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8 **STATE OF WASHINGTON  
KING COUNTY SUPERIOR COURT**

9 STATE OF WASHINGTON,

10 Plaintiff,

11 v.

12 ROY BRONSIN HAUETER and BILLEE  
13 KAE HAUETER, individually and as part of  
14 their marital community; TRACEE VELOY  
15 RICHARDSON, individually and as part of  
16 her marital community; BRANDON VAN  
17 HAUETER and NANCY KERR HAUETER,  
18 individually and as part of their marital  
19 community; TROY HAUETER and LORI  
20 HAUETER, individually and as part of their  
21 marital community; HAUETER  
22 ENTERPRISES, LLC, a Washington limited  
23 liability company, d/b/a TURNKEY  
24 LEASING; CHILDREN'S SAFETY  
25 BUREAU, a Washington nonprofit  
26 corporation, a/k/a NEEDY CHILDRENS  
SHOPPING SPREE; SEARCH AND  
RESCUE CHARITIES, a Washington  
nonprofit corporation, a/k/a HOLIDAY  
RELIEF FUND; EMERGENCY RELIEF  
SERVICES, a Washington nonprofit public  
benefit corporation, a/k/a BACK TO  
SCHOOL HELPING HANDS; CHILDREN'S  
HUNGER RELIEF AID, a Washington  
nonprofit corporation, f/k/a CANCER EXAM  
NETWORK and CHILDREN'S HOSPITAL  
EMERGENCY FUND,

Defendants.

NO.

COMPLAINT FOR  
INJUNCTIVE AND OTHER  
RELIEF UNDER THE  
CONSUMER PROTECTION  
ACT AND THE CHARITABLE  
SOLICITATIONS ACT

1 The Plaintiff, State of Washington, by and through its attorneys Robert W. Ferguson,  
2 Attorney General, and Robert Aloysius Hyde and Trisha L. McArdle, Assistant Attorneys  
3 General, brings this action against the Defendants named herein for relief under the Consumer  
4 Protection Act (RCW 19.86) and the Charitable Solicitations Act (RCW 19.09). The Defendants  
5 have engaged in unfair and deceptive practices in the course of soliciting charitable contributions  
6 in the state of Washington.

7 **I. PARTIES**

8 1.1 Plaintiff is the State of Washington (the "State").

9 1.2 Defendants Roy Bronsin Haueter and Billee Kae Haueter are a married couple  
10 currently residing in Leavenworth, Washington. All actions taken by Defendants Roy Bronsin  
11 Haueter and Billee Kae Haueter as alleged in this Complaint are for the benefit of their marital  
12 community.

13 1.3 Defendant Tracee Veloy Richardson is the daughter of Roy Bronsin Haueter and  
14 Billee Kae Haueter and is a resident of Redmond, Washington.

15 1.4 Defendants Brandon Van Haueter and Nancy Kerr Haueter are a married couple  
16 residing in Bonney Lake, Washington. All actions taken by Defendants Brandon Van Haueter  
17 and Nancy Kerr Haueter as alleged in this Complaint are for the benefit of their marital  
18 community.

19 1.5 Defendants Troy Haueter and Lori Haueter are a married couple residing in  
20 Puyallup, Washington. All actions taken by Defendants Troy Haueter and Lori Haueter as  
21 alleged in this Complaint are for the benefit of their marital community.

22 1.6 Defendant Haueter Enterprises, LLC is a Washington for-profit limited liability  
23 company with its principal place of business in Tacoma, Washington. Haueter Enterprises  
24 provides commercial fundraising facilities and activities under the name Turnkey Leasing.

25 1.7 Defendant Children's Safety Bureau is a Washington nonprofit corporation and  
26 a charity registered with the Washington Secretary of State. Children's Safety Bureau also

1 operates and solicits donations under the name Needy Children's Shopping Spree.

2 1.8 Defendant Search and Rescue Charities is a Washington nonprofit corporation  
3 and a charity registered with the Washington Secretary of State. Search and Rescue Charities  
4 also operates and solicits donations under the name Holiday Relief Fund.

5 1.9 Defendant Emergency Relief Services is a Washington nonprofit public benefit  
6 corporation and a charity registered with the Washington Secretary of State. Emergency Relief  
7 Services also operates and solicits donations under the name Back to School Helping Hands.

