

**STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
SECURITIES DIVISION**

IN THE MATTER OF DETERMINING ) Order No.: S-17-2180-17-FO01  
Whether there has been a violation of the )  
Business Opportunity Fraud Act of ) ENTRY OF FINDINGS OF FACT AND  
Washington by: ) CONCLUSIONS OF LAW AND  
TriStar Aesthetic Technologies, Inc. ) FINAL ORDER TO CEASE AND DESIST  
Respondent )

**THE STATE OF WASHINGTON TO:** TriStar Aesthetic Technologies, Inc.

On August 28, 2017, the Securities Administrator of the State of Washington issued Order No. S-17-2180-17-SC01, hereinafter referred to as “Statement of Charges.” The Statement of Charges, together with a Notice of Opportunity to Defend and Opportunity for Hearing, hereinafter referred to as “Notice of Opportunity for Hearing,” and an Application for Adjudicative Hearing, hereinafter referred to as “Application for Hearing,” were served on Respondent TriStar Aesthetic Technologies, Inc., on August 30, 2017. The Notice of Opportunity for Hearing advised Respondent TriStar Aesthetic Technologies, Inc. that a written application for an administrative hearing on the Statement of Charges must be received within twenty days from the date of receipt of the notice.

On September 11, 2017, Respondent TriStar Aesthetic Technologies, Inc. returned the Application for Hearing and indicated that it waived the right to a hearing. In lieu of requesting a hearing, Respondent TriStar Aesthetic Technologies, Inc. submitted a written statement for consideration by the Agency Director or Securities Administrator. After considering the written statement, the Securities Administrator finds no material grounds for amendment of the Statement of Charges, and will therefore adopt as final the findings of fact and conclusions of law as set forth in the Statement of Charges, and enter a final order against

1 Respondent Aesthetic Technologies, Inc. to cease and desist from violations of the Business Opportunity  
2 Fraud Act. The Securities Administrator finds as follows:

3 **FINDINGS OF FACT**

4 **Respondent**

5 1. TriStar Aesthetic Technologies, Inc. (“TriStar”) is a Nevada corporation formed on June 11, 2015.  
6 TriStar maintains a principal place of business in Irvine, California. TriStar is in the business of providing  
7 equipment and a business model that together enable purchasers to start a business selling noninvasive  
8 cosmetic treatments to the public.

9 **Nature of the Conduct**

10 2. In March, May, and July 2017, TriStar offered unregistered business opportunities to Washington  
11 residents through three advertisements on Craigslist’s Seattle listings. The offers included misleading  
12 statements concerning the price of the business opportunities, and the income that Washington residents  
13 could expect from the businesses opportunities. Furthermore, TriStar offered its business opportunities  
14 without disclosing the risk of future regulation of the kinds of treatments included in its business  
15 opportunities.

16 3. In 2017, TriStar placed three advertisements in Craigslist’s Seattle listings to promote its business  
17 opportunities. The March 2017 and May 2017 advertisements were each captioned “High Profit Turn Key  
18 Business Opportunity-\$10K-\$20K/Month,” and the July advertisement was captioned “Medical/Aesthetic  
19 Professionals/Salons & Spas Earn 20K-30K Per Mo.-\$48567.” The July 2017 advertisement described  
20 TriStar’s business opportunities as “the most popular and profitable investment [a potential purchaser] can  
21 make in this new economy.” The July 2017 advertisement listed the three treatments for which TriStar  
22 leases equipment: Ultrasonics and Lipo-Sculpt Lite, two fat loss treatments, and Therma-Lift, a skin  
23 tightening treatment. Each TriStar advertisement listed the items and services included in its “All Inclusive  
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1 Business Model,” which the May 2017 advertisement stated was “superior to any other in the world.” These  
2 items and services included advertising campaigns, a website, comprehensive merchandising materials, full  
3 warranty for and maintenance of a purchaser’s equipment, sales training, and comprehensive technical  
4 support. The March 2017 advertisement encouraged potential purchasers to act quickly by stating that  
5 TriStar’s offer was for a limited time.

