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10 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
11 OF THE STATE OF CALIFORNIA

12 In the Matter of: )  
13 ) FIL ORG ID: 294150  
14 THE COMMISSIONER OF BUSINESS )  
OVERSIGHT, ) CITATION INCLUDING:  
15 ) (1) DESIST AND REFRAIN ORDER; AND  
16 Complainant, ) (2) ASSESSMENT OF ADMINISTRATIVE  
17 v. ) PENALTIES  
18 ) (Corp. Code § 31406)  
SERIOUSLY ADDICTIVE LEARNING )  
19 CENTER USA LLC, and SERIOUSLY )  
ADDICTIVE LEARNING CENTRE USA LLC )  
20 Respondents. )

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22 Manuel P. Alvarez, the Commissioner of Business Oversight (Commissioner), finds the  
23 following:

24 I.

25 Introduction

26 1. The Commissioner of the Department of Business Oversight (Department) regulates the  
27 offer and sale of franchises under the Franchise Investment Law (Corporations Code section 31000 et  
28 seq.) (FIL).



1 [I]t shall be unlawful for any person to offer or sell any franchise in this state  
2 unless the offer of the franchise has been registered under this part or  
3 exempted...

4 7. Corporations Code section 31406 provides:

5 (a) If, upon inspection or investigation, based upon a complaint or otherwise,  
6 the commissioner has cause to believe that a person is violating any provision  
7 of this division or any rule or order promulgated pursuant to this division, the  
8 commissioner may issue a citation to that person in writing describing with  
9 particularity the basis of the citation. Each citation may contain an order to  
10 desist and refrain and an assessment of an administrative penalty not to exceed  
11 two thousand five hundred dollars (\$2,500) per violation and shall contain  
12 reference to this section, including the provisions of subdivision (c). All  
13 penalties collected under this section shall be deposited in the State  
14 Corporations Fund.

15 (b) The sanctions authorized under this section shall be separate from, and in  
16 addition to, all other administrative, civil, or criminal remedies.

17 (c) If within 60 days from the receipt of the citation, the person cited fails to  
18 notify the commissioner that the person intends to request a hearing as  
19 described in subdivision (d), the citation shall be deemed final.

20 (d) Any hearing under this section shall be conducted in accordance with  
21 Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2  
22 of the Government Code.

23 (e) After the exhaustion of the review procedures provided for in this section,  
24 the commissioner may apply to the appropriate superior court for a judgment  
25 in the amount of the administrative penalty and order compelling the cited  
26 person to comply with the order of the commissioner. The application shall  
27 include a certified copy of the final order of the commissioner and shall  
28 constitute a sufficient showing to warrant the issuance of the judgment and  
order.

8. Based upon the forgoing findings, the Commissioner is of the opinion that Seriously  
Addictive has engaged in the offer and sale of a franchise in this state that is subject to registration  
under the Franchise Investment Law without the offer first being registered, in violation of  
Corporations Code section 31110. Consequently, Seriously Addictive has violated a provision of this  
division.

Pursuant to Corporations Code section 31406, the Commissioner hereby issues a citation to  
Seriously Addictive and orders it to desist and refrain from the further offer or sale of franchises  
unless and until the offers have been duly registered under the Franchise Investment Law or unless

1 exempt.

2 This order is necessary, in the public interest, for the protection of franchisees and consistent  
3 with the purposes, policies and provisions of the Franchise Investment Law.

4 In light of the foregoing findings, under Corporations Code section 31406, Seriously Addictive  
5 is hereby ordered to pay the Commissioner an administrative penalty in the amount of \$2,500.00 for  
6 one violation of section 31110 of the Corporations Code.

7 The administrative penalties in the amount stated above shall be made payable in the form of a  
8 cashier's check or Automated Clearing House deposit to the "Department of Business Oversight," and  
9 transmitted to the attention of:

10 ATTN: Accounting – Litigation  
11 Department of Business Oversight  
12 1515 K Street, Suite 200  
13 Sacramento, California 95814

14 Notice of the payment shall be concurrently sent to Trevor J. Carroll, Enforcement Counsel,  
15 Department of Business Oversight, 1515 K Street, Suite 200, Sacramento, California 95814, no later  
16 than 30 days from the date of this order.

17 Dated: December 31, 2019

MANUEL P. ALVAREZ  
Commissioner of Business Oversight

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By: \_\_\_\_\_  
MARY ANN SMITH  
Deputy Commissioner  
Enforcement Division

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