8 1.10 Defendant Children's Hunger Relief Aid is a Washington nonprofit corporation  
9 and a charity registered with the Washington Secretary of State. Children's Hunger Relief Aid  
10 previously operated and solicited donations under the names Cancer Exam Network and  
11 Children's Hospital Emergency Fund. Cancer Exam Network formally changed its name with  
12 the Washington Secretary of State to Children's Hospital Emergency Fund in March 2015.  
13 Children's Hospital Emergency Fund took steps to change its name with the Washington  
14 Secretary of State to Children's Hunger Relief Aid in July 2016.

15 1.11 The term "Defendants" in this Complaint refers collectively to all defendants in  
16 paragraphs 1.2 through 1.10, as well as their agents, servants, employees, or representatives.

## 17 II. JURISDICTION & VENUE

18 2.1 The State files this Complaint pursuant to its authority under the Consumer  
19 Protection Act (RCW 19.86) and the Charitable Solicitations Act (RCW 19.09). The Attorney  
20 General has authority under RCW 19.86.080 to prevent and restrain violations of the Consumer  
21 Protection Act. The Attorney General has authority under RCW 19.09.340 to prevent and  
22 restrain violations of the Charitable Solicitations Act.

23 2.2 This Court has personal jurisdiction over Defendants under RCW 19.86.080, and  
24 RCW 19.09.340. Defendants have submitted themselves to the jurisdiction of this Court by  
25 engaging in the conduct set forth in this Complaint in the State of Washington, including in King  
26 County. Specifically, Defendants have engaged in conduct in King County and elsewhere in the

1 state of Washington that violates the Consumer Protection Act and the Charitable Solicitations  
2 Act.

3 2.3 This Court has subject matter jurisdiction over this action pursuant to  
4 RCW 19.86.080 and RCW 19.86.140.

5 2.4 Venue is proper in King County pursuant to RCW 4.12.020 and RCW 4.12.025.  
6 Defendants have solicited and received donations from individuals and business entities located  
7 in King County, and Defendants maintain post office boxes and/or mail drops in King County  
8 for the receipt of solicited donations.

9 2.5 Defendants Roy Bronsin Haueter, Billee Kae Haueter, Tracee Veloy Richardson,  
10 Brandon Van Haueter, Nancy Kerr Haueter, and Troy Haueter serve or have served as officers  
11 of the corporate defendants. Corporate officers who participate in the wrongful conduct alleged  
12 in this Complaint, or with knowledge have approved of the wrongful conduct alleged in this  
13 Complaint, are individually liable for such wrongful conduct. *State v. Ralph Williams' North*  
14 *West Chrysler Plymouth, Inc.*, 87 Wn.2d 298, 322, 553 P.2d 423 (1976).

### 15 III. FACTS

16 3.1 Defendants Children's Safety Bureau, Search and Rescue Charities, Emergency  
17 Relief Services, and Children's Hunger Relief Aid (the "Charities") represent themselves as  
18 charitable organizations and accept donations and charitable contributions. The Charities  
19 solicited and received charitable contributions in the state of Washington. While operating in  
20 Washington, the Charities also solicited and received charitable contributions from consumers  
21 in Oregon, Idaho, Montana, California and Alaska. The Charities solicit consumers for  
22 contributions over the telephone, through written solicitation material delivered through the mail,  
23 and/or over the Internet and do so through a variety of d/b/a and a/k/a entity names. Although  
24 the Charities use the services of paid solicitors to conduct telephone and written fundraising  
25 activities, Defendants misrepresent that such paid solicitors are volunteers, "charity helpers" or  
26 "reps" and are not otherwise paid by a commercial fundraiser.

1           3.2     Defendant Roy Bronsin Haueter is the moving force behind all violations of the  
2 Charitable Solicitations Act and Consumer Protection Act described herein. At various times,  
3 Defendant Roy Bronsin Haueter has held himself out as the manager, director, secretary or  
4 President of the Charities, even if those roles were not formalized by corporate formalities.

5           3.3     Beginning in approximately 2012 and continuing during all times relevant to this  
6 Complaint, Defendant Roy Bronsin Haueter controlled the day to day operations of the Charities  
7 regardless of whether Roy Bronsin Haueter had a formalized role in any or each of the Charities.  
8 This activity includes, but is not limited to: (a) controlling the bank accounts of the Charities;  
9 (b) controlling the PayPal accounts of the Charities; (c) writing checks from the bank accounts  
10 of the Charities; (d) receiving and processing donations made to the Charities; (e) controlling the  
11 solicitation activities of the Charities, including drafting and/or editing the scripts for verbal  
12 solicitations and the text of written solicitations; (f) negotiating and signing contracts on behalf  
13 of the Charities; and (g) taking other acts that otherwise bind or indebt the Charities.

