

ADMINISTRATIVE PROCEEDING
BEFORE THE
SECURITIES COMMISSIONER OF MARYLAND

IN THE MATTER OF:

PBC, LLC
d/b/a PackageHub Business Centers,

Case No. 2026-0419

Respondent.

* * * * *

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 PBC, LLC d/b/a PackageHub Business Centers (“PBC”) under the authority granted under the Maryland Franchise Registration and Disclosure Law, MD. CODE ANN., BUS. REG. §§14-201 et seq. (2024 Repl. Vol.) (the “Maryland Franchise Law”); and

WHEREAS, based on information presented by the Securities Division, the Maryland Securities Commissioner (the “Securities Commissioner”) has concluded that grounds exist to allege that PBC violated the registration and disclosure provisions of the Maryland Franchise Law in relation to the offer and sale of franchises under the Maryland Franchise Law; 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 PBC admitting or denying any violation of law, the Securities Commissioner and PBC have reached an agreement to enter into this Consent Order; and

WHEREAS, PBC waives its right 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 pursuant to Section 14-210(a) of the Maryland Franchise Law.

II. FINDINGS OF FACT

A. Respondent

2. PBC is a Texas limited liability company with principal business address located at 1201 Richardson Dr. Ste. 200, Richardson, Texas 75080 .

3. PBC offers and sells franchises for shipping and business centers.

4. In 2020, PBC filed an initial application to register its franchise offering under the Maryland Franchise Law (the “2020 Franchise Application”). PBC never completed the 2020 Franchise Application, and, on April 2, 2021, the 2020 Franchise Application was deemed abandoned by the Securities Division.

5. On October 8, 2021, PBC filed with the Securities Division a new initial application to register its franchise offering under the Maryland Franchise Law (the “2021 Initial Refile Application”).

6. On February 9, 2022, PBC’s 2021 Initial Refile Application was made effective in

Maryland.

7. On April 29, 2022, PBC filed an application to renew its franchise registration. The Securities Division made PBC's renewal application effective as of June 1, 2022, so that PBC was registered to offer and sell franchises in Maryland for the period February 9, 2022 to June 1, 2023.

8. The Franchise Disclosure Document that was included in PCB's renewal application that was registered by the Securities Division on June 1, 2022 had an issuance date of April 28, 2022 ("2022 FDD") and included audited financial statements and other disclosures as of PBC's December 31, 2021 fiscal year end.

9. On January 4, 2024, PBC filed with the Securities Division a new initial application to register its franchise offering under the Maryland Franchise Law (the "January 2024 Initial Refile Application").

10. On February 6, 2024, the Securities Division reviewed the January 2024 Initial Refile Application and issued comments that the franchisor needed to address (the "February 6, 2024 Comment Letter"). Among the comments the Securities Division made in the February 6, 2024 Comment Letter was a request that the franchisor submit an undertaking stating that the franchisor had not offered or sold any franchises in Maryland during the time the franchisor was not effectively registered under the Maryland Franchise Law.

11. PBC never responded to the February 6, 2024 Comment Letter. On August 8, 2024, the January 2024 Initial Refile Application was deemed abandoned by the Securities Division.

12. On November 1, 2024, PBC again filed with the Securities Division another new initial application to register its franchise offering under the Maryland Franchise Law (the

“November 2024 Initial Refile Application”).

13. On November 25, 2024, the Securities Division reviewed the November 2024 Initial Refile Application and issued comments that the franchisor needed to address (the “November 25, 2024 Comment Letter”). Among the comments the Securities Division made in the November 25, 2024 Comment Letter was a request that the franchisor submit an undertaking stating that the franchisor had not offered or sold any franchises in Maryland during the time the franchisor was not effectively registered under the Maryland Franchise Law.

14. On February 28, 2025, counsel for PBC submitted a letter to the Securities Division (the “February 28, 2025 Letter”). In the February 28, 2025 Letter, counsel acknowledged that PBC sold several memberships in Maryland after the expiration of its franchise registration, with the memberships being sold to existing, independent packaging businesses that were free to operate under their own marketing plans or systems. Counsel asserted that the memberships did not constitute “franchises” under the Maryland Franchise Registration and Disclosure Law, Md. Code Ann., Bus. Reg. § 14-201 et seq., or, alternatively, that they were the type of franchises that should be exempted by order.

