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Attorneys for Complainant

BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION  
OF THE STATE OF CALIFORNIA

In the Matter of: )  
THE COMMISSIONER OF FINANCIAL )  
PROTECTION AND INNOVATION, )  
Complainant, ) CONSENT ORDER  
v. )  
PET WANTS FRANCHISING SYSTEM, )  
LLC., )  
Respondent. )

This Consent Order is entered into between the Commissioner of Financial Protection and Innovation (Commissioner), and Pet Wants Franchising System, LLC. (PWFS) (collectively, Parties) and is made with respect to the following facts:

**I.**  
**RECITALS**

A. The Commissioner is the head of the Department of Financial Protection and Innovation (Department) and is responsible for administering and enforcing the Franchise Investment Law (FIL) (Corp. Code, § 31000 et seq.),<sup>1</sup> and registering the offer and sale of franchises in California. To register a franchise, a franchisor must file an application which includes a Uniform

<sup>1</sup> All further statutory references are to the Corporations Code unless otherwise indicated.

1 Franchise Disclosure Document (FDD) with the Department for review and approval, in accordance  
2 with sections 31111 and 31114. The FIL requires franchisors to disclose certain material information  
3 which is intended to provide prospective franchisees with facts upon which to make an informed  
4 decision to purchase a franchise, as stated in section 31001.

5 B. At all relevant times, PWFS was an Ohio limited liability company, with a principal  
6 place of business located at 4755 Lake Forest Drive, Suite 100, Ohio 45242. At all relevant times,  
7 PWFS sells pet food and supplies at a retail location and/or by home delivery services. At all  
8 relevant times, PWFS filed for franchise registration with the Department on October 28, 2015, and  
9 March 29, 2016.

10 C. At all relevant times, Bernard “Bernie” Brozek (Brozek) was an individual currently  
11 residing in Austin, Texas. Brozek was formerly employed by PWFS as PWFS president from August  
12 2015 through October 2016. On April 25, 2012, Brozek filed for voluntary Chapter 7 personal  
13 bankruptcy in the United States Bankruptcy Court for the Southern District of Ohio, Case Number  
14 1:12-BK-12270, before the Honorable Jeffrey P. Hopkins. Brozek’s bankruptcy was discharged on  
15 July 31, 2012, with a final decree dated August 30, 2012 (BK).

16 D. Under section 31200, it is unlawful for any person willfully to make any untrue  
17 statement of a material fact in any application, notice or report filed with the Commissioner under  
18 the FIL, or willfully omit to state in any such application, notice, or report any material fact which is  
19 required to be stated therein or fail to notify the Commissioner of any material change as required by  
20 section 31123.

21 E. PWFS failed to disclose to the Commissioner Brozek’s personal BK action, discharge  
22 and final decree in Item 4 of PWFS’s FDD in 2015 and in 2016. Bankruptcies of officers or directors  
23 are required to be disclosed in PWFS’s FDD.

24 F. The Commissioner finds that PWFS, in two instances, willfully made an untrue  
25 statement of a material fact in any application, notice or report filed with the Commissioner or  
26 willfully omitted to state in any such application, notice, or report any material fact which is required  
27 to be stated therein or failed to notify the Commissioner of any material change as required by  
28 section 31123, in violation of section 31200.

1 NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions set  
2 forth herein, the Parties agree as follows:

3 **II.**

4 **TERMS AND CONDITIONS**

5 1. **Purpose.** This Consent Order resolves the issues before the Commissioner [findings  
6 in paragraphs C through F above] in a manner that avoids the expense of a hearing and other  
7 possible court proceedings, protects consumers, is in the public interest, and is consistent with the  
8 purposes and provisions of the applicable law.

9 2. **Desist and Refrain Order.** Pursuant to Corporations Code sections 31402 and 31406,  
10 Pet Wants Franchising System, LLC. is hereby ordered to desist and refrain from the violations set  
11 forth herein, in violation of Corporations Code section 31200. The issuance of this order is necessary,  
12 in the public interest, for the protection of investors and is consistent with the purposes, policies, and  
13 provisions of the Franchise Investment Law.

14 3. **Waiver of Hearing Rights.** PWFS acknowledges that the Commissioner is ready,  
15 willing, and able to proceed with the filing of an administrative enforcement action on the charges  
16 contained in this Consent Order. PWFS hereby waives the right to any hearings, and to any  
17 reconsideration, appeal, or other right to review which may be afforded pursuant to the FIL, the  
18 Administrative Procedure Act (APA), the Code of Civil Procedure (CCP), or any other provision of  
19 law. PWFS further expressly waives any requirement for the filing of an Accusation pursuant to  
20 Government Code section 11415.60, subdivision (b). By waiving such rights, PWFS effectively  
21 consents to this Consent Order becoming final.

22 4. **Failure to Comply with Consent Order.** PWFS agrees that if it fails to comply with  
23 the terms of this Consent Order, the Commissioner may, in addition to all other available remedies  
24 it may invoke under the FIL, summarily suspend/revoke its FIL registration (if applicable),  
25 summarily and permanently bar PWFS from offering and selling franchises in California or deny  
26 FIL applications (if applicable). PWFS waives any notice and hearing rights to contest such  
27 summary actions by the Commissioner which may be afforded under the FIL, the APA, the CCP, or  
28 any other provision of law in connection therewith.

1           5.       Information Willfully Withheld or Misrepresented. This Consent Order may be  
2 revoked, and the Commissioner may pursue any and all remedies available under law against  
3 PWFS if the Commissioner discovers that PWFS knowingly or willfully withheld or misrepresented  
4 information used for and relied upon in this Consent Order.

