

STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION

IN THE MATTER OF DETERMINING) Order Number S-09-402-10-CO01
Whether there has been a violation of the)
Franchise Investment Protection Act of)
Washington by:) CONSENT ORDER
AutoUpLinkUSA Franchises, Inc.,)
Respondent)

INTRODUCTION

Pursuant to the Franchise Investment Protection Act of Washington, RCW 19.100, the Securities Division of the Department of Financial Institutions (Securities Division) and Respondent, AutoUpLinkUSA Franchises, Inc., do hereby enter into this Consent Order in settlement of the matters alleged herein. After conducting an investigation, the Securities Division makes the Tentative Findings of Fact and Conclusions of Law which are set forth below. Respondent neither admits nor denies these Tentative Findings of Fact and Conclusions of Law.

TENTATIVE FINDINGS OF FACT

RESPONDENT

1. AutoUpLinkUSA Franchises, Inc. is a Minnesota corporation with its principal place of business in Shoreview, Minnesota.

NATURE OF THE OFFERING

2. AutoUpLinkUSA Franchises, Inc. businesses offer software applications, products and services to automobile dealers which allow the dealers to collect data on their

1 automobiles, manage their inventory, and provide comprehensive vehicle descriptions for their
2 online vehicle listings.

3 3. On February 05, 2009, AutoUpLinkUSA Franchises, Inc. entered into a franchise
4 agreement with a Marysville, Washington resident. The Washington resident became familiar
5 with the business concept through an AutoUpLinkUSA Franchises, Inc. website. The
6 Washington resident received a disclosure document prior to purchase.

7
8 4. The AutoUpLinkUSA Franchises, Inc. franchise agreement requires the purchaser
9 to pay \$2,500 upon the signing of a franchise agreement and to pay a monthly fee into a
10 marketing fund of up to \$100. The purchaser must also attend training, must use the name
11 AutoUpLinkUSA as the trade name for the business, and a purchaser is required to adopt and use
12 as an operational routine the required standards, procedures, techniques and management
13 systems that AutoUpLinkUSA Franchises, Inc designates.

14 REGISTRATION STATUS

15 5. AutoUpLinkUSA Franchises, Inc. is not currently registered to sell its franchises
16 in the state of Washington and has not previously been so registered.

17 Based upon the Tentative Findings of Fact, the following Conclusions of Law are made:

18 CONCLUSIONS OF LAW

19 1. The offer and/or sale of the business in Washington as described in the above
20 Tentative Findings of Fact constitutes the offer and/or sale of a franchise as defined in RCW
21 19.100.010(4) and (16).

22
23 2. AutoUpLinkUSA Franchises, Inc. violated RCW 19.100.020, (the registration
24 requirement provision of the Franchise Investment Protection Act), which provides that it is
25

1 unlawful for any franchisor or subfranchisor to sell or offer to sell any franchise in this state
2 unless the offering has previously been registered or exempted from registration in this state.

3
4 **CONSENT ORDER**

5 Based on the forgoing and finding it in the public interest,

6 IT IS AGREED AND ORDERED that Respondent and its agents and employees each
7 shall cease and desist from the offer and/or sale of unregistered franchises in violation of RCW
8 19.100.020, the registration section on of the Franchise Investment Protection Act of the State of
9 Washington.

10 IT IS FURTHER AGREED AND ORDERED that Respondent and its agents and
11 employees each shall inform the current Washington franchisee of this Order by providing that
12 franchisee with a copy of this Consent Order. Respondent shall provide to the Securities
13 Division within 60 days of the date of entry of this Order proof of receipt or proof of delivery
14 to that franchisee.

15 IT IS FURTHER AGREED that the Securities Division has jurisdiction to enter this
16 Consent Order.

17 IT IS FURTHER AGREED that Respondent shall reimburse the Securities Division
18 \$500, payable prior to the entry of this Consent Order, for its costs of investigation of this
19 matter.
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21 IT IS FURTHER AGREED that Respondent enters into this Consent Order freely and
22 voluntarily and with a full understanding of its terms and significance.

23 IT IS FURTHER AGREED that in consideration of the foregoing Respondents waive its
24 right to a hearing in this matter and judicial review of this order.

