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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: David Olvera
Spray-On Bedliners, L.L.C.
Spray-On Bedliners Development Company
2680 Florin Road, #102
Sacramento, CA 95822
and
720 E. Hammer Lane, Ste. E-9,
Stockton, CA 95210

DESIST AND REFRAIN ORDER
(For violations of sections 31110 of the Corporations Code)

The California Corporations Commissioner finds that:

1. At all relevant times, Spray-On Bedliners, L.L.C. (“Spray-On L.L.C.”) was a California limited liability company doing business in California at 2680 Florin Road, #102, Sacramento, California 95822, with a principle place of business located at 720 E. Hammer Lane, Ste. E-9, Stockton, California 95210. The company maintains a website at www.sprayonbedliners.com.
2. At all relevant times, Spray-On Bedliners Development Company (“Spray-On Development”) was a California business entity of unknown origin also doing business in California at 2680 Florin Road, #102, Sacramento, California 95822, with a principle place of business located at 720 E. Hammer Lane, Ste. E-9, Stockton, California 95210.
3. At all relevant times, David Olvera (“Olvera”) was doing business in California at 2680 Florin Road, #102, Sacramento, California 95822, with a principle place of business located at 720 E. Hammer Lane, Ste. E-9, Stockton, California 95210. Olvera was the control person, managing member and operated Spray-On L.L.C. and Spray-On Development (collectively, “Spray-On”).
4. In or about 2007, Olvera and Spray-On began offering and selling franchises, pursuant to “Operating Agreements,” to California residents referenced as “Members”. The franchises are for the exclusive right to operate, sell, supply and install truck bedliners i.e. “spray-on” bedliners in a designated franchise region in Northern or Central California.

1 5. The "Operating Agreements" offered and sold by Olvera and Spray-On are franchises within
2 the meaning of California Corporations Code section 31005. The "Operating Agreement" grants the
3 "Member", the right to engage in the business of operating, selling, supplying and installing truck
4 bedliners, i.e. "spray-on" bedliners, in a designated franchise region in Northern or Central
5 California. The "Member", while engaging in the business, is required to observe the specifications,
6 directions, and processes furnished by Olvera and Spray-On including guidelines, use of specific
7 advertisement pamphlets, and business operations methods. The "Member" is required to use the
8 trademark or tradename associated with "Spray-On Bedliners". Lastly, the "Member" is required to
9 pay to Olvera and Spray-On a fee in the amount of at least Seventy Thousand Dollars (\$70,000.00).

10 6. Olvera and Spray-On's offer and sale of franchises in California have not been registered
11 under the Franchise Investment Law and are not exempted under Chapter 1, beginning with
12 California Corporations Code section 31100, of that law.

13 By reason of the foregoing, David Olvera, Spray-On L.L.C. and Spray-On Development have
14 engaged in the offer and sale of franchises in this state that are subject to registration under the
15 Franchise Investment Law without the offer first being registered, in violation of California
16 Corporations Code section 31110.

17 Pursuant to California Corporations Code section 31406, David Olvera, Spray-On Bedliners,
18 L.L.C. and Spray-On Bedliners Development Company are hereby ordered to desist and refrain from
19 the further offer or sale of Spray-On franchises unless and until the offers have been duly registered
20 under the Franchise Investment Law, or exempt. This Order is necessary, in the public interest, and
21 consistent with the purposes, policies and provisions of the Corporate Securities Law of 1968.

22 Dated: July 21, 2009
23 Sacramento, California

24 PRESTON DuFAUCHARD
25 California Corporations Commissioner

26 By _____
27 Alan S. Weinger
28 Deputy Commissioner
Enforcement Division