

1  
2  
3  
4  
5  
6  
7  
8

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

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

Order Number S-07-287-07-CO01

CONSENT ORDER

HIGH TOUCH INVESTMENT CORP.,

Respondent.

9  
10  
11  
12  
13  
14  
15

**INTRODUCTION**

Pursuant to the Franchise Investment Protection Act of Washington, RCW 19.100, the Securities Division and Respondent High-Touch Investment Corporation do hereby enter into this Consent Order in settlement of the matters alleged herein. Respondents neither admit nor deny the Findings of Fact and Conclusions of Law stated below.

16  
17  
18  
19  
20  
21  
22

**FINDINGS OF FACT**

Respondents

1. High Touch Investment Corporation (“High Touch”), a Florida Corporation, was formed on December 23, 1993. High Touch’s principal place of business is located at 554 Fairview Road, Asheville, North Carolina 28803. High Touch Investment Corporation is owned and operated by Daniel Shaw, who also serves as its president.

1 Nature of Offering

2 2. High Touch offers a franchise opportunity called High Touch–High Tech in which  
3 franchisees provide science education programs to school-aged children. Franchisees teach classes and  
4 perform science experiments for children as supplemental instruction in public and private school  
5 classrooms, as well as at birthday parties and summer camps. Purchasers of the franchise opportunity are  
6 provided with training and receive operations manuals, lesson plans, and an exclusive territory.  
7 Purchasers are obligated to pay initial and ongoing fees, including an initial \$35,000 franchise fee and an  
8 ongoing 7% Royalty and Continuous Service Fee paid on all gross sales. Purchasers are entitled to use  
9 the marks and associated trade names, trademarks, service marks, logotypes, and other commercial  
10 symbols associated with High Touch–High Tech.

11 3. In 2006, High Touch offered and sold a High Touch–High Tech franchise opportunity to a  
12 Washington resident. The Washington resident located High Tech through the internet. High Touch  
13 provided an offering circular but failed to provide recent financial statements for the company. The  
14 Washington resident signed a franchise agreement on September 20, 2006 in which she purchased two  
15 exclusive territories for a franchise fee of \$50,000. Fifty percent of the franchise fee was financed by  
16 High Touch. The Washington resident also agreed to pay a 7% royalty fee on all gross profits.

17 4. The Washington resident operated the High Touch–High Tech franchise for approximately  
18 nine months. The Washington resident requested and received the return of her franchise fee and has  
19 since ceased operating as a High Touch–High Tech franchisee.

20 //

21 //

22 //

1 Registration Status

2 5. High Touch Investment Corporation is not currently and has not previously been registered  
3 to offer and sell franchises in the State of Washington.

4  
5 Based upon the above Findings of Fact, the following Conclusions of Law are made:

6 **CONCLUSIONS OF LAW**

7 1. The offer and/or sale of the opportunity described above constitute the offer and/or sale of  
8 a franchise as defined in RCW 19.100.010(4) and RCW 19.100.010(16).

9 2. The offer and/or sale of said franchise was in violation of RCW 19.100.020, the  
10 registration provision of the Franchise Investment Protection act, because no registration for offers  
11 and/or sales is on file with the Securities Administrator.

12 3. The offer and sale of the above-described franchise opportunity was made in violation of  
13 RCW 19.100.080, the disclosure document provision of the Franchise Investment Protection Act,  
14 because Respondent provided a Uniform Franchise Offering Circular or disclosure document that did not  
15 contain all material information about the franchise opportunity, including but not limited to recent  
16 financial statements of the seller.

17 **CONSENT ORDER**

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

19 IT IS AGREED AND ORDERED that Respondent High Touch Investment Corporation and their  
20 agents and employees, each shall cease and desist from offering or selling franchises in violation of  
21 RCW 19.100.020, the registration section of the Franchise Investment Protection Act of the State of  
22 Washington.

1 IT IS AGREED AND ORDERED that Respondent High Touch Investment Corporation and their  
2 agents and employees, each shall cease and desist from violation of RCW 19.100.080, the disclosure  
3 document provision of the Franchise Investment Protection Act of the State of Washington.

4 IT IS FURTHER AGREED AND ORDERED that Respondent High Touch Investment  
5 Corporation shall disclose the existence and contents of this Order in any Uniform Franchise Offering  
6 Circular or Disclosure Document approved for use in the State of Washington, such requirement  
7 commencing from the date of entry of this Order.

8 IT IS FURTHER AGREED that Respondent High Touch Investment Corporation shall pay to the  
9 Securities Division the costs, fees, and other expenses incurred in the investigation and prosecution of  
10 this matter in the amount of five hundred dollars (\$500) on or before the date of entry of this Order.

11 IT IS FURTHER AGREED that this Order alone will not constitute a bar to the approval of any  
12 new application of High Tech Investment Corporation for registration as a franchise.

13 IT IS FURTHER AGREED that this Order is not an application of High Tech Investment  
14 Corporation for registration as a franchise.

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

16 IT IS FURTHER AGREED that in consideration of the foregoing, Respondent High Touch  
17 Investment Corporation waives its rights to a hearing in this matter and judicial review of this matter  
18 pursuant to Chapter 34.05 RCW.

19 //

20 //

21  
22 SIGNED this 6th day of November, 2007.

23 CONSENT ORDER

24 4

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

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

Signed by:

High Touch Investment Corporation

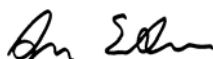
By /s/\_\_\_\_\_  
Daniel Shaw, President

-----  
SIGNED and ENTERED this 13<sup>th</sup> day of November, 2007.



\_\_\_\_\_  
MICHAEL E. STEVENSON  
Securities Administrator

Approved by:



\_\_\_\_\_  
Suzanne Sarason  
Chief of Compliance & Examinations

Presented by:



\_\_\_\_\_  
Jill M. Vallely  
Enforcement Attorney