15. On March 5, 2025, the Securities Division issued a follow-up comment letter (the “March 5, 2025 Comment Letter”). Among the comments included in the Securities Division’s March 5, 2025 Comment Letter was that PBC’s response in the February 28, 2025 Letter appeared to indicate that unregistered franchise sales had occurred in Maryland. The Securities Division requested that PBC provide additional information regarding the unregistered sales, including the relevant agreements, disclosure documents, promotional materials, and any rescission offers provided to the franchisees.

16. On May 1, 2025, counsel for PBC submitted a response letter, dated April 30,

2025, to the Securities Division's March 5, 2025 Comment Letter (the "May 1, 2025 Letter"). In the May 1, 2025 Letter, counsel stated that PBC sold several memberships in Maryland after the expiration of its franchise registration but again asserted that the memberships sold did not constitute 'franchises' under the Maryland Franchise Law, or, alternatively, qualified for an exemption by order. Counsel further stated that she was attaching to her response a chart identifying the Maryland memberships PBC sold, the dates of sale, and the amounts paid to the franchisor and its affiliate as of mid-March 2025, and she stated that copies of supporting documents would be provided separately

17. On June 11, 2025, the Securities Division issued a second follow-up comment letter (the "June 11, 2025 Comment Letter"). Among the comments included in the June 11, 2025 Comment Letter was that the issue of unregistered franchise sales remained outstanding. The Securities Division noted that the chart referenced in the May 1, 2025 Letter was not included and requested that PBC provide the chart, and supporting documents including copies of the agreements executed by each Maryland franchisee.

18. PBC never responded to the June 11, 2025 Comment Letter. On December 11, 2025, the November 2024 Initial Refile Application was deemed abandoned by the Securities Division.

19. On April 30, 2026, PBC filed with the Securities Division yet another new initial application to register its franchise offering under the Maryland Franchise Law.

20. On June 17, 2026, the Securities Division issued a comment letter (the "June 17, 2026 Comment Letter"). In the June 17, 2026 Comment Letter, the Securities Division stated that the inquiry regarding unregistered franchise sales in Maryland remained outstanding and requested that PBC provide the documents, including all agreements executed with Maryland

franchisees or residents, payment receipts, operating manuals, and any other documentation supporting PBC's assertions.

21. On June 26, 2026, counsel for PBC provided the Securities Division with the documents requested in the June 17, 2026 Comment Letter (the "June 26, 2026 Production"). Among the documents produced in the June 26, 2026 Production was an affidavit signed by PBC's President acknowledging that PBC sold nine (9) PackageHub franchises in Maryland while PBC was not registered to offer or sell franchises in the State. The June 26, 2026 Production also included copies of the nine (9) Franchise Disclosure Documents provided to the Maryland entities or individuals and the nine (9) Membership Agreements ("Membership Agreements") PBC executed with those entities or individuals (collectively, the "Maryland Franchisees").

B. The PBC Maryland Franchises

22. On July 3, 2023, PBC entered into a Membership Agreement with Funding Solutions LLC, a Maryland entity, for the right to open and operate one PBC franchise business in Maryland.

23. On July 24, 2023, PBC entered into a Membership Agreement with America Postal Service LLC, a Maryland entity, for the right to open and operate one PBC franchise business in Maryland.

24. On August 23, 2023, PBC entered into a Membership Agreement with Amrut Inc., a Maryland entity, for the right to open and operate one PBC franchise business in Maryland.

25. On August 28, 2023, PBC entered into a Membership Agreement with Amrut Inc., a Maryland entity, for the right to open and operate one PBC franchise business in

Maryland.

26. On September 29, 2023, PBC entered into a Membership Agreement with Postal Xpress N More LLC, a Maryland entity, for the right to open and operate one PBC franchise business in Maryland.

27. On October 25, 2023, PBC entered into a Membership Agreement with Pack 2 Ship LLC, a Maryland entity, for the right to open and operate one PBC franchise business in Maryland.