5           6.       Future Actions by Commissioner. If PWFS fails to comply with any terms of the  
6 Consent Order, the Commissioner may institute proceedings for any and all violations otherwise  
7 resolved under this Consent Order. The Commissioner reserves the right to bring any future actions  
8 against PWFS, or any of its partners, owners, officers, shareholders, directors, employees or  
9 successors for any and all unknown violations of the FIL.

10          7.       Assisting Other Agencies. Nothing in this Consent Order limits the Commissioner’s  
11 ability to assist any other government agency (whether city, county, state, or federal) with any  
12 administrative, civil or criminal action brought by that agency against PWFS or any other person  
13 based upon any of the activities alleged in this matter or otherwise.

14          8.       Headings. The headings to the paragraphs of this Consent Order are inserted for  
15 convenience only and will not be deemed a part hereof or affect the construction or interpretation of  
16 the provisions hereof.

17          9.       Binding. This Consent Order is binding on all heirs, assigns, and/or successors in  
18 interest.

19          10.       Reliance. Each of the Parties represents, warrants, and agrees that in executing this  
20 Consent Order it has relied solely on the statements set forth herein and the advice of its own  
21 counsel. Each of the Parties further represents, warrants, and agrees that in executing this Consent  
22 Order it has placed no reliance on any statement, representation, or promise of any other party, or  
23 any other person or entity not expressly set forth herein, or upon the failure of any party or any  
24 other person or entity to make any statement, representation or disclosure of anything whatsoever.  
25 The Parties have included this clause: (1) to preclude any claim that any party was in any way  
26 fraudulently induced to execute this Consent Order; and (2) to preclude the introduction of parol  
27 evidence to vary, interpret, supplement, or contradict the terms of this Consent Order.  
28

1           11.    Waiver, Amendments, and Modifications. No waiver, amendment, or modification  
2 of this Consent Order will be valid or binding unless it is in writing and signed by each of the  
3 Parties. The waiver of any provision of this Consent Order will not be deemed a waiver of any  
4 other provision. No waiver by either party of any breach of, or of compliance with, any condition  
5 or provision of this Consent Order by the other party will be considered a waiver of any other  
6 condition or provision or of the same condition or provision at another time.

7           12.    Full Integration. This Consent Order is the final written expression and the complete  
8 and exclusive statement of all the agreements, conditions, promises, representations, and covenant  
9 between the Parties with respect to the subject matter hereof, and supersedes all prior or  
10 contemporaneous agreements, negotiations, representations, understandings, and discussions  
11 between and among the Parties, their respective representatives, and any other person or entity with  
12 respect to the subject matter covered hereby.

13           13.    Governing Law. This Consent Order will be governed by and construed in  
14 accordance with California law. Each of the Parties hereto consents to the jurisdiction of such court,  
15 and hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient  
16 forum to the maintenance of such action or proceeding in such court.

17           14.    Counterparts. This Consent Order may be executed in one or more separate  
18 counterparts, each of which when so executed, shall be deemed an original. Such counterparts shall  
19 together constitute a single document.

20           15.    Effect Upon Future Proceedings. If PWFS applies for any license, registration,  
21 permit, or qualification under the Commissioner’s current or future jurisdiction, or is the subject of  
22 any future action by the Commissioner to enforce this Consent Order, then the subject matter hereof  
23 shall be admitted for the purpose of such application(s) or enforcement proceeding(s).

24           16.    Voluntary Order. PWFS enters into this Consent Order voluntarily and without  
25 coercion and acknowledges that no promises, threats or assurances have been made by the  
26 Commissioner or any officer, or agent thereof, about this Consent Order. The parties each represent  
27 and acknowledge that he, she or it is executing this Consent Order completely voluntarily and  
28 without any duress or undue influence of any kind from any source.

1           17.    Notice. Any notice required under this Consent Order shall be provided to each  
2 party at the following addresses:

3           To PWFS:                   Jeffrey D. Siehl, Esq.  
4                                    Pet Wants Franchise Systems, LLC.  
5                                    4755 Lake Forest Drive, Suite 100  
6                                    Cincinnati, Ohio 45242

7           To the Commissioner:       Marisa I. Urteaga-Watkins, Esq,  
8                                    Department of Financial Protection and Innovation  
9                                    2101 Arena Blvd.  
10                                  Sacramento, California 95834  
11                                  marisa.urteaga-watkins@dfpi.ca.gov

12           18.    Signatures. A fax or electronic mail signature shall be deemed the same as an  
13 original signature.

14           19.    Public Record. PWFS hereby acknowledges that this Consent Order is and will be a  
15 matter of public record.

16           20.    Effective Date. This Consent Order shall become final and effective when signed by  
17 all Parties and delivered by the Commissioner’s agent via e-mail to PWFS’s agent, Jeffrey D. Siehl,  
18 Esq. at jsiehl@franchisesupport.net

19           21.    Authority to Sign. Each signatory hereto covenants that he/she possesses all  
20 necessary capacity and authority to sign and enter into this Consent Order and undertake the  
21 obligations set forth herein.

22 Dated: 7/20/2021

CHRISTOPHER SHULTZ  
Acting Commissioner of Financial Protection and  
Innovation

By: \_\_\_\_\_

JENNIFER RUMBERGER  
Deputy Commissioner

25 Dated:  
26 7/19/2021

PET WANTS FRANCHISING SYSTEM, LLC.

By: \_\_\_\_\_

JEFFREY D. SIEHL, ESQ.  
Vice President and General Counsel