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

IN THE MATTER OF DETERMINING
whether there has been a violation
of the Franchise Investment Protection Act of
Washington by:

Mark Hopkins and Paulina Hopkins dba
All American Decal Guy;
All American Decal Guy, LLC;
Mark Hopkins; Paulina Hopkins,

Respondents.

Order Number S-06-103-06-SC01

**STATEMENT OF CHARGES AND NOTICE
OF INTENT TO ISSUE AN ORDER TO
CEASE AND DESIST**

THE STATE OF WASHINGTON TO:

Mark Hopkins and Paulina Hopkins dba
All American Decal Guy
All American Decal Guy, LLC
Mark Hopkins
Paulina Hopkins

STATEMENT OF CHARGES

Please take notice that the Securities Administrator of the State of Washington has reason to believe that Respondents, All American Decal Guy, LLC; Mark Hopkins and Paulina Hopkins dba All American Decal Guy; Mark Hopkins; and Paulina Hopkins, have violated the Franchise Investment Protection Act of Washington, RCW 19.100, and that their violations justify the entry of an order by the Securities Administrator under RCW 19.100.238 to cease and desist from such violations. The Securities Administrator finds as follows:

STATEMENT OF CHARGES AND NOTICE OF
INTENT TO ISSUE AN ORDER TO CEASE AND
DESIST

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DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 9033
Olympia, WA 98507-9033
360-902-8760

1 **TENTATIVE FINDINGS OF FACT**

2 Respondents

3 1. All American Decal Guy, LLC (“All American Decal Guy”), a Washington limited liability
4 company, was established on May 10, 2006. All American Decal Guy is currently doing business at
5 17024 Pacific Avenue South, Spanaway, Washington.

6 2. Prior to forming as a limited liability company, Mark Hopkins and Paulina Hopkins dba All
7 American Decal Guy (“All American Decal Guy”) operated as a sole proprietorship at 17024 Pacific
8 Avenue South, Spanaway, Washington.

9 3. Mark Hopkins is a resident of Yelm, Washington and is the co-owner of All American Decal
10 Guy.

11 4. Paulina Hopkins is the wife of Mark Hopkins and is also a resident of Yelm, Washington.
12 Paulina Hopkins is the co-owner of All American Decal Guy and the registered agent of All American
13 Decal Guy, LLC.

14 Nature of Offering

15 5. All American Decal Guy is the seller of a franchise opportunity to own and operate a decal
16 service, called All American Decal Guy. The franchisees create, apply, and sell decals based on
17 custom orders using equipment and designs provided by All American Decal Guy.

18 6. In the fall of 2004, a Washington resident met Mark Hopkins in Spokane, Washington where
19 Mark Hopkins was demonstrating the decal process on behalf of All American Decal Guy. The
20 resident inquired about the franchise. Mark Hopkins told the resident the franchise entailed the
21 creation and production of decals, including banners, signs, and other graphics and also told the
22

1 resident he could easily earn \$5,000 to \$6,000 monthly if he owned an All American Decal Guy
2 franchise.

3 7. On March 15, 2005, the Washington resident entered into a contract with All American Decal
4 Guy to purchase the All American Decal Guy franchise for \$17,700. The resident was required to pay
5 a \$2,065.60 cash down payment to All American Decal Guy. That same day the resident signed a
6 promissory note for the outstanding balance of \$15,655 and agreed to pay fifteen monthly installments
7 of \$5,000 to All American Decal Guy until the note was paid in full.

8 8. The resident was allowed to use the All American Decal Guy trade name. According to the
9 purchase agreement, "Buyer shall have the right and license to operate and conduct business for the
10 making, designing and selling of graphic decals under the name 'A All American Decal Guy'".

11 9. The resident also received a marketing plan and training. According to the purchase
12 agreement, purchasers receive: computer software programs, a master list of decal images, and training
13 in "Custom Decal Graphic design". The resident also received training related to the computer
14 programs and the decal equipment. In addition, the resident was told by Mark Hopkins that he could
15 purchase advertising signs from All American Decal Guy to advertise and promote his franchise.