14           3.4     Because of the control exerted by Defendant Roy Bronsin Haueter over the  
15 Charities, the lack of physical office space maintained by the Charities, and the lack of corporate  
16 formalities undertaken by the Charities, the principal place of business for each charity was Roy  
17 Bronsin Haueter's home in Leavenworth, Washington. Defendant Roy Bronsin Haueter  
18 nevertheless maintains a number of post office boxes and mail drops throughout the state of  
19 Washington. The purpose of these alternative mailing addresses is to appear to be operating  
20 locally to various communities throughout the state of Washington. For example, when a  
21 consumer residing in Gig Harbor or Sumner is solicited on behalf of the Charities, that consumer  
22 is provided a post office box number in Tacoma to receive the donation. A consumer residing  
23 in East Wenatchee is provided a post office box number in Wenatchee, a consumer in Port  
24 Orchard is provided a post office box in Bremerton, a consumer in Burlington or Sedro Woolley  
25 is provided a post office box in Mount Vernon, etc. Defendant Roy Bronsin Haueter also  
26 maintains post office boxes and mail drops throughout Oregon, Idaho, Montana, California and

1 Alaska to allow the Charities to misrepresent to consumers in those states that they are local  
2 charitable organizations.

3 3.5 Beginning in 2010 and continuing through at least March 2015, Defendant Tracee  
4 Veloy Richardson was the President of Cancer Exam Network, which is now known as  
5 Children's Hunger Relief Aid and also has operated under the name Children's Hospital  
6 Emergency Fund. During this time frame, and upon information and belief, Defendant Tracee  
7 Veloy Richardson participated in all wrongful conduct alleged in this Complaint undertaken by  
8 Cancer Exam Network / Children's Hospital Emergency Fund and/or was so willfully ignorant  
9 of the activities of the charity and/or grossly negligent in carrying out her duties as President that  
10 she is individually liable for such violations of the Consumer Protection Act.

11 3.6 Between 2010 and continuing through at least March 2015, Defendant Nancy  
12 Kerr Haueter was the Secretary of Cancer Exam Network, which is now known as Children's  
13 Hunger Relief Aid and has also operated under the name Children's Hospital Emergency Fund.  
14 During this time frame, and upon information and belief, Defendant Nancy Kerr Haueter  
15 participated in all wrongful conduct alleged in this Complaint undertaken by Cancer Exam  
16 Network / Children's Hospital Emergency Fund and/or was so willfully ignorant of the activities  
17 of the charity and/or grossly negligent in carrying out her duties as Secretary that she is  
18 individually liable for such violations of the Consumer Protection Act.

19 3.7 Beginning in 2012 and continuing to the present, Defendant Billee Kae Haueter  
20 has served as the Secretary of Defendant Search and Rescue Charities. For some period in 2014,  
21 Defendant Billee Kae Haueter served as the Treasurer of Defendant Search and Rescue Charities.  
22 During this time frame, and upon information and belief, Defendant Billee Kae Haueter  
23 participated in all wrongful conduct alleged in this Complaint undertaken by Search and Rescue  
24 Charities and/or was so willfully ignorant of the activities of the charity and/or grossly negligent  
25 in carrying out her duties as Secretary/Treasurer that she is individually liable for such violations  
26 of the Consumer Protection Act.

1           3.8     Beginning in 2013 and continuing to the present, Defendant Billee Kae Haueter  
2 has served as the Secretary of Defendant Emergency Relief Services. During this time frame,  
3 and upon information and belief, Defendant Billee Kae Haueter participated in all wrongful  
4 conduct alleged in this Complaint undertaken by Emergency Relief Services and/or was so  
5 willfully ignorant of the activities of the charity and/or grossly negligent in carrying out her  
6 duties as Secretary that she is individually liable for such violations of the Consumer Protection  
7 Act.

8           3.9     Defendants Troy Haueter and Brandon Van Haueter are the owners, members,  
9 and operators of Defendant Haueter Enterprises. Defendant Brandon Van Haueter is the  
10 managing member of Haueter Enterprises and controls those portions of the company that  
11 operate under the name Turnkey Leasing. Upon information and belief, Defendant Troy Haueter  
12 has knowledge of and/or participates in the activities of Turnkey Leasing alleged herein.

13           3.10    Under the name Turnkey Leasing, Defendant Haueter Enterprises directly or  
14 indirectly solicits or receives contributions within this state for or on behalf of charitable  
15 organizations or is engaged in the business of soliciting or receiving contributions for charitable  
16 organizations. Beginning in or about January 2013, Defendants Roy Haueter and the Charities  
17 utilized the facilities and services of Haueter Enterprises to solicit and receive charitable  
18 contributions in the state of Washington.

