IN THE SUPERIOR COURT OF FULTON COUNTY STATE OF GEORGIA

| STATE OF GEORGIA ex rel. |) | |
|---------------------------------------|-----------------------------|-------------|
| Christopher M. Carr, Attorney General |) | |
| of the State of Georgia, |) | |
| COMPLAINANT, |)) CIVIL ACTION FILE | 25CV013821 |
| vs. |) NO | |
| DEROBIS ENTERPRISES, LLC, |)) | |
| BEAUTY SUPPLY INSTITUTE, LLC, |) | |
| AND DEVIN ROBINSON, INDIVIDUALLY, |) | |
| RESPONDENTS. | <i>)</i>) | |

ASSURANCE OF VOLUNTARY COMPLIANCE

Pursuant to O.C.G.A. § 10-1-390 et seq., the Fair Business Practices Act and O.C.G.A. § 10-1-410 et seq., the Sale of Business Opportunities Act, Christopher M. Carr, Attorney General of the State of Georgia ("Attorney General") by and through the Consumer Protection Division, has initiated an investigation and examination of certain acts or practices of Derobis Enterprises, LLC, Beauty Supply Institute, LLC and Devin Robinson, individually. To voluntarily resolve the issues that are the subject of this investigation, the parties are willing to enter into this Assurance of Voluntary Compliance ("AVC") pursuant to O.C.G.A. § 10-1-402. It is therefore stipulated and agreed as follows:

DEFINITIONS

I.

For purposes of this AVC, the following definitions shall apply:

A. "Act" means the Georgia Sale of Business Opportunities Act, O.C.G.A. § 10-1-410 et seq.

- B. "BSI" means Beauty Supply Institute, LLC, a limited liability company, all entities owned or controlled by Beauty Supply Institute, LLC, its successors in interest and assigns as well as employees, officers, executives, and agents of Beauty Supply Institute, LLC, in their capacity as representatives of Beauty Supply Institute, LLC.
- C. "Business Opportunity" has the same definition as that term is defined in O.C.G.A. § 10-1-410(2).
- D. "Business Opportunity Seller or Company" has the same definition as that term is defined in O.C.G.A. § 10-1-410(3).
- E. "CPD" means the Georgia Department of Law's Consumer Protection Division.
- F. "Derobis Enterprises" means Derobis Enterprises, LLC, a limited liability company, all entities owned or controlled by Derobis Enterprises, LLC, its successors in interest and assigns as well as employees, officers, executives, and agents of Derobis Enterprises, LLC, in their capacity as representatives of Derobis Enterprises, LLC.
- G. "Effective Date" is the date that this AVC is filed with the court.
- H. "FBPA" means the Georgia Fair Business Practices Act, O.C.G.A. § 10-1-390 et seq.
- "Purchaser" has the same definition as that term is defined in O.C.G.A. § 10-1-410(9).
- J. "Respondents" means Derobis Enterprises, LLC, Beauty Supply Institute,LLC, and Devin Robinson, individually.

BACKGROUND

II.

Respondents are Business Opportunity Sellers or Companies that have engaged in the sale of Business Opportunities in part or wholly within the State of Georgia.

III.

Derobis Enterprises is a Georgia Limited Liability Company with a principal place of business at 5015 Floyd Road, Suite 300, Atlanta, GA 30339. Derobis Enterprises' agent for service is Melvyn Burrow with an office address of 741 Piedmont Ave NE, #700, Atlanta, GA 30308. Service of process may be effected on Derobis Enterprises by serving Derobis Enterprises' agent for service at the above-listed address. BSI is a Georgia Limited Liability Company with a principal place of business at 1900 The Exchange, Suite 650, Atlanta, GA 30339. BSI does not currently have a registered agent for service. Service of process may be effected on BSI by serving BSI at its above-listed business address. Devin Robinson is a natural person and resident of Forsyth County, Georgia and the sole owner of Derobis Enterprises and BSI. Devin Robinson can be served with process at 8425 Cog Hill Terrace, Duluth, GA 30097.

IV.

The parties acknowledge that jurisdiction and venue in connection with this matter shall lie in the Superior Court of Fulton County.

