

FILED  
KING COUNTY, WASHINGTON

FEB 13 2013

SUPERIOR COURT CLERK

EXPO2

STATE OF WASHINGTON  
KING COUNTY SUPERIOR COURT

STATE OF WASHINGTON,

Plaintiff,

v.

AUTISM AWARENESS UNITED, a/k/a  
AUTISM AWARENESS WASHINGTON,  
f/k/a AUTISM AWARENESS NORTHWEST;  
ENCORE MARKETING GROUP, INC.;  
JOSEPH W. SEARLES; RENA R. SEARLES;  
the marital community of JOSEPH W.  
SEARLES and RENA R. SEARLES,  
Defendants.

NO. 13-2-05127-3SEA

CONSENT DECREE

[CLERK'S ACTION  
REQUIRED]

I. JUDGMENT SUMMARY

- |     |                              |  |
|-----|------------------------------|--|
| 1.1 | Judgment Creditor:           | State of Washington  |
| 1.2 | Judgment Debtors:            | Autism Awareness United, a/k/a Autism Awareness Washington, f/k/a Autism Awareness Northwest; Encore Marketing Group, Inc., Joseph W. Searles and Rena R. Searles, and the marital community thereof |
| 1.3 | Judgment Amount:             | \$50,000 (suspended conditioned upon compliance with this Consent Decree)  |
| a.  | Suspended Penalties:         | \$50,000 (suspended conditioned upon compliance with this Consent Decree)  |
| 1.4 | Post Judgment Interest Rate: | 12%  |

1 1.5 Attorneys for Judgment Creditor: Sarah A. Shifley, Assistant Attorney  
2 General

3 1.6 Attorney for Judgment Debtors: C. Scott Kee  
4 Rodgers Kee & Pearson, P.S.

## 5 II. GENERAL

6 2.1 Per agreement with Defendants, Plaintiff State of Washington, commenced an  
7 action and simultaneously filed this Consent Decree, pursuant to the Consumer Protection Act,  
8 RCW 19.86 RCW, and the Charitable Solicitations Act, RCW 19.09.

9 2.2 Defendants appeared by and through their attorney, C. Scott Kee, and waived  
10 service of the Summons and Complaint. The State appeared by and through its attorneys  
11 Robert W. Ferguson, Attorney General, and Sarah A. Shifley, Assistant Attorney General.

12 2.3 Defendants and the State agree on a basis for the settlement of the matters  
13 alleged in the Complaint and to the entry of this Consent Decree relating to Defendants without  
14 the need for trial or adjudication of any issue of law or fact.

15 2.4 Defendants, by entering into this Consent Decree, do not admit the allegations  
16 of the Complaint.

17 2.5 Defendants understand and agree that this Consent Decree is entered into  
18 voluntarily and that no promises or representations have been made by the State or any  
19 member, officer, agent, or representative thereof to induce it to enter into this Consent Decree,  
20 except for the promises and representations provided herein.

21 2.6 Defendants waive any right they may have to appeal from this Consent Decree.

22 2.7 Defendants agree that they will not oppose the entry of this Consent Decree on  
23 the grounds the Consent Decree fails to comply with Rule 65(d) of the Rules of Civil  
24 Procedure, and waive any objections based on Rule 65(d).

25 2.8 Defendants and the State agree that this Court shall retain jurisdiction of this  
26 action for the purpose of implementing and enforcing the terms and conditions of the Consent  
Decree and for all other purposes.

The Court finding no just reason for delay;

1 NOW, THEREFORE, it is hereby ORDERED, ADJUDGED, AND DECREED as  
2 follows:  
3

### 4 III. JURISDICTION

5 3.1 This Court has jurisdiction over the subject matter of this action and over the  
6 parties. The State's Complaint in this matter states claims upon which relief may be granted  
7 under the provisions the Consumer Protection Act, RCW 19.86, and the Charitable  
8 Solicitations Act, RCW 19.09.

9 3.2 This Court shall retain jurisdiction over this matter and over the parties pursuant  
10 to RCW 19.86.140.

