# STATE OF WASHINGTON DEPARTMENT OF FINANCIAL INSTITUTIONS SECURITIES DIVISION

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Violations of the Franchise in

Order No. S-23-3606-23-FO01

ENTRY OF FINDINGS OF FACT AND CONCLUSIONS OF LAW AND FINAL ORDER TO CEASE AND DESIST AS TO DIMMPLES, INC. D.B.A. DIMMPLES CAR RENTALS AND

ERIC TANO TATAW, A.K.A. ERIC TATAW TANO

Respondents.

THE STATE OF WASHINGTON TO:

IN THE MATTER OF DETERMINING

Whether there has been a violation of the Franchise Investment Protection Act of

Dimmples, Inc. d.b.a. Dimmples Car Rentals;

Eric Tano Tataw, a.k.a. Eric Tataw Tano,

Dimmples, Inc. d.b.a. Dimmples Car Rentals and Eric Tano Tataw, a.k.a. Eric Tataw Tano

On November 3, 2023, the Securities Administrator of the state of Washington issued Statement of Charges and Notice of Intent to Enter Order to Cease and Desist, Order No. S-23-3606-23-SC01 ("Statement of Charges"). The Statement of Charges, together with a Notice of Opportunity for Hearing ("Notice") and an Application for Adjudicative Hearing ("Application"), were served on Respondents Dimmples, Inc. d.b.a. Dimmples Car Rentals and Eric Tano Tataw, a.k.a. Eric Tataw Tano, on November 8, 2023. The Notice advised Respondents Dimmples, Inc. d.b.a. Dimmples Car Rentals and Eric Tano Tataw, a.k.a. Eric Tataw Tano that the Application must be received within twenty days from the date of service. Respondents Dimmples, Inc. d.b.a. Dimmples Car Rentals and Eric Tano Tataw, a.k.a. Eric Tataw Tano failed to request an administrative hearing within twenty days of service.

The Securities Administrator therefore adopts as final the following Findings of Fact and Conclusions of Law as set forth in the Statement of Charges and enters a final order against Respondents Dimmples, Inc. d.b.a. Dimmples Car Rentals and Eric Tano Tataw, a.k.a. Eric Tataw Tano to cease and desist from violations of the Franchise Investment Protection Act.

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## FINDINGS OF FACT

## Respondents

- 1. Dimmples, Inc. ("Dimmples") d.b.a. Dimmples Rent A Car is a Maryland corporation formed on January 27, 2021, whose principal place of business is in Hyattville, Maryland. Dimmples is in the business of operating rental car businesses and offering franchises for the operation of Dimmples Car Rentals locations.
- 2. Eric Tano Tataw ("Tataw"), a Maryland resident, is the founder and Chief Executive Officer of Dimmples and National Telegraph, a media company.

## **Nature of Conduct**

- 3. On August 2, 2021, Tataw and Dimmples posted on the National Telegraph Facebook page a video with the caption that stated "CEO of Dimmples, Eric Tataw Holds First Meeting With Some Dimmples Car Rentals Franchise Holders."
- 4. On August 23, 2021, Tataw and Dimmples posted on the Dimmples Facebook page a video with the caption that stated "Our Newest Franchise Holder."

# Washington Franchise Offer

- 5. In late 2022, a Washington resident ("Resident") contacted Eric Tataw regarding the opportunity to become a Dimmples Car Rentals licensee.
- 6. Over the course of several months, Tataw told the Resident that, for \$30,000, Dimmples would provide him with the opportunity to operate a Dimmples Car Rentals location in Washington and that they would provide him access to the Dimmples' systems. Tataw told the Resident that this included training, marketing assistance, and access to the Dimmples software and website.
- 7. Because the Resident did not have \$30,000, Tataw allowed the Resident to operate, without a written contract, a car rental business using the Dimmples name, but without full access to the Dimmples

online reservations system and support. In November 2022, Tataw and Dimmples charged the Resident \$2,500 for training on how to book car reservations. Tataw provided the Resident with a Dimmples business phone number and instructed the Resident to purchase a phone from T-Mobile using the Dimmples account. Tataw and Dimmples advertised the Resident's business by including it in its list of U.S. locations on the Dimmples website.

8. Tataw and Dimmples failed to provide the Resident with a Franchise Disclosure Document ("FDD"). The FDD is the document required to be provided to prospective franchisees in Washington and disclose the material information about the investment such as the franchisor's audited financial statements, investment risks, fees and cost information that may assist in weighing the risks and benefits of the investment.

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

## **CONCLUSIONS OF LAW**

- 1. The offer the franchise described above constitute the offer and/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 and sale of a franchise to operate a Dimmples car rental business as described above constitutes the offer and/or sale of an unregistered franchise in violation of RCW 19.100.020.
- 3. The offer or sale of said franchises was in violation of RCW 19.100.080 because Tataw and Dimmples failed to provide a franchisee with a franchise disclosure document prior to the sale of the franchise.

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

## FINAL ORDER

IT IS HEREBY ORDERED that Respondents Dimmples, Inc. d.b.a. Dimmples Car Rentals and Eric Tano Tataw, a.k.a. Eric Tataw Tano, and their agents and 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 ORDERED that Respondents Dimmples, Inc. d.b.a. Dimmples Car Rentals and Eric Tano Tataw, a.k.a. Eric Tataw Tano, and their agents and 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.

### **AUTHORITY AND PROCEDURE**

This ORDER is entered pursuant to RCW 19.100.248 and is subject to the provisions of Chapter 34.05 RCW. Respondents have the right to petition the superior court for judicial review of this agency action under the provisions of Chapter 34.05 RCW. For the requirements for judicial review, see RCW 34.05.510 and sections following.

### WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

SIGNED and ENTERED this 8th day of December, 2023.



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Brian Guerard

Reviewed by:

Huong Lam

Chief of Enforcement

Financial Legal Examiner Supervisor

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ENTRY OF FINDINGS OF FACT AND CONCLUSIONS OF LAW AND FINAL

ORDER TO CEASE AND DESIST

/s/

William M. Beatty Securities Administrator

/s/

Martin Cordell Financial Legal Examiner