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V. FACTS

5.1 Defendant Daring Hands was incorporated as a non-profit corporation on February 23, 2010, with the stated purpose of acting as “a resource to aid abuse women & children, food, clothing, hygiene item, temp shelter.”

5.2 Entities that solicit charitable donations are required to register as charities with the Secretary of State (“SOS”) unless they qualify for exemption from the registration requirements. *See* RCW 19.09.065. Daring Hands has not been registered as a charity at any time relevant to this Complaint. Daring Hands does not qualify for exemption from the registration requirements because its activities are not conducted solely by volunteers and its officers receive compensation from the organization. *See* WAC 434-120-100.

5.3 Although Daring Hands has not been registered as a charity and does not qualify for exemption from registration, it has solicited charitable donations at tables set up outside of Seattle-area farmers markets and grocery stores since 2011.

5.4 Daring Hands solicits donations in a harassing and intimidating manner. Upon information and belief, Daring Hands representatives yell at consumers to solicit donations and then make disparaging comments to consumers who decline to make donations. Daring Hands’ representatives also walk backwards in front of consumers who pass by their tables without making a donation and follow consumers to their cars to solicit donations.

5.5 Daring Hands’ representatives indicate to consumers that donations it receives are used to support abused women and children.

5.6 Daring Hands utilizes written materials which identify Daring Hands as a “Non-Profit Organization, Resource Center Reaching out, for mothers & children” and encourages consumers to make donations in the form of “checks, cash, money orders, and travels checks” in order to “help” mothers, children, and families. *See* Exhibit 1.

5.7 Daring Hands also used holiday-themed materials which describe its outreach to “the Homeless, Lost and Broken Families” by providing “Christmas Dinner and Toys for

1 Children.” See Exhibit 2.

2 5.8 Defendants’ written solicitation materials do not disclose that potential donors
3 can obtain additional financial and other information relating to Daring Hands at the phone
4 number or website for the Secretary of State.

5 5.9 Daring Hands’ representatives indicate to consumers that all donations made are
6 tax deductible, even though it has not obtained tax exempt status from the Internal Revenue
7 Service.

8 5.10 Daring Hands’ representatives indicate to consumers that its activities are
9 conducted solely by volunteers.

10 5.11 Upon information and belief, Daring Hands collected approximately \$15,000 in
11 charitable donations between April and September, 2015.

12 5.12 Upon information and belief, instead of aiding abused women and children,
13 donations made to Daring Hands have been used for Brown and other officers’ personal
14 inurement. Representative examples include Brown’s purchase of \$2,036 in plane tickets to
15 attend a family member’s funeral on April 27, 2015; \$40 of meals for herself and family
16 members at Shari’s Café and Pies in Moscow, Idaho on May 11, 2015; and, \$128.47 of meals
17 for herself and family and/or friends at 13 Coins in Seattle, Washington on June 1, 2015.

18 5.13 Upon information and belief, Daring Hands compensates individuals who assist
19 with its solicitation activities by permitting them to use cash donations to purchase meals and
20 other personal items.

21 **VI. FIRST CAUSE OF ACTION**
22 **(Soliciting Donations without Registration)**

23 6.1 Plaintiff realleges Paragraphs 1.1 through 5.13 and incorporates them herein as if
24 set forth in full.

25 6.2 Daring Hands is required to register as a charity with the Secretary of State before
26 engaging in charitable solicitations. Daring Hands does not meet any of the exemptions from

1 registration requirements in WAC 434-120-100 because its officers have used its donations for
2 their personal inurement.

3 6.3 Despite not being registered as a charity, Daring Hands collected approximately
4 \$15,000 in donations between April and September, 2015.

5 6.4 Failing to register as a charity with the Secretary of State is a violation of the
6 Charitable Solicitations Act, RCW 19.09.065. Pursuant to RCW 19.09.340, violations of the
7 Charitable Solicitations Act are *per se* violations of the Consumer Protection Act, RCW 19.86. In
8 addition, violations of the Charitable Solicitations Act “are matters vitally affecting the public
9 interest for the purpose of applying the consumer protection act.” RCW 19.09.340(1).

10 6.5 Notwithstanding RCW 19.09.340, the conduct described above affected the public
11 interest and had the capacity to deceive a substantial number of consumers because Defendants
12 wrongfully solicited donations from numerous consumers on many occasions in public spaces
13 over a period of years, and constituted unfair or deceptive acts or practices in trade or commerce
14 and unfair methods of competition in violation of the RCW 19.86.020.

