securities salesperson or broker-dealer in the state of
9 Washington at the time of the offer and has not previously been so registered.

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11
12 Based upon the above Findings of Fact, the following Conclusions of Law are made:

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14 **CONCLUSIONS OF LAW**

15 I.

16 The offer or sale of the passive investment program as described above constitutes the offer or sale
17 of a security as defined in RCW 21.20.005(10) and (12), to wit: an investment contract.

18 II.

19 The offer or sale of said securities is in violation of RCW 21.20.140 because no registration for such
20 offer or sale is on file with the Securities Administrator.

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III.

World Business Concepts, Inc. has violated RCW 21.20.040 by offering or selling said securities while not registered as a broker-dealer in the state of Washington.

IV.

David Tarr has violated RCW 21.20.040 by offering or selling said securities while not registered as a securities salesperson or broker-dealer in the state of Washington.

V.

Christopher W. Jones has violated RCW 21.20.040 by offering or selling said securities while not registered as a securities salesperson or broker-dealer in the state of Washington.

VI.

The offer or sale of said securities was made in violation of RCW 21.20.010 because Respondents failed to provide full disclosure of material information. Failure to disclose this information made the facts disclosed misleading.

FINAL ORDER

It is hereby ORDERED that the Respondent, Success Concepts Enterprises, Inc. dba Success POS cease and desist from offering and/or selling securities in any manner in violation of RCW 21.20.140, the section of the Securities Act of Washington requiring registration.

1 It is further ORDERED that Success Concepts Enterprises, Inc. dba Success POS, David B. Tarr,
2 and World Business Consultants, Inc., their agents, and employees each cease and desist from
3 violation of RCW 21.20.010, the anti-fraud section of the Securities Act.

4 It is further ORDERED that David B. Tarr, and World Business Consultants, Inc., their agents,
5 and employees each cease and desist from violation of RCW 21.20.040, the broker-dealer and
6 securities salesperson registration section of the Securities Act.

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8 **IMPOSITION OF A FINE**

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10 As described in the foregoing Findings of Fact and Conclusions of Law, based upon the offer and
11 sale of unregistered securities by Success Concepts Enterprises, Inc. dba Success POS, based upon the
12 failure to register as a securities broker-dealer or securities salesperson by David B. Tarr, and World
13 Business Consultants, Inc., and based upon the material misrepresentations and omissions made by
14 Success Concepts Enterprises, Inc. dba Success POS, David B. Tarr, and World Business Consultants,
15 Inc. in connection with the offer and sale of those securities, the Securities Administrator finds that there
16 have been knowing or reckless violations of the Securities Act of Washington that justify the imposition
17 of a fine pursuant to RCW 21.20.395. Therefore, the Securities Administrator hereby orders that
18 Respondents, Success Concepts Enterprises, Inc. dba Success POS, David B. Tarr, and World Business
19 Consultants, Inc., shall jointly and severally pay a fine in the amount of Five Thousand Dollars (\$5,000).
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1 This Order is entered pursuant to RCW 21.20.390 and RCW 21.20.395 and is subject to the
2 provisions of RCW 21.20.440 and ch. 34.05 RCW.

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4 WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

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6 DATED this 21 day of October, 2003.

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10 DEBORAH R. BORTNER
11 Securities Administrator

12 Presented by:

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14 Susan H. Anderson
15 Financial Legal Examiner

16 Approved by:

17 

18 Michael E. Stevenson
19 Chief of Enforcement

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DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
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