

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:

V2K Window Fashions, Inc.,

Respondent.

SDO - 092 - 02

CONSENT ORDER

Case No. 02-09-359/ACO No. S-02-321

INTRODUCTION

The Securities Division, Department of Financial Institutions, State of Washington, and Respondent, V2K Window Fashions, Inc., do hereby agree to this Consent Order in settlement of the matters alleged herein.

Respondent neither admits nor denies the Tentative Findings of Fact and Conclusions of Law as set forth below.

TENTATIVE FINDINGS OF FACT

I.

V2K Window Fashions, Inc., is a Colorado corporation with a principal business address of 1127 Auraria Parkway, Suite 204, Denver, Colorado 80204. V2K Window Fashions, Inc., was originally incorporated as Vision 2000 Window Fashions, Inc. in 1996, and in 1999 the name of the corporation was changed to its present name.

II.

V2K Window Fashions, Inc., is in the business of granting franchises to operate custom decorative window treatment businesses. "Window treatment" is the industry term to describe every type of window covering and decoration, including blinds, drapes and all accessories related to the window covering and decorations. Franchisees are obligated to pay franchise fees, are responsible for direct marketing of their businesses within specific geographic areas, and are entitled to training and ongoing education as well as the use of training and operational manuals relating to the operation of the business. Franchisees are also entitled to use of

CONSENT ORDER

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

V2K Window Fashions, Inc.

1 specialized computer software and operate the business under the franchisor's trademarks, service marks and other
2 proprietary marks.

3 III.

4 On April 11, 1997, Vision 2000 Window Fashions, Inc. filed or caused to be filed with the Securities
5 Division an initial application and associated materials to register its window treatment franchise opportunity in
6 Washington (Franchise Registration Application File No. 70010033) pursuant to Washington's Franchise
7 Investment Protection Act. Due to failure to establish an impound account as a condition of registration, no
8 registration permit was issued for the filing and the filing did not become effective.

9 On July 23, 2002, V2K Window Fashions, Inc. (previously operating under the name Vision 2000
10 Window Fashions, Inc.) filed or caused to be filed with the Securities Division another application and
11 associated materials to register the window treatment franchise opportunity in Washington (Franchise
12 Registration Application File No. 70012221). The Uniform Franchise Offering Circular filed with the
13 application, along with the other materials, indicated that V2K Window Fashions, Inc. had sold one of its
14 window treatment opportunities to a Washington resident for operation of the business within the state prior to
15 the date of application.

16 IV.

17 V2K Window Fashions, Inc. (either under its current name or previous name of Vision 2000 Window
18 Fashions, Inc.) is not currently and has not previously been registered to offer or sell franchises in the state of
19 Washington.

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

21 CONCLUSIONS OF LAW

22 I.

23
24 The offer and/or sale of the window treatment opportunity described in Tentative Findings of Fact I
25 through II above constitutes the offer and/or sale of a franchise as defined in RCW 19.100.010(4).

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27 V2K Window Fashions, Inc.

II.

The offer and/or sale of at least one such franchise as described in Tentative Findings of Fact I through IV above was in violation of RCW 19.100.020 because no franchise registration was in effect with the Administrator of Securities of the State of Washington nor permit issued to Respondent V2K Window Fashions, Inc. for the offer and/or sale of the franchise to the Washington resident.

ORDER AND CONSENT

Based on the premises of the foregoing:

IT IS THEREFORE AGREED AND ORDERED that V2K Window Fashions, Inc., its employees and agents each shall refrain from the offer and/or sale of franchises in the State of Washington in violation of RCW 19.100.020, the registration requirement provision of the Franchise Investment Protection Act.

IT IS FURTHER AGREED AND ORDERED that V2K Window Fashions, Inc. shall disclose the existence and contents of this Order in any franchise registration disclosure document approved for use in the State of Washington, such requirement commencing upon, and continuing for three years, from the date of entry of this Order.

IT IS FURTHER AGREED AND ORDERED that V2K Window Fashions, Inc. shall inform all employees and agents who offer franchises in the State of Washington of the existence and contents of this Order for a period of three years from the date of entry of this Order.

