

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:

Advanced Mobile IV, LLC

Respondent

Order No.: S-23-3535-23-SC01

STATEMENT OF CHARGES AND
NOTICE OF INTENT TO
ENTER ORDER TO CEASE AND DESIST

8 THE STATE OF WASHINGTON TO: **Advanced Mobile IV, LLC**

9 **STATEMENT OF CHARGES**

10 Please take notice that the Securities Administrator for the State of Washington has reason to believe
11 that Respondent Advanced Mobile IV, LLC has violated the Franchise Investment Protection Act of
12 Washington, Chapter 19.100 RCW, and that its violations justify the entry of an order of the Securities
13 Administrator under RCW 19.100.248 against it to cease and desist from such violations. The Securities
14 Administrator finds as follows:

15 **TENTATIVE FINDINGS OF FACT**

16 Respondent

17 1. Advanced Mobile IV, LLC (“Advanced Mobile”) is a Utah limited liability company organized
18 on November 3, 2021. Advanced Mobile maintains a principal place of business in St. George, Utah.

19 Nature of the Conduct

20 *The Franchise*

21 2. Advanced Mobile sells a franchise that enables franchisees to start a business selling and
22 delivering, in customers’ homes, vitamins and other products intravenously that customers believe will help
23 them achieve their health and wellness goals. Franchisees conduct their businesses using Advanced Mobile’s

1 word mark “Advanced Mobile IV.” Franchisees may sell only the products identified by Advanced Mobile,
2 and they must buy all of their products from Advanced Mobile. Franchisees are required to use Advanced
3 Mobile’s “system,” which consists of certain specifications, training methods, techniques, products, designs,
4 and furnishings, among other things. Franchisees are required to pay an initial franchise fee of \$20,000 in
5 two payments of \$10,000 each, as well as five percent of their gross sales to Advanced Mobile. Franchisees
6 are also required to pay Advanced Mobile \$5,000 annually for various training activities.

7 *Sales to Washington Residents*

8 3. In August 2022, Advanced Mobile sold two franchises to Washington residents who intended
9 to operate their franchises in Washington. Advanced Mobile did not provide a franchise disclosure document
10 (“FDD”) to these franchisees prior to their purchase, providing only a spreadsheet that contained the prices of
11 items that franchisees would need to purchase to conduct their business.

12 4. In December 2022, Advanced Mobile entered into a “Termination Agreement” with one of the
13 franchisees which severed the franchisor-franchisee relationship. The agreement provided for the return of
14 the franchisee’s initial payment of \$10,000.

15 *Respondent’s Attempt to register its Franchise*

16 5. On October 21, 2022, Advanced Mobile filed an initial application for registration of its
17 franchise offering with the Securities Division. As part of that application, Advanced Mobile filed an FDD
18 dated October 5, 2022 with the Securities Division. In a list in the FDD entitled “Outlets Sold to
19 Franchisees,” Advanced Mobile did not mention the two franchises sold to Washington residents that took
20 place in August 2022.

21 Registration Status

22 5. Respondent, Advanced Mobile IV, LLC, is not currently registered to sell its franchises in the
23 State of Washington and has not previously been so registered.

1 **CONCLUSIONS OF LAW**

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

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

5 2. The offer and/or sale of said franchises is in violation of RCW 19.100.020 because no
6 registration or exemption for such offer and/or sale by Respondent Advanced Mobile IV, LLC was on file
7 with the Securities Administrator at the time of such offer and/or sale.

8 3. The offer and/or sale of said franchises is in violation of RCW 19.100.080, because Respondent
9 Advanced Mobile IV, LLC failed to provide prospective purchasers with a current disclosure document that
10 contained all material information about the franchise prior to their purchases.

11 4. Respondent Advanced Mobile IV, LLC violated RCW 19.100.170(1) because the FDD that
12 Advanced Mobile submitted to the Securities Division in October 2022 did not mention the two sales to
13 Washington residents that took place in August 2022.

14 **NOTICE OF INTENT TO ORDER THE RESPONDENT TO CEASE AND DESIST**

15 Based upon the above Tentative Findings of Fact and Conclusions of Law, the Securities Administrator
16 intends to order that Respondent Advanced Mobile IV, LLC, and its agents and employees shall each cease
17 and desist from violating RCW 19.100.020, RCW 19.100.080, and RCW 19.100.170.

18 **AUTHORITY AND PROCEDURE**

19 This Order is entered pursuant to the provisions of RCW 19.100.248 and is subject to the provisions
20 of Chapter 34.05 RCW. Advanced Mobile IV, LLC may make a written request for a hearing as set forth in
21 the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this
22 order. If the Respondent does not request a hearing within the allowed time, the Securities Administrator
23

1 intends to adopt the above Tentative Findings of Fact and Conclusions of Law as final and enter an order to
2 cease and desist permanent.

3
4 Signed and Entered this 24th day of March 2023.

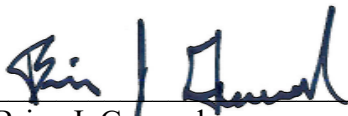


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11 William M. Beatty
12 Securities Administrator

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14 Approved by:

Presented by:

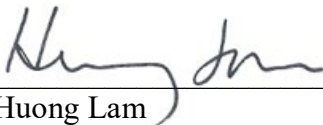
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16 _____
17 Brian J. Guerard
18 Chief of Enforcement

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20 _____
21 Edward R. Thunen
22 Financial Legal Examiner

23 Reviewed by:



24 _____
25 Huong Lam
26 Financial Legal Examiner Supervisor