

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

IN THE MATTER OF DETERMINING) Order No.: S-17-2269-17-CO01
whether there has been a violation of the)
Franchise Investment Protection Act of) CONSENT ORDER
Washington by:)
)
Royal Restrooms LLC d/b/a Royal Restrooms)
Inc.)
)
Respondents)

Pursuant to the Franchise Investment Protection Act of Washington, RCW 19.100, the Securities Division and Respondent Royal Restrooms LLC d/b/a Royal Restrooms Inc. do hereby enter into this Consent Order in settlement of the matters alleged herein. Respondent Royal Restrooms LLC d/b/a Royal Restrooms Inc. neither admits nor denies the Findings of Fact or Conclusions of Law as stated below.

FINDINGS OF FACT

Respondents

1. Royal Restrooms LLC d/b/a Royal Restrooms Inc. (“RR LLC”) is a Georgia limited liability company with a principal place of business of 2403 W Hwy 80, Garden City, Georgia 31408. RR LLC is an affiliate of Royal Restrooms Franchise Sales LLC, an entity that offers franchise opportunities.

Related Party

2. Royal Restrooms Management LLC (“RRM”) is a Georgia limited liability company with a principal place of business of 2403 W Hwy 80, Garden City, Georgia 31408.

Nature of the Offering

3. RR LLC was in the business of owning and operating Royal Restroom Trailers. Royal Restroom Trailers are luxury portable restrooms rented out for special events such as outdoor weddings,

1 festivals, and emergency response. RR LLC also sold Royal Restroom Trailers to third parties, and provided
2 third parties with a marketing plan and its trademark in exchange for a fee.

3 4. On February 15, 2006, RR LLC entered into a License Agreement (“agreement”) with a
4 Washington State married couple (“Resident”). Under this agreement, RR LLC (a) charged Resident a fee,
5 (b) provided Resident with rights to use its trademark, and (c) provided Resident with marketing materials.
6 RR LLC failed to provide Resident with a Franchise Disclosure Document pertaining to the agreement.

7 5. Approximately three months after Resident signed the agreement, Resident paid RR LLC a
8 \$250 one-time fee and a \$250 annual website fee. Additionally, Resident was required to pay a percentage of
9 gross sales to RR LLC.

10 6. RR LLC instructed Resident in the proper use, maintenance, and delivery of the Royal
11 Restroom Trailers. Additionally, RR LLC provided Resident with advertising assistance, access to its
12 reservation system, and promotional materials.

13 7. RR LLC also granted the Resident the right to use the Royal Restroom trademarks, when
14 operating the Royal Restroom Trailers. The Resident was required to display the trademark in accordance
15 with RR LLC guidelines.

16 8. The term of the agreement between RR LLC and Resident was five years. After five years, the
17 agreement automatically renewed annually under the same terms.

18 9. In or around 2009, RR LLC assigned its interest in Franchisee’s agreement to RRM.

19 10. From 2011 to 2017, RRM renewed its agreement with Resident six separate times.

20 21 **Registration Status**

22 11. Respondent RR LLC is not currently registered to sell its franchises in the state of Washington
23 and has not previously been so registered.

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

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1. The offer or sale of a license, as described above, constitutes the offer 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. The offer or sale of said franchises was in violation of RCW 19.100.020 because no registration for such offer or sale is on file with the Washington Securities Administrator.

3. The offer or sale of said franchises was in violation of RCW 19.100.080 because RR LLC failed to provide Resident with a franchise disclosure document 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 Royal Restrooms LLC d/b/a Royal Restrooms Inc., its agents, and its 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 AND ORDERED that Royal Restrooms LLC d/b/a Royal Restrooms Inc., its agents, and its employees shall each cease and desist from any violation of RCW 19.100.080, the franchise disclosure document section of the Franchise Investment Protection Act of the state of Washington.

IT IS FURTHER AGREED AND ORDERED that Royal Restrooms LLC d/b/a Royal Restrooms Inc., shall be liable for and shall pay investigative costs of \$1000 prior to the entry of this Consent Order.

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

IT IS FURTHER AGREED that Royal Restrooms LLC d/b/a Royal Restrooms Inc., enters into this Consent Order freely and voluntarily and with a full understanding of its terms and significance.

IT IS FURTHER AGREED that in consideration of the foregoing, Royal Restrooms LLC d/b/a Royal Restrooms Inc. waives its right to a hearing and to judicial review of this matter.

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Signed this 26 day of September, 2017

Signed by:
Royal Restrooms LLC

Approved as to form by:

By /s/
David Sauers
President and CEO

/s/
Alexander G. Tuneski
Attorney for Respondent

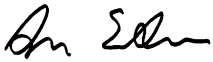
SIGNED and ENTERED this 29th day of September, 2017



William M. Beatty
Securities Administrator

Approved by:

Presented by:



Suzanne Sarason
Chief of Enforcement

Brian J. Guerard
Financial Legal Examiner

Reviewed by:

Jack McClellan
Financial Legal Examiner Supervisor

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