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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: )  
1-800-Boardup, Inc., )  
Respondent. )

Order No. S-12-0969-12-CO01

**CONSENT ORDER**

7 Pursuant to the Franchise Investment Protection Act of Washington, RCW 19.100, the Securities Division  
8 and Respondent, 1-800-BoardUp, Inc. do hereby enter into this CONSENT ORDER in settlement of the matters  
9 alleged herein. Respondent, 1-800-BoardUp, Inc. neither admits nor denies the Tentative Findings of Fact or  
10 Conclusions of Law as stated below.

11 **FINDINGS OF FACT**

12 **I. Respondents**

13 1. 1-800-BoardUp, Inc. is a Missouri corporation that provides a business development program for restoration  
14 companies with its principal place of business at 233 Wolfner Drive, Fenton, MO 63026,

15 **II. Nature of Offering**

16 2. From 2007 to 2012, 1-800-BoardUp, Inc. offered and sold licenses to offer 1-800-BoardUp, Inc. restoration  
17 services to seven individuals who were either Washington State residents or out of state residents who would be  
18 offering restoration services in Washington. 1-800-BoardUp, Inc. offered the licenses through a variety of means that  
19 included sending mailers, cold calling, its website at [www.1-800boardup.com](http://www.1-800boardup.com) and vendor booths at restoration  
20 services trade shows. 1-800-BoardUp, Inc. typically offered its program to persons who were already in the business  
21 of providing restoration services to the public and assisting with securing property that had been damaged by fire,  
22 storm or water. The 1-800-BoardUp, Inc. program offered to licensees included the right to use the 1-800-BoardUp,  
23 Inc. names and logos in connection with their restoration businesses, a "24/7" toll free number for job referrals,  
24 listings on the 1-800-BoardUp, Inc. webpage service area map, a protected territory, a three day training program in  
25 St. Louis, MO, marketing and business materials with the 1-800-BoardUp, Inc. name and logos and access marketing  
assistance through webinars and other sources. Licensees were required to pay an initial fee for a protected territory  
that was based on the population of the territory, a \$10,000 fee for the 1-800-BoardUp, Inc. training program, and a  
\$250 a month fee for access to the 1-800-BoardUp, Inc. "AMD" training resources.

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**III.**

**III. Failure to Deliver Offering Circular**

3. In connection with the offer and sale of the license, Respondent 1-800-BoardUp, Inc. failed to provide the prospective purchasers with an offering circular or disclosure document as required by RCW 19.100.080 that contained the information about the franchise required by RCW 19.100.040.

**IV. Registration Status**

4. Respondent 1-800-BoardUp, Inc. is not currently registered to sell its franchises in the state of Washington and has not previously been so registered. There is no notification of exemption on file with the state of Washington.

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

**CONCLUSIONS OF LAW**

**I.**

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

**II.**

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

**III.**

The offer and/or sale of said franchises were in violation of RCW 19.100.080 because Respondent failed to provide the prospective purchaser with a disclosure document or offering circular as required by RCW 19.100.040 prior to the sale of the franchise.

**CONSENT ORDER**

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

IT IS AGREED AND ORDERED THAT Respondent 1-800-BoardUp, Inc. its 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 that Respondent 1-800-BoardUp, Inc. its agents and employees shall each cease and desist from violating RCW 19.100.080, the delivery of offering circular/disclosure document section of the Franchise Investment Protection Act of the state of Washington.

1 IT IS FURTHER AGREED that Respondent shall pay the Securities Division the costs and other expenses  
2 incurred in the investigation of this matter in the amount of \$3,625 on or before the date of entry of this Consent  
3 Order.

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

5 IT IS FURTHER AGREED that Respondent 1-800-BoardUp, Inc. enters into this Consent Order freely and  
6 voluntarily and with full understanding of its terms and significance.

7 IT IS FURTHER AGREED that in consideration of the foregoing, 1-800-BoardUp, Inc. waives its right to a  
8 hearing and to judicial review of this matter.

9 Signed this 29th day of June, 2012.

10 Signed by 1-800-BoardUp, Inc.

11 By       /s/        
12 MICHAEL HOSTO, President

13 SIGNED and ENTERED this 16th day of July, 2012.

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16 WILLIAM M. BEATTY  
17 Securities Administrator

18 Approved by:

19 Presented by:

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22 \_\_\_\_\_  
23 SUZANNE SARASON  
24 Chief of Enforcement

25 \_\_\_\_\_  
MARTIN CORDELL  
Financial Legal Examiner

Reviewed by:

\_\_\_\_\_  
JACK MCCLELLAN  
Financial Legal Examiner Supervisor