

1 **STATE OF WASHINGTON**
2 **DEPARTMENT OF FINANCIAL INSTITUTIONS**
3 **SECURITIES DIVISION**

4 IN THE MATTER OF DETERMINING
5 Whether there has been a violation of the
6 Franchise Investment Protection Act of
7 Washington by:

8 AFN Sports, LLC,
9 Fan Sports, LLC,

10 Respondents.

Order No. S-18-2572-19-CO01

CONSENT ORDER

11 Pursuant to the Franchise Investment Protection Act of Washington, Chapter 19.100 RCW, the
12 Securities Division and Respondents AFN Sports, LLC and Fan Sports, LLC do hereby enter into this Consent
13 Order in settlement of the matters alleged herein. Respondents neither admit nor deny the Findings of Fact or
14 Conclusions of Law as stated below.

15 **FINDINGS OF FACT**

16 **Respondents**

17 1. AFN Sports, LLC (AFN) is an Illinois limited liability company formed on June 28, 2017 with
18 its principal place of business in West Chicago, Illinois. Between about July 2017 and April 2019, AFN did
19 business as Knockerball, and it was in the business of selling Knockerball franchises. The franchise business
20 involved renting out equipment to play Knockerball bubble soccer or archery at parties or other events. AFN
21 granted licenses to franchisees to operate the business under the Knockerball name and trademark. AFN
22 offered franchise packages that included Knockerball supplies and equipment, marketing methods and
23 materials, national advertising, management software, and a customized website.

CONSENT ORDER

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

1 provide each franchisee with a customized Knockerball website for their business. The franchise package also
2 included a pin on the map of Knockerball businesses at knockerball.com.

3 8. Neither AFN nor Fan Sports provided any of the Washington franchisees with a franchise
4 disclosure document prior to the franchisees signing the agreement.

5 **Registration Status**

6 9. Respondent AFN Sports, LLC is not currently registered to sell its franchises in the state of
7 Washington and has not previously been so registered. There is no notification of exemption on file with the
8 state of Washington.

9 10. Respondent Fan Sports, LLC is not currently registered to sell its franchises in the state of
10 Washington and has not previously been so registered. There is no notification of exemption on file with the
11 state of Washington.

12
13 Based upon the above Findings of Fact, the following Conclusions of Law are made:

14 **CONCLUSIONS OF LAW**

15
16 1. The offer or sale of franchises as described above constitutes the offer or sale of a franchise as
17 defined in RCW 19.100.010(6), RCW 19.100.010(12), and RCW 19.100.010(17).

18 2. The offer or sale of said franchises was in violation of RCW 19.100.020 because no registration
19 for such offers or sales was on file with the Washington Securities Administrator.

20 3. The sale of said franchises was in violation of RCW 19.100.080 because AFN Sports, LLC
21 and Fan Sports, LLC failed to provide the franchisees with a franchise disclosure document prior to the sale
22 of the franchises.

1 **CONSENT ORDER**

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

3 IT IS AGREED AND ORDERED that Respondents AFN Sports, LLC and Fan Sports, LLC, their
4 agents, and their employees, shall each cease and desist from any violation of RCW 19.100.020, the
5 registration section of the Franchise Investment Protection Act of the state of Washington.

6 IT IS FURTHER AGREED AND ORDERED that Respondents AFN Sports, LLC and Fan Sports,
7 LLC, their agents, and their employees, shall each cease and desist from any violation of RCW 19.100.080,
8 the franchise disclosure document section of the Franchise Investment Protection Act of the state of
9 Washington.

10 IT IS FURTHER AGREED AND ORDERED that Respondents AFN Sports, LLC and Fan Sports,
11 LLC shall be jointly and severally liable for and shall pay investigative costs of \$1,500 prior to the entry of
12 this Consent Order.

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

14 IT IS FURTHER AGREED that Respondents AFN Sports, LLC and Fan Sports, LLC each enter into
15 this Consent Order freely and voluntarily and with a full understanding of its terms and significance.
16

17 IT IS FURTHER AGREED that in consideration of the foregoing, Respondents AFN Sports, LLC and
18 Fan Sports, LLC each waive their right to a hearing and to judicial review of this matter.
19

20
21 Signed this 29th day of August, 2019.
22
23

1 Signed by:
2 AFN Sports, LLC

Signed by:
Fan Sports, LLC

3
4 /s/ _____
Joseph Ricely, Manager

/s/ _____
Joseph Ricely, Manager

5 Approved as to Form by:

6
7 /s/ _____
Christine Tani, Bar No.
8 Attorney for Respondent


9 SIGNED and ENTERED this 4th day of September, 2019.

11 

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13 _____
William M. Beatty
Securities Administrator

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15 Approved by:

Presented by:


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Suzanne Sarason
Chief of Enforcement

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Holly Mack-Kretzler
Financial Legal Examiner

22 Reviewed by:

23 

Brian Guerard
Financial Legal Examiner Supervisor

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