

ADMINISTRATIVE PROCEEDING
BEFORE THE
SECURITIES COMMISSIONER OF MARYLAND

In the Matter of:

*

**Conner and Associates, LLC, dba
Franchise Marketing Systems, and**

*

Case No. 2024-0456

Christopher James Conner,

*

Respondents,

*

* * * * * * * * * * * *

CONSENT ORDER

WHEREAS, the Securities Division of the Office of the Attorney General of Maryland (the “Securities Division”) initiated an investigation into the franchise-related activities of Conner and Associates, LLC, dba Franchise Marketing Systems, and Christopher James Conner (collectively, “Respondents”) under the authority granted under the Maryland Franchise Registration and Disclosure Law, MD. BUS. REG. CODE ANN. Sections 14-201 et seq. (2024 Repl. Vol.) (the “Maryland Franchise Law”); and

WHEREAS, the Maryland Securities Commissioner (“Securities Commissioner”) found grounds to allege that Respondents offered franchises and sold a franchise in Maryland in violation of the registration and antifraud provisions of the Maryland Franchise Law; and

WHEREAS, the Securities Commissioner further found grounds to allege that Conner violated a previous Order of the Securities Commissioner against Conner; and

WHEREAS, before the holding of a hearing in this matter, without trial or final adjudication of any issue of fact or law, and without Respondents admitting or denying any violation of law, the Securities Commissioner and Respondents have reached an agreement to

enter into this Consent Order; and

WHEREAS, Respondents waive their respective rights to a hearing and any rights to seek judicial review or otherwise challenge or contest the terms and conditions of this Consent Order; and

WHEREAS, the Securities Commissioner has determined that it is in the public interest to issue this Consent Order;

NOW, THEREFORE, it is hereby agreed, and the Securities Commissioner hereby orders:

I. JURISDICTION

1. The Securities Commissioner has jurisdiction in this proceeding and over Respondents pursuant to Section 14-210 (a) of the Maryland Franchise Law.

II. FINDINGS OF FACT

A. Respondents

2. Conner and Associates, LLC, d.b.a. Franchise Marketing Systems (“FMS”) is a Georgia limited liability company with a principal business address of 6110 McFarland Station Dr., Bldg. 105, Alpharetta, GA 30004.

3. FMS is a Franchise Sales Organization that provides franchisors with sales, marketing, and advertising support.

4. Christopher James Conner (“Conner”), a resident of Georgia, is the founder and President of FMS.

5. On April 5, 2016, Conner entered into a Consent Order with the Securities Commissioner *In the Matter of Red Rhino, Inc. et al.*, Maryland Case No. 2015-0382 (“Red

Rhino Consent Order”) regarding alleged offers and sales of Red Rhino franchises in Maryland in violation of the registration, disclosure, and antifraud provisions of the Maryland Franchise Law.

6. Under the Red Rhino Consent Order, Conner was ordered and consented to cease and desist from the offer and sale of franchises in violation of the Maryland Franchise Law; attend a remedial education program acceptable to the Maryland Commissioner consisting of at least 8 hours of instruction regarding the legal requirements for offering and selling franchises; and, jointly and severally with other respondents, pay a civil monetary penalty of Seven Thousand Five Hundred Dollars (\$7,500.00).

B. Respondents Provided Sales and Marketing Services to Premier RN

7. On July 21, 2022, FMS entered into a Franchise Development Proposal (“FMS Agreement”) with Premier RN Geriatric Care Franchising, LLC, d.b.a. Premier RN Geriatric Care (“Premier RN”), a franchisor of Registered Nurse care management services, to provide Premier RN with marketing services and sales support in relation to offers and sales of Premier RN franchises.

8. Under the FMS Agreement, FMS agreed, among other things, to manage and oversee franchise sales for Premier RN from initial inquiry to closing.

9. Under the FMS Agreement, Premier RN agreed to pay FMS a monthly fee for sales management and advertising plus a percentage of the franchise fees that Premier RN received on any sale of a franchise in which FMS was involved. Premier RN paid FMS the monthly sales management and advertising fee on one occasion, and thereafter Premier RN and FMS continued the franchise sales relationship on a commission-only basis.

10. Premier RN relied on Respondents to prepare and file Premier RN’s franchise

registration applications and Franchise Disclosure Document (“FDD”) in states where registration is required, including Maryland.

11. Respondents contracted with a law firm based in North Carolina to prepare Premier RN’s FDD based on a franchise business plan developed by Respondents that described the principals involved in operating the franchise and the structure of the franchise program.

12. Respondents charged Premier RN a fee to file a franchise registration application in Virginia and Maryland and advised Premier RN on the steps related to offers and sales of franchises.

C. Respondents and Premier RN Exhibit at a Virginia Franchise Expo

13. In May 2023, FMS and Premier RN both had procured event booths at a National Franchise Show exhibition at the Dulles Expo Center in Northern Virginia (“Virginia Franchise Expo”).

