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2  
3 STATE OF WASHINGTON  
4 DEPARTMENT OF FINANCIAL INSTITUTIONS  
5 SECURITIES DIVISION

6 IN THE MATTER OF DETERMINING ) Order Number S-07-544-07-TO01  
7 Whether there has been a violation of the )  
8 Business Opportunity Fraud Act of ) SUMMARY ORDER TO CEASE AND  
9 Washington by: ) DESIST  
10 Coastal Publications, its agents and employees, )  
11 )  
Respondent )

12 THE STATE OF WASHINGTON TO: Coastal Publications  
13 924 Bergen Avenue  
14 PMB 333  
Jersey City, NJ 07306

15 STATEMENT OF CHARGES

16 Please take notice that the Securities Administrator of the State of Washington has reason  
17 to believe that Respondent, Coastal Publications, its agents and employees, have violated the  
18 Business Opportunity Fraud Act and that their violations justify the entry of an order of the  
19 Securities Administrator under RCW 19.110.150 to cease and desist from such violations. The  
20 Securities Administrator finds that delay in ordering the Respondent to cease and desist from  
21 such violations would be hazardous to the investors and to the public and that a Summary Order  
22 to Cease and Desist should be entered immediately. The Securities Administrator finds as  
23 follows:  
24  
25



1                   **HELP WANTED! WE NEED HOME MAIL PROCESSORS IMMEDIATELY!**

2                   **Thank you for requesting our information. You finally have a genuine**  
3                   **opportunity** to earn an excellent weekly income, working from home. Are you  
4                   willing to help generate business for our company by mailing our sales brochures for  
5                   **\$10.00 each, and be paid in advance**, then our company would like you to join our  
6                   team of home workers today.

7                   The flyer provided that offerees were required to send to Respondent Coastal  
8                   Publications a “one-time” registration fee of \$45. The flyer also provided the following:

9                   **You will receive immediate payment for ALL the envelopes you receive... And**  
10                   **your income is guaranteed to be paid to you, in advance!** Your job will be to  
11                   secure, process and mail envelopes for our company.

12                   ...

13                   You will also receive full information, with your enrollment of this program on how  
14                   you will receive a 20% commission for every product sold to every customer that you  
15                   help us generate from the brochures that you mail!

16                   ...

17                   This is not an offer of employment, but rather an opportunity to become an  
18                   Independent Commissioner Mailer for our company. This is not a get rich quick  
19                   scheme. This is a proven method for making money while providing a service to a  
20                   company that needs you to mail their brochures. To get you started immediately, we  
21                   must require a one-time enrollment fee of only \$45.00...

22                   5. Similar to the 2001 flyer, the current flyer also provides a guarantee. The current  
23                   language is as follows:

24                   **WE GUARANTEE** that everything we have said about this program is true, and that  
25                   you will be delighted with your income. Our success depends on your 100%  
26                   satisfaction with this program. **All payments for envelopes are made to you before**  
27                   **you are required to mail them, and PAYMENT IS GUARANTEED!**

28                   6. No other written information or disclosure document containing material  
29                   information regarding the envelope stuffing opportunity or Coastal Publications, including,  
30                   but not limited to a financial statement of the seller, accompanied or was referenced in the  
31                   flyer.

1  
2 III.

3 7. Coastal Publications is not currently registered with the Washington Securities  
4 Division to offer or sell business opportunities in the state of Washington and has not  
5 previously been so registered. It is in the public interest that the offer and/or sale of the  
6 above-described mail processing opportunity in violation of the Washington Business  
7 Opportunity Fraud Act cease.  
8

9 An emergency exists in that further sales of unregistered business opportunities would  
10 be hazardous to investors and the public of this state.

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

13 CONCLUSIONS OF LAW

14 I.

15 9. The offer and/or sale of the mail processing opportunity described in Tentative  
16 Findings of Fact I and II constitutes the offer and/or sale of a business opportunity as defined  
17 in RCW 19.110.020(1).  
18

19 II.

20 10. The offer and/or sale of the envelope stuffing opportunity described in Tentative  
21 Findings of Fact I and II was made in violation of RCW 19.110.070 and RCW 19.110.120  
22 because Respondent Coastal Publications failed to provide prospective purchasers with a  
23 complete disclosure document containing material information regarding the mail processing  
24 opportunity and the seller, including but not limited to a financial statement of the seller.  
25

1  
2 III.

3 11. The offer and/or sale of the envelope stuffing opportunity as described in  
4 Tentative Findings of Fact I through III was made in violation of RCW 19.110.050(1) because  
5 no business opportunity registration has been made nor a permit issued to Respondent Coastal  
6 Publications for the offer and/or sale of the business opportunity in this state.  
7

8 The Securities Administrator finds that this action is necessary and appropriate in the  
9 public interest and for the protection of investors and that the public safety and welfare  
10 require emergency action.

11 SUMMARY ORDER

12 Based on the foregoing,

13 IT IS THEREFORE HEREBY SUMMARILY ORDERED That Coastal Publications,  
14 and its agents and employees, each cease and desist from offering and/or selling business  
15 opportunities in violation of RCW 19.110.070 and RCW 19.110.120, the disclosure document  
16 and antifraud provisions of the Business Opportunity Fraud Act, respectively.

17 IT IS THEREFORE HEREBY SUMMARILY ORDERED That Coastal Publications,  
18 and its agents and employees, each cease and desist from offering and/or selling business  
19 opportunities in violation of RCW 19.110.050(1), the registration requirement provision of  
20 the Business Opportunity Fraud Act.  
21

22 AUTHORITY AND PROCEDURE

23 This Summary Order is entered pursuant to the provisions of RCW 19.110.150 and  
24 chapter 34.05 RCW. The Respondent may make a written request for hearing as set forth in  
25 the Notice of Opportunity to Defend and Opportunity for Hearing accompanying this order.

1 If the Respondent does not request a hearing as set forth in the Notice of Opportunity to  
2 Defend and Opportunity for Hearing, the Securities Administrator intends to adopt the  
3 Tentative Findings of Fact and Conclusions of Law as final and make this Summary Order to  
4 Cease and Desist permanent as to the Respondent.

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

6  
7  
8 Dated and Entered this 27th day of December, 2007

9  
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11 \_\_\_\_\_  
12 MICHAEL E. STEVENSON,  
13 Securities Administrator

14 Approved by:

15 

16 \_\_\_\_\_  
17 Martin Cordell  
18 Chief of Enforcement

19 Presented by:

20 

21 \_\_\_\_\_  
22 John Stanislav  
23 Financial Legal Examiner