

**COPY**  
ORIGINAL FILED

NOV 21 2006

THOMAS R. FALLQUIST  
SPOKANE COUNTY

STATE OF WASHINGTON  
SPOKANE COUNTY SUPERIOR COURT

STATE OF WASHINGTON,

Plaintiff,

v.

REGAL SATELLITE, LLC; BRADY  
KENNETH NELSON, individually and as  
part of his marital community;  
Defendants.

NO. **06205088-1**  
SUMMONS

**TO THE DEFENDANT: Regal Satellite**  
**10905 E. Montgomery Drive, No. 4**  
**Spokane, WA 99206**

A lawsuit has been started against you in the above entitled court by STATE OF WASHINGTON, plaintiff. Plaintiff's claim is stated in the written complaint, a copy of which is served upon you with this summons.

In order to defend against this lawsuit, you must respond to the complaint by stating your defense in writing, and by serving a copy upon the undersigned attorney for the plaintiff within 20 days after the service of this Summons; or if served outside the State of Washington, within sixty (60) days after service of this Summons, excluding the day of service, or a default judgment may be entered against you without notice. A default judgment is one where the plaintiff is entitled to

1 | what he asks for because you have not responded. If you serve a notice of appearance on the  
2 | undersigned person, you are entitled to notice before a default judgment may be entered.

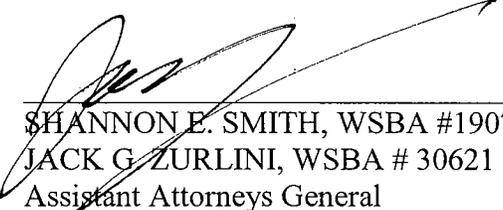
3 |         You may demand that the plaintiff file this lawsuit with the court. If you do so, the  
4 | demand must be in writing and must be served upon the person signing this summons. Within 14  
5 | days after you serve the demand, the plaintiff must file this lawsuit with the court, or the service  
6 | on you of this Summons and Complaint will be void.  
7 |

8 |         If you wish to seek the advice of an attorney in this matter, you should do so promptly so  
9 | that your written response, if any, may be served on time.

10 |         This summons is issued pursuant to Rule 4 of the Superior Court Civil Rules of the State  
11 | of Washington.

12 |                     DATED this 1<sup>st</sup> day of November, 2006.

15 |                     ROB MCKENNA  
16 |                     Attorney General

17 |                       
18 |                     SHANNON E. SMITH, WSBA #19077  
19 |                     JACK G. ZURLINI, WSBA # 30621  
20 |                     Assistant Attorneys General  
21 |                     Attorneys for Plaintiff  
22 |                     State of Washington

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STATE OF WASHINGTON,

Plaintiff,

v.

REGAL SATELLITE, LLC; BRADY  
KENNETH NELSON, individually and as  
part of his marital community;  
Defendants.

NO. **06205088-1**  
SUMMONS

**TO THE DEFENDANT: Brady Kenneth Nelson  
2820 S. Sunnybrook Road  
Veradale, WA 99037**

A lawsuit has been started against you in the above entitled court by STATE OF WASHINGTON, plaintiff. Plaintiff's claim is stated in the written complaint, a copy of which is served upon you with this summons.

In order to defend against this lawsuit, you must respond to the complaint by stating your defense in writing, and by serving a copy upon the undersigned attorney for the plaintiff within 20 days after the service of this Summons; or if served outside the State of Washington, within sixty (60) days after service of this Summons, excluding the day of service, or a default judgment may be entered against you without notice. A default judgment is one where the plaintiff is entitled to

1 what he asks for because you have not responded. If you serve a notice of appearance on the  
2 undersigned person, you are entitled to notice before a default judgment may be entered.

