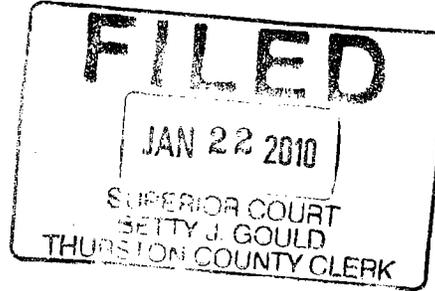


- EXPEDITE
- No Hearing Set
- Hearing is Set



STATE OF WASHINGTON
THURSTON COUNTY SUPERIOR COURT

DIALOGUE DIRECT, INC., a
Delaware corporation

Respondent.

NO. 10-2-00120-1

ASSURANCE OF
DISCONTINUANCE

The State of Washington, by and through its attorneys, Robert M. McKenna, Attorney General, and Shannon E. Smith, Assistant Attorney General, files this Assurance of Discontinuance pursuant to RCW 19.86.100.

1. The Attorney General initiated an investigation into the commercial fundraiser registration status of the commercial fundraiser, DialogueDirect, Inc., which has a contract with a registered charitable organization, Children International, to solicit charitable contributions from the general public on its behalf.

2. This agreement does not constitute, and shall not be construed as, an admission of wrongdoing or violation of the Consumer Protection Act, RCW 19.86, or the Charitable Solicitations Act, RCW 19.09. DialogueDirect agrees to this Assurance of Discontinuance to assure the Attorney General's Office that it will comply with the Washington law governing charitable solicitations and commercial fundraising.

1 3. The Attorney General deems the following to constitute unfair or deceptive acts
2 or practices by commercial fundraisers in violation of the Consumer Protection Act,
3 RCW 19.86.020, and violations of the Charitable Solicitation Act, RCW 19.09:

4 (a) Soliciting charitable contributions from the general public in the state of
5 Washington while not being registered with the Washington Secretary of State as a commercial
6 fundraiser as required by RCW 19.09;

7 (b) Misrepresenting either expressly or by implication that a paid fundraiser is the
8 charitable organization for which it solicits charitable donations; and

9 (c) Failing to disclose the identify of the commercial fundraiser at point of
10 solicitation as required by RCW 19.09.100(2)(b).

11 4. Respondent, DialogueDirect, Inc., agrees that it will not engage in the conduct
12 set forth in Paragraph 2(a), (b), or (c).

13 5. The Respondent agrees to pay \$10,000 to the Office of the Attorney General,
14 which shall be used at the sole discretion of the Attorney General as recovery of costs and
15 attorneys' fees or as cy pres to benefit children or youth. The \$10,000 shall be paid in full
16 upon signing this Assurance of Discontinuance. Payment shall be made by valid cashier's
17 check, paid to the order of "Attorney General—State of Washington."

18 6. Respondent shall send the signed Assurance of Discontinuance and the cashier's
19 check to the Office of the Attorney General, Attention: Cynthia Lockridge, Consumer
20 Protection Division, 800 Fifth Avenue, Suite 2000, Seattle, Washington, 98104-3188.

21 7. Failure to comply with this Assurance of Discontinuance shall be *prima facie*
22 evidence of violations of RCW 19.86.020, thereby placing upon the violator, DialogueDirect,
23 and its officers, directors, and principals, the burden of defending against imposition by the
24 Court of injunctions, restitution, and civil penalties of up to \$2,000 per violation and costs,
25 including reasonable attorney's fees, incurred by the Attorney General in pursuing such action.
26

1 8. The Attorney General shall not pursue an action to enforce this Assurance of
2 Discontinuance after three (3) years from the entry of the Assurance of Discontinuance.
3 However, nothing in this Assurance of Discontinuance shall preclude the Attorney General
4 from investigating and enforcing potential violations of RCW 19.86, 19.09 or any other law
5 against DialogueDirect.

6 9. Under no circumstances shall this Assurance of Discontinuance or the name of
7 the State of Washington, the Office of the Attorney General, the Washington Secretary of
8 State, or any of its employees or representatives be used by the Respondent or by its officers,
9 employees, representatives, or agents in conjunction with any business activity of the
10 Respondent.

11 10. The Attorney General agrees to dismiss with prejudice the complaint filed
12 against DialogueDirect in King County Superior Court, No. 09-2-27353-7-SEA. The Attorney
13 General shall move to dismiss the lawsuit once the Assurance of Discontinuance is entered
14 with the Court and the Attorney General is notified of the entry. The Attorney General's Office
15 agrees that it will not seek recovery of costs or attorney's fees relating to dismissal of the
16 complaint. DialogueDirect agrees to pay only the amount specified in Paragraph 5 of this
17 Assurance. The Attorney General's Office agrees to remove from its website the complaint
18 and press release announcing the filing of the complaint. Nothing in this paragraph affects the
19 Washington Secretary of State.

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1 11. Nothing in this Assurance of Discontinuance shall be construed so as to limit or
2 bar any other person or entity from pursuing any legal remedies against the Respondent.

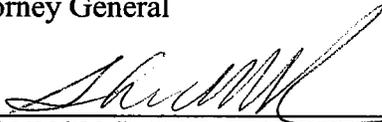
3 APPROVED IN OPEN COURT THIS 22nd day of January, 2010.

4 Wm. THOMAS MCPHEE

5 JUDGE/COURT COMMISSIONER

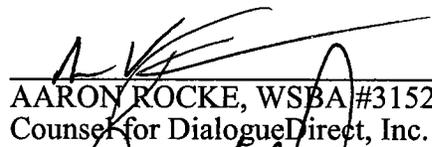
6 Presented by:

7 ROBERT M. MCKENNA
8 Attorney General

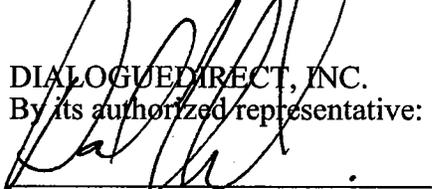
9 

10 SHANNON SMITH, WSBA #19077
11 Assistant Attorney General
12 Attorneys for State of Washington

Agreed to, Approved for Entry, Notice of
Presentation Waived:

13 
14 AARON ROCKE, WSBA #31525
15 Counsel for DialogueDirect, Inc.

16 DIALOGUEDIRECT, INC.
17 By its authorized representative:

18 
19 Position in Organization: via president

20 Children International, a non-party to
21 this Assurance, acknowledges receipt
22 of this Assurance of Discontinuance:

23 _____
24 Authorized representative
25 _____
26 _____

1 11. Nothing in this Assurance of Discontinuance shall be construed so as to limit or
2 bar any other person or entity from pursuing any legal remedies against the Respondent.

3 APPROVED IN OPEN COURT THIS ____ day of _____, 2010.

4
5 _____
6 JUDGE/COURT COMMISSIONER

7 Presented by:

Agreed to, Approved for Entry, Notice of
Presentation Waived:

8 ROBERT M. MCKENNA
9 Attorney General

10 _____
11 SHANNON SMITH, WSBA #19077
12 Assistant Attorney General
13 Attorneys for State of Washington

14 _____
15 AARON ROCKE, WSBA #31525
16 Counsel for DialogueDirect, Inc.

17 _____
18 DIALOGUEDIRECT, INC.
19 By its authorized representative:

20 _____
21 Position in Organization: *vice president*

22 Children International, a non-party to
23 this Assurance, acknowledges receipt
24 of this Assurance of Discontinuance:

25 _____
26 *James R. Cook, Pres. & CEO*
Authorized representative
JAMES R. COOK