### 11 IV. INJUNCTIONS

12 4.1 The injunctive provisions of this Consent Decree shall apply to Defendants and  
13 Defendants' successors, assigns, officers, agents, servants, employees, representatives,  
14 affiliates, and all other persons or entities in active concert or participation with Defendants.

15 4.2 Defendants shall immediately inform all successors, assigns, transferees,  
16 officers, agents, servants, employees, representatives, attorneys and all other persons or entities  
17 in active concert or participation with Defendants of the terms and conditions of this Consent  
18 Decree. Defendants shall immediately inform their owners, officers, directors, and management  
19 level employees of this Consent Decree by providing each such person with a copy of this  
20 Consent Decree on or before the third business day after the Effective Date of this Consent  
21 Decree.

22 4.3 Defendants and their owners, officers, directors, employees, servants,  
23 transferees, successors, assigns and all other persons in active concert or participation with  
24 Defendant are enjoined, restrained, and prevented from directly or indirectly engaging in the  
25 following acts or practices within the state of Washington, and shall comply with the following  
26 provisions:

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- a. Defendants are enjoined from soliciting directly or indirectly for charitable contributions in the state of Washington either as a charitable organization or as a commercial fundraiser. To facilitate this compliance with this injunction, Defendants shall: submit closing paperwork to the Washington Secretary of State's Office within five (5) business days of the entry of this Consent Decree that dissolves the Washington corporations Autism Awareness United and Encore Marketing Group, Inc.; and, submit closing paperwork to the Washington Secretary of State within five (5) business days of the entry of this Consent Decree that closes Autism Awareness United's and Encore Marketing Group, Inc.'s registrations with the Washington Secretary of State;
  - b. Defendants Joseph W. Searles and Rena R. Searles are permanently enjoined from forming any charitable organization in Washington;
  - c. Defendants Joseph W. Searles and Rena R. Searles are permanently enjoined from serving officers, directors, board members, managers, or in any fiduciary capacity for any charitable organization located or operating in Washington, and from having any involvement in the financial or charitable solicitation operations of any charitable organization located or operating in Washington;
  - d. Defendants Joseph W. Searles and Rena R. Searles are permanently enjoined from submitting application for commercial fundraiser registration to the Washington Secretary of State for any entities they are or will become involved with in the future;
  - e. Defendants Joseph W. Searles and Rena R. Searles are permanently enjoined from serving as directors, officers, executives, managers, or in

1 any similar capacity for any commercial fundraising entity in  
2 Washington; and,

3  
4 f. Defendants Joseph W. Searles and Rena R. Searles are permanently  
5 enjoined from soliciting Washington residents on behalf of any  
6 charitable organization or for a cause that the public could reasonably  
7 understand to be charitable, public benefit, or community service  
8 oriented in nature either directly or through a commercial fundraiser.

#### 9 **V. CIVIL PENALTIES**

10 5.1 Pursuant to RCW 19.86.140, Plaintiff shall have and recover and Defendants  
11 shall be liable for and shall pay civil penalties of \$50,000. Provided, the entire \$50,000 in civil  
12 penalties is suspended provided Defendants comply with all injunctions and material  
13 provisions of this Consent Decree.

14 5.2 Any payment owing under this provision shall be in the form of a valid check  
15 paid to the order of the "Attorney General—State of Washington" and shall be due and owing  
16 upon entry of this Consent Decree. Payment shall be sent to the Office of the Attorney  
17 General, Attention: Cynthia Lockridge, Administrative Office Manager, 800 Fifth Avenue,  
18 Suite 2000, Seattle, Washington, 98104-3188.

#### 19 **VI. ENFORCEMENT**

20 6.1 Violation of any of the injunctions contained in this Consent Decree, as  
21 determined by the Court, shall subject the Defendants to a civil penalty of up to \$25,000 per  
22 violation pursuant to RCW 19.86.140 and shall subject the Defendants to paying the civil  
23 penalties set forth in this Consent Decree that are suspended conditioned on Defendants  
24 compliance with the injunctions set forth in this Consent Decree.

