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

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

Order No. S-24-3718-24-CO01

CONSENT ORDER

RPG Franchising LLC;

Respondent.

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INTRODUCTION

Pursuant to the Franchise Investment Protection Act, RCW 19.100, the Securities Division and Respondent RPG Franchising LLC do hereby enter into this Consent Order in settlement of the matters alleged herein. Respondent RPG Franchising LLC neither admits nor denies the Findings of Fact and Conclusions of Law as stated below.

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FINDINGS OF FACT

Respondent

1. RPG Franchising LLC (“RPG”) is a North Carolina limited liability company, formed on November 28, 2018, with its principal place of business in Salisbury, North Carolina. RPG offers and sells franchises to provide painting, pressure-washing, and related services under the name “Richard’s Painting.”

Related Entity

2. Richard’s Painting CO LLC (“Richard’s Painting”) is a North Carolina limited liability company, formed on May 30, 2013, with its principal place of business in Salisbury, North Carolina. Richard’s Painting operates a painting business in North Carolina and owns trademarks related to the “Richard’s Painting” business, which it licenses to RPG for its franchise sales.

CONSENT ORDER

DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 41200
Olympia, WA 98504-1200
360-902-8760

1 **Nature of the Conduct**

2 **Overview**

3 3. RPG first applied for registration to sell franchises in Washington on June 7, 2023. On June
4 30, 2023, before completing the registration process, RPG sold a franchise to a Washington resident, G.L., in
5 the Bellingham area. G.L. learned about the franchise through their uncle, who operates an RPG franchise in
6 the New Orleans area.

7 4. The franchise agreement between RPG and G.L.’s company included numerous guidelines for
8 G.L.’s operation of the franchise, including but not limited to equipment maintenance, supplier approval by
9 RPG, participation in RPG’s market research, and penalties if G.L. failed to comply with RPG’s operational
10 standards. G.L.’s franchise agreement further provided that G.L.’s company would receive a license from
11 RPG to use the Richard’s Painting trademarks. Finally, G.L.’s franchise agreement provided for a total of 6%
12 of the franchisee’s gross sales to be paid to RPG as a franchise fee. Pursuant to the agreement, G.L. paid
13 approximately two hundred dollars to RPG on one occasion.

14 **Registration Status**

15 5. RPG is not and has never been registered to sell its franchises in the State of Washington.

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

17 **CONCLUSIONS OF LAW**

18 1. The offer and/or sale of the RPG franchise to G.L., as described above, constitutes the offer
19 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).

20 2. RPG Franchising LLC violated RCW 19.100.020, the franchise registration section of the
21 Franchise Investment Protection Act, by offering and/or selling franchises for which no registration is on file
22 with the Securities Administrator.

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

1 **CONSENT ORDER**

2 IT IS AGREED AND ORDERED that Respondent RPG Franchising LLC, and their agents and
3 employees, shall each cease and desist from violating RCW 19.100.020, the franchise registration section of
4 the Franchise Investment Protection Act.

5 IT IS AGREED that Respondent RPG Franchising LLC shall be liable for and pay investigative costs
6 in the amount of \$1,000.

7 IT IS AGREED that Respondent RPG Franchising LLC enters into this Consent Order freely and
8 voluntarily and with a full understanding of its terms and significance.

9 IT IS AGREED that the Securities Division has jurisdiction to enter this order.

10 IT IS AGREED that in consideration of the foregoing, the Respondent waives their right to a hearing
11 and to judicial review of this matter pursuant to RCW 19.100.260 and Chapter 34.05 RCW.

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

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14 Signed this 11th day of April, 2024.

15 Signed by:
16 RPG Franchising LLC

17 /s
18 Richard Gould
19 Owner

20 Approved as to form by:

21
22 /s
23 Julia Hedrick, Attorney for RPG Franchising LLC
New Jersey Bar No. 331992020

1 SIGNED and ENTERED this 23rd day of April, 2024.



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7 /s/

8 _____
9 William M. Beatty
10 Securities Administrator

11 Approved by:

12 Presented by:

13 _____
14 /s/
15 Brian J. Guerard
16 Chief of Enforcement

17 _____
18 /s/
19 Adam N. Yeaton
20 Financial Legal Examiner

21 Reviewed by:

22 _____
23 /s/
Holly Mack-Kretzler
Financial Legal Examiner Supervisor