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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:

Michael Jardine a.k.a. Mike Jardine;
TS Franchise, LLC; and
MWJ Holdings LLC d.b.a. Twisted Sugar,

Respondents.

Order No. S-23-3550-23-FO01

ENTRY OF FINDINGS OF FACT AND
CONCLUSIONS OF LAW AND FINAL ORDER TO
CEASE AND DESIST AS TO
MICHAEL JARDINE A.K.A. MIKE JARDINE;
TS FRANCHISE, LLC; AND
MWJ HOLDINGS LLC D.B.A. TWISTED SUGAR

THE STATE OF WASHINGTON TO:

Michael Jardine a.k.a. Mike Jardine;
TS Franchise, LLC; and
MWJ Holdings LLC d.b.a. Twisted Sugar

On November 3, 2023, the Securities Administrator of the state of Washington issued Statement of Charges and Notice of Intent to Enter Order to Cease and Desist, Order No. S-23-3550-23-SC01 (“Statement of Charges”). The Statement of Charges, together with a Notice of Opportunity for Hearing (“Notice”) and an Application for Adjudicative Hearing (“Application”), were served on Respondents Michael Jardine a.k.a. Mike Jardine, TS Franchise, LLC, and MWJ Holdings LLC d.b.a. Twisted Sugar, on November 9, 2023. The Notice advised Respondents Michael Jardine a.k.a. Mike Jardine, TS Franchise, LLC, and MWJ Holdings LLC d.b.a. Twisted Sugar that the Application must be received within twenty days from the date of service. Respondents Michael Jardine a.k.a. Mike Jardine, TS Franchise, LLC, and MWJ Holdings LLC d.b.a. Twisted Sugar failed to request an administrative hearing within twenty days of service.

The Securities Administrator therefore adopts as final the following Findings of Fact and Conclusions of Law as set forth in the Statement of Charges and enters a final order against Respondents Michael Jardine

ENTRY OF FINDINGS OF FACT AND
CONCLUSIONS OF LAW AND FINAL
ORDER TO CEASE AND DESIST

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

1 a.k.a. Mike Jardine, TS Franchise, LLC, and MWJ Holdings LLC d.b.a. Twisted Sugar to cease and desist
2 from violations of the Franchise Investment Protection Act.

3 **FINDINGS OF FACT**

4 **Respondents**

5 1. TS Franchise, LLC (TS Franchise) was a Utah limited liability company formed on August 14,
6 2018, with its principal place of business in Syracuse, Utah. TS Franchise was in the business of offering
7 Twisted Sugar franchises, a retail cookie store chain, from 2018 through 2020.

8 2. MWJ Holdings LLC (“MWJH”) is an Arizona limited liability company that was formed on
9 December 9, 2020, with its principal place of business located in Layton, Utah. From December 2020 through
10 mid-2023, it was in the business of offering Twisted Sugar franchises, a retail cookie store chain.

11 3. Michael Jardine (“Jardine”) is the founder and Chief Executive Officer of MWJH. Jardine was
12 the founder and principal of TS Franchise.

13 **Nature of Conduct**

14 4. From approximately 2018 and into 2023, Respondents Jardine, MWJH and its predecessor TS
15 Franchise LLC have offered Twisted Sugar franchises. Respondents offered Twisted Sugar franchises for sale
16 to the public on their website at www.twisted-sugar.com.

17 5. In September 2020, a Washington resident (“the Resident”) contacted Jardine about the
18 possibility of purchasing a Twisted Sugar franchise to be operated in Washington. Over a period of time,
19 Jardine and the Resident exchanged emails and spoke by phone regarding the sale of a Twisted Sugar
20 franchise.

21 6. In October 2020, Jardine emailed the Resident with a combined profit and loss statement for
22 his Layton and Syracuse stores. Jardine told the Resident that he ran them as one store since he did the baking
23 for both. Jardine failed to disclose material facts regarding the information such as the fact that the profit and

1 loss statements did not disclose the lack of inclusion of royalty fees, potential franchisor and affiliate markups
2 on goods purchased, and relevant and material information for other existing Twisted Sugar franchisees.

