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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 by:

F45 Training Incorporated,  
Respondent.

Order No. S-23-3534-23-CO01

CONSENT ORDER

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**INTRODUCTION**

Pursuant to the Franchise Investment Protection Act, RCW 19.100, the Securities Division and F45 Training Incorporated do hereby enter into this Consent Order in settlement of the matters alleged herein. F45 Training Incorporated neither admits nor denies the Findings of Fact and Conclusions of Law as stated below.

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**FINDINGS OF FACT**

**Respondent**

1. Respondent F45 Training Incorporated is a Delaware entity formed on March 25, 2015, with its principal place of business in Austin, Texas. Respondent F45 sells franchises for exercise training businesses that do business under the mark “F45 Training.”

**Nature of Conduct**

2. On October 18, 2022, the Securities Division entered into a Consent with F45 Training, Inc. The Securities Division alleged that Respondent made unlawful and unsupported financial performance representations to prospective Washington franchisees between November 2015 and December 2019. Particularly, Respondent claimed, through advertising, web videos, and direction communications, and without providing a reasonable basis or substantiation of these claims, that franchisees could quickly achieve high profits if they purchased and operated one of Respondent’s franchised locations. Respondent also omitted

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Securities Division  
150 Isael RD SW  
Tumwater, WA 98501  
360-902-8760

1 material information when it claimed to prospective franchisees during its sales process that nearby units were  
2 successful, including by failing to inform prospective franchisees that these locations were not profitable as  
3 of that time. The Securities Division additionally alleged the Respondent made untrue statements of material  
4 fact and/or omitted material facts to the Division when it stated in its franchise registration filings that it did  
5 not provide financial performance representations to prospective franchisees, while at the same time making  
6 these representations during its sales process. As additional violations, the Securities Division alleged that  
7 Respondent failed to disclose, as required in the Franchise Disclosure Document (“FDD”), that it had paid  
8 certain public figures, who were players, coach, and a team owner in the National Basketball Association, to  
9 promote sales of its franchise units, and that Respondent was in violation of the law when it required  
10 prospective franchisees to make certain payments to it before it provided them with its current franchise  
11 disclosure document. Further, the Securities Division alleged that Respondent was in violation of the  
12 RCW 19.100.180, the Franchisee Bill of Rights, when it terminated a Washington franchisee shortly after the  
13 franchisee was identified as a leader in a newly-formed F45 franchisee association, thus inhibiting the  
14 franchisee’s right under the law to join such an association. Without admitting or denying the Securities  
15 Division’s allegations, Respondent agreed to cease and desist from violations of RCW 19.100.170, the  
16 violations section of the Franchise Investment Protection Act of Washington; RCW 19.100.080, the franchise  
17 disclosure document section of the Franchise Investment Protection Act of Washington; and RCW  
18 19.100.180, the franchisee bill of rights section of the Franchise Investment Protection Act of Washington.  
19 Respondent agreed to pay \$15,437.50 to the Division in investigative cost recovery, and to send a copy of the  
20 order and an offer to rescind the franchise agreement to all franchisees who entered into a franchise agreement  
21 in Washington before December 31, 2019.  
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1 SIGNED and ENTERED this 4th day of December, 2023.

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3 /s/ \_\_\_\_\_  
4 William M. Beatty  
5 Securities Administrator



10 Approved by:

Presented by:

11 /s/ \_\_\_\_\_  
12 Brian Guerard  
13 Chief of Enforcement

/s/ \_\_\_\_\_  
Martin Cordell  
Financial Legal Examiner

14 Reviewed by:

15 /s/ \_\_\_\_\_  
16 Huong Lam  
17 Financial Legal Examiner Supervisor

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