19           3.11    Defendant Haueter Enterprises is not registered as a commercial fundraiser with  
20 the Washington Secretary of State. Defendant Haueter Enterprises has not filed any commercial  
21 fundraising contracts with the Washington Secretary of State. Defendant Haueter Enterprises  
22 does not carry a surety bond for its fundraising activities.

23           3.12    As set forth in greater detail herein, and in the causes of action below, Defendants  
24 have engaged in a pattern of deceptive, unfair, and misleading charitable solicitation activity that  
25 has financially enriched the Haueter family at the expense of Washington consumers, as well as  
26 consumers in Oregon, Idaho, Montana, California and Alaska.

1 **IV. FIRST CAUSE OF ACTION**

2 **False and Misleading Statements in Solicitations**

3 4.1 Plaintiff realleges Paragraphs 1.1 through 3.12 and incorporates them herein as if  
4 set forth in full.

5 4.2 Defendants have made false, misleading, and deceptive statements to consumers  
6 in solicitations for charitable contributions. Such misrepresentations have included, but are not  
7 limited to:

- 8 • Misrepresenting that the charity seeking donations is local to the consumer;
- 9 • Misrepresenting that donations being solicited will benefit local individuals in the  
10 consumer's local community;
- 11 • Misrepresenting that Children's Hospital Emergency Fund is affiliated with Seattle  
12 Children's Hospital, Sacred Heart Children's Hospital in Spokane, Mary Bridge  
13 Children's Hospital in Tacoma, or any other children's hospital in the consumer's local  
14 community;
- 15 • Stating or implying that urgent donations are required by the charity;
- 16 • Misrepresenting how donations will be used by the charity; and
- 17 • Continuing to solicit and accept donations on behalf of Cancer Exam Network after it  
18 had changed its charitable purpose and its name to Children's Hospital Emergency Fund.

19 4.3 The conduct described in paragraphs 4.1 through 4.2 violates  
20 RCW 19.09.100(15) as currently and previously enacted. Pursuant to RCW 19.09.340,  
21 violations of the Charitable Solicitations Act are *per se* violations of the Consumer Protection  
22 Act, RCW 19.86.

23 4.4 Notwithstanding RCW 19.09.340, the conduct described in paragraphs 4.1  
24 through 4.2 has the capacity to mislead a substantial number of consumers and constitutes unfair  
25 or deceptive acts or practices in trade or commerce, and unfair methods of competition in  
26 violation of RCW 19.86.



1 **V. SECOND CAUSE OF ACTION**

2 **Misrepresenting the Principal Place of Business of a Charity**

3 5.1 Plaintiff realleges Paragraphs 1.1 through 4.4 and incorporates them herein as if  
4 set forth in full.

5 5.2 As detailed herein, Defendants provide a consumer a post office box or mail drop  
6 closest to that consumer while Defendants are soliciting donations on behalf of the Charities.  
7 These solicitations misrepresent that the Charities have a principal place of business in whatever  
8 city that post office box or mail drop happens to be located.

9 5.3 The conduct described in paragraphs 5.1 through 5.2 violates RCW 19.09.100(1)-  
10 (3) & (15) as currently and previously enacted. Pursuant to RCW 19.09.340, violations of the  
11 Charitable Solicitations Act are *per se* violations of the Consumer Protection Act, RCW 19.86.

12 5.4 Notwithstanding RCW 19.09.340, the conduct described in paragraphs 5.1  
13 through 5.2 has the capacity to mislead a substantial number of consumers and constitutes unfair  
14 or deceptive acts or practices in trade or commerce, and unfair methods of competition in  
15 violation of RCW 19.86.

16 **VI. THIRD CAUSE OF ACTION**

17 **Misrepresenting the Status of Paid Solicitors**

18 6.1 Plaintiff realleges Paragraphs 1.1 through 5.4 and incorporates them herein as if  
19 set forth in full.

20 6.2 Defendants Roy Bronsin Haueter, Brandon Van Haueter, Haueter Enterprises,  
21 Children's Safety Bureau, Search and Rescue Charities, Emergency Relief Services, and  
22 Children's Hunger Relief Aid have made false and misleading statements to consumers  
23 concerning the paid status of the individuals soliciting on behalf of the charities. Such  
24 misrepresentations have included, but are not limited to:

- 25 • That the person soliciting the charitable contribution is a volunteer or words of  
26 similar meaning or effect that created the impression that the person soliciting is

1 not a paid solicitor; and/or

- 2 • That the person soliciting the charitable contribution is a member, staffer, helper,  
3 or employee of the charitable organization or words of similar meaning or effect  
4 that created the impression that the person soliciting is not a paid solicitor.