IT IS FURTHER AGREED AND ORDERED that this Order shall remain in force and effect for a period of three years from the date of entry of this Order.

IT IS FURTHER AGREED AND ORDERED that Respondent V2K Window Fashions, Inc. shall offer rescission to the Washington resident who purchased a franchise during which time the offering was unregistered in a form acceptable to the Securities Division. Such offer shall be made within ten (10) days of the entry of this Order. Respondent V2K Window Fashions, Inc. shall file or cause to be filed either the response to such offer or proof of mailing or transmission of the offer and evidence that the offeree failed to timely respond. Failure to extend such offer shall be grounds to vacate this Order.

1 IT IS FURTHER AGREED that V2K Window Fashions, Inc. shall reimburse the Securities Division
2 \$500 for its costs of investigation payable prior to the Securities Division's entry of this Order.

3 IT IS FURTHER AGREED that V2K Window Fashions, Inc. waives its rights to a hearing in this matter.

4 IT IS FURTHER AGREED that the Securities Division has jurisdiction to enter this Order.

5
6 WILLFUL VIOLATION OF AN ORDER OF THE SECURITIES ADMINISTRATOR IS A FELONY.

7
8 V2K Window Fashions, Inc., by:

9
10 *Victor J. Yaska*
(Signature)

11
12 Victor J. Yaska Signed this 24th day of Sept, 2002
(Print Name and Title) President

13
14
15 This Order entered by the Securities Division this 28th day of October, 2002.

16 By:

17
18 *Deborah R. Bortner*
19 Deborah R. Bortner
Securities Administrator



20
21 Approved for entry by:

22
23 *Michael Stevenson*
24 Michael Stevenson
Chief of Enforcement

Presented by:

25
26 *Brad Ferber*
Brad Ferber
Financial Legal Examiner

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V2K Window Fashions, Inc.

DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 9033
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V2K WINDOW FASHIONS, INC.
1127 AURARIA PKWY., SUITE 204
DENVER, CO 80204
303-202-1120

WELLS FARGO BANK WEST, N.A.
BUSINESS BANKING
DENVER, CO 80274
23-7-1020

5176

5176

Five Hundred and 00/100 Dollars

DATE

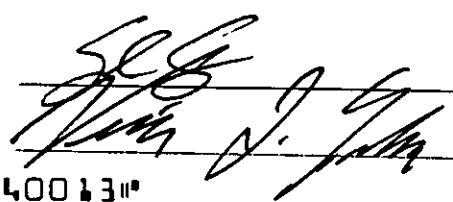
AMOUNT

Sep 26, 2002

*****\$500.00

PAY
TO THE
ORDER
OF

Washington State Treasurer



MP

⑈005176⑈ ⑆10200076⑆3202540013⑈

Details on bank
Security Features Included

DFI

**DOCUMENT
SEPARATOR**



State of Washington
DEPARTMENT OF FINANCIAL INSTITUTIONS

SECURITIES DIVISION
P.O. Box 9033 • Olympia, Washington 98507-9033
Telephone (360) 902-8760 • TDD (360) 664-8126 • FAX (360) 586-5068
<http://www.dfi.wa.gov/sd>

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October 4, 2002

Daniel J. Block
Robinson Waters & O'Doriso
1099 18th Street, Suite 2600
Denver, CO 80202-1926

Subject: V2K Window Fashions, Inc.
Case No. 02-09-359/ACO No. S-02-321

Via Fax @ (303) 297-2750

Dear Mr. Block:

Please find enclosed a copy of Consent Order SDO-092-02 as entered today. A hard copy of this order will also be sent to you by regular mail.

Please be aware that the entry of the consent order does not entitle the franchisor to resume offers or sales of franchises in Washington until registration is effected. Part of that process will include appropriate disclosure in Item 3 of the company's UFOC filed with the Securities Division. I will also work with you in relation to the rescission offer provision specified in the order. Registration questions should be directed to Emilio Casillas of this office.

Thank you for your assistance in this matter.

Sincerely,

Brad Ferber
Financial Legal Examiner

cc: Emilio Casillas
Franchise Registration Application File No. 70012221

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