

1 entitled "Projected Openings as of December 31, 2009." This table included a column with the heading "Projected
2 New Franchised Outlets in the Next Fiscal Year." The projected openings did not include Washington. The table
3 also included a column headed "Franchise Agreements Signed But Outlet Not Opened." Washington was not listed
4 in this category.

5 5. On December 3, 2009, the Division granted 911 Restoration a permit to sell franchises in Washington. 911
6 Restoration did not apply to renew its registration, and the permit lapsed on December 3, 2010.

7 6. 911 Restoration applied again to the Division for registration to sell franchises on or about September 8,
8 2014. In the application, 911 Restoration included two copies of a rescission offer letter ("the Rescission Offer"),
9 dated July 7, 2014, to a Washington franchisee ("Investor A").

10 7. In the Rescission Offer, 911 Restoration stated that it was "offering rescission to [Investor A] for purchasing
11 an unregistered franchise to be located in Washington." 911 Restoration indicated that Investor A had signed a
12 Franchise Agreement ("the Franchise Agreement") with it on February 24, 2009, and that it had "received \$15,000
13 USD from [Investor A] for a territory in Seattle." 911 Restoration further stated that, if Investor A elected to rescind
14 and terminate the franchise relationship, it would return the franchise fee, and included a form by which Investor A
15 could elect either to remain a franchisee or rescind the Franchise Agreement. Investor A signed the form on August
16 7, 2014, electing to continue as a franchisee. Investor A currently continues to operate the franchise.

17 8. In the Franchise Agreement, in exchange for a payment of \$15,000, 911 Restoration grants Investor A "the
18 exclusive franchise and license to operate a 911 Restoration Business within [Investor A's] Territory," and allows
19 Investor A to use 911 Restoration's copyrights, trademarks, and trade secrets within that territory. The Franchise
20 Agreement also requires Investor A to pay into a marketing fund for national and regional advertising programs
21 directed by 911 Restoration, and allows 911 Restoration to direct local advertising efforts in Investor A's territory.

22 9. 911 Restoration did not provide an FDD to Investor A before entering into the Franchise Agreement. 911
23 Restoration also did not provide an FDD to Investor A in connection with the Rescission Offer.

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

25 **CONCLUSIONS OF LAW**

1. 911 Restoration's offer and/or sale to Investor A through the Franchise Agreement constituted the offer
and/or sale of a franchise as defined in RCW 19.100.010(6), RCW 19.100.010(12), and RCW 19.100.010(17).

2. 911 Restoration's Rescission Offer constituted a new offer and/or sale of a franchise as defined in RCW
19.100.010(6), RCW 19.100.010(12), and RCW 19.100.010(17).

1 3. 911 Restoration violated RCW 19.100.020 by offering and/or selling through the Franchise Agreement,
because no registration for such offer and/or sale was on file with the Division at the time of the offer or sale.

2 4. 911 Restoration violated RCW 19.100.020 with the Rescission Offer, because no registration for such offer
3 and/or sale was on file with the Division at the time of the offer and/or sale.

4 5. 911 Restoration violated RCW 19.100.080 because it did not provide Investor A with a copy of its then-
5 current FDD at least fourteen calendar days prior to Investor A's execution of the Franchise Agreement.

6 6. 911 Restoration violated RCW 19.100.080 because it did not provide Investor A with a copy of its then-
7 current FDD in connection with the Rescission Offer.

8 7. 911 Restoration violated RCW 19.100.170(1) because, as described in paragraph 4 of the Findings of Fact, it
9 made an untrue statement of a material fact in the FDD included with its August 2009 application for franchise
registration.

10 **CONSENT ORDER**

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

12 IT IS AGREED AND ORDERED THAT Respondent 911 Restoration, and their agents and employees, shall
13 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 ("FIPA").

14 IT IS FURTHER AGREED AND ORDERED that Respondent 911 Restoration, and their agents and
15 employees, shall each cease and desist from violating RCW 19.100.080, the disclosure document section of the
16 FIPA.

17 IT IS FURTHER AGREED AND ORDERED that Respondent 911 Restoration, and their agents and
18 employees, shall each cease and desist from violating RCW 19.100.170, the anti-fraud section of the FIPA.

19 IT IS FURTHER AGREED that prior to the entry of this Consent Order, Respondent 911 Restoration shall
20 be liable for and shall pay the Division the costs and expenses incurred in investigation of this matter in the amount
of \$1,000.

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

22 IT IS FURTHER AGREED that Respondent 911 Restoration enters into this Consent Order freely and
23 voluntarily and with full understanding of its terms and significance.

24 IT IS FURTHER AGREED that in consideration of the foregoing, Respondent 911 Restoration waives their
25 right to a hearing and to judicial review of this matter.