3 7. In April 2021, Jardine emailed the Resident a copy of the Twisted Sugar franchise disclosure
4 document (“FDD”). The FDD is required to be given to prospective Washington franchise purchasers and
5 provide them with material information about the franchise investment opportunity. Jardine provided the
6 Resident with an FDD that stated in Item 19 that:

7 We do not make any representations about a franchisee’s future financial
8 performance or the past financial performance of company-owned or
9 franchised outlets. We also do not authorize our employees or
10 representatives to make any such representations either orally or in
11 writing. If you are purchasing an existing outlet, however, we may provide
12 you with the actual records of that outlet. If you receive any other
13 financial performance information or projections of your future income,
14 you should report it to the Federal Trade Commission, the appropriate state
15 regulatory agencies, and our management by contacting our Michael Jardine
16 at 377 E. Gentile Street, Layton, Utah 84041 or by phone at (801) 399-2323.

17 Jardine failed to include the financial performance information previously provided to the Resident and other
18 material information in the FDD.

19 8. Jardine and MWJH provided the Resident with an FDD and franchise agreement that included
20 the right to operate a franchise under the name “Twisted Sugar” and use the Twisted Sugar trade names,
21 trademarks, service marks, and logotypes.

22 9. Under the franchise agreement, Jardine and MWJH were obligated to approve a suitable
23 location for the Washington store and to provide the Resident with initial and periodic training, initial supplies
and inventory, marketing materials and plan, operations manual and maintain a website to include a local
landing page for the Resident’s store.

10 10. In mid-2021, the Resident paid Jardine and MWJH an initial franchise fee of \$10,000 for the
11 first of three stores to be opened. Jardine and MWJH charged the Resident an ongoing monthly royalty fee of
12 4% of gross revenues.

1 11. Respondents are not currently registered to offer or sell Twisted Sugar franchises in the state
2 of Washington and have not previously been so registered.

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

4 **CONCLUSIONS OF LAW**

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

7 2. Respondents' offer and sale of a franchise as described above constitutes the offer and/or sale
8 of an unregistered franchise in violation of RCW 19.100.020.

9 3. Jardine and MWJH offered franchises in violation of RCW 19.100.170 because they made a
10 false and misleading statement and/or failed to disclose material information relating to its FDD financial
11 performance representations.
12

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

14 **FINAL ORDER**

15 IT IS HEREBY ORDERED that Respondents Michael Jardine a.k.a. Mike Jardine, TS Franchise,
16 LLC, and MWJ Holdings LLC d.b.a. Twisted Sugar, and their agents and employees, shall each cease and
17 desist from offering or selling franchises in violation of RCW 19.100.020, the registration section of the
18 Franchise Investment Protection Act of the state of Washington.

19 IT IS FURTHER ORDERED that Respondents Michael Jardine a.k.a. Mike Jardine, TS Franchise,
20 LLC, and MWJ Holdings LLC d.b.a. Twisted Sugar, and their agents and employees, shall each cease and
21 desist from any violation of RCW 19.100.170, the "Violations" section of the Franchise Investment
22 Protection Act of the state of Washington.
23

1 **AUTHORITY AND PROCEDURE**

2 This ORDER is entered pursuant to RCW 19.100.248 and is subject to the provisions of Chapter
3 34.05 RCW. Respondents have the right to petition the superior court for judicial review of this agency
4 action under the provisions of Chapter 34.05 RCW. For the requirements for judicial review, see RCW
5 34.05.510 and sections following.

6 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.**

7 SIGNED and ENTERED this 8th day of December, 2023.

8 /s/

9 William M. Beatty
10 Securities Administrator

11 Approved by:

Presented by:

12 /s/
13 Brian Guerard
14 Chief of Enforcement

/s/
Martin Cordell
Financial Legal Examiner

15 Reviewed by:

16 /s/
17 Huong Lam
18 Financial Legal Examiner Supervisor