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The Attorney General alleges that Respondents have engaged in acts or practices in the sale of Business Opportunities that violate the Act, which acts are also declared to be unfair or deceptive acts or practices under the FBPA, O.C.G.A. § 10-1-417(b). Specifically, the Attorney General alleges that Respondents engaged in the following acts or practices:

- A. Failing to provide mandatory refunds in violation of O.C.G.A. §§ 10-1-417(a), 10-1-417(b), and 10-1-393(a);
- B. Failing to provide mandatory disclosures, in violation of O.C.G.A. §§ 10-1-411(b), 10-1-417(b), and 10-1-393(a);
- C. Failing to maintain an active surety bond, in violation of O.C.G.A. §§ 10-1-412(a), 10-1-417(b), and 10-1-393(a);
- D. Collecting payments greater than 15 percent of the total purchase price prior to the established date such action is permittable, in violation of O.C.G.A. §§ 10-1-412(b), 10-1-417(b), and 10-1-393(a); and
- E. Failing to establish or maintain independent escrow accounts, in violation of O.C.G.A. §§ 10-1-412(b), 10-1-417(b), and 10-1-393(a).

VI.

In accepting this AVC, the Attorney General hereby agrees not to initiate legal action against Respondents for any conduct that occurred prior to the filing of this AVC concerning the matters covered in this AVC; subject, however, to the provisions of O.C.G.A. § 10-1-402, and contingent upon Respondents' full compliance with all the terms and conditions set forth herein.

VII.

Pursuant to O.C.G.A. § 10-1-402, which provides that an Assurance of Voluntary

Compliance shall not be considered an admission of violation of the FBPA for any purpose,

Respondents enter into this AVC in order to resolve this matter without the necessity of formal legal action. The Attorney General's acceptance of this AVC does not constitute his approval of any of Respondents' business practices.

PERMANENT INJUNCTION

VIII.

As of the Effective Date, Respondents shall be permanently restrained and enjoined from engaging in acts and practices that violate the Act and the FBPA. Respondents shall be permanently restrained and enjoined from engaging in the following:

- A. Advertising, offering, selling or engaging in the sale of any Business Opportunity in the State of Georgia.
- B. Disclosing, using, or benefitting from Purchaser information, including names, addresses, telephone numbers, email addresses, social security numbers, other identifying information, or any data that enables access to a customer's account (including credit card, bank account, or other financial account), that Respondents obtained through Derobis Enterprises or BSI. However, Purchaser information may be disclosed if requested by a government agency or required by law, regulation, or court order.
- C. Attempting to collect, sell, assign, or otherwise transfer any right to collect payment from any Purchaser who entered into a contract with Derobis Enterprises and/or BSI related to the sale of a Business Opportunity, including without limitation, related to the offering of assistance related to the ownership and/or operation of any beauty supply store.

Respondents further agree that:

A. Respondents voluntarily and unconditionally waive all rights, privileges, and legal obligations arising from any contract related to the sale of a Business Opportunity.

- B. Respondents have not sold, assigned, or otherwise transferred any right to collect payment from any Purchaser who entered into a contract with Derobis Enterprises and/or BSI related to the sale of a Business Opportunity, including without limitation, related to the offering of assistance related to the ownership and/or operation of any beauty supply store.
- C. If Respondents are contacted by a Purchaser related to a Business Opportunity, Respondents shall advise Purchaser that all Business Opportunity contracts have been terminated, are of no further force and effect, and that Respondents are prohibited from providing any services to Purchasers.
- D. Derobis Enterprises shall conduct no further business in the State of Georgia going forward, other than that necessary to accomplish that agreed to herein.
- E. BSI shall conduct no further business in the State of Georgia going forward, other than that necessary to accomplish that agreed to herein.

CIVIL PENALTIES AND FEES

IX.

A. Respondents agree to pay civil penalties and Purchaser refunds to the Attorney
General in the amount of \$2,189,255 (TWO MILLION ONE HUNDRED
EIGHTY-NINE THOUSAND TWO HUNDRED AND FIFTY-FIVE
DOLLARS AND NO CENTS), to be used by the Attorney General for purposes
that may include, but are not limited to, civil penalties, Purchaser restitution,
attorneys' fees, and other costs of investigation and litigation, or to be placed in, or
applied to, any consumer protection law enforcement fund, including future
consumer protection or privacy enforcement, consumer education, litigation or

local consumer aid fund or revolving fund, used to defray the costs of the inquiry leading hereto, or for other uses permitted by state law, at the sole discretion of the Attorney General. Respondents shall make said payment by certified check or money order payable to the Georgia Department of Law and delivered to the Georgia Department of Law Consumer Protection Division, 40 Capital Square SW, Atlanta, GA 30334, or by ACH transfer to an account identified by the Attorney General's Office for the purpose of receiving said funds.

