

**FILED**

OCT 09 2007

PAM L. DANIELS  
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**THE STATE OF WASHINGTON  
SNOHOMISH COUNTY SUPERIOR COURT**

STATE OF WASHINGTON,

NO. 07-2-01894-6

Plaintiff,

v.

VETERANS OF WESTERN WASHINGTON in  
its own name and doing business as, VWW,  
WESTERN WASHINGTON VETERANS,  
WWV, CHILDREN'S CANCER ALLIANCE,  
HOSPITALIZED CHILDREN'S SOCIETY,  
COALITION AGAINST DOMESTIC  
VIOLENCE, FAMILY SERVICES OF PUGET  
SOUND; ANY AFFILIATE OF VETERANS  
OF WESTERN WASHINGTON; ROBERT  
MELBOURNE SHAY, a/k/a R.M. FUKA,  
Owner and/or Secretary of Veterans of Western  
Washington, individually and as part of his  
marital community; MICHAEL JOSEPH SHAY,  
Owner and/or President of Veterans of Western  
Washington, individually and as part of his  
marital community; MARCELLO MANUEL  
GRANIEL, President of Veterans of Western  
Washington, individually and as part of his  
marital community,

JUDGMENT FOR PLAINTIFF  
STATE OF WASHINGTON ON  
PLAINTIFF'S MOTION FOR  
DEFAULT JUDGMENT  
AGAINST DEFENDANT  
MARCELLO M. GRANIEL

[PROPOSED]

Defendants.

**I. JUDGMENT SUMMARY**

**1.1 Judgment Creditor: State of Washington**

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1           **2.4** Defendant has failed to appear, plead, or otherwise defend in this matter.

2           **2.6** The violations alleged in the State's Complaint, have been engaged in by  
3 Defendant wholly or in part in Snohomish County, state of Washington, and elsewhere in the  
4 state of Washington. Defendants transact or have transacted business in the state of  
5 Washington.

6           **2.7** Defendant resides at 214 As Cepeda Road, Pulantat, Yona Guam 96921.  
7 Defendant transacted business in the state of Washington.

8           **2.8** Since at least 2002, Defendant solicited charitable contributions under the  
9 names "Veterans of Western Washington," "VWW," "Western Washington Veterans,"  
10 "WWV," "Children's Cancer Alliance," "Hospitalized Children's Society," "Coalition  
11 Against Domestic Violence," and "Family Services of Puget Sound." None of the entities  
12 were registered as charitable organizations with the Secretary of State after October 26, 2004.  
13 From October 26, 2004 through at least April of 2006, the Defendant solicited and collected  
14 charitable contributions from the general public without being registered as a charitable  
15 organization with the Secretary of State.

16           **2.9** In their written solicitation material distributed to Washington consumers,  
17 Defendant misrepresented that Veterans of Western Washington, Children's Cancer Alliance,  
18 and Hospitalized Children's Society were registered with the Secretary of State under  
19 Registration No. 9940, when they were not so registered.

20           **2.10** In written solicitation material they distributed to Washington consumers,  
21 Defendant failed to clearly and conspicuously disclose in the body of the solicitation material  
22 that the Defendant's notice of solicitation is on file with the Secretary of State and that the  
23 potential donor could obtain additional financial disclosure information from the Secretary of  
24 State at the Secretary of State's published number.



1 RCW 19.86.020, which prohibits unfair methods of competition and unfair or deceptive acts or  
2 practices in the conduct of any trade or commerce, notwithstanding that they are *per se*  
3 violations of the Consumer Protection Act pursuant to RCW 19.09.340.

4       **3.5** Defendant's acts and practices as described in Finding of Fact 2.11 violate  
5 RCW 19.09.100(16), (18), 19.09.200, 19.09.210 and are *per se* violations of RCW 19.86 the  
6 Consumer Protection Act pursuant to RCW 19.09.340. Defendant's acts and practices as  
7 described in Finding of Fact 2.11 also have the capacity to mislead a substantial number of  
8 consumers, are unfair and deceptive, and are unfair methods of competition and therefore  
9 constitute violations of RCW 19.86.020, which prohibits unfair methods of competition and  
10 unfair or deceptive acts or practices in the conduct of any trade or commerce, notwithstanding  
11 that they are *per se* violations of the Consumer Protection Act pursuant to RCW 19.09.340.

12       **3.7** Plaintiff, State of Washington, is authorized by RCW 19.09.340 and 19.86.080 to  
13 enjoin violations of the Consumer Protection Act, to obtain restitution on behalf of persons  
14 harmed by such violations, and to obtain such further and other relief as the court may deem  
15 appropriate, including civil penalties up to the amount of \$2,000.00 per violation, and attorneys'  
16 fees and costs.

17       **3.8** Plaintiff is entitled to a Judgment enjoining and restraining Defendant and any  
18 and all persons in active concert or participation with Defendants from engaging in the future  
19 in the acts or practices described in Findings of Fact 2.8 through 2.11 that violate the  
20 Consumer Protection Act or the Charitable Solicitation Act.

21       **3.9** Plaintiff is entitled to a Judgment ordering Defendant to pay Plaintiff's costs  
22 and attorneys' fees the amount of \$13,840.50. This request for attorneys' fees is reasonable  
23 and Plaintiff is entitled to a judgment in this amount.