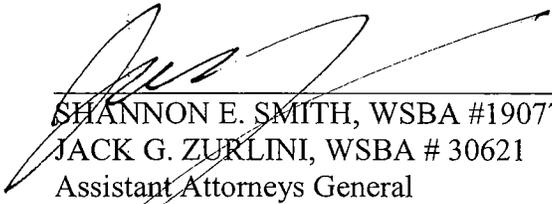
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4 demand must be in writing and must be served upon the person signing this summons. Within 14  
5 days after you serve the demand, the plaintiff must file this lawsuit with the court, or the service  
6 on you of this Summons and Complaint will be void.  
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8 If you wish to seek the advice of an attorney in this matter, you should do so promptly so  
9 that your written response, if any, may be served on time.

10 This summons is issued pursuant to Rule 4 of the Superior Court Civil Rules of the State  
11 of Washington.

12 DATED this 1<sup>st</sup> day of November, 2006.  
13  
14

15 ROB MCKENNA  
16 Attorney General

17  
18   
19 SHANNON E. SMITH, WSBA #19077  
20 JACK G. ZURLINI, WSBA # 30621  
21 Assistant Attorneys General  
22 Attorneys for Plaintiff  
23 State of Washington  
24  
25  
26

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THOMAS R. FALLQUIST  
SPOKANE COUNTY

STATE OF WASHINGTON  
SPOKANE COUNTY SUPERIOR COURT

STATE OF WASHINGTON,

Plaintiff,

v.

REGAL SATELLITE, LLC; BRADY  
KENNETH NELSON, individually and as  
part of his marital community;  
Defendants.

NO.

06205088-1

COMPLAINT FOR INJUNCTIVE  
AND OTHER RELIEF UNDER THE  
CONSUMER PROTECTION ACT,  
CHAPTER 19.86 RCW; THE  
CHARITABLE SOLICITATIONS  
ACT, CHAPTER 19.09 RCW; AND  
RCW 80.36.400

COMES NOW PLAINTIFF, State of Washington, by and through its attorneys  
Rob McKenna, Attorney General and Shannon E. Smith, Senior Counsel, and Jack G. Zurlini,  
Jr., Assistant Attorney General, and brings this action against Defendants named herein,  
alleging as follows:

**I. JURISDICTION AND VENUE**

**1.1** This Complaint is filed and these proceedings are instituted under the  
provisions of the Consumer Protection Act, Chapter 19.86 RCW; the Charitable Solicitations  
Act, Chapter 19.09 RCW, and the laws governing the telecommunications network,  
RCW 80.36.

**1.2** The violations alleged in this Complaint have been and are being committed in  
whole or in part in Spokane County, Washington, by Defendants named herein.



1 Relief Fund. Defendant Brady Nelson, his spouse Danna B. Nelson, and Ryan A. Nelson  
2 founded The Cancer Relief Fund and are its officers or directors.

3 **IV. FACTS**

4 **4.1** At all times material to this action, Defendants have engaged in telemarketing  
5 of satellite television service. Defendants are authorized retailer for DISH Network.

6 **4.2** An “automatic dialing and announcing device” (ADAD) is a device that  
7 automatically dials telephone numbers and plays a recorded message once a connection is  
8 made. In Washington State, RCW 80.36.400 prohibits the use of ADADs for purposes of  
9 commercial solicitation.

10 **4.3** Defendants have used ADADs for the commercial purpose of selling satellite  
11 television service.

12 **4.4** At all times material to this action, Defendants have illegally contacted by  
13 telephone consumers registered on the national “Do Not Call List” for the purpose of  
14 marketing and selling satellite television service.

15 **4.5** Defendants informed consumers that Defendants were permitted to use  
16 ADADs in their telemarketing activities and call consumers whose telephone numbers are  
17 listed on the national “Do Not Call” registry because Regal is associated with a charity, The  
18 Cancer Relief Fund. Defendants informed consumers that the Attorney General’s Office had  
19 authorized their activities because Regal is associated with a charity.

