

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

AT RICHMOND, NOVEMBER 19, 2019

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COMMONWEALTH OF VIRGINIA, *ex rel.*

STATE CORPORATION COMMISSION

v.

CASE NO. SEC-2019-00055

IRON VALLEY REAL ESTATE, LLC  
Defendant

SETTLEMENT ORDER

The State Corporation Commission's ("Commission") Division of Securities and Retail Franchising ("Division") conducted an investigation of Iron Valley Real Estate, LLC ("Iron Valley") pursuant to § 13.1-567 of the Virginia Retail Franchising Act ("Act"), § 13.1-557 *et seq.* of the Code of Virginia ("Code").

Iron Valley is a Pennsylvania limited liability company. Iron Valley offers and sells franchises providing real estate brokerage services. Iron Valley has never been registered with the Division to sell or offer to sell a franchise in the Commonwealth of Virginia ("Virginia").

The Division alleges that Iron Valley offered and sold an unregistered franchise to be operated in Virginia to a Virginia resident ("Virginia Franchisee"). Further, the Division alleges that Iron Valley failed to provide the Virginia Franchisee with the franchise disclosure document ("FDD") and franchise agreement required under the Act.

Based on the investigation, the Division alleges the Defendant violated § 13.1-560 of the Act by selling and offering to sell a franchise in Virginia without being registered under the provisions of the Act. The Division further alleges that the Defendant violated § 13.1-563 (4) (ii) of the Act by failing to provide the Virginia Franchisee with a properly cleared FDD in conjunction with the offer and sale of the franchise as required.

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If the provisions of the Act are violated, the Commission is authorized by § 13.1-562 of the Act to revoke a defendant's 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 to request a defendant make rescission and restitution, and by § 12.1-15 of the Code to settle matters within its jurisdiction.

The Defendant neither admits nor denies the allegations made herein but admits to the Commission's jurisdiction and authority to enter this Settlement Order ("Order").

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

(1) The Defendant will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of Six Thousand Dollars (\$6,000) in monetary penalties.

(2) The Defendant will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of Two Thousand Dollars (\$2,000) to defray the costs of investigation.

(3) The Defendant shall make a rescission offer ("Offer") to the Virginia Franchisee within thirty (30) days of the entry of this Order, and the Virginia Franchisee will have thirty (30) days from the date the Offer is made to accept the Offer.

(4) If the Virginia Franchisee accepts the Offer, the Defendant will pay a total amount of Ten Thousand Dollars (\$10,000) in restitution to the Virginia Franchisee in the form of certified funds within thirty (30) days of the acceptance of the Offer.

(5) Additionally, the Defendant will provide to the Division a signed affidavit containing the date the Virginia Franchisee received the offer to refund the initial franchise fee, the Virginia

Franchisee's response, and, if applicable, the amount and date the payment was sent to the Virginia Franchisee.

(6) The Defendant will not violate the Act in the future.

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

NOW THE COMMISSION, having considered the record herein, the offer of settlement of the Defendant, and the recommendation of the Division, is of the opinion that the Defendant's offer should be accepted.

Accordingly, IT IS ORDERED THAT:

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

(2) The Defendant shall fully comply with the aforesaid terms and undertakings of this settlement.

(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 Defendant's 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:  
Don M. Drysdale, Esquire, Lee, Hong, Degerman, Kang & Waimey, 3501 Jamboree Road, Suite 6000, Newport Beach, California 92660; and a copy shall be delivered to the Commission's Office of General Counsel and Division of Securities and Retail Franchising.

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

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Defendant

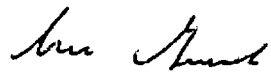
ADMISSION AND CONSENT

Iron Valley Real Estate, LLC ("Defendant") admits to the jurisdiction of the State Corporation Commission ("Commission") as to the party and subject matter hereof and, without admitting nor denying the allegations made herein by the Division of Securities and Retail Franchising, hereby consents to the form, substance and entry of the foregoing Settlement Order ("Order").

The Defendant further states 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 Order.

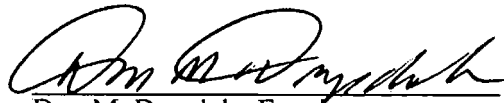
Iron Valley Real Estate, LLC

Date: 11/07/2019

By:   
Adam S. Gamble

Its: Member

Seen by:

  
Don M. Drysdale, Esquire