24       **3.10** Plaintiff is entitled to a Judgment ordering Defendant to comply with the  
25 injunctive provisions described below.  
26



1 Secretary of State as provided in WAC 434-120-110 as currently enacted or subsequently  
2 amended;

3 (c) Representing, directly or by implication, that Defendant or any other  
4 charitable organization or entity Defendant may form, is registered with the Washington  
5 Secretary of State unless it is so registered;

6 (d) Operating as a charitable organization in the state of Washington  
7 without complying with the recordkeeping requirements established by RCW 19.09.200, .210  
8 and WAC 434-120-125, -130, -135, -140 as currently enacted or subsequently amended;

9 (e) Soliciting charitable contributions under the name, registration  
10 number, tax-exempt number, or EIN of any other organization unless Defendant has obtained  
11 the written consent of such organization. Defendant must maintain a copy of such consent  
12 for three years following any solicitation activity conducted by Defendant;

13 (f) Engaging in any commercial fundraising activities, as defined by  
14 RCW 19.09 or WAC 434-120 as currently enacted or subsequently amended, on behalf of any  
15 entity without being registered with the Secretary of State as a commercial fundraiser as  
16 required by RCW 19.09.065 as currently enacted or subsequently amended;

17 (g) Failing to make any of the disclosures required by RCW 19.09.100, as  
18 currently enacted or subsequently amended, other applicable law, in any oral or written  
19 solicitations.

20 **4.4 Suspended Injunctions.** The following injunctions are set forth herein as a  
21 remedy for the violations committed by Defendant, but their implementation is suspended upon  
22 condition that Defendant shall not commit any material violation of the other injunctive terms of  
23 this Stipulated Judgment. Should the Court find in the future that any of the Defendants who  
24 are party to this Stipulated Judgment have violated materially any of the injunctive provisions of  
25 this Stipulated Judgment, then the parties hereby stipulate and agree that upon a showing of  
26 such violation, the Court shall enter the following injunctive relief:

1 Defendant and all successors, assigns, transferees, officers, agents, servants,  
2 employees, representatives, affiliates, attorneys and all other persons or entities in active concert  
3 or participation with Defendant are hereby permanently enjoined and restrained from directly or  
4 indirectly engaging in the following acts or practices in the state of Washington:

5 (a) Engaging in charitable solicitation, as defined by RCW 19.09 as  
6 currently enacted or subsequently amended, of any whatsoever, including but not limited to any  
7 solicitation where states or implies any appeal for the support of veterans, children, children's  
8 hospitals, or other programs to benefit youth, battered women, domestic violence victims, the  
9 disabled, or any other charitable or purportedly charitable cause of any kind, regardless of  
10 whether the beneficiary or beneficiaries of such solicitations are individuals, groups,  
11 organizations, associations, for-profit corporations, non-profit corporations, hospitals, group  
12 homes, or other entity;

13 (b) Owning, operating, managing, consulting with, or working for or on  
14 behalf of any charitable organization that conducts charitable solicitations in the state of  
15 Washington, whether as an owner, co-owner, partner, employee, manager, salesperson,  
16 telefunder or telemarketer, solicitor, script writer or editor, advisor or consultant, or independent  
17 contractor

18 (c) Engaging in the business of a commercial fundraiser or fundraising  
19 consultant as defined in RCW 19.09 or WAC 434-120 as currently enacted or subsequently  
20 amended, or owning, managing, or working for or on behalf of such commercial fundraiser or  
21 fundraising consultant, whether as an owner, co-owner, partner, employee, manager,  
22 salesperson, telefunder or telemarketer, solicitor, script writer or editor, advisor or consultant, or  
23 independent contractor.

## 24 V. CIVIL PENALTIES

25 5.1 Pursuant to RCW 19.86.140, Plaintiff shall recover and Defendants shall pay  
26 civil penalties in the amount of \$25,000.00

1           5.2     Defendant shall make all payments by cashier's check, made payable to the  
2 Attorney General—State of Washington, which shall be delivered to the Office of the  
3 Attorney General, 800 Fifth Avenue, Suite 2000, Seattle, Washington 98104-3188, to the  
4 attention of Cynthia Lockridge.

5  
6                                   **VI.     ATTORNEYS' FEES AND COSTS**

7           6.1     Pursuant to RCW 19.86.080, Plaintiff shall recover and Defendant shall pay  
8 costs and attorneys' fees incurred in pursuing this matter in the amount of \$13,840.00.

9           6.2     Defendant shall bear Plaintiff's reasonable costs, including reasonable  
10 attorneys' fees, for enforcing this Judgment in any successful action to enforce any of its  
11 provisions.

12           6.3     Defendant shall make all payments by cashier's check, made payable to the  
13 Attorney General—State of Washington, which shall be delivered to the Office of the  
14 Attorney General, 800 Fifth Avenue, Suite 2000, Seattle, Washington 98104-3188, to the  
15 attention of Cynthia Lockridge.

16                                   **VII.    ENFORCEMENT**

17           7.1     Pursuant to RCW 19.86.140, any violation of the terms of this Judgment may  
18 form the basis for further enforcement proceedings.

19           7.2     The violation of any of the terms of this Judgment shall constitute a violation  
20 of the Consumer Protection Act, RCW 19.86.

21           7.3     Jurisdiction is retained for the purpose of enabling any party to this Judgment,  
22 with or without the prior consent or approval of the other party, to apply to the Court at any  
23 time for the enforcement of compliance therewith, the punishment of violations thereof, or  
24 the modification or clarification thereof.

25           7.4     Nothing in this Judgment shall be construed as to limit or to bar any other  
26 governmental entity or any other consumer in the pursuit of additional remedies against  
Defendant.