15 **VII. SECOND CAUSE OF ACTION**
16 **(False, Misleading, and Deceptive Statements in Solicitations)**

17 7.1 Plaintiff realleges Paragraphs 1.1 through 5.13 and incorporates them herein as if
18 set forth in full.

19 7.2 At times relevant to this action, Daring Hands represented in both written and oral
20 solicitations that donations it receives are used to support abused women and children. These
21 representations were deceptive because such donations were actually used to pay for its officers’
22 and solicitors’ personal expenses, including air fare and meals.

23 7.3 Making false, misleading, and deceptive statements during solicitations violates
24 RCW 19.09.100(15). Pursuant to RCW 19.09.340, violations of the Charitable Solicitations Act
25 are *per se* violations of the Consumer Protection Act, RCW 19.86. In addition, violations of the
26 Charitable Solicitations Act “are matters vitally affecting the public interest for the purpose of

1 applying the consumer protection act.” RCW 19.09.340(1).

2 7.4 Notwithstanding RCW 19.09.340, the conduct described above affected the public
3 interest and had the capacity to deceive a substantial number of consumers because Defendants
4 wrongfully solicited donations from numerous consumers on many occasions in public spaces
5 over a period of years, and constituted unfair or deceptive acts or practices in trade or commerce
6 and unfair methods of competition in violation of RCW 19.86.020.

7 **VIII. THIRD CAUSE OF ACTION**
8 **(Harassing and Intimidating Solicitations)**

9 8.1 Plaintiff realleges Paragraphs 1.1 through 5.13 and incorporates them herein as if
10 set forth in full.

11 8.2 At times relevant to this action, Daring Hands’ representatives engaged in
12 harassing and intimidating conduct while soliciting donations, including yelling at, berating,
13 blocking, and following consumers who decline to make a donation.

14 8.3 Engaging in harassing conduct while soliciting donations violates
15 RCW 19.09.100(17). Pursuant to RCW 19.09.340, violations of the Charitable Solicitations Act
16 are *per se* violations of the Consumer Protection Act, RCW 19.86. In addition, violations of the
17 Charitable Solicitations Act “are matters vitally affecting the public interest for the purpose of
18 applying the consumer protection act.” RCW 19.09.340(1).

19 8.4 Notwithstanding RCW 19.09.340, the conduct described above affected the public
20 interest and had the capacity to deceive a substantial number of consumers because Defendants
21 wrongfully solicited donations from numerous consumers on many occasions in public spaces
22 over a period of years, and constituted unfair or deceptive acts or practices in trade or commerce
23 and unfair methods of competition in violation of RCW 19.86.020.

24 **IX. FOURTH CAUSE OF ACTION**
25 **(Misrepresenting the Tax Deductibility of Contributions)**

26 9.1 Plaintiff realleges Paragraphs 1.1 through 5.13 and incorporates them herein as if
set forth in full.

1 and unfair methods of competition in violation of the Consumer Protection Act, RCW 19.86, and
2 RCW 19.86.020 specifically.

3 **XI. SIXTH CAUSE OF ACTION**
4 **(Failure to Make Required Disclosures)**

5 11.1 Plaintiff realleges Paragraphs 1.1 through 7.4 and incorporates them herein as if
6 set forth in full.

7 11.2 Defendants' written solicitation materials do not include disclosures required by
8 the CSA, including disclosures that potential donors can obtain "additional financial and other
9 information" relating to Daring Hands at the phone number or website for the SOS.

10 11.3 Failure to make such disclosures violates RCW 19.09.100(1)(c) of the Charitable
11 Solicitations Act. Pursuant to RCW 19.09.340, violations of the Charitable Solicitations Act are
12 *per se* violations of the Consumer Protection Act, RCW 19.86.

13 11.4 Notwithstanding RCW 19.09.340, the conduct described above affected the public
14 interest and had the capacity to deceive a substantial number of consumers because Defendants
15 wrongfully solicited donations from numerous consumers on many occasions in public spaces
16 over a period of years, and constituted unfair or deceptive acts or practices in trade or commerce
17 and unfair methods of competition in violation of the Consumer Protection Act, RCW 19.86, and
18 RCW 19.86.020 specifically.