28. On November 20, 2023, PBC entered into a Membership Agreement with Singh & Sam, LLC, a Maryland entity, for the right to open and operate one PBC franchise business in Maryland.

29. On January 17, 2024, PBC entered into a Membership Agreement with Chesapeake Brands LLC, a Maryland entity, for the right to open and operate one PBC franchise business in Maryland.

30. On March 21, 2024, PBC entered into a Membership Agreement with ParcelX, LLC, a Maryland entity, for the right to open and operate one PBC franchise business in Maryland.

31. Under each of the PBC Membership Agreements, the Maryland Franchisees paid PBC no initial franchise fee, but the Maryland Franchisees did pay PBC monthly membership fees of \$75.00 or \$100.00.

32. Each of the Maryland Franchisees was given a copy of PBC's 2022 FDD with an issuance date of April 28, 2022, prior to executing their Membership Agreement.

33. PBC represented to the Securities Division that, before becoming franchisees of PBC, each of the Maryland Franchisees owned an independent packaging and shipping store and

was a member of the Retail Shipping Associates (“RSA”), a trade association administered by PBC’s affiliate.

34. The Securities Commissioner has determined that the PBC Membership Agreements are “franchises” under the Maryland Franchise Law.

35. Although PBC provided the Maryland Franchisees with a copy of an FDD before they entered into their PBC Membership Agreements, the FDD was not effectively registered under the Maryland Franchise Law and did not contain all disclosures required under the Maryland Franchise Law.

C. Representations by PBC

36. PBC represents that, other than the sale of the PBC Membership Agreements described in this Consent Order, PBC did not offer or sell a franchise in Maryland or to any Maryland residents.

37. PBC represents and agrees that, in the future, it will comply with all provisions under the Maryland Franchise Law.

III. CONCLUSIONS OF LAW

38. By engaging in the above activities, the Securities Commissioner has concluded that PBC violated sections 14-214, 14-216, and 14-223 of the Maryland Franchise Law.

IV. ORDER AND CONSENT

39. THE SECURITIES COMMISSIONER HEREBY ORDERS AND PBC HEREBY CONSENTS AND REPRESENTS AS FOLLOWS:

- A. PBC shall immediately and permanently cease and desist from the offer and sale of franchises in violation of the Maryland Franchise Law;

- B. Within ten (10) days of its receipt of a fully executed Consent Order of the Securities Commissioner, PBC shall send by mail or electronically, in each case with applicable tracking/recipient documentation, to the Maryland Franchisees the following: (i) a copy of this Consent Order; and (ii) a letter, in substantially the form attached to this letter as Exhibit 1, captioned “Notice of Rescission Rights,” notifying the Maryland Franchisees that they are being offered an opportunity to immediately rescind the PBC Membership Agreement under the terms of this Consent Order and, if they opt to rescind, receive a refund of the initial fees it paid PBC, and if applicable, the amount it paid PBC for products and equipment it purchased from PBC and its affiliates as of the date of acceptance of the rescission offer if they return, at PBC’s expense, the products and equipment it received as part of its purchase of the Franchise Agreement;
- C. If any Maryland Franchisee does not opt to rescind its PBC Membership Agreement in response to PBC’s Notice of Rescission rights, PBC shall diligently pursue its pending application to register its franchise offering under the Maryland Franchise Law. For purposes of this Consent Order, “diligently pursue” means that an applicant submits a substantive response to each Securities Division comment letter regarding a registration application no later than 30 days after the applicant’s receipt of that comment letter;
- D. If any Maryland Franchisee does not opt to rescind its PBC Membership Agreement in response to the Notice of Rescission Rights, and PBC fails to register its franchise offering with the Securities Division as required under this Consent Order within six (6) months from the date of this Consent Order (“Due Date”), PBC shall be assessed an additional civil monetary penalty in the amount of One Thousand Dollars (\$1,000.00) due and payable within fifteen (15) days after the Due Date, which civil penalty amount shall continue to increase by \$250.00 (“Additional Penalty”) for every additional month after the Due Date so long as PBC has not obtained a registration of its franchise offering with the Securities Division. If PBC is not registered as required under this Consent Order after seven months, an Additional Penalty shall be due and payable by the fifteenth (15) day of the eighth month after the date of this Agreement, and on the 15th day of each succeeding month so long as PBC is not registered as required under this Consent Order. If PBC fails to make timely payments to the Office of the Attorney General as required under this Consent Order, and payments are delinquent for more than sixty (60) days, the Office of the Attorney General may refer collection of the monies due under this Consent Order to the Central Collections Unit (“CCU”) of the State of Maryland. If a referral is made, any fee assessed by CCU shall be in addition to, and not offset, the balance of the civil monetary penalty owed to the Securities Division;
- E. If PBC is required to register its franchise offering under Paragraph (C) above, within ten (10) days of notification by the Securities Division that the PBC franchise offering is effectively registered for use in Maryland, PBC shall send by mail or electronically, in each case with applicable tracking/recipient