20 **4.6** Defendant Brady Nelson, his spouse Danna Nelson, and Ryan Nelson formed  
21 Defendant The Cancer Relief Fund, a Washington non-profit corporation, and incorporated  
22 into the Defendants’ telemarketing activities the representation to consumers that a portion of  
23 Regal’s proceeds from the sale of satellite television service would be donated to Defendant  
24 The Cancer Relief Fund.

25 **4.7** A person or entity that that solicits charitable contributions on behalf of  
26 charitable organizations in the State of Washington as a commercial fundraiser or commercial

1 coadverturer must be registered with the Secretary of State pursuant to RCW 19.09.065. At  
2 no time material to this action was Defendant Regal Satellite registered as a commercial  
3 fundraiser or coventurer to solicit charitable contributions on behalf of The Cancer Relief  
4 Fund as required by RCW 19.09.100(15), (16), and WAC 434-120-212(1).

5 **V. FIRST CAUSE OF ACTION**

6 **(Using ADADs for Purposes of Commercial Solicitation)**

7 5.1 Plaintiff realleges paragraphs 1.1 through 4.8 and incorporates them herein as  
8 if set forth in full.

9 5.2 Defendants repeatedly used automatic dialing and announcing devices  
10 (ADADs) to place telephone calls to consumers in Washington and other states to sell satellite  
11 television service to such consumers over the telephone.

12 5.3 The conduct described in paragraph 5.2 violates RCW 80.36.400(2). Pursuant  
13 to RCW 80.36.400(3), the use of ADADs for purposes of commercial solicitation is a *per se*  
14 violation of the Consumer Protection Act, RCW 19.86.

15 **VI. SECOND CAUSE OF ACTION**

16 **(Misrepresenting Ability to Use ADADs)**

17 6.1 Plaintiff realleges paragraphs 1.1 through 5.3 and incorporates them herein as  
18 if set forth in full.

19 6.2 During their telemarketing activities, misrepresented directly or by implication  
20 to consumers, or directed others to misrepresent directly or by implication to consumers, that  
21 Defendants were permitted to use ADADs because Defendants are associated with a charity,  
22 The Cancer Relief Fund, and that a portion of the revenue from the sale is donated to The  
23 Cancer Relief Fund.

24 6.3 During their telemarketing activities, Defendants misrepresented directly or by  
25 implication to consumers, or directed others to misrepresent directly or by implication to  
26 consumers, that the Attorney General allowed Defendants to used ADADs because



1 **VIII. FOURTH CAUSE OF ACTION**

2 **(Soliciting Charitable Donations Without Registering As a Commercial Coventurer)**

3 **8.1** Plaintiff realleges paragraphs 1.1 through 7.4 and incorporates them herein as  
4 if set forth in full.

5 **8.2** During telemarketing activities, Defendants represented to consumers, or  
6 directed others to represent to consumers, that if the consumers purchase satellite television  
7 service from Defendants a portion of the sales price or a certain sum of money will be donated  
8 to a charity, The Cancer Relief Fund.

9 **8.3** At no time relevant to this action were Defendants registered as a commercial  
10 coventurer with the Secretary of State.

11 **8.4** The conduct described in paragraphs 8.2 and 8.3 violates the Charitable  
12 Solicitations Act, specifically RCW 19.09.065, 19.09.100(15), (16), (18), and  
13 WAC 434-120-212(1). Pursuant to RCW 19.09.340, violations of the Charitable Solicitations  
14 Act are *per se* violations of the Consumer Protection Act, RCW 19.86.

15 **8.5** Notwithstanding RCW 19.09.340, the conduct described in paragraphs 8.2 and  
16 8.3 has the capacity to mislead a substantial number of consumers and constitutes unfair or  
17 deceptive acts or practices in trade or commerce, and unfair methods of competition in  
18 violation of RCW 19.86.020.

19 **IX. PRAYER FOR RELIEF**

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

21 **9.1** That the Court adjudge and decree that Defendants have engaged in the  
22 conduct complained of herein.