14. At the time of the Virginia Franchise Expo, FMS had obtained a franchise registration for Premier RN in Virginia, but FMS had not yet filed a franchise registration application for Premier RN in Maryland.

15. During the Virginia Franchise Expo, an FMS employee assigned to the Premier RN account (“the FMS Employee”) was present both at FMS’s booth as well as at Premier RN’s booth.

16. According to Premier RN, FMS advised Premier RN to send any individuals who expressed an interest in Premier RN’s franchise to FMS’s booth for additional information about the Premier RN franchise opportunity.

17. Premier RN’s owner had discussions with numerous individuals at Premier RN’s booth about the Premier RN franchise. According to Premier RN, she referred those individuals

to FMS's booth for more in-depth discussions about the Premier RN franchise opportunity.

18. Among the prospective franchisees with whom Premier RN's owner spoke at the Virginia Franchise Expo were "The Vs," a couple residing in Maryland, and "WG," who identified himself as a Maryland resident. According to Premier RN's owner, as previously arranged with FMS, Premier RN's owner directed The Vs and WG to go to FMS's booth for additional discussions about the Premier RN franchise.

19. On June 21, 2023, Premier RN, with FMS's assistance, filed an initial franchise registration application with the Securities Division.

20. Following the Virginia Franchise Expo and Premier RN's submission of the Maryland franchise registration application, the FMS Employee contacted approximately 10 different prospective franchisees from Maryland, including WG, who expressed an interest in the Premier RN franchise opportunity.

21. The FMS Employee and Connor contacted the Vs following the Virginia Franchise Expo, to discuss a Premier RN franchise territory in northern Virginia. At the time of FMS's contact with the Vs, the Vs were Maryland residents, and they continue to be Maryland residents as of the date of this Consent Order.

22. On August 2, 2023, the Securities Division reviewed Premier RN's initial application and sent a deficiency letter to Premier RN identifying numerous deficiencies with the FDD that the franchisor needed to address before the Securities Division would register Premier RN's franchise offering.

23. Premier RN failed to respond to the deficiency letter and, as a result, on February 2, 2024, the application filed by Premier RN on June 21 2023 was deemed abandoned by the Securities Division.

24. On August 30, 2023, the FMS Employee sent a copy of Premier RN's FDD registered in Virginia to T&T Ventures, LLC ("T&T"), a Virginia limited liability company that The Vs had formed 10 days earlier.

25. In September 2023, the FMS Employee, under Conner's supervision, prepared the Premier RN franchise agreement for the members of T&T to sign and emailed a copy of the Premier RN franchise agreement to T&T's owners.

26. T&T signed the Premier RN franchise agreement on September 15, 2023. The franchise agreement was for a Premier RN territory to be located in Fairfax, Virginia.

27. On January 7, 2024, the FMS Employee sent a copy of Premier RN's FDD registered in Virginia to WG even though WG was a Maryland resident at that time.

28. WG did not purchase a Premier RN franchise.

D. Respondents' Role in the Sale and Marketing of Premier RN Franchises Was Not Disclosed to Prospective Franchisees

29. The acknowledgment of receipt form on FDDs required under the Maryland Franchise Law and FTC Amended Franchise Rule, 16 C.F.R. Part 436 ("FTC Rule"), requires franchisors to name and provide contact information for each specific franchise seller offering the franchise, including any independent franchise brokers who may deal with a prospective franchisee.

30. A "franchise seller" is a person that offers for sale, sells, or arranges for the sale of a franchise. It includes the franchisor and the franchisor's employees, representatives, agents, subfranchisors, and third-party brokers who are involved in franchise sales activities.¹

31. The acknowledgment of receipt form for the Premier RN FDD that FMS sent to

¹ 16 C.F.R. Part 436.1(j); *see* FTC Franchise Compliance Guide (May 2008), p. 118.
<https://www.ftc.gov/system/files/documents/plain-language/bus70-franchise-rule-compliance-guide.pdf>.

T&T and WG identified only the owner of Premier RN as the franchise seller. Neither Conner nor anyone else affiliated with FMS was identified as a “franchise seller” on the acknowledgment of receipt forms.

32. Item 2 of the FDD required under the Maryland Franchise Law and the FTC Rule requires franchisors to disclose any individuals who will have management responsibility relating to the sale or operation of franchises offered in that FDD.

33. Although Respondents participated in the sale and marketing of Premier RN franchises in both Virginia and Maryland during the period from July 2022 until April 2024, neither Conner nor anyone else from FMS was listed in Item 2 of Premier RN’s FDD as having management responsibility relating to the sale of Premier RN franchises and Conner’s litigation history was not disclosed in Item 3 of Premier RN’s FDD.

E. Maryland’s Consent Order Against Premier RN

34. During April 2024, FMS assisted Premier RN in updating its FDD and re-applying for registration in Maryland on April 23, 2024.