documentation, to the Maryland Franchisees the following: (i) a copy of an effectively registered Maryland FDD; and (ii) a letter, in substantially the form attached to this letter as Exhibit 2 captioned "Offer to Rescind Franchise Agreement," notifying that Maryland Franchisee that it is being given a second opportunity to rescind its PBC Membership Agreement under the terms of this Consent Order

- F. The Securities Commissioner has determined that the initial PBC offer of a franchise to the Maryland Franchisees in the form of the Notice of Rescission Rights described in this Consent Order is exempt from the registration provisions of the Maryland Franchise Law;
- G. PBC shall remit to the Office of Attorney General, as a civil monetary penalty, the sum of Ten Thousand Dollars (\$10,000.00); and
- H. PBC acknowledges 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

40. 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

41. If PBC fails to comply with any term of this Consent Order, the Securities Division may bring administrative or judicial proceedings against them to enforce this Consent Order or to sanction them 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 PBC 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 it.

VII. MODIFICATION OF CONSENT ORDER

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

DATE OF THIS ORDER;

August 12, 2026

SO ORDERED:

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

MELANIE SENTER LUBIN
SECURITIES COMMISSIONER

BY CONSENT:

PBC, LLC

By: Brandon Gale, President

FORM
(On Company Letterhead)

VIA [INSERT DELIVERY METHOD]
TO [INSERT FULL ADDRESSEE INFORMATION]

Re: [Company] Notice of Rescission Rights

Dear _____:

In accordance with discussions our attorneys have had with the Securities Division of the Office of the Attorney General of Maryland, [Insert Name of Company] ("we") have agreed under the attached Consent Order to offer rescission to any Maryland residents who entered into Franchise Agreement(s) with us in the form of Membership Agreements in violation of the registration and disclosure provisions of the Maryland Franchise Law. We are making this offer in settlement of the administrative proceeding that the Securities Division may bring for the alleged sale of a franchise in violation of the Maryland Franchise Law, and this offer does not affect any civil liability for which we may be responsible.

If you elect to rescind and terminate your Franchise Agreement, we agree to cancel your Franchise Agreement, including all post-term and non-competition obligations you may have to us under that Franchise Agreement. You also will give up any rights to use our trademarks and system and be obligated to refrain from using and disclosing any of our trade secrets and any of our confidential and proprietary information

In the event you rescind, we will return to you the initial fee you paid us under your Franchise Agreement and, if applicable, give you a full refund of the cost you paid us for any equipment or products you purchased from us, if you return the equipment/products to us, at our expense. We will refund the initial fee you paid to us within 31 days after we receive your Acceptance of Offer to Rescind, and we will refund the price of the equipment/products within 31 days of receiving the equipment or products.

If you do not rescind your Franchise Agreement now, you will be given a second opportunity to rescind your Franchise Agreement after we have completed the franchise registration process. When that registration is complete, we will send you a copy of a Maryland registered Franchise Disclosure Document ("FDD"), a new letter offering to rescind your franchise agreement under the same terms outlined in this letter, and a Cover Letter outlining the differences between the franchise offering described in the FDD and your existing Franchise Agreement.