23 **9.2** That the Court adjudge and decree that the conduct complained of herein  
24 constitutes unfair or deceptive acts and practices and unfair methods of competition in  
25 violation of the Consumer Protection Act, Chapter 19.86 RCW.



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THOMAS R. FALLOQUIST  
SPOKANE COUNTY

STATE OF WASHINGTON  
SPOKANE COUNTY SUPERIOR COURT

STATE OF WASHINGTON,  
Plaintiff,

NO. **06205088-1**

ACCEPTANCE OF SERVICE

v.

REGAL SATELLITE, LLC; BRADY  
KENNETH NELSON, individually and as  
part of his marital community;  
Defendants.

The undersigned, Stephen H. Ford, attorney for Defendants Regal Satellite, LLC and  
Brady Kenneth Nelson, hereby accepts service of the Summons and Complaint on behalf of  
Defendants.

DATED this 10 day of November, 2006.

  
STEPHEN H. FORD  
WSBA # 22209  
Attorney for Defendants

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THOMAS R. FALLQUIST  
SPOKANE COUNTY

STATE OF WASHINGTON  
SPOKANE COUNTY SUPERIOR COURT

STATE OF WASHINGTON,

Plaintiff,

v.

REGAL SATELLITE, LLC; and BRADY  
KENNETH NELSON, individually and as part of  
his marital community,

Defendants.

NO. 06205088-1

CONSENT DECREE

(CLERK'S ACTION  
REQUIRED)

**I. JUDGMENT SUMMARY**

- |            |                                    |   |
|------------|------------------------------------|---|
| <b>1.1</b> | <b>Judgment Creditor:</b>          | State of Washington   |
| <b>1.2</b> | <b>Judgment Debtors:</b>           | Regal Satellite, LLC; and Brady Kenneth Nelson, individually and part of his marital community                        |
| <b>1.3</b> | <b>Principal Judgment Amount:</b>  |   |
|            | <b>a. Civil Penalties:</b>         | \$25,000.00 (\$20,000.00 suspended conditioned on full compliance with this Consent Decree for a period of 36 months) |
|            | <b>b. Restitution</b>              | None.   |
| <b>1.4</b> | <b>Costs &amp; Attorneys Fees:</b> | \$12,000.00   |
| <b>1.5</b> | <b>Total Judgment:</b>             | \$37,000.00 (\$20,000.00 suspended  |

1 conditioned on full compliance with this  
2 Consent Decree for a period of 36 months)

3 **1.6 Post Judgment Interest Rate:** 12% per annum

4 **1.7 Attorneys for Judgment Creditor:** Shannon E. Smith and Jack G. Zurlini,  
5 Assistant Attorneys General

6 **1.8 Attorney for Judgment Debtors:** Stephen H. Ford, Attorney at Law

7 Plaintiff, STATE OF WASHINGTON, having commenced this action on November 21,  
8 2006, pursuant to the Charitable Solicitations Act, 19.09 RCW, the Consumer Protection Act,  
9 19.86 RCW, and RCW 80.36.400, Defendants, REGAL SATELLITE, LLC; and BRADY K.  
10 NELSON, in his capacity as President and owner of Regal Satellite, LLC, individually and as part  
11 of his marital community, having been served with a Summons and Complaint in this matter; and

12 Plaintiff appearing by and through its attorneys, Rob McKenna, Attorney General, and  
13 Shannon E. Smith and Jack G. Zurlini, Assistant Attorneys General; and Defendants appearing by  
14 and through their attorney, Stephen H. Ford; and

15 Plaintiff and Defendants having agreed on a basis for the settlement of the matters alleged  
16 in the Complaint, and to the entry of this Consent Decree against Defendants without the need for  
17 trial or adjudication of any issue of law or fact; and

18 Plaintiff and Defendants having agreed that this Consent Decree does not constitute  
19 evidence or an admission regarding the existence or non-existence of any issue, fact, or violation  
20 of any law alleged by Plaintiff; and

