

STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
SECURITIES DIVISION

IN THE MATTER OF DETERMINING ) Order Number S-09-208-09-SC01  
Whether there has been a violation of the )  
Franchise Investment Protection Act of ) **CORRECTED**  
Washington by: ) STATEMENT OF CHARGES AND NOTICE  
) OF INTENT TO ENTER ORDER TO CEASE  
) AND DESIST  
Garage Floor Coating Franchise System, Inc. )  
and Robert Hanson, )  
)  
Respondents)

THE STATE OF WASHINGTON TO: Garage Floor Coating Franchise System, Inc.  
Robert Hanson

STATEMENT OF CHARGES

Please take notice that the Securities Administrator of the State of Washington has reason to believe that Respondents, Garage Floor Coating Franchise System, Inc. (hereinafter identified as “Garage Floor Coating”) and Robert Hanson (Hanson) have each violated the Franchise Investment Protection Act of Washington, RCW 19.100, and that their violations justify the entry of an order of the Securities Administrator under RCW 19.100.248 against each to cease and desist from such violations. The Securities Administrator finds as follows:

TENTATIVE FINDINGS OF FACT

PARTIES

1 Garage Floor Coating is a Nevada corporation with its principal place of business in Phoenix, Arizona.

2 Robert Hanson is the President and Chief Executive Officer of Garage Floor Coating.

STATEMENT OF CHARGES AND NOTICE OF INTENT TO ENTER ORDER TO CEASE AND DESIST

1 NATURE OF THE OFFERING

2 3 Garage Floor Coating is the seller of an opportunity involving concrete coating  
3 utilizing, in part, a polyurethane coating to beautify and protect concrete against weathering,  
4 cracking, oil and chemicals. This is marketed primarily through Internet advertising and a Web  
5 page which features information about the coating process and solicits persons to contact the  
6 company about becoming franchisees of the business. Persons who sign "Franchise  
7 Agreements" with Garage Floor Coatings are obligated to pay a \$35,000 initial  
8 application/franchise fee for a single territory, a 6.5% per month royalty fee, and are entitled use  
9 of Garage Floor Coating's trade name, service marks, or trademarks, as well as to receive  
10 training, an operations manual and ongoing marketing assistance and materials. During at least  
11 early 2007, at least two Washington residents signed franchise agreements for businesses to be  
12 located in Washington.  
13

14 4. Robert Hanson offered, sold, and executed the above-mentioned franchise  
15 agreements with the Washington purchasers in his capacity of President and Chief Executive  
16 Officer on behalf of Garage Floor Coating.  
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18 REGISTRATION STATUS

19 5. Garage Floor Coating is not currently registered to sell its franchises in the state  
20 of Washington and has not previously been so registered.

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

22 CONCLUSIONS OF LAW

23 1, The offer or sale of "Franchise Agreements" as described above constitutes the  
24 offer or sale of a franchise as defined in RCW 19.100.010(4) and RCW 19.100.010(16).  
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Brad Ferber  
Financial Legal Examiner