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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 Business Opportunity Fraud Act by:

DYNAQUEST CORPORATION;  
ASSOCIATION OF CERTIFIED  
LIQUIDATORS; MITCH KLASS; their  
employees and agents,

Respondents.

SDO - 81 - 00

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

Case No. 00-01-014

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THE STATE OF WASHINGTON TO:

Dynaquest Corporation  
Association of Certified Liquidators  
Mitch Klass

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On June 12, 2000, the Securities Administrator of the State of Washington issued Summary Order to Cease and Desist SDO-68-00 hereinafter referred to as "Summary Order."

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The Summary Order, together with a Notice of Opportunity to Defend and Opportunity for Hearing (hereinafter referred to as "Notice of Opportunity for Hearing") and an Application for Adjudicative Hearing (hereinafter referred to as "Application for Hearing") thereon, were served via certified mail on Respondents Dynaquest Corporation, Association of Certified Liquidators, and Mitch Klass on June 19, 2000. The Notice of Opportunity for Hearing advised Respondents that they had twenty days from the date they received the notice to file a written application for an administrative hearing on the Summary Order.

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Respondents declined to request an administrative hearing within twenty days of its receipt of the Summary Order and Notice of Opportunity for Hearing, either on the Application for Hearing provided or otherwise.

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The Securities Administrator therefore adopts as final the findings of fact and conclusions of law as set forth in the Summary Order.

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The Securities Administrator makes the following findings of fact and conclusions of law:

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

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

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## FINDINGS OF FACT

### I. Respondents

1.1 DYNAQUEST CORPORATION (“Dynaquest Corp.”) is a Ohio corporation with maintains a principal place of business at 1476 Clara Ave., Columbus, Ohio.

1.2 ASSOCIATION OF CERTIFIED LIQUIDATORS (“ACL”) is a registered trade name in the state of Ohio, and does business at 1476 Clara Ave., Columbus, Ohio. Dynaquest Corporation sends out mail solicitations describing its income making opportunity through the use of the ACL trade name.

1.3 MITCH KLASS represents himself as the President of Association of Certified Liquidators.

### II. Nature of Offering

2.1 Respondents Dynaquest Corp., Association of Certified Liquidators, and Mitch Klass mailed or caused to be mailed a twenty-eight page promotional booklet to at least one resident of the state of Washington. This booklet describes a opportunity to make income by locating excess merchandise, and states, in part:

THERE IS BIG MONEY TO BE MADE RIGHT NOW  
What kind of money are we talking? How about:  
\$14,239.37 in one hour! That’s what Jason Lowery of California did. . .  
There’s a \$150 billion dollar market out there just waiting for us. . .  
“Make up to \$250,000.00 A Year” from Home!

2.2 Respondents’ booklet describes the opportunity as a “simple business opportunity that works like magic.”

The booklet also states that ACL’s “copyrighted system” is available and that ACL will provide offerees with “everything you need to start tomorrow as a locator of excess merchandise.” The booklet promises offerees that “[o]nce you locate excess merchandise and we sell it for you, you are GUARANTEED to make a fat 50% of the profits.”

2.3 Respondents require that offerees send ACL a fee of \$149 to order their excess merchandise locator program. Included in this program is a binder entitled “Liquidate Your Way to a Fortune” which, according to the booklet, contains such information as “how to locate excess merchandise,” “exactly the kinds of places to call (or write),” and “exactly what to say when you call (or write).”

1 2.4 Respondents provide the following guarantee to those who order the ACL program: "I must be 100%  
2 satisfied or I may return you package within 15 days for a FULL REFUND."

3 2.5 Respondents maintain a website, located at <http://www.easymoney.com>, making substantially the same  
4 offer described above. In addition, the following representation is made on the website:

5 Q: How much can I earn in this business?  
6 A: Your earnings with ACL are unlimited . . .

### 7 **III. Misrepresentations and Omissions**

8 No disclosure document containing material information regarding the opportunity, including, but not  
9 limited to providing a current financial statement of Dynaquest Corp. or Association of Certified Liquidators,  
10 accompanied or was referenced in the promotional booklet.

### 11 **IV. Registration Status**

12 Dynaquest Corp., Association of Certified Liquidators, and Mitch Klass, are not currently registered to sell  
13 business opportunities in the state of Washington and have not previously been so registered.

### 14 **V. Lack of Compliance with the Administrator's Investigation**

15 The Securities Administrator lawfully issued Subpoena Duces Tecum, SDS-12-00, which was served via  
16 certified mail on Respondent Association of Certified Liquidators on January 31, 2000. SDS-12-00 advised  
17 Association of Certified Liquidators that it had until February 15, 2000 to respond. As of the date this order was  
18 entered, Association of Certified Liquidators has failed to respond to this subpoena.

## 19 **CONCLUSIONS OF LAW**

### 20 **I.**

21 The offer and/or sale of the opportunity as described above constitutes the offer and/or sale of a business  
22 opportunity as defined in RCW 19.110.020(1).

### 23 **II.**

24 The offer and/or sale of said business opportunity was made in violation of RCW 19.110.070 and RCW  
25 19.110.120, the disclosure document and antifraud provisions of the Business Opportunity Fraud Act, respectively,

1 because Respondents failed to provide prospective purchasers a complete disclosure document containing  
2 complete material information regarding the opportunity, including but not limited to a financial statement of the  
3 seller.

4 III.

5 The offer and/or sale of said business opportunity is in violation of RCW 19.110.050(1) because  
6 Respondents' business opportunity is not and has not been registered with the Administrator of Securities, prior to  
7 the advertising, soliciting, or making of any offer and/or sale of the business opportunity in this state.

8 **ORDER**

9 Based upon the above Findings of Fact and Conclusions of Law, it is hereby:

10 ORDERED that Dynaquest Corporation, Association of Certified Liquidators, Mitch Klass, and their  
11 employees and agents each cease and desist from violating RCW 19.110.050(1), the registration provision of the  
12 Business Opportunity Fraud Act.

13 It is further ORDERED that Dynaquest Corporation, Association of Certified Liquidators, Mitch Klass, and  
14 their employees and agents each cease and desist from violating RCW 19.110.070 and RCW 19.110.120, the  
15 disclosure document and antifraud provisions of the Business Opportunity Fraud Act.

16 This Order is entered pursuant to RCW 19.110.150 and is subject to the provisions of ch. 34.05 RCW.

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

18 DATED this 4th day of August 2000.

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22 DEBORAH R. BORTNER  
23 Securities Administrator

24 Approved By:

Presented by:

25 \_\_\_\_\_  
26 Michael E. Stevenson

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

\_\_\_\_\_  
Chad Standifer

4 DEPARTMENT OF FINANCIAL INSTITUTIONS  
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Chief of Compliance

Staff Attorney

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