FILED
OCT 28 2010
SONYA KRASKI
COUNTY CLERK
SNOHOMISH CO. WASH.

STATE OF WASHINGTON
SNOHOMISH COUNTY SUPERIOR COURT

STATE OF WASHINGTON, Plaintiff, v. PASADO'S SAFE HAVEN, a Washington Non-Profit Corporation, Defendant.	NO. 10 2 09124 4 COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF UNDER THE CONSUMER PROTECTION ACT AND CHARITABLE SOLICITATIONS ACT

The Plaintiff, State of Washington, by and through its attorneys Robert M. McKenna, Attorney General, and Shannon E. Smith, Assistant Attorney General, brings this action against the Defendant named below. The State alleges the following on information and belief:

I. PLAINTIFF

1.1 The Plaintiff is the State of Washington.

1.2 The Attorney General is authorized to commence this action pursuant to RCW 19.09.340, RCW 19.86.080, and RCW 19.86.140.

II. DEFENDANT

2.1 Defendant Pasado's Safe Haven ("Defendant" or "PSH"), is a Washington non-profit corporation. Defendant is located in Monroe, Washington and conducts business in Snohomish and other counties.

2.2 PSH is a charitable organization that solicits and collects charitable contributions from the general public.

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III. JURISDICTION AND VENUE

3.1 The State files this complaint and institutes these proceedings under the provisions of the Consumer Protection Act, RCW 19.86, and the Charitable Solicitations Act, RCW 19.09.

3.2 The Defendant has engaged in the conduct set forth in this complaint in Snohomish County and elsewhere in the state of Washington.

3.3 Venue is proper in Snohomish County pursuant to RCW 4.12.020 and .025.

IV. NATURE OF TRADE OR COMMERCE

4.1 PSH is now, and has been at all times relevant to this lawsuit, engaged in trade or commerce within the meaning of RCW 19.86.020 by directly or indirectly soliciting and collecting charitable contributions from the general public in the state of Washington.

4.2 PSH has been at all times relevant to this action in competition with others engaged in similar activities in the state of Washington.

V. FACTS

5.1 PSH is a Washington non-profit corporation organized for the purposes of rescuing, rehabilitating, and providing long-term care to abused animals; educating school-aged children about humane treatment of animals; lobbying for improved conditions for animals; providing long-term care for the pets of dying or deceased persons; and offering low-cost spay and neuter services to low income pet owners. PSH was incorporated on August 29, 1997.

5.2 Through a variety of media, PSH solicits and receives charitable contributions from the general public.

5.3 Starting in late 2009, PSH began making significant changes to its Board of Directors and executive management.

VI. FIRST CAUSE OF ACTION
(Conducting Charitable Solicitations Without Registering With the Secretary of State)

6.1 Plaintiff realleges Paragraphs 1.1 through 5.3.

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6.2 During the period beginning on or about December 1, 2008, and ending about March 16, 2009, PSH failed to timely renew its registration with the Secretary of State, allowing a lapse in registration status. As a consequence, PSH solicited and collected charitable contributions from the general public in the state of Washington without being properly registered as a charitable organization with the Secretary of State.

6.3 The conduct described in paragraphs 6.1 through 6.2 violates the Charitable Solicitations Act, specifically RCW 19.09.065; 19.09.100(15), (16), (18). Pursuant to RCW 19.09.340, violations of the Charitable Solicitations Act are per se violations of the Consumer Protection Act, RCW 19.86.

6.4 Notwithstanding RCW 19.09.340, the conduct described in paragraphs 6.1 through 6.2 violates RCW 19.86.020 of the Consumer Protection Act.

VII. SECOND CAUSE OF ACTION
(Misrepresenting Specific Uses or Purposes for Donated Funds)

7.1 Plaintiff realleges Paragraphs 1.1 through 6.4.

7.2 From approximately September 2005 through approximately December 1, 2009, PSH failed to maintain properly segregated accounts for donated funds to assure their use was restricted to the purpose represented in charitable solicitations. For example, PSH solicited charitable contributions to assist with animal rescue in response to specific natural disasters or other events, to build rehabilitation or shelter facilities, to provide an implied level of care for animals at its facility, and for the care of specific animals. However, PSH did not apply, or did not timely apply, all donated funds to the specific uses or purposes set forth in the solicitations.

7.3 The conduct described in paragraphs 7.1 through 7.2 violates RCW 19.09.100(12) as currently and previously enacted. Pursuant to RCW 19.09.340, violations of the Charitable Solicitations Act are per se violations of the Consumer Protection Act, RCW 19.86.

7.4 Notwithstanding RCW 19.09.340, the conduct described in paragraphs 7.1 through 7.2 violates RCW 19.86.020 of the Consumer Protection Act.

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VIII. THIRD CAUSE OF ACTION
(Misrepresenting Disaster Relief Qualifications and Role)

8.1 Plaintiff realleges Paragraphs 1.1 through 7.4.

8.2 From approximately September 1, 2005, through approximately December 1, 2009, PSH misrepresented either directly or by implication in charitable solicitations that PSH and its employees or volunteers were qualified to provided disaster relief assistance or misrepresented its role in disaster relief responses.

8.3 The conduct described in paragraphs 8.1 through 8.2 violates RCW 19.09.100(12) as currently and previously enacted. Pursuant to RCW 19.09.340, violations of the Charitable Solicitations Act are per se violations of the Consumer Protection Act, RCW 19.86.

8.4 Notwithstanding RCW 19.09.340, the conduct described in paragraphs 8.1 through 8.2 violates RCW 19.86.020 of the Consumer Protection Act.

IX. FOURTH CAUSE OF ACTION
(Failure to Exercise Adequate Control Over PSH Finances)

9.1 Plaintiff realleges Paragraphs 1.1 through 8.4.

9.2 From approximately September 1, 2005 through approximately December 1, 2009, PSH failed to exercise adequate controls over its finances derived from charitable contributions, which permitted PSH charitable assets to be used temporarily for the benefit of individuals, including but not limited to: allowing executive management and other staff to use PSH credit cards for personal use with the expectation that the individual would reimburse PSH; and allowing a member of PSH's executive management to purchase real estate with PSH funds, and hold title to the real estate in her own name for months before deeding the property to PSH.

9.3 The conduct alleged in paragraph 9.2 violates RCW 19.86.020 of the Consumer Protection Act.

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X. PRAYER FOR RELIEF

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

10.1 That the Court adjudge and decree that the Defendant has engaged in the conduct complained of herein.

10.2 That the Court adjudge and decree that the conduct complained of constitutes unfair or deceptive acts and practices and unfair methods of competition contrary to the public interest and is unlawful in violation of the Consumer Protection Act, RCW 19.86.

10.3 That the Court adjudge and decree that the conduct complained of violates the Charitable Solicitations Act, RCW 19.09, and therefore violates the Consumer Protection Act, per se.

10.4 That the Court issue a permanent injunction enjoining and restraining the Defendant, and its representatives, successors, assigns, officers, agents, servants, employees, and all other persons acting or claiming to act for, on behalf of, or in active concert or participation with the Defendant, from continuing or engaging in the unlawful conduct complained of herein.

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

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

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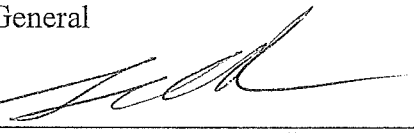
10.7 That the Court make such orders pursuant to RCW 19.86.080 to provide that the plaintiff, State of Washington, have and recover from the Defendant the costs of this action, including reasonable attorneys' fees.

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

DATED this 20 day of October, 2010.

ROBERT M. MCKENNA
Attorney General



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