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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:

United Business Solutions, Inc. dba
UBS Group, Inc.; Johnathan Ahlf,

Respondents.

Order Number S-07-244-08-SC02

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

8 THE STATE OF WASHINGTON TO:

United Business Solutions, Inc. dba UBS Group, Inc.
Johnathan Ahlf

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INTRODUCTION

12 On October 8, 2007, the Securities Administrator of the State of Washington issued a Statement of
13 Charges and Notice of Intent to Issue an Order to Cease and Desist, order number S-07-244-07-SC01,
14 against Respondents United Business Solutions, Inc. dba UBS Group, Inc. and Johnathan Ahlf. After entry
15 of that order, the Securities Administrator received information that requires amendment of the prior order.
16 The Statement of Charges has been amended to include an additional purchaser of the UBS Group, Inc.
17 opportunity, which is set forth in paragraphs 11 through 15. In addition, paragraph 2 has been modified to
18 reflect that Ahlf is believed to be the CEO and/or President of UBS Group, Inc. The Securities
19 Administrator now proceeds to amend the prior order by making additional Tentative Findings of Fact and
20 Conclusions of Law, as set forth below.

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AMENDED STATEMENT OF CHARGES

23 Please take notice that the Securities Administrator of the State of Washington has reason to believe
24 that Respondents, United Business Solutions, Inc. dba UBS Group, Inc. and Johnathan Ahlf have each

**AMENDED 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
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1 violated the Franchise Investment Protection Act of Washington, RCW 19.100, and that their violations
2 justify the entry of an order of the Securities Administrator under RCW 19.100.248 to cease and desist from
3 such violations. The Securities Administrator finds as follows:

4 **TENTATIVE FINDINGS OF FACT**

5 Respondents

6 1. United Business Solutions, Inc. dba UBS Group, Inc. (“UBS Group”) is an Iowa corporation with
7 its principal place of business at 119 Sycamore Street, Third Floor, Muscatine, Iowa. UBS Group was
8 incorporated on June 17, 2004.

9 2. Johnathan Ahlf (“Ahlf”) is the founder of UBS Group and is believed to be the CEO and/or
10 President. Ahlf is a resident of Iowa.

11 Nature of the Offering

12 3. UBS Group is the seller of an opportunity to operate a consulting business to recover overpaid
13 income taxes and provide related business services to business owners.

14 4. Purchasers of the opportunity meet with potential clients to market and offer tax recovery and
15 related business services. If potential clients agreed to the service, the purchaser would secure copies
16 of income tax filings and/or complete any necessary forms to be delivered to UBS Group. UBS Group
17 employed the professionals that would review clients’ documents to determine if overpaid taxes or
18 expenses could be refunded. If no refund was found then no fee would be charged to the client.

19 5. UBS Group offers three different business models for purchase. Purchasers pay either a \$4,500
20 or \$5,000 fee to form a Junior Licensed Consultancy, a \$9,500 fee to form an Executive Licensed
21 Consultancy and a \$29,000 fee to form an Independent Sales Organization.

1 6. Purchasers of the opportunity receive a turnkey business which, depending on the model
2 purchased, may include: personal training, support mentorship, brochures, client presentation
3 packages, a comprehensive training manual, an initial set of business cards, and appointments
4 scheduled by a telemarketing service. Available for an additional price are letterhead and
5 administrative support.

6 7. According to the UBS Group Service License Agreement, purchasers of the opportunity have
7 the use of the UBS Group name.

8 8. According to the UBS Group Service License Agreement, purchasers of the opportunity
9 receive a percentage of the fees earned from clients. Purchasers who form a Junior Licensed
10 Consultancy receive 25% of earned fees. Purchasers who form an Executive Licensed Consultancy or
11 an Independent Sales Organization receive 50% of earned fees.

12 9. According to the UBS Group Service License Agreement, a yearly renewal fee of \$495 is
13 required.

14 10. UBS Group offered and/or sold its opportunity to Washington residents via email solicitations
15 and through the offer of an associated franchise. Additionally, UBS Group offered and/or sold its
16 opportunity through the UBS Group website maintained at (www.ubsgrp.com).

17 *Resident A*

18 11. On or about December 2005, a Washington resident, "Resident A," saw an advertisement in a
19 newspaper for a certain franchise opportunity. Resident A contacted this franchise and received
20 materials regarding the opportunity. It was represented to Resident A that as an additional bonus offer
21 of this franchise opportunity he could become a consultant of an associated company, UBS Group, for
22

1 free. Subsequently, Resident A became interested in purchasing an opportunity solely from UBS
2 Group.

3 12. On or about January 2006, Resident A contacted UBS Group via telephone to indicate his
4 interest in purchasing a franchise opportunity. Resident A spoke with Ahlf, who explained the UBS
5 Group business models to him. Ahlf told Resident A he would include a bonus of three months of
6 appointments scheduled by a telemarketing service.

