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**THE STATE OF WASHINGTON
SNOHOMISH COUNTY SUPERIOR COURT**

STATE OF WASHINGTON,

Plaintiff,

v.

NO. 07-2-01894-6

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
MICHAEL J. SHAY

[PROPOSED]

Defendants.

I. JUDGMENT SUMMARY

1.1 Judgment Creditor: State of Washington



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 14015 61St Pl W Apt-A, Edmonds, Washington, 98026.
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.
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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 \$13,840.00. 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