21 Defendants recognize and state that this Consent Decree is entered into voluntarily and  
22 that no promises or threats have been made by the Attorney General's Office or any member,  
23 officer, agent or representative thereof to induce it to enter into this Consent Decree, except as  
24 provided herein; and

25 Defendants waive any right they may have to appeal from this Consent Decree; and  
26

1 Defendants further agree that they will not oppose the entry of this Consent Decree on the  
2 grounds the Consent Decree fails to comply with Rule 65(d) of the Rules of Civil Procedure, and  
3 hereby waives any objections based thereon; and

4 Defendants further agree that this Court shall retain jurisdiction of this action for the  
5 purpose of implementing and enforcing the terms and conditions of the Consent Decree and for all  
6 other purposes; and

7 The Court finding no just reason for delay;

8 **NOW, THEREFORE**, it is hereby **ORDERED, ADJUDGED, AND DECREED** as  
9 follows:

10 **II. GENERAL**

11 **2.1 Jurisdiction.** This Court has jurisdiction over the subject matter of this action and  
12 over the parties. The Plaintiff's Complaint in this matter states claims upon which relief may be  
13 granted under the provisions of the Charitable Solicitations Act, RCW 19.09, the Consumer  
14 Protection Act, RCW 19.86, and RCW 80.36.400.

15 **2.2 Defendants.** For purposes of this Consent Decree the term "Defendants" where  
16 not otherwise specified shall mean REGAL SATELLITE, LLC; and BRADY KENNETH  
17 NELSON, individually and as part of his marital community.

18 **III. INJUNCTIONS**

19 **3.1 Application of Injunctions.** The injunctive provisions of this Consent Decree shall  
20 apply to the Defendants, and the Defendants' successors, assigns, officers, agents, servants,  
21 employees, representatives, affiliates, and all other persons or entities in active concert or  
22 participation with the Defendants.

23 **3.2 Notice.** Defendants shall immediately inform all successors, assigns, transferees,  
24 officers, agents, servants, employees, representatives, attorneys and all other persons or entities in  
25 active concert or participation with Defendants of the terms and conditions of this Consent  
26 Decree.

1           **3.3**    Injunctions. Defendants and all successors, assigns, transferees, officers, agents,  
2 servants, employees, representatives, affiliates, attorneys and all other persons or entities in active  
3 concert or participation with Defendants are hereby permanently enjoined and restrained from  
4 directly or indirectly engaging in the following acts or practices in sales to Washington  
5 consumers:

6                   (a)    Using automatic dialing and announcing devices (ADADs) for commercial  
7 purposes, including any telephone solicitation activities where Defendants act directly or  
8 indirectly as a commercial fundraiser or commercial coventurer for The Cancer Relief Fund or  
9 any other entity, regardless of whether Defendants enter into a commercial fundraiser or  
10 commercial coventurer contract with the entity;

11                   (b)    Making telephone solicitation calls to any person whose name appears on  
12 the national Do Not Call registry or making repeat telephone solicitation calls to any person who  
13 requests Defendants remove their name from Defendants' telephone solicitation list;

14                   (c)    Representing, directly or by implication, in any telephone solicitation or in  
15 any advertising, promotional, or informational material Defendants are affiliated, associated, or  
16 partnered with The Cancer Relief Fund or any other charitable organization unless Defendants are  
17 registered as a commercial fundraiser or commercial coventurer with the Secretary of State;

18                   (d)    Engaging in any fundraising activities for or on behalf of The Cancer  
19 Relief Fund or any other entity unless that entity is registered as a charitable organization with the  
20 Secretary of State;

21                   (e)    Representing, either directly or by implication, that any of its marketing,  
22 sales, business practices, or any of its activities have been approved, endorsed, or permitted by  
23 the Office of the Attorney General;

24                   (f)    Representing, either directly or by implication, that it is lawful for  
25 Defendants to use ADADs or call telephone subscribers whose names appear on the national Do  
26 Not Call Registry because Defendants are affiliated, associated, or partnered with The Cancer

1 Relief Fund or any other charitable organization;

2 (g) If Defendants conduct commercial fundraising or commercial  
3 coventurer activities for or on behalf of The Cancer Relief Fund, or any other charitable  
4 organization that is now or in the future organized in which Brady Nelson, Danna Nelson, or  
5 Ryan Nelson have any direct or indirect pecuniary interest or are officers or directors,  
6 Defendants must clearly and conspicuously disclose the relationship in writing to potential  
7 contributors or purchasers.

