

1 4. GS Franchise applied to the Securities Division for registration to sell franchises on or about February 17,
2 2015. In its application, GS Franchise disclosed that, in October 2014, GS Enterprises had agreed to license the right
3 to operate one Urban Grow business, collectively, to two Washington residents and one business entity (“the
4 Washington investors”). GS Enterprises granted this license through a Franchise Agreement, dated October 22,
5 2014, between GS Enterprises and the Washington investors.

6 5. In the Franchise Agreement, GS Enterprises grants the Washington investors the right to use its trademarks
7 and business methods, in exchange for a \$20,000 franchise fee and royalties “obtained through the ordering process
8 set forth by [GS Enterprises].” The Agreement also requires that GS Enterprises approve any advertising efforts by
9 the Washington investors.

10 **Registration Status**

11 6. GS Enterprises is not currently registered to sell franchises in the State of Washington, and has not
12 previously been registered to do so.

13 **Failure to Provide Disclosure Document**

14 7. GS Enterprises did not present the Washington investors, prior to the sale of the franchise, with a disclosure
15 document which met the requirements of RCW 19.100.140.

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

17 **CONCLUSIONS OF LAW**

18 1. GS Enterprises’ offer and/or sale of the Franchise Agreement discussed above to the Washington investors
19 constituted the offer and/or sale of a franchise as defined in RCW 19.100.010(6), RCW 19.100.010(12), and RCW
20 19.100.010(17).

21 2. GS Enterprises violated RCW 19.100.020 by offering and/or selling the franchise, because no registration for
22 such offer and/or sale was on file with the Division at the time of the offer or sale.

23 3. GS Enterprises violated RCW 19.100.080 because it did not provide the Washington investors with a copy of
24 its then-current disclosure document at least fourteen calendar days prior to the Washington investors’ execution of
25 the Franchise Agreement.

CONSENT ORDER

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

1 IT IS AGREED AND ORDERED THAT Respondent GS Enterprises, and its agents and employees, shall
2 each cease and desist from offering or selling franchises in violation of RCW 19.100.020, the registration section of
3 the Franchise Investment Protection Act of the State of Washington (“FIPA”).

4 IT IS FURTHER AGREED AND ORDERED that Respondent GS Enterprises, and its agents and
5 employees, shall each cease and desist from violating RCW 19.100.080, the disclosure document section of the
6 FIPA.

7 IT IS FURTHER AGREED that prior to the entry of this Consent Order, Respondent GS Enterprises shall be
8 liable for and shall pay the Division the costs and expenses incurred in investigation of this matter in the amount of
9 \$750.

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

11 IT IS FURTHER AGREED that Respondent GS Enterprises enters into this Consent Order freely and
12 voluntarily and with full understanding of its terms and significance.

13 IT IS FURTHER AGREED that in consideration of the foregoing, Respondent GS Enterprises waives its
14 right to a hearing and to judicial review of this matter.

15 Signed this 17th day of March, 2015.

16 Signed by:

17 Green Spirit Enterprises LLC &
18 Green Spirit Franchise Group, LLC

19 By /s/
20 Jared Ashton
21 Chief Executive Officer

22 Approved as to form by:

23 /s/
24 Barry Kurtz, Attorney for Respondent
25 State Bar of California #57544

SIGNED and ENTERED this 26th day of March, 2015.

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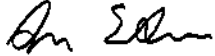
William M. Beatty
Securities Administrator

Presented by:



Adam Yeaton
Financial Legal Examiner

Approved by:



Suzanne Sarason
Chief of Enforcement

Reviewed by:



Jack McClellan
Financial Legal Examiner Supervisor