

AT RICHMOND, JANUARY 14, 2008

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COMMONWEALTH OF VIRGINIA, ex rel.

STATE CORPORATION COMMISSION

v.

CASE NO. SEC-2007-00084

TROPICAL SMOOTHIE FRANCHISE
DEVELOPMENT CORPORATION

and

ERIC D. JENRICH,

Defendants

SETTLEMENT ORDER

Based on an investigation conducted by the Division of Securities and Retail Franchising ("Division"), it is alleged that Tropical Smoothie Franchise Development Corporation and Eric D. Jenrich ("Defendants"), violated § 13.1-563 (e) of the Virginia Retail Franchising Act ("Act"), § 13.1-557 et seq. of the Code of Virginia ("Code"), by failing to provide the franchisee a copy of the disclosure document that was required by the State Corporation Commission ("Commission") in that the Defendants failed to disclose in their offering circular the Settlement Order that was entered by the Commission against them in Case No. SEC-2002-00039.

The Commission is authorized by § 13.1-562 of the Act to revoke the Defendants' registration, by § 13.1-568 of the Act to issue temporary or permanent injunctions, by § 13.1-570 of the Act to impose certain monetary penalties, and by § 12.1-15 of the Code of Virginia to settle matters within its jurisdiction.

The Defendants admit these allegations and admit to the Commission's jurisdiction and authority to enter this Settlement Order.

As a proposal to settle all matters arising from these allegations, the Defendants have made an offer of settlement to the Commission wherein the Defendants will abide by and comply with the following terms and undertakings:

(1) The Defendants will pay to the Treasurer of the Commonwealth of Virginia the amount of twenty-five thousand dollars (\$25,000).

(2) The Defendants will pay to the Commission the amount of one thousand dollars (\$1,000) to defray the cost of investigation.

(3) The Defendants will make a rescission offer to identified Virginia franchisees ("franchisee").

(a) Within thirty (30) days of the date of this Settlement Order, the Defendants will make a written offer of rescission sent by certified mail to each franchisee who has signed an agreement but has not yet opened any franchise shop, which will include an offer to repay the full amount of the initial franchising fee, and a provision that gives each franchisee thirty (30) days from the date of receipt of the rescission offer to provide the Defendants with written notification of his decision to accept or reject the offer.

(b) The Defendants will include with the written offer of rescission a copy of this Settlement Order.

(c) If the rescission offer is accepted, the Defendants will forward the payment to the franchisee within seven (7) days of receipt of the acceptance.

(d) Within ninety (90) days from the date of the Settlement Order, the Defendants will submit to the Division an affidavit, executed by the Defendants, which contains the date on which each franchisee received the offer of rescission, each franchisee's response, and, if applicable, the amount and the date that payment was sent to each franchisee.

(4) The Defendants will not violate the Act in the future.

The Division has recommended that the Commission accept the offer of settlement of the Defendants.

The Commission, having considered the record herein, the offer of settlement of the Defendants, and the recommendation of the Division, is of the opinion that the Defendants' offer should be accepted.

Accordingly, IT IS THEREFORE ORDERED THAT:

(1) The offer of the Defendants in settlement of the matter set forth herein is hereby accepted;

(2) The Defendants fully comply with the aforesaid terms and undertakings of this settlement; and

(3) The Commission shall retain jurisdiction in this matter for all purposes, including the institution of a show cause proceeding, or taking such other action it deems appropriate, on account of the Defendants failure to comply with the terms and undertakings of the settlement.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:

Eric D. Jenrich, Tropical Smoothie Franchise Development Corporation, 4100 Legendary Drive, Suite 150, Destin, Florida 32541; Patrick J. Maslyn, Esquire, Hunton & Williams LLP, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219; Lorence Jon Bielby, Esquire, Greenberg Traurig, P.A., 101 East College Avenue, Post Office Drawer 1838, Tallahassee, Florida 32302; and the Commission's Office of General Counsel and Division of Securities and Retail Franchising.

STATE CORPORATION COMMISSION

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and
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Defendants

ADMISSION AND CONSENT

The Defendants, Tropical Smoothie Franchise Development Corporation and Eric Jenrich, admit to the jurisdiction of the State Corporation Commission ("Commission") as to the party and subject matter hereof and, admitting the allegations made herein by the Division of Securities and Retail Franchising, hereby consent to the form, substance and entry of the foregoing Settlement Order.

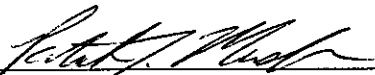
The Defendants further state that no offer, tender, threat or promise of any kind whatsoever has been made by the Commission or any member, subordinate, employee, agent or representative thereof in consideration of the foregoing Settlement Order.

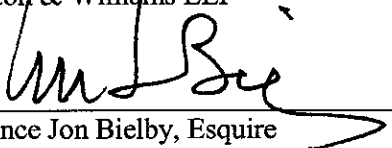
Tropical Smoothie Franchise
Development Corporation

Date: 12-19-2007

By: 
Eric D. Jenrich

Seen and Approved By:


Patrick J. Maslyn, Esquire
Hunton & Williams LLP


Lorence Jon Bielby, Esquire
Greenberg Traurig, P.A.