#### 8 **IV. CIVIL PENALTIES**

9 **4.1** Pursuant to RCW 19.86.140, Plaintiff shall have and recover, and Defendants shall  
10 be liable for and shall pay, civil penalties of \$25,000.00. However, \$20,000.00 of the penalties  
11 are suspended conditioned upon Defendants' full compliance with the terms of this Consent  
12 Decree for a period of thirty-six (36) months from entry of this Consent Decree.

13 **4.2** Payment owing under this provision shall be in the form of a valid check paid to  
14 the order of the "Attorney General—State of Washington" and shall be due and owing  
15 immediately upon entry of the Consent Decree. Payment shall be sent to the Office of the  
16 Attorney General, Attention: Cynthia Lockridge, Administrative Office Manager,  
17 800 Fifth Avenue, Suite 2000, Seattle, Washington, 98104-3188.

#### 18 **V. ATTORNEY'S COSTS & FEES**

19 **5.1** Pursuant to RCW 19.86.080, Plaintiff shall recover and Defendants shall pay the  
20 costs and reasonable attorney's fees incurred by the Plaintiff in pursuing this matter in the amount  
21 of \$12,000.00, payable upon entry of this Consent Decree.

22 **5.2** In any successful action to enforce any part of this Consent Decree, Defendants  
23 will pay the Attorney General its attorney's fees and costs, including reasonable attorney's fees as  
24 provided by RCW 19.86.080.

25 **5.3** Payment owing under this provision shall be in the form of a valid check paid to  
26 the order of the "Attorney General—State of Washington" and shall be due and owing

1 immediately upon entry of the Consent Decree. Payment shall be sent to the Office of the  
2 Attorney General, Attention: Cynthia Lockridge, Administrative Office Manager,  
3 800 Fifth Avenue, Suite 2000, Seattle, Washington, 98104-3188.

#### 4 **VI. ENFORCEMENT**

5 **6.1** Violation of any of the injunctions contained in this Consent Decree, as  
6 determined by the Court, shall subject the Defendant to a civil penalty of up to \$25,000.00 per  
7 violation pursuant to RCW 19.86.140.

8 **6.2** Violation of any of the terms of this Consent Decree, as determined by the Court,  
9 shall constitute a violation of the Consumer Protection Act, RCW 19.86.020.

10 **6.3** This Consent Decree is entered pursuant to RCW 19.86.080. Jurisdiction is  
11 retained for the purpose of enabling any party to this Consent Decree with or without the prior  
12 consent of the other party to apply to the Court at any time for enforcement of compliance with  
13 this Consent Decree, to punish violations thereof, or to modify or clarify this Consent Decree.

14 **6.4** Representatives of the Office of the Attorney General shall be permitted to access,  
15 inspect and/or copy all business records or documents under control of Defendants in order to  
16 monitor compliance with this Consent Decree within 14 days of written request to Defendants,  
17 provided that the inspection and copying shall be done in such a way as to avoid unreasonable  
18 disruption of Defendant's business activities. Failure to comply with this section will subject  
19 Defendants to a minimum civil penalty of \$2,000 per day for each day beyond 14 days after the  
20 written request that the Attorney General is prevented by Defendants from accessing all records as  
21 provided by this paragraph.

22 **6.5** 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  
24 with Defendants, in deposition, pursuant to the provisions and notice requirements of CR 30, in  
25 order to monitor compliance with this Consent Decree.