16 10. On April 3, 2006, one year after purchasing the franchise, the resident was approached by
17 Mark Hopkins with a request to sign a royalty agreement which specified he would pay 5% of his
18 gross monthly sales from the franchise to All American Decal Guy. There was no royalty provision in
19 the original contract. The resident refused to sign the agreement. On April 11, 2006 Mark Hopkins
20 went to the franchisee's residence and removed all computer and decal equipment. Mark Hopkins
21 specified that the equipment would be returned upon payment in full of the promissory note. As of the
22 date of this Statement of Charges, the equipment has not been returned to the resident.

1 11. In connection with the offer of the franchise opportunity, Respondents failed to provide the
2 Washington resident with material information regarding the purchase of an All American Decal Guy
3 franchise. The material information not provided includes, but is not limited to, a Uniform Franchise
4 Offering Circular (“UFOC”) with financial statements of All American Decal Guy, including financial
5 statements related to the projected earnings for franchisees; information regarding royalty payment
6 requirements; and information regarding the franchisor’s right to repossess equipment.

7
8 Registration Status

9 12. Mark Hopkins and Paulina Hopkins dba All American Decal Guy are not currently and have not
10 previously been registered to offer or sell franchises in the state of Washington.

11 13. All American Decal Guy, LLC is not currently and has not previously been registered to offer or
12 sell franchises in the state of Washington.

13
14 Based upon the above Findings of Fact, the following Conclusions of Law are made:

15
16 **CONCLUSIONS OF LAW**

17 1. The offer and/or sale of the opportunity described above constitute the offer and/or sale of a
18 franchise as defined in RCW 19.100.010(4) and RCW 19.100.010(16).

19 2. The offer and/or sale of said franchise was in violation of RCW 19.100.020, the registration
20 requirement provision of the Franchise Investment Protection Act, because no registration for offers
21 and/or sales is on file with the Securities Administrator.

22 3. The offer and/or sale of said franchise was in violation of RCW 19.100.080, the disclosure
23 document provision of the Franchise Investment Protection Act, because the Respondents did not

1 provide the Washington resident with a UFOC that contained material information about the franchise
2 opportunity including, but not limited to, a financial statement of the seller.

3 4. The offer and/or sale of said franchise was in violation of RCW 19.100.170 because
4 Respondents made untrue statements of material fact or omitted to state material facts necessary in
5 order to make the statements made, in light of the circumstances under which they were made, not
6 misleading.

7
8 **NOTICE OF INTENT TO ISSUE AN ORDER TO CEASE AND DESIST**

9 Based upon the above Tentative Findings of Fact and Conclusions of Law, the Securities
10 Administrator intends to Order that Respondents, All American Decal Guy, LLC; Mark Hopkins and
11 Paulina Hopkins dba All American Decal Guy; Mark Hopkins; and Paulina Hopkins, and their agents and
12 employees, shall each permanently cease and desist from violations of RCW 19.100.020.

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14 **AUTHORITY AND PROCEDURE**

15 This STATEMENT OF CHARGES AND NOTICE OF INTENT TO ISSUE AN ORDER TO
16 CEASE AND DESIST is entered pursuant to the provisions of RCW 19.100.248, and is subject to the
17 provisions of ch. 34.05 RCW. Each of the Respondents may make a written request for hearing as set forth
18 in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING
19 accompanying this order.

20 If a Respondent does not request a hearing, the Securities Administrator intends to adopt the above
21 Tentative Findings of Fact and Conclusions of Law as final and enter a permanent cease and desist order
22 against that Respondent.

1 Dated and Entered this 11th day of December 2006.

2 By:

3 

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MICHAEL E. STEVENSON
Securities Administrator

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6 Approved by:

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Suzanne Sarason
Chief of Compliance and Examinations

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Presented by:



Angela R. Vogel
Enforcement Attorney