This offer will remain open for thirty (30) days from the date you receive this letter. Please check the appropriate place below and return a signed copy of this letter to me within the time period. If you have any questions, please contact Tade Osikomaiya, Assistant Attorney General, at the Securities Division (410-576-7039).

Sincerely,

[The Company]

Enclosed: Consent Order

ACCEPTANCE OR REFUSAL OF OFFER TO RESCIND FRANCHISE AGREEMENT

1. I, the undersigned, acknowledge that I have read the preceding Notice of Rescission Rights and understand its contents.
2. I understand that I have not waived my rights under the Maryland Franchise and Disclosure Law by signing this document.
3. I hereby make the following choice to accept or refuse your offer to rescind my Franchise Agreement:

CHECK ONE

_____ I hereby **accept** your offer of rescission and agree to not use your trademarks and system and to not use or disclose to anyone the trade secrets and confidential and proprietary information that we obtained from you. Please contact me to arrange for the return to you of the equipment from my Equipment Package.

_____ I do not accept your offer of rescission. I wish to remain a franchisee under my Franchise Agreement at this time. I understand that I will be given a second opportunity to rescind my Franchise Agreement once the franchisor has registered its franchise offering with the Securities Division under the Maryland Franchise Law.

Date

Franchisee

FORM
(On Company Letterhead)

VIA [INSERT DELIVERY METHOD]
TO [INSERT FULL ADDRESSEE INFORMATION]

Re: [Company] Offer to Rescind Franchise Agreement

Dear _____:

As you recall, [Insert Name of Company] ("we") agreed to offer rescission to you of your Franchise Agreement with us in the form of a Membership Agreement. You previously received a "Notice of Rescission Rights" from us offering to rescind your Franchise Agreement immediately. Now that we have completed the registration of our franchise offering, we are giving you this second opportunity to rescind your Franchise Agreement. This offer of rescission is made in settlement of the administrative proceeding that the Securities Division may bring for the sale of a franchise in violation of the Maryland Franchise Law and does not affect any civil liability for which we may be responsible.

If you elect to rescind and terminate your Franchise Agreement, we agree to cancel your Franchise Agreement, including all post-term and non-competition obligations you may have to us under that Franchise Agreement. You also will give up any rights to use our trademarks and system and be obligated to refrain from using and disclosing any of our trade secrets and any of our confidential and proprietary information

In the event you rescind, we will return to you the initial fee you paid us under your Franchise Agreement and, if applicable, give you a full refund of the cost you paid to us for any equipment package/products you purchased from us, if you return the equipment/product to us, at our expense. We will refund the initial fee you paid to us within 31 days after we receive your Acceptance of Offer to Rescind, and we will refund the price of the equipment package/products within 31 days of receiving the equipment or products.

If you consider remaining a franchisee under your current Franchise Agreement, we PBC including a franchise disclosure document ("FDD") regarding that franchise offering that you should review before making that decision. You are not required to sign the new Franchise Agreement described in the FDD if you wish to remain as a franchisee under your existing Franchise Agreement.

This offer will remain open for thirty (30) days from the date you receive this letter. Please check the appropriate place below and return a signed copy of this letter to me within the time period. If you have any questions, please contact Tade Osikomaiya, Assistant Attorney General, at the Securities Division (410-576-7039).

Sincerely,

[The Company]

Enclosed: Franchise Disclosure Document

ACCEPTANCE OR REFUSAL OF OFFER TO RESCIND FRANCHISE AGREEMENT

1. I, the undersigned, acknowledge that I have read the preceding Offer to Rescind Franchise Agreement and understand its contents.
2. I understand that I have not waived my rights under the Maryland Franchise Registration and Disclosure Law by signing this document.
3. I hereby make the following choice to accept or refuse your offer to rescind my Franchise Agreement:

CHECK ONE

_____ I hereby **accept** your offer of rescission and agree to not use your trademarks, patents, and system and to not use or disclose to anyone the trade secrets and confidential and proprietary information that we obtained from you. Please contact me to arrange for the return to you of the equipment/product.

_____ I do **not accept** your offer of rescission. I wish to remain a franchisee under my Franchise Agreement.

Date: _____

Franchisee