6 4. TriStar made misleading statements concerning the price of its business opportunities. The March  
7 2017 and May 2017 advertisements each stated that the purchase of the business opportunity could be  
8 financed for a minimum monthly payment of \$850. However, both advertisements failed to disclose the  
9 total number of monthly payments required, and that the total price of the business opportunity was  
10 \$22,597.

11 5. TriStar failed to disclose the basis for statements it made concerning the future income that a  
12 purchaser could expect to earn from the business opportunity. The May 2017 advertisement represented  
13 that purchasers earn an average gross profit margin of 828.57%. Each advertisement stated that purchasers  
14 earn between \$20,000 and \$30,000 in monthly profits. Each advertisement also stated that purchasers who  
15 have opened multiple locations were earning in excess of \$500,000 annually. The advertisements failed to  
16 disclose how many purchasers these figures were based on, how many locations the purchasers owned,  
17 where those businesses were located, the population of the surrounding areas, and the number of competing  
18 businesses located in those surrounding areas. Each advertisement further failed to disclose that variability  
19 in business expenses such as rent, insurance, and licensing among purchasers’ locations will affect a  
20 purchaser’s income.

21 6. TriStar made misleading statements concerning the risk of new regulation affecting purchasers of its  
22 business opportunities. An advertisement represented that medical supervision is not required to perform  
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1 the treatments. However, TriStar failed to disclose the risk that jurisdictions may require medical  
2 supervision or some licensure in the future.

### 3 **Securities Division's Investigation**

4 7. On April 18, 2017, TriStar received a letter from the Securities Division that requested information  
5 and materials related to TriStar's business in Washington, and that directed TriStar to cease and desist from  
6 violating the Business Opportunity Fraud Act. TriStar did not respond to this letter. TriStar placed two of  
7 its Craigslist advertisements after receiving this letter.

8 8. On August 17, 2017, TriStar received a subpoena from the Securities Division that required the  
9 production of documents related to TriStar's business in Washington. TriStar did not respond to the  
10 subpoena.

11 Based upon the Findings of Fact, the Following Conclusions of Law are made:

### 12 **CONCLUSIONS OF LAW**

13 1. The offer of equipment and a business model described above constitutes the offer of a business  
14 opportunity as defined in RCW 19.110.020.

15 2. The offer of said business opportunities violated RCW 19.110.050 because no registration for such  
16 offer is on file with the Securities Administrator.

17 3. The offer of said business opportunities violated RCW 19.110.120 because TriStar Aesthetics, Inc.  
18 made misstatements of material fact or omitted to state material facts in connection with the offer of its  
19 business opportunities.  
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1 Based upon the foregoing and finding it in the public interest:

2 **FINAL ORDER**

3 IT IS HEREBY ORDERED that the Respondent TriStar Aesthetic Technologies, Inc., and its agents  
4 and employees shall each cease and desist from offering and/or selling business opportunities in any manner  
5 in violation of RCW 19.110.050, the Business Opportunity Fraud Act's registration section.

6 IT IS HEREBY ORDERED that the Respondent TriStar Aesthetic Technologies, Inc., and its agents  
7 and employees, shall each cease and desist from violating RCW 19.110.120, the Business Opportunity  
8 Fraud Act's anti-fraud section.

9 **AUTHORITY AND PROCEDURE**

10 This FINAL ORDER is entered pursuant to the provisions of RCW 19.110.150 and is subject to the  
11 provisions of Chapter 34.05 RCW. The Respondent has the right to petition the superior court for judicial  
12 review of this agency action under the provisions of RCW 34.05. For the requirements for Judicial Review,  
13 see RCW 34.05.510 and sections following.

14 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.**

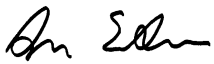
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19 SIGNED and ENTERED this 22nd day of September 2017.

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William M. Beatty  
Securities Administrator

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Approved by:



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