7 13. According to the Executive Licensed Consultancy Partner Proposal, received by Resident A,
8 Ahlf is represented as the “CEO/ Founder” of “United Business Solutions, Inc.” In addition, in several
9 marketing materials received by Resident A, Ahlf is represented as the “President” of the company.

10 14. On or about January 29, 2006, Resident A signed a UBS Group Service License Agreement
11 and forwarded it to UBS Group, forming an Executive Licensed Consultancy for a fee of \$9,500. He
12 never received a signed agreement back from UBS Group.

13 15. On or about February 9, 2006, Resident A traveled to Iowa for two days of training by UBS
14 Group. In Iowa, Resident A received training by Ahlf and other individuals.

15 *Resident B*

16 16. On or about January 2006, a Washington resident, “Resident B,” began searching the internet
17 for franchise opportunities. Resident B joined an email list through a franchise website and as a result
18 began receiving emails for franchises and business opportunities, including emails from UBS Group.
19 In July 2006, Resident B contacted UBS Group via telephone to indicate his interest in purchasing a
20 franchise opportunity. Resident B spoke with Ahlf.

1 17. Ahlf told Resident B that purchasers could make two to four transactions a week with clients,
2 earning \$2,000 per transaction. Ahlf represented to Resident B that this opportunity had an income
3 potential of \$200,000 a year.

4 18. Prior to purchasing a franchise from UBS Group, Resident B asked Ahlf if UBS Group was
5 registered to sell franchises in Washington State. Ahlf assured Resident B that UBS Group was
6 registered.

7 19. On or about August 2007, Resident B signed a UBS Group Service License Agreement and
8 forwarded it to UBS Group, forming an Executive Licensed Consultancy for a fee of \$9,500. He never
9 received a signed agreement back from UBS Group.

10 Misrepresentations and Omissions

11 20. The Respondents failed to provide the residents with a Uniform Franchise Offering Circular
12 prior to the purchase.

13 21. Respondent Ahlf failed to provide a reasonable basis upon which the projections of earnings
14 were made to Resident B.

15 22. Respondent Ahlf misrepresented to Resident B that UBS Group was registered to sell franchises
16 in Washington State.

17 Registration Status

18 23. UBS Group is not currently registered to sell franchises in the state of Washington and has not
19 previously been so registered.

20
21 Based upon the above Tentative Findings of Fact, the following Conclusions of Law are made:

22 **CONCLUSIONS OF LAW**

1 24. The offer or sale of the opportunities described above constitutes the offer or sale of a franchise
2 as defined in RCW 19.100.010(4) and RCW 19.100.010(16).

3 25. The offer or sale of said franchises was in violation of RCW 19.100.020 because no registration
4 for such offer or sale is on file with the Securities Administrator.

5 26. The offer or sale of said franchises was in violation of RCW 19.100.170, the anti-fraud provision
6 of the Franchise Investment Protection Act, because Respondent Ahlf represented that UBS Group was
7 registered to sell franchises in the State of Washington. Additionally, Respondent Ahlf did not provide
8 a reasonable basis upon which projections for earnings were based.

9 27. The offer or sale of said franchises was made in violation of RCW 19.100.080, the disclosure
10 document requirement provision of the Franchise Investment Protection Act, because Respondents did
11 not provide the Washington residents with a UFOC that contained all material information about the
12 franchise including, but not necessarily limited to, a financial statement for the seller.

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14 **NOTICE OF INTENT TO ISSUE AN ORDER TO CEASE AND DESIST**

15 Based upon the above Tentative Findings of Fact and Conclusions of Law, the Securities
16 Administrator intends to order that Respondents, United Business Solutions, Inc. dba UBS Group, Inc. and
17 Johnathan Ahlf, and their agents and employees, shall each cease and desist from violations of RCW
18 19.100.020, RCW 19.100.170 and 19.100.080.

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20 **AUTHORITY AND PROCEDURE**

21 This Amended Statement of Charges is entered pursuant to the provisions of RCW 19.100.248 and
22 RCW 19.100.130 and is subject to the provisions of RCW 34.05. Respondents, United Business Solutions,

1 Inc. dba UBS Group, Inc. and Johnathan Ahlf may each make a written request for a hearing as set forth in
2 the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying
3 this order.

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

7 Dated and Entered this 10th day of March, 2008.

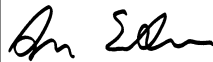
8 By:

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MICHAEL E. STEVENSON
11 Securities Administrator

12 Approved by:

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Suzanne Sarason
15 Chief of Compliance and Examinations

Presented by:

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Bridgett Fisher
18 Enforcement Attorney