1	STATE OF WASHINGTON DEPARTMENT OF FINANCIAL INSTITUTIONS		
2	SECURITIES DIVISION		
3	3		
4	4	per S-10-233-10-SC01	
5	Whether there has been a violation of the 5 Franchise Investment Protection Act of) STATEMET	NT OF CHARGES AND NOTICE	
6		「TO ENTER ORDER TO CEASE ST	
	<u> </u>	31	
7	League, Inc.	•	
8	Respondents		
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0	THE STATE OF WASHINGTON TO: World Poke Inc.	er Tour Amateur Poker League,	
1	11		
12	STATEMENT OF CHARGES		
13	Please take notice that the Securities Administrator of the State of Washington has reason		
14	to believe that Respondents World Poker Tour Amateur Poker League, Inc., A. J. Wiley, Shane		
15	McCullough, and Kurt McPhail have each violated the Franchise Investment Protection Act of		
16	Washington, RCW 19.100, and that their violations justify the entry of an order of the Securities		
17	Administrator under RCW 19.100.248 against each to cease and desist from such violations		
8 1	The Securities Administrator finds as follows:		
19	TENTATIVE FINDINGS OF FACT		
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21	I.		
22	PARTIES		
23	1. World Poker Tour Amateur Poker League, Inc.	1. World Poker Tour Amateur Poker League, Inc. is a Kansas corporation with its	
24	principal place of business at 900 George Washington Blvd, Wichita, KS 67211.		
25	25		
	STATEMENT OF CHARGES AND NOTICE OF 1 DINTENT TO ENTER ORDER TO CEASE AND DESIST	EPARTMENT OF FINANCIAL INSTITUTIONS Securities Division PO Box 9033	

Olympia, WA 98507-9033 360-902-8760

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- 2 A. J. Wiley is the Director of Business Development of World Poker Tour Amateur Poker League, Inc.
- 3 Shane McCullough is the Executive Vice President of World Poker Tour Amateur Poker League, Inc.
- Kurt McPhail is the President and Chief Operations Officer of World Poker Tour 4. Amateur Poker League, Inc.

II.

NATURE OF THE OFFERING

- 5. Between 2008 and 2010, World Poker Tour Amateur Poker League, Inc. (WPTAPL) offered and sold at least two licenses to Washington State residents. Each license was provided pursuant to a License and Sanctioning Agreement (Agreement) and granted each resident the right to use WPTAPL materials. These materials included manuals, official WPTAPL League Rules, training documents, promotional materials, accounting forms, sales packages and an online interface that allowed the licensee to manage member and venue information. Additionally, the Agreement granted the licensee the right to use the trademarks "WPTAPL" and "Amateur Poker League" in conjunction with hosting and promoting poker events that complied with WPTAPL requirements. Finally, the Agreement granted the licensee the right to promote and represent an event as WPTAPL sanctioned, provided that the licensee complied with WPTAPL requirements.
- 6. Persons who have signed the Agreement with WPTAPL had the option of paying an initial license fee of either \$175.00 or 349.00, depending on the number of venues the licensee intended to have on their administration account. The Agreement also required that the licensee pay an Event Fee for each event that was represented to the public as sanctioned by WPTAPL. DEPARTMENT OF FINANCIAL INSTITUTIONS STATEMENT OF CHARGES AND NOTICE OF Securities Division INTENT TO ENTER ORDER TO CEASE AND DESIST PO Box 9033

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7. In September 2008, one Washington resident paid an initial fee of \$349.00 in exchange for a license to host WPTAPL sanctioned events and use WPTAPL products and materials. The resident learned of the franchise opportunity by way of an internet advertisement and eventually communicated directly with Mr. A. J. Wiley, WPTAPL's Director of Business Development. By signing the Agreement, the resident became a Sanction League Owner (SLO) and WPTAPL Representative and was assigned a "territory" constituting the entirety of Western Washington. In addition to paying the initial fee, the resident purchased sixteen poker table tops and four chip sets from WPTAPL at a total cost of \$849.36. The resident also paid a fee of \$20.00 to \$25.00 per event for use of WPTAPL's website and marketing materials. In 2009, the total amount of fees paid by the resident equaled an estimated \$11,000. By joining WPTAPL and becoming an SLO, the resident joined other individuals from around the United States and Puerto Rico who have also entered into Agreements with WPTAPL.

8. Sometime between late 2009 and early 2010, WPTAPL's Executive Vice President, Shane McCullough, sent an email the above-mentioned resident, requesting his resignation and outlining the notice of his resignation that was to be sent to other WPTAPL members. Shortly after this email was sent, the above-mentioned resident's relationship with WPTAPL was terminated and a second Washington resident signed an Agreement with WPTAPL. This second Washington resident was assigned a territory limited to Southeastern Washington; however, he has represented WPTAPL throughout Western Washington since signing the agreement in early 2010.

III.

FAILURE TO DELIVER FRANCHISE DISCLOSURE DOCUMENT

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9. World Poker Tour Amateur Poker League, Inc. did not provide either of the Washington residents with a Franchise Disclosure Document, as required by RCW 19.100.080, hat contained the information about the franchise required by RCW 19.100.040.

IV.

REGISTRATION STATUS

10. World Poker Tour Amateur Poker League, Inc. is not currently registered to sell its franchises in the state of Washington and has not previously been so registered.

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

CONCLUSIONS OF LAW

I.

The offer and/or sale of the licenses described above in Paragraphs 5 and 7 constitute the offer and/or sale of a franchise as defined in RCW 19.100.010(4) and RCW 19.100.010(16).

II.

The offer and/or sale of said franchise is in violation of RCW 19.100.020 because no registration for such offer and/or sale is on file with the Securities Administrator.

III.

The offer and/or sale of said franchise was made in violation of RCW 19.100.080, the disclosure document requirement provision of the Franchise Investment Protection Act, because Respondent did not provide the Washington purchasers with a Franchise Disclosure Document that contained all material information about the franchise including, but not necessarily limited to, a financial statement for the seller.

STATEMENT OF CHARGES AND NOTICE OF INTENT TO ENTER ORDER TO CEASE AND DESIST

NOTICE OF INTENT TO ORDER THE RESPONDENT TO CEASE AND DESIST

Based on the above Tentative Findings of Fact and Conclusions of Law, the Securities Administrator intends to order that World Poker Tour Amateur Poker League, Inc., their agents, and employees each shall cease and desist from violations of RCW 19.100.020 and RCW 19.100.080.

AUTHORITY AND PROCEDURE

This Order is entered pursuant to the provisions of RCW 19.100.248 and RCW 19.100.130 and is subject to the provisions of RCW 34.05. World Poker Tour Amateur Poker League, Inc., A. J. Wiley, Shane McCullough, and Kurt McPhail may each make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this order.

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

Dated and Entered this 15th day of June, 2010.



SUZANNE SARASON Chief of Enforcement

Presented by:

Nicholas Mills

Extern