- B. Respondents shall not be required to pay civil penalties and Purchaser refunds of \$2,189,255 (TWO MILLION ONE HUNDRED EIGHTY-NINE THOUSAND TWO HUNDRED AND FIFTY-FIVE DOLLARS AND NO CENTS) if Respondents do not default on the terms of this AVC.
- C. If Respondents fail to comply with any provision of this AVC, the entire amount described in Section IX.A and B shall become immediately due and payable to the Attorney General.

DEFAULT AND RESOLUTION

X.

A. If the Attorney General believes that Respondents have defaulted on any of their obligations hereunder, he shall provide a "Default Notice" to Respondents identifying their actions that appear to constitute a default of any provision of this AVC and shall provide Respondents ten (10) business days to explain why a default has not occurred. If Respondents fail to timely respond or to explain to the Attorney General's satisfaction why a default has not occurred, all payments

- due hereunder, less any amounts already paid, shall immediately become due and payable.
- B. Default Notices shall be sent via email to Respondents' counsel, Brad Fallon, Esq. at brad@fallonbusinesslaw.com.
- C. The Attorney General shall decide in his sole discretion whether a default has occurred.
- D. If, after considering Respondents' explanation, the Attorney General determines that a default of this AVC has occurred, any and all remaining payments, will become immediately due and payable to the Attorney General.
- E. In the event the Attorney General determines that a default of this AVC has occurred, the Attorney General may take any and all action available to pursue enforcement and collection of amounts owed to the Attorney General less any payments received by the Attorney General.
- F. In the event the Attorney General determines that a default of this AVC has occurred, the Attorney General may pursue all rights and remedies available under the laws of the State of Georgia to compel Respondents' compliance with this AVC.

GENERAL PROVISIONS

XI.

The terms of this AVC shall not be construed as a waiver of any rights or remedies the Attorney General may have against Respondents under the laws of the State of Georgia if

Respondents violate any provision of this AVC and/or if Respondents violate any provisions of the Act or the FBPA after entry of this AVC.

XII.

The titles and headers to each section of this AVC are for convenience purposes only and are not intended to lend meaning to the actual provisions of this AVC.

XIII.

Nothing in this AVC shall limit the Attorney General's right to obtain information, documents, or testimony from Respondents pursuant to any applicable state or federal law, regulation, or rule regarding matters related to this AVC or enforcement of the Act and/or the FBPA.

XIV.

Nothing in this AVC shall have the preclusive effect on investigations of any other entities with which Respondents may be involved.

XV.

Time shall be of the essence with respect to each provision of this AVC that requires action to be taken by Respondents within a stated time period or upon a specified date.

XVI.

The terms of this AVC shall be governed by the laws of the State of Georgia.

XVII.

This AVC shall in no way impair the rights of individual Purchasers against Respondents related to the terms of this AVC or enforcement of the Act and/or the FBPA.

XVIII.

This AVC binds Respondents and their successors and/or assigns who take notice of the terms and provisions thereof. Respondents hereby agree to give notice of this AVC to their successors and/or assigns, principals, officers, directors, owners, as well as employees/agents who were engaged in the sale of Business Opportunities in the State of Georgia.

[END PAGE 10]

[SIGNATURES AND NOTARIZATION ON FOLLOWING PAGE]

Proposed, Consented, and Agreed to by:

| | By: DEVIN ROBINSON, Individually and ON BEHALF OF Derobis Enterprises, LLC and Beauty Supply Institute, LLC |
|---|---|
| | Owner Title |
| | 9-16-2025 Date |
| Sworn to and subscribed before me, 16 day of September -, Kulin Boahmbhatt NOTARY PUBLIC | |
| My commission expires: <u>62.24</u> | 2029 |
| | ACCEPTED BY: |
| | Attorney General of the State of Georgia |
| | Date: 09-25-2025 |