25 6.2 Violation of any of the terms of this Consent Decree, as determined by the Court,  
26 shall constitute a violation of the Consumer Protection Act, RCW 19.86.020.

1  
2 6.3 This Consent Decree is entered pursuant to RCW 19.86.080. Jurisdiction is  
3 retained for the purpose of enabling any party to this Consent Decree with or without the prior  
4 consent of the other party to apply to the Court at any time for enforcement of compliance with  
5 this Consent Decree, to punish violations thereof, or to modify or clarify this Consent Decree.

6 6.4 In any successful action to enforce any part of this Consent Decree, Defendant will  
7 pay the Attorney General its attorneys' fees and costs, including reasonable attorneys' fees as  
8 provided by RCW 19.86.080.

9 6.5 Upon 14 days written notice or as otherwise agreed to by the parties, Defendants  
10 shall provide the State with copies of any business records the State deems necessary in order to  
11 monitor compliance with this Consent Decree. Provided, however, that the State's request for  
12 records shall be reasonably related to Defendants' performance of the terms of the Consent  
13 Decree and shall not be unduly burdensome. In addition, representatives of the Office of the  
14 Attorney General shall be permitted reasonable access to inspect and/or copy all business records  
15 or documents under control of Defendants in order to monitor compliance with this Consent  
16 Decree within 14 days of such reasonable written request to Defendants, provided that the  
17 inspection and copying shall be done in such a way as to avoid unreasonable disruption of  
18 Defendants' business activities. Failure to comply with this section will subject Defendants to a  
19 minimum civil penalty of \$2,000 per day for each day beyond 14 days after such reasonable  
20 written request that the Attorney General is prevented by Defendants from accessing records for  
21 inspection and copying.

22 6.6 Representatives of the Office of the Attorney General may be permitted to  
23 question Defendants, or any officer, director, agent, or employee of any corporation affiliated with  
24 Defendants, in deposition, pursuant to the provisions and notice requirements of CR 30, in order  
25 to monitor compliance with this Consent Decree.

26 6.7 Nothing in this Consent Decree shall be construed as to limit or bar any  
governmental entity or consumer from pursuing other available remedies against Defendants.

1           6.8    Under no circumstances shall this Consent Decree or the name of the State of  
2 Washington, the Office of the Attorney General, Consumer Protection Division, or any of their  
3 employees or representatives be used by any Defendant named in the Complaint in connection  
4 with any selling, advertising, or promotion of products or services, or as an endorsement or  
5 approval of Defendants' acts, practices or conduct of business.  
6

7    ///

8    ///

9    ///

10   ///

11   ///

12   ///

13   ///

14   ///

15   ///

16   ///

17   ///

18   ///

19   ///

20   ///

21   ///

22   ///

23   ///

24   ///

25   ///

26   ///

VII. DISMISSAL AND WAIVER OF CLAIMS

7.1 Upon entry of this Consent Decree, the State releases Defendants from any and all claims and causes of action, whether known or unknown, that occurred prior to the effective date of this Consent Decree and which directly pertain to the matters covered in this Consent Decree and Complaint. Nothing in this section shall be construed as a limit or bar to any other government entity or consumer from pursuing available claims or remedies against Defendants.

DONE IN OPEN COURT this \_\_\_\_ day of 2/13, 2013.

*NRadlman-John*  
JUDGE/COURT COMMISSIONER

Approved for Entry and Presented by:

Approved for Entry, Notice of Presentation  
Waived:

ROBERT W. FERGUSON  
Attorney General

*Sarah A. Shifley*  
SARAH A. SHIFLEY, WSBA #39394  
Assistant Attorney General  
Attorneys for Plaintiff  
State of Washington

*C. Scott Kee*  
C. SCOTT KEE, WSBA #28173  
Rodgers Kee & Pearson, P.S.  
Attorneys for Defendants

Autism Awareness United, Defendant  
by: \_\_\_\_\_

*Joseph W. Searles*  
Joseph W. Searles Defendant

*Reha R. Searles*  
Reha R. Searles, Defendant