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**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:

Yifangwa LLC d.b.a. Yi Fang Taiwan Fruit Tea
and Xiao Song a.k.a. Elaine Song,

Respondents

Order No. S-21-3087-21-CO02

CONSENT ORDER

Pursuant to the Franchise Investment Protection Act of Washington, RCW 19.100, the Securities Division and Respondents Yifangwa LLC d.b.a. Yi Fang Taiwan Fruit Tea and Xiao Song a.k.a. Elaine Song (“Respondents”) do hereby enter into this Consent Order in settlement of the matters alleged herein. Respondents neither admit nor deny the Findings of Fact or Conclusions of Law as stated below.

FINDINGS OF FACT

Respondents

1. Yifangwa LLC (“Yifangwa”) is a Washington limited liability company corporation entity formed on April 24, 2018 with its principal place of business in Bellevue WA. Yifangwa is in the business of operating and selling franchises operating under the name of “ Yi Fang Taiwan Fruit Tea.”

2. Xiao Song (“Song”) is a Washington resident, co-founder and managing member of Yifangwa.

Nature of the Offering

3. In 2018, Song and two Chinese business partners formed Yifangwa for the purpose of operating and selling stores operating under the Yi Fang Taiwan Fruit Tea brand after entering into a master franchise agreement with Inkism International Co. Ltd. (“Inkism”).

CONSENT ORDER

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

1 4. From 2018 through 2021, Respondents offered and sold Yi Fang Taiwan Fruit Tea franchises
2 to at least eight individuals to operate stores at eight or more locations in Washington and Oregon. Song met
3 with the prospective franchises in person and communicated with them by phone and WeChat.

4 5. Song provided the offerees/franchisees with a “Brand License Agreement of YI FANG
5 TAIWAN FRUIT TEA and granted them the right to use the YI FANG TAIWAN FRUIT TEA trademark
6 and service mark, decoration and furnishing style, operation management system, and know-how system.

7 6. Respondents provided the franchisees with an operations manual and operational training with
8 assistance from Inkism.

9 7. Respondents charged the franchisees with an initial licensing fee ranging from \$20,000 to
10 \$40,000. Respondents also charged the franchisees a monthly royalty fee ranging from 5% to 7%.

11 **Registration Status**

12 8. Respondent Yifangwa is not currently registered to sell its franchises in the state of Washington
13 and has not previously been so registered.

14 **Violations**

15 9. From 2018 to 2021, Respondents offered and sold franchises without providing offerees a
16 franchise disclosure document.

17 10. From 2018 to 2021, Respondents offered and sold franchises without providing offerees
18 material information such as the financial condition of Yifangwa, including financial statements.

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

20 **CONCLUSIONS OF LAW**

21 1. The offer or sale of a franchise as described above constitutes the offer or sale of a franchise
22 as defined in RCW 19.100.010(6), RCW 19.100.010(12), and RCW 19.100.010(17).
23

1 IT IS FURTHER AGREED that in consideration of the foregoing, Respondents waive their right to a
2 hearing and to judicial review of this matter.

3 Signed this 10th day of March, 2022

4 Signed by Yifangwa LLC by:

5 _____
6 /s/ Xiao Song, Managing Member /s/ Xiao Song, an individual

7
8 SIGNED and ENTERED this 17th day of March, 2022 by

9 


10
11 William M. Beatty
12 Securities Administrator

13
14 Approved by:

15 

16 Brian J. Guerard
17 Chief of Enforcement

18 Presented by:

19 

20 Martin Cordell
21 Financial Legal Examiner

22 Reviewed by:

23 

Adam N. Yeaton
Acting Financial Legal Supervisor