STATE OF WASHINGTON DEPARTMENT OF FINANCIAL INSTITUTIONS SECURITIES DIVISION

| Westside Pizza; Jason West, |) |
|--|--------------------------------|
| Jason West Enterprises, Inc., doing business as |) |
| Washington by: |) |
| whether there has been a violation of the Franchise Investment Protection Act of |)) CONSENT ORDER |
| IN THE MATTER OF DETERMINING |) Order No.: S-12-0956-12-CO01 |

Pursuant to the Franchise Investment Protection Act of Washington, RCW 19.100, the Securities Division and Respondents, Jason West Enterprises, Inc., doing business as Westside Pizza, and Jason West, do hereby enter into this CONSENT ORDER in settlement of the matters alleged herein. Respondents, Jason West Enterprises, Inc., doing business as Westside Pizza, and Jason West, neither admits nor denies the Findings of Fact or Conclusions of Law as stated below.

FINDINGS OF FACT

Respondents

- 1. Jason West Enterprises, Inc. ("JWE"), with a principal place of business at 34492 Hood Canal Drive, Kingston, WA, 98346, is a Washington corporation that offers and sells pizza restaurant franchises. On July 19, 2005, Jason West formed JWE, which operates under the names Westside Pizza and Jason West Enterprises. JWE assigned all of its Westside Pizza franchises to Westside Pizza International, Inc. ("WPI") as of December 31, 2011.
 - 2. Jason Douglas West ("West"), a Washington resident, is the president of JWE and WPI.

Nature of the Offering

- 1. On April 26, 2006, the Securities Division issued a registration permit to JWE, which granted the authority to the company to offer and sell franchises in Washington until April 26, 2007. This permit was not renewed.
- 2. Between 1999 and 2012, JWE offered and sold at least twenty-one Westside Pizza franchises in Washington. JWE offered and sold at least ten Westside Pizza franchises after its registration permit expired on April 26, 2007.
- 3. The franchises Respondents offered and sold while not registered with the Securities Division were sold pursuant to oral franchise agreements. Respondents did not provide disclosure documents to franchisees that entered into oral franchise agreements. Most of these oral franchise agreements required franchisees to pay JWE a three or four percent royalty and \$10,000.

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CONSENT ORDER

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

CONCLUSIONS OF LAW

- 1. The offer or sale of franchises as described above constitutes the offer and/or sale of a franchise as defined in RCW 19.100.010(4) and RCW 19.100.010(16).
- 2. The offer or sale of said franchises after April 26, 2007 was in violation of RCW 19.100.020 because no registration for such offer and/or sale was on file with the Securities Division.
- 3. The offer and/or sale of said franchises were in violation of RCW 19.100.080 because Respondents failed to provide offerees with an offering circular that contained all material information about the franchise as required by RCW 19.100.040 and WAC 460-80-315.

CONSENT ORDER

Based upon the foregoing and finding it in the public interest:

IT IS AGREED AND ORDERED that Respondents, their agents and employees shall each cease and desist from offering or selling franchises in violation of RCW 19.100.020, the registration section of the Franchise Investment Protection Act of the state of Washington.

IT IS FURTHER AGREED AND ORDERED that Respondents, their agents and employees shall each cease and desist from violating RCW 19.100.080, the offering circular delivery section of the Franchise Investment Protection Act of the state of Washington.

IT IS FURTHER AGREED AND ORDERED that Respondents shall reimburse the Securities Division \$2,000 for its costs of investigation payable prior to the Securities Division's entry of this Consent Order.

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

IT IS FURTHER AGREED that Respondents enter into this Consent Order freely and voluntarily and with full understanding of its terms and significance.

IT IS FURTHER AGREED that in consideration of the foregoing, Respondents waive their right to a hearing and to judicial review of this matter.

WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

DEPARTMENT OF FINANCIAL INSTITUTIONS

Securities Division

PO Box 9033

Olympia WA 98507-9033
360-902-8760

| Signed this day of | 2012. |
|---|---|
| Signed by: | |
| Jason West Enterprises, Inc., doing business as Westside Pizza, | Signed by: |
| | |
| By/s/ Jason West President | Jason West, Individually |
| Approved for Entry by: | |
| | |
| Gary Duvall, Attorney for Respondents WSBA No. 7617 | |
| SIGNED and ENTERED this _19th | day of2012. |
| | William M. Beatty Securities Administrator |
| Approved by: | Presented by: |
| An Elm | Drew Stillum |
| Suzanne Sarason Chief of Enforcement | Drew Stillman Enforcement Attorney |
| Reviewed by: | |
| Jack McClellan | _ |
| CONSENT ORDER | 3 DEPARTMENT OF FINANCIAL INSTITUTION |

Financial Legal Examiner Supervisor

CONSENT ORDER

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