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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
Franchise Investment Protection Act of
Washington by:

Fitness Concepts Inc.;
The Camp Bootcamp Inc.;
Saman Bakhtiar;

Respondents

Order No.: S-18-2491-18-CO01

CONSENT ORDER

9 Pursuant to the Franchise Investment Protection Act of Washington, RCW 19.100, the Securities
10 Division and Respondents Fitness Concepts Inc., The Camp Bootcamp Inc., and Saman Bakhtiar do hereby
11 enter into this Consent Order in settlement of the matters alleged herein. Respondents neither admit nor deny
12 the Findings of Fact or Conclusions of Law as stated below.

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FINDINGS OF FACT

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Respondents

1. Fitness Concepts Inc. (“FCI”) is a California entity formed in July 2001 with its principal place
of business in Chino, California. FCI offered consulting services for the operation and management of fitness
facilities.

2. The Camp Bootcamp Inc. (“TCB”) is a California entity formed in March 2012 with its
principal place of business in Chino, California. Camp Bootcamp owned trademarks for the name and logo
of “The Camp Transformation Center” (“Transformation Center”). TCB is an affiliate of FCI.

3. Saman Bakhtiar (“Bakhtiar”) resides in California. Bakhtiar acted as the chief executive officer
of FCI and TCB.

23
CONSENT ORDER

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

1 **Related Party**

2 4. The Camp Franchise Systems LLC (“Camp Franchise”) is a California entity formed in July
3 2016 with its principal place of business in Chino, California. Camp Franchise is an affiliate of FCI and TCB.
4 Bakhtiar is the chief executive officer of Camp Franchise. Camp Franchise offers franchises for the operation
5 of Transformation Centers.

6 **Nature of the Conduct**

7 5. In June 2017 Camp Franchise filed a franchise registration application with the Securities
8 Division. Camp Franchise sought to register a franchise opportunity for fitness centers which operated under
9 the name “The Camp Transformation Center.” As part of the franchise application review, the Securities
10 Division identified a Vancouver, Washington Transformation Center advertised on the applicant’s website
11 (<http://www.thecamptc.com/location-vancouver>) and requested information about the location.

12 6. Camp Franchise provided documents to the Securities Division which showed that
13 Respondents FCI and TCB entered into agreements with a person (“Purchaser”) in August 2016 to use the
14 Transformation Center name for fitness facilities at five to-be-determined locations in the state of Washington.
15 As of the date of this order, Purchaser has opened one location in Vancouver, Washington.

16 7. TCB entered into five trademark license agreements (“Trademark Agreement”) with Purchaser
17 in which TCB granted Purchaser the right to use trademarks of “The Camp Transformation Center” at five
18 Transformation Center locations in Washington. In the Trademark Agreement, TCB charged Purchaser
19 \$7,500 for the use of the trademarks for a period of 12 months. Bakhtiar signed the Trademark Agreements
20 as chief executive officer of TCB.

21 8. Simultaneously to TCB entering into the Trademark Agreement with Purchaser, TCB’s
22 affiliate, FCI, entered into five business consulting agreements (“Consulting Agreement”) with Purchaser.
23 Under the Consulting Agreement, FCI provided consultation services related to the management and

1 operation of a Transformation Center. FCI promised approximately 15 hours per month of consulting to the
2 Purchaser. FCI provided internet advertising and Facebook marketing materials for the Purchaser.
3 Transformation Center advertising typically focused on six week weight loss challenges designed to bring in
4 new gym members. FCI charged Purchaser \$30,000 for the Consulting Agreement. Bakhtiar signed the
5 Consulting Agreements as chief executive officer of FCI.

6 9. Respondents FCI, TCB, and Bakhtiar did not provide Purchaser with any franchise disclosure
7 document prior to the sale of the Center in Washington.

8 **Registration Status**

9 10. Fitness Concepts Inc. is not currently registered to sell franchises in the state of Washington
10 and has not previously been so registered. There is no notification of exemption on file with the state of
11 Washington.

12 11. The Camp Bootcamp Inc. is not currently registered to sell franchises in the state of
13 Washington and has not previously been so registered. There is no notification of exemption on file with the
14 state of Washington.

15 12. Saman Bakhtiar is not currently registered to sell franchises in the state of Washington and has
16 not previously been so registered.

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

19 **CONCLUSIONS OF LAW**

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21 1. The offer or sale of the Trademark Agreements and Consulting Agreements as described
22 above constitutes the offer or sale of a franchise as defined in RCW 19.100.010(6), RCW 19.100.010(12),
23 and RCW 19.100.010(17).

1 IT IS FURTHER AGREED that in consideration of the foregoing, Respondents Fitness Concepts Inc.,
2 The Camp Bootcamp Inc., and Saman Bakhtiar each waive their right to a hearing and to judicial review of
3 this matter.

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5 Signed this 5th day of September, 2018.

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7 Signed by:
8 Fitness Concepts Inc.

Approved as to form by:

9
10
11 By /s/
12 Saman Bakhtiar
Chief Executive Officer

/s/
David W. Koch, Attorney for Respondents

13 Signed by:
14 The Camp Bootcamp Inc.

15
16 By /s/
17 Saman Bakhtiar
Chief Executive Officer

18 Signed by:
19
20 /s/
21 Saman Bakhtiar, Individually

SIGNED and ENTERED this 6th day of September, 2018



William M. Beatty
Securities Administrator

Approved by:

Presented by:

Suzanne Sarason
Chief of Enforcement



Jack McClellan
Financial Legal Examiner