

ADMINISTRATIVE PROCEEDING  
BEFORE THE  
SECURITIES COMMISSIONER OF MARYLAND

IN THE MATTER OF:

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**A NANNY ON THE NET**

\*

Case No. 2005-0649

and

\*

**AMY C. HARDISON,**

\*

Respondents.

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**CONSENT ORDER**

WHEREAS, the Securities Division of the Office of the Attorney General of Maryland (the "Division") initiated an investigation into the franchise-related activities of A Nanny on the Net and Amy C. Hardison (collectively "Respondents") under the authority granted under the Maryland Franchise Registration and Disclosure Law, MD. BUS. REG. CODE ANN. §14-210 et seq. (2004 Repl. Vol. and Supp. 2005) (the "Maryland Franchise Law"); and

WHEREAS, based on information presented by the Division, the Maryland Securities Commissioner (the "Commissioner") concluded that grounds existed to allege that the Respondents violated the registration, disclosure and antifraud provisions of Maryland Franchise Law, in relation to the offer and sale of A Nanny on the Net franchises in Maryland; 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 Commissioner and Respondents have reached agreement to enter into this Consent Order:

NOW, THEREFORE, IT IS HEREBY ORDERED AND DECREED:

## **I. JURISDICTION**

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

## **II. STATEMENT OF FACTS**

### **A. Respondents**

2. A Nanny on the Net (“Nanny on the Net”) is or was a sole proprietorship that offered opportunities for an online nanny referral business.

3. Amy C. Hardison (“Hardison”) is or was the owner of Nanny on the Net. At all times relevant to this proceeding, Hardison was engaged in the offer and sale of Nanny on the Net businesses in Maryland.

### **B. Nature of the Respondents’ Business**

4. Nanny on the Net offered for sale nanny referral businesses from its Internet website, [www.anannyonthenet.com](http://www.anannyonthenet.com), among other places.

5. On its Internet website, Nanny on the Net represented that it had 16 years of experience providing nanny services. Nanny on the Net also represented that it had numerous local agencies, many independently owned, throughout the United States.

6. On its website, Nanny on the Net solicited individuals to purchase a Nanny on the Net business.

### **C. The Sale of a Nanny on the Net Franchise in Maryland**

7. On or about June 3, 2004, Sharon Thomas-Parker, a resident of Baltimore County, Maryland, entered into an oral agreement with Nanny on the Net to purchase a Nanny on the Net business.

8. At the time of Thomas-Parker’s purchase, Nanny on the Net represented itself to be

a North Carolina “sole ownership.”

9. Thomas-Parker had discussions with Hardison prior to June 2004 about her purchase of a Nanny on the Net business.

10. Nanny on the Net allowed Thomas-Parker to use the trade mark and service mark “A Nanny on the Net” and other marks and logos owned by Nanny on the Net.

11. Nanny on the Net agreed to furnish a training program to Thomas-Parker and provide her with both a training manual and operations manual. Nanny on the Net also promised to provide Thomas-Parker with continuous advisory services, use of the Nanny on the Net website for referrals, and payment processing services.

12. Nanny on the Net agreed to grant Thomas-Parker an exclusive territory for her nanny referral business.

13. Thomas-Parker paid Nanny on the Net an initial fee for her Nanny on the Net business.

14. Nanny on the Net did not give Thomas-Parker a written training manual or operations manual, but it did arrange for her to attend a training program with another Nanny on the Net business owner.

15. Nanny on the Net never registered with the Division to offer or sell Nanny on the Net franchises in Maryland.

16. Nanny on the Net never gave Thomas-Parker any form of written disclosure document about Nanny on the Net prior to Thomas-Parker’s purchase of her Nanny on the Net business.

17. Nanny on the Net never disclosed to Thomas-Parker that Nanny on the Net was a franchise as defined under the Maryland Franchise Law.

18. Respondents acknowledge that, prior to the date of this Consent Order, Nanny on the

Net has entered into a separate agreement with Thomas-Parker to terminate their relationship, on terms mutually agreeable to both parties.

19. Respondents represent to the Division that, other than the sale of the Nanny on the Net business to Thomas-Parker, Nanny on the Net has not offered or sold any Nanny on the Net franchises in Maryland or to any Maryland residents

### **III. CONCLUSIONS OF LAW**

20. By engaging in the above activities, the Commissioner has determined that Respondents violated §14-228, 14-223, and 14-229 of the Maryland Franchise Law.

### **IV. ORDER AND CONSENT**

21. THE COMMISSIONER HEREBY ORDERS AND RESPONDENTS REPRESENT AND CONSENT THAT:

1. Respondents shall permanently cease and desist from the offer and sale of franchises in violation of the Maryland Franchise Law.
2. Respondents agree that, if in the future they seek to offer or sell any franchise in Maryland or to any Maryland residents, they shall comply with all provisions of the Maryland Franchise Law.
3. Respondents acknowledge that this Consent Order is a discloseable order as described under §14-216(c)(9)(I)(4) of the Maryland Franchise Law.

### **V. JURISDICTION RETAINED**

22. Jurisdiction shall be retained by the 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**

23. If the Respondent fails to comply with any term of this Consent Order, the Division may bring administrative or judicial proceedings against it to enforce this Consent Order or to

sanction that Respondent for violating an order of the 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 Commissioner or a court finds that a Respondent has 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**

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

**SO ORDERED:**

Dated : \_\_\_\_\_, 2006

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MELANIE SENTER LUBIN  
SECURITIES COMMISSIONER

**BY CONSENT:**

A Nanny on the Net

By: \_\_\_\_\_  
Amy Hardison, Owner

\_\_\_\_\_  
Amy Hardison