

1 Washington resident later went to Texas to meet with representatives of PortraitEFX about the franchise
2 opportunity. On or about October 5, 2008, PortraitEFX provided the Washington resident with a Uniform
3 Franchise Offering Circular that had previously been filed with the Securities Division. PortraitEFX
4 subsequently sold a PortraitEFX franchise to the Washington resident in October 2008 for an initial
5 franchise fee of \$15,000. The Washington franchisee was to submit a monthly minimum of photo
6 processing and printing work to PortraitEFX. PortraitEFX provided the Washington franchisee with the use
7 of the PortraitEFX name, marks and system. PortraitEFX provided other assistance to the Washington
8 franchisee including marketing, management and support systems. PortraitEFX provided the Washington
9 franchisee an exclusive franchise territory in Snohomish County in which to operate the business.
10 PortraitEFX provided photography training to the Washington franchisee at its corporate office.
11 PortraitEFX provided the Washington franchisee with ongoing training and technical support.

12 **III. Registration Status**

13 In July 2007, PortraitEFX Franchising Corporation filed a franchise registration application with the
14 Securities Division, file number 70013845. The Securities Division issued PortraitEFX Franchising
15 Corporation a permit to offer and sale franchises in Washington that was made effective on July 11, 2007
16 and expired on July 11, 2008.

17 Respondent PortraitEFX Franchising Corporation was not currently registered to offer or sell
18 franchises in the state of Washington at the time of the October 2008 sale to its Washington franchisee
19 for the Snohomish County territory.

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

2 **CONCLUSIONS OF LAW**

3 **I.**

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

6 **II.**

7 The offer and/or sale of said franchise was in violation of RCW 19.100.020 because no current
8 registration for such offer and/or sale was on file with the Administrator of Securities, state of Washington at
9 the time of the October 2008 sale to the Washington resident for the Snohomish County territory.

10 **CONSENT ORDER**

11 Based upon the foregoing:

12 IT IS AGREED AND ORDERED that Respondent PortraitEFX Franchising Corporation, its
13 agents and employees each shall cease and desist from offering or selling franchises in violations of
14 RCW 19.100.020, the registration section of the Franchise Investment Protection Act of the State of
15 Washington.

16 IT IS FURTHER AGREED that Respondent PortraitEFX Franchising Corporation shall reimburse
17 the Securities Division \$1,400, payable prior to the entry of this Consent Order, for its costs of
18 investigation of this matter.

19 IT IS FURTHER AGREED that Respondent PortraitEFX Franchising Corporation enters into this
20 Consent Order freely and voluntarily and with a full understanding of its terms and significance.

21 IT IS FURTHER AGREED that the Securities Division has jurisdiction to enter this Order.

1 IT IS FURTHER AGREED that in consideration of the foregoing Respondent PortraitEFX
2 Franchising Corporation waives its rights to a hearing in this matter and judicial review of this order.

3
4 SIGNED this 24 day of November, 2010.

5 PortraitEFX Franchising Corporation by:

6 /s/
7 Signature of Signer

8 Laura Oakley, CFO
9 Print Signature and Title of Signer

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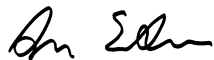
12 SIGNED and ENTERED this 3rd day of January, 2011

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14 WILLIAM M. BEATTY
15 Securities Administrator

16 Approved by:

17 Presented by:

18 

19 SUZANNE SARASON
20 Chief of Enforcement

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22 MARTIN CORDELL
23 Financial Legal Examiner

24 Reviewed by:

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26 ROBERT KONDRAT

27 CONSENT ORDER

Financial Legal Examiner Supervisor

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CONSENT ORDER

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DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
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