

STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION

IN THE MATTER OF DETERMINING
Whether there has been a violation
of the Washington Franchise Investment
Protection Act by:

Northwest Windshields, Inc., their employees and
agents,

Respondents.

SDO - 52 - 00

CONSENT ORDER

Case No. 00-05-0142

INTRODUCTION

The Securities Division, Department of Financial Institutions, State of Washington, (the "Securities Division") and Respondent Northwest Windshields, Inc. do hereby agree to this Consent Order in settlement of the matters alleged herein. Respondent Northwest Windshields, Inc. neither admits nor denies the Tentative Findings of Fact and Conclusions of Law as set forth below.

TENTATIVE FINDINGS OF FACT

I.

Northwest Windshields, Inc. ("Northwest Windshields") is an Oregon corporation having a principal business address of 3100 Old Dufur Road, The Dalles, Oregon. Northwest Windshields offers and sells franchises to operate businesses that sell, repair, and replace automobile glass. Purchasers of franchises from Respondent Northwest Windshields are obligated to pay an initial franchise fee and continuing monthly payments to, and to execute a franchise agreement (identified as a "Distributor Agreement") with, Northwest Windshields in order to conduct the franchise business. Distributors are granted the right to engage in the business of offering, selling, or distributing goods or services under a marketing plan prescribed or suggested in substantial part by Respondent Northwest Windshields, and the operation of the franchise businesses is substantially associated with a trademark, service mark, trade name, advertising, or other commercial symbol designating, owned by, or licensed by that company.

II.

1

CONSENT ORDER

Northwest Windshields

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

1 On October 29, 1999, Northwest Windshields filed or caused to be filed with the Securities Division an
2 application to register its franchise opportunity in the State of Washington (franchise registration application
3 File No. F-03260) pursuant to Washington's Franchise Investment Protection Act, Ch. 19.100 RCW.

4 Northwest Windshields has not previously been registered with the Securities Division to offer or sell
5 franchises in the State of Washington. The initial franchise registration application indicated that Northwest
6 Windshields had offered and sold four franchises in Washington prior to filing an application to register with
7 the Securities Division to offer or sell franchises in this state.

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

9 CONCLUSIONS OF LAW

10 I.

11 The offer and/or sale of the Northwest Windshield, Inc. distributorships as described in Tentative
12 Finding of Fact I above constitutes the offer and/or sale of franchises as defined in RCW 19.100.010(4).
13

14 II.

15 The offer and/or sale of such franchises as described in Tentative Findings of Fact I and II above was in
16 violation of RCW 19.100.020 because no franchise registration was in effect with the Administrator of
17 Securities of the State of Washington nor permit issued to Respondent Northwest Windshields, Inc. at the time
18 when Northwest Windshields, Inc. made offers and sales of franchises in the State of Washington.

19 ORDER AND CONSENT

20 Based on the premises of the foregoing:

21 IT IS THEREFORE AGREED AND ORDERED that Respondent Northwest Windshields, Inc., and its
22 employees and agents, shall each cease and desist from the offer and sale of franchises in the State of Washington in
23 violation of RCW19.100.020, the registration requirement provision of the Franchise Investment Protection Act.
24

1 IT IS THEREFORE AGREED that Respondent Northwest Windshields, Inc., and its employees and agents,
2 shall disclose the existence and contents of this Order in any franchise registration disclosure document approved for
3 use in the state of Washington, such requirement commencing from the date of entry of this Order.

4 IT IS THEREFORE AGREED that Respondent Northwest Windshields, Inc., and its employees and agents,
5 shall inform all current Washington franchisees of the existence and contents of this Order.

6 IT IS THEREFORE AGREED that Respondent Northwest Windshields, Inc., and its employees and agents,
7 shall use their best efforts to inform all past Washington franchisees of the existence and contents of this Order.

8 IT IS THEREFORE AGREED that Respondent Northwest Windshields, Inc. shall inform all of its
9 employees and agents who offer franchises in this State of the existence and contents of this Order for a period of
10 three years from the date of entry of this Order.

11 IT IS THEREFORE AGREED that Respondent Northwest Windshields, Inc. shall reimburse the Securities
12 Division \$300 for its costs of investigation of this matter as well as pay a penalty of \$200 to the Division pursuant to
13 RCW 19.100.210(2) payable prior to the Division's entry of this Order.

14 IT IS THEREFORE AGREED that Respondent Northwest Windshields, Inc. shall waive its right to a
15 hearing in this matter.

16 IT IS THEREFORE AGREED that the Securities Division has jurisdiction to enter this Order.

17 Northwest Windshields, Inc., by:

18
19 _____ Signed this _____ day of _____, 2000
(Signature)

20
21 _____
(Print Name and Title)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

This Order entered by the Securities Division this _____ day of _____, 2000.

By:

Deborah R. Bortner
Securities Administrator

Approved by:

Michael Stevenson
Chief of Compliance

Presented by:

Brad Ferber
Securities Examiner