35. As a result of that second application, and communications between the Securities Division and Premier RN subsequent to it, on September 27, 2024, the Securities Commissioner entered into a Consent Order with Premier RN (the “Premier RN Consent Order”) resolving alleged offers and sales of Premier RN franchises in violation of the registration and disclosure provisions of the Maryland Franchise Law.

36. Under the Premier RN Consent Order, the Securities Commissioner found, and Premier RN acknowledged, that Premier RN offered and sold a franchise to T&T in violation of the registration provisions of the Maryland Franchise Law, because the members of T&T were residents of Maryland when they were offered a franchise and when they signed the Premier RN

franchise agreement.

37. Under the Premier RN Consent Order, the Securities Commissioner also found that Premier RN offered an unregistered Premier RN franchise to WG.

38. In the Premier RN Consent Order, the Securities Commissioner found, and Premier RN acknowledged, among other things: that Premier RN retained Respondents to prepare and file an FDD in Maryland and Virginia; that Respondents provided franchise sales support and marketing services to Premier RN; that FMS told Premier RN to send any interested prospective franchisees to FMS' booth at the Virginia Franchise Expo; that Conner and other FMS employees handled discussions with T&T; and that Conner and other FMS employees emailed to T&T a copy of Premier RN's FDD and the Premier RN franchise agreement that T&T eventually signed.

39. Under the Premier RN Consent Order, the Securities Commissioner ordered Premier RN to make a rescission offer to T&T and, if T&T opted to rescind the Premier RN franchise T&T purchased, to refund to T&T the initial fees it paid to Premier RN and reimburse T&T for any equipment or products T&T purchased from Premier RN if T&T returns to Premier RN the equipment and products.

40. Premier RN issued a notice of rescission rights letter to T&T, which accepted the rescission offer, and Premier RN refunded the initial franchise fee to T&T.

41. On November 21, 2024, the Securities Commissioner served on Respondents a subpoena for documents and information, commencing an investigation into Franchise Marketing Systems' franchise sales activities in Maryland.

42. Shortly thereafter, Respondents informally agreed to cease franchise sales activities in Maryland during the pendency of the Commissioner's investigation, and on

February 16, 2025, Franchise Marketing Systems issued a written undertaking to that effect to the Commissioner.

43. Respondents represent that, as of the date of this Consent Order, they have reached a settlement of their dispute with Premier RN that requires Respondents to pay Premier RN a sum of money in excess of the amount of the fees that Premier RN paid to Respondents under the FMS Agreement.

IV. CONCLUSIONS OF LAW

44. The Securities Commissioner has concluded that Respondents violated sections 14-214, 14-228, 14-229, and 14-230 of the Maryland Franchise Law and the Red Rhino Consent Order.

IV. ORDER AND CONSENT

45. THE SECURITIES COMMISSIONER HEREBY ORDERS AND
RESPONDENTS HEREBY CONSENT AND REPRESENT AS FOLLOWS:

- A. Respondents shall permanently cease and desist from the offer and sale of franchises in violation of the Maryland Franchise Law;
- B. Respondents shall pay the Office of the Attorney General the sum of Fifteen Thousand Dollars (\$15,000) as a civil monetary penalty;
- C. For a period of one year, expiring February 10, 2026, Respondents shall refrain from performing any sales agent services for the sale of franchises to any Maryland residents or for franchises to be operated in Maryland; and
- D. Respondents acknowledge that this Consent Order is a disclosable order as described under the Maryland Franchise Law, and Item 3 of the NASAA Franchise Registration and Disclosure Guidelines and Amended FTC Franchise Rule.

V. JURISDICTION RETAINED

46. Jurisdiction shall be retained by the Securities Commissioner for such further orders and directions as may be necessary or appropriate for the construction or enforcement of the Consent Order.

VI. CONSEQUENCES OF VIOLATING THIS CONSENT ORDER

47. If any Respondent fails to comply with any term of this Consent Order, the Securities Division may bring administrative or judicial proceedings against that Respondent to enforce this Consent Order or to sanction it for violating an order of the Securities Commissioner and may take any other action authorized under the Maryland Franchise Law or any other applicable law. In any such proceeding in which, after an opportunity for a hearing, the Securities Commissioner or a court finds that any Respondent violated this Consent Order, the Statement of Facts and the violations of the Maryland Franchise Law alleged in the Consent Order shall be deemed admitted and may be introduced into evidence against that Respondent.

VII. MODIFICATION OF CONSENT ORDER

48. The terms of this Consent Order may be modified only by a subsequent order issued by the Securities Commissioner.

DATE OF THIS ORDER:

September 17, 2025

SO ORDERED:

**Commissioner's Signature on File
w/Original Documents**

MELANIE SENTER LUBIN
SECURITIES COMMISSIONER

BY CONSENT:

CONNER AND ASSOCIATES, LLC
DBA FRANCHISE MARKETING SYSTEMS

By: Christopher James Conner, President

CHRISTOPHER JAMES CONNER