19 **XII. PRAYER FOR RELIEF**

20 WHEREFORE, Plaintiff, State of Washington, prays for relief as follows:

21 12.1 That the Court adjudge and decree that Defendants have engaged in the conduct
22 complained of herein.

23 12.2 That the Court adjudge and decree that the conduct complained of violates the
24 Charitable Solicitations Act, RCW 19.09, and therefore violates the Consumer Protection Act,
25 *per se*.

26 12.3 That the Court adjudge and decree that the conduct complained of constitutes

1 unfair or deceptive acts and practices and unfair methods of competition contrary to the public
2 interest and is unlawful in violation of the Consumer Protection Act, RCW 19.86.

3 12.4 That the Court issue preliminary and permanent injunctions enjoining and
4 restraining Defendants and their representatives, successors, assigns, officers, agents, servants,
5 employees, and all other persons acting or claiming to act for, on behalf of, or in active concert or
6 participation with Defendants from continuing or engaging in the unlawful conduct complained of
7 herein.

8 12.5 That the Court assess civil penalties pursuant to RCW 19.86.140 of up to two
9 thousand dollars (\$2,000) per violation against the Defendants for each and every violation of
10 RCW 19.86.020 caused by the conduct complained of herein.

11 12.6 That the Court make such orders pursuant to RCW 19.86.080 as it deems
12 appropriate to provide for restitution to consumers of money or property acquired by the
13 Defendants as a result of the conduct complained of herein.

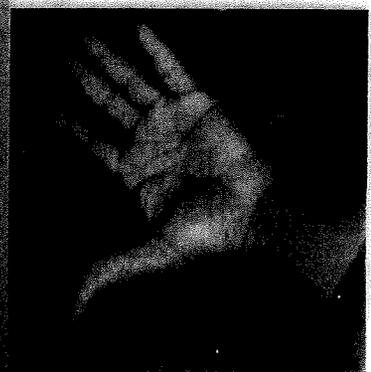
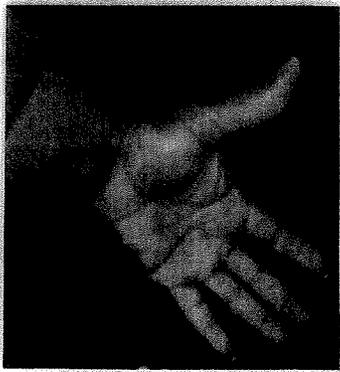
14 12.7 That the Court make such orders pursuant to RCW 19.86.080 to provide that the
15 plaintiff, State of Washington, have and recover from the Defendants the costs of this action,
16 including reasonable attorney's fees.

17 12.8 For such other relief as the Court may deem just and proper.

18 DATED this 10th day of May, 2016.

19
20 ROBERT W. FERGUSON
Attorney General

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23 _____
AUDREY UDASHEN, WSBA #39960
Assistant Attorney General
Attorneys for Plaintiff, State of Washington
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Daring Hands

*Non-Profit Organization, Resource Center
Reaching out, for mothers & children*

Donations

Food & Clothing

\$25—Can Help a Mother and 1 Child

Checks

\$35—Can Help a Mother and 2 Children

Cash

Money Orders

\$50—Can Help a Mother and 4 Children

Traveler's Checks

\$100—Can Help a Family

\$150—Can Help 2 Families



*EVERY MOTHER AND CHILD
DESERVES A SECOND CHANCE*

Cell: (206) 390-8821

Home: (206) 420-7703

Address:

2645 45th Ave SW

Seattle, WA 98116

www.daringhands.wix.com/lereldabrown.com

**Reg No. 28365
UBI No. 602-993-789**

HTTP://DARINGHANDS.WIX.COM/RITA

Unaritable

Organization

Merry Christmas

from

Daring Hands

Christmas Dinner and Toys for Children

Check \$25.00 can help feed 2 and Toys

Cash \$40.00 can help feed 4 and Toys

Traveler's \$60.00 can help feed 6 and Toys

\$150.00 can help feed 1 Family and

\$200.00 can help feed 2 Family and

Reaching Out To the Homeless, Lost,

and Broken Families

This is the Season to be Jolly

Cell (206) 390-8821
2645 45th Ave SW
Seattle, WA 98116

Reg No. 28365

UBI No. 602-993-789

<http://daringhands.wix.com/rita>

