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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  
Business Opportunity Fraud Act of Washington  
by:

Order No. S-17-2143-19-CO01

CONSENT ORDER

Mattress by Appointment, LLC,

Respondent

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**INTRODUCTION**

Pursuant to the Business Opportunity Fraud Act of Washington, RCW 19.110, the Securities Division of the Department of Financial Institutions and Mattress by Appointment, LLC (“the Respondent”) do hereby enter into this CONSENT ORDER in settlement of the matters alleged herein. Respondent neither admits nor denies the Findings of Fact and Conclusions of Law stated below.

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**FINDINGS OF FACT**

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**I. Respondent**

1. Mattress by Appointment, LLC, (“MBA”) is a Florida limited liability company with a place of business at 10 Longview Terrace, Greenville SC 29605-1016. MBA is in the business of offering Mattress by Appointment dealerships that sell mattresses to the retail market. Edwin Charles Shoffner, a.k.a. Ed Shoffner, is the founder and governing member of MBA.

**II. Nature of Offering**

2. MBA markets its mattress distributorships via the Internet through its website <https://www.mattressbyappointment.com> and other third party websites. The MBA website describes itself as a network of independent business owners. MBA offers prospective buyers the opportunity to start their own retail mattress business. MBA states that it provides the buyers with training, ongoing support and team

CONSENT ORDER

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

1 environment that has proven to make its opportunity one of the best in the nation. MBA represents that  
2 prospective buyers can earn \$75,000 to \$150,000 annually. MBA states that the nature of its opportunity  
3 provides its business owners a tremendous income and fast return on initial investment.

4 3. In 2016, MBA offered and sold dealerships to at least seven Washington residents, most of whom,  
5 contacted it through the MBA website or a third party website such as www.FranchiseDirect.com. The  
6 residents did not own a retail mattress business at the time of their initial purchase of an MBA dealership.  
7 MBA represented to certain residents that they could earn \$75,000 to \$150,000 a year and that they could earn  
8 a fast return on their investment in the business. MBA offered the residents a territory that consisted of a  
9 fifteen mile radius from a store's location. MBA required the residents to lease a location that it had approved.  
10 MBA required some residents to pay a fee ranging from \$99 to \$299 to reserve a territory. MBA provided  
11 dealership buyers with a training manual, a daily action plan and a dealer checklist. MBA provided ongoing  
12 support to dealership buyers through conference calls. MBA sold several residents dealership territories. MBA  
13 sold one resident ("Resident") multiple MBA territories for a total of \$598.

### 14 **III. Disclosure Document**

15 4. MBA, in its offer and sale of dealerships, did not provide Washington residents with a disclosure  
16 document with material information regarding its dealership opportunity, such as information about litigation,  
17 information about dealership failures, and a current financial statement.

### 18 **IV. Unlawful Acts**

19 5. MBA represented to Washington residents that they could earn \$75,000 to \$100,000 a year through  
20 an MBA dealership. MBA did not disclose the basis and assumptions for the projections to prospective buyers.

### 21 **V. Registration Status**

22 6. Respondent MBA is not currently registered to sell MBA business opportunities in the state of  
23 Washington and have not previously been so registered.

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

2 **CONCLUSIONS OF LAW**

3 **I.**

4 The offer or sale of MBA dealership opportunities described above constitute the offer and/or sale of  
5 a business opportunity as defined in RCW 19.110.020(1) and RCW 19.110.030(1).

6 **II.**

7 The offer or sale of said MBA dealership opportunities is in violation of RCW 19.110.050 because no  
8 registration for such offer and/or sale by Mattress by Appointment was on file with the Securities  
9 Administrator for certain time periods when offers and/or sales occurred.

10 **III.**

11 The offer and/or sale of said business opportunities were in violation of RCW 19.110.070 because  
12 Respondent failed to provide purchasers with a disclosure document.

13 **IV.**

14 The offer and/or sale of said business opportunities were in violation of RCW 19.110.120 because  
15 Respondent failed to provide offerees and purchasers with the basis and assumptions of earnings projections.

16 **CONSENT ORDER**

17 Based upon the foregoing, IT IS AGREED AND ORDERED that Mattress by Appointment, LLC, its  
18 agents and employees, each shall cease and desist from offering or selling business opportunities in violation  
19 of RCW 19.110.050, the registration section of the Business Opportunity Fraud Act of the state of  
20 Washington.

21 IT IS FURTHER AGREED AND ORDERED that Respondent Mattress by Appointment, LLC, its  
22 agents and employees, each shall cease and desist from violating RCW 19.110.070, the disclosure section of  
23 the Business Opportunity Fraud Act of the state of Washington.

**CONSENT ORDER**

**DEPARTMENT OF FINANCIAL INSTITUTIONS**  
Securities Division  
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360-902-8760

1 IT IS FURTHER AGREED AND ORDERED that Respondent Mattress by Appointment, LLC, its  
2 agents and employees, each shall cease and desist from violating RCW 19.110.120, the Unlawful Acts section  
3 of the Business Opportunity Fraud Act of the state of Washington.

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

5 IT IS FURTHER AGREED that Respondent Mattress by Appointment, LLC, prior to the entry of this  
6 Consent Order, shall reimburse the Securities Division for the costs of the investigation in the amount of  
7 \$5,000.

8 IT IS FURTHER AGREED that Respondent Mattress by Appointment, LLC enters into this Consent  
9 Order freely and voluntarily and with full understanding of its terms and significance.

10 IT IS FURTHER AGREED that, in consideration of the foregoing, Respondent waives its right to a  
11 hearing in this matter and judicial review of this order.

12 WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

13 SIGNED the 26th day of July 2019.

14 Signed by: \_\_\_\_\_ Approved as to form: \_\_\_\_\_  
15 \_\_\_\_\_  
16 /s/ \_\_\_\_\_ Natalma M. McKnew, Attorney for Respondent  
17 Mattress by Appointment, LLC By  
Edwin Charles Shoffner, Managing Member

18 SIGNED and ENTERED this 5th day of August 2019.

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William Beatty  
Securities Administrator

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Approved by:

\_\_\_\_\_  
Suzanne Sarason  
Chief of Enforcement

Reviewed by:



\_\_\_\_\_  
Jack McClellan  
Financial Legal Examiner Supervisor

Presented by:

\_\_\_\_\_/s/\_\_\_\_\_  
Martin Cordell  
Financial Legal Examiner