5 6.3 The conduct described in paragraphs 6.1 through 6.2 violates RCW 19.09.100(7)  
6 & (15) as currently and previously enacted. 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.

8 6.4 Notwithstanding RCW 19.09.340, the conduct described in paragraphs 6.1  
9 through 6.2 has the capacity to mislead a substantial number of consumers and constitutes unfair  
10 or deceptive acts or practices in trade or commerce, and unfair methods of competition in  
11 violation of RCW 19.86.

12 **VII. FOURTH CAUSE OF ACTION**

13 **Failure to Include Required Disclosures in Mass Solicitation Material**

14 7.1 Plaintiff realleges Paragraphs 1.1 through 6.4 and incorporates them herein as if  
15 set forth in full.

16 7.2 Defendants maintain and have maintained Internet websites that solicit  
17 contributions from the general public. Defendants also have produced solicitation material  
18 distributed to the general public. Defendants have failed to include in the solicitation material  
19 the disclosures required by RCW 19.09.100(4). Specifically, Defendants have failed to disclose:  
20 (a) the Secretary of State's toll-free number to call to obtain additional financial disclosure  
21 information; and (b) the principal place of business of the charity.

22 7.3 The conduct described in paragraphs 7.1 through 7.2 violates RCW 19.09.100(4)  
23 & (15). Pursuant to RCW 19.09.340, violations of the Charitable Solicitations Act are *per se*  
24 violations of the Consumer Protection Act, RCW 19.86.

25 7.4 Notwithstanding RCW 19.09.340, the conduct described in paragraphs 7.1  
26 through 7.2 has the capacity to mislead a substantial number of consumers and constitutes unfair

1 or deceptive acts or practices in trade or commerce, and unfair methods of competition in  
2 violation of RCW 19.86.

### 3 **VIII. FIFTH CAUSE OF ACTION**

#### 4 **Conducting Unregistered Commercial Fundraising Activities**

5 8.1 Plaintiff realleges paragraphs 1.1 through 7.4 and incorporates them herein by  
6 this reference.

7 8.2 Beginning on or about January 2010 and continuing through the date this  
8 Complaint was filed, Defendant Haueter Enterprises solicited and collected charitable  
9 contributions from the general public in the state of Washington (a) without being registered as  
10 a commercial fundraising organization with the Secretary of State, (b) without filing with the  
11 Secretary of State its contracts with charitable organizations, and (c) without maintaining a  
12 surety bond.

13 8.3 Defendants Roy Haueter, Children's Safety Bureau, Search and Rescue Charities,  
14 Emergency Relief Services, and Children's Hunger Relief Aid knew that Haueter Enterprises  
15 was not in compliance with the requirements of the Charitable Solicitations Act, yet used the  
16 services of Haueter Enterprises anyway.

17 8.4 The conduct described in paragraphs 8.1 through 8.3 violates the Charitable  
18 Solicitations Act, specifically RCW 19.09.065, RCW 19.09.097, and RCW 19.09.191.

19 8.5 Pursuant to RCW 19.09.340, the violations described in paragraphs 8.1 through  
20 8.4 are *per se* violations of the Consumer Protection Act, RCW 19.86.

### 21 **IX. PRAYER FOR RELIEF**

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

23 9.1 That the Court adjudge and decree that the Defendants have engaged in the  
24 conduct complained of herein.

25 9.2 That the Court adjudge and decree that the conduct complained of constitutes  
26 violations of the Charitable Solicitations Act, RCW 19.09, and *per se* violations of the Consumer

1 Protection Act.

2 9.3 That the Court adjudge and decree that the conduct complained of constitutes  
3 unfair or deceptive acts and practices and an unfair method of competition and is unlawful in  
4 violation of the Consumer Protection Act, RCW 19.86.020.

5 9.4 That the Court issue a permanent injunction enjoining and restraining the  
6 Defendants, and their representatives, successors, assigns, officers, agents, servants, employees,  
7 and all other persons acting or claiming to act for, on behalf of, or in active concert or  
8 participation with the Defendants, from continuing or engaging in the unlawful conduct  
9 complained of herein.

10 9.5 That the Court assess civil penalties, pursuant to RCW 19.86.140, of up to two  
11 thousand dollars (\$2,000.00) per violation against the Defendants for each and every violation  
12 of RCW 19.86.020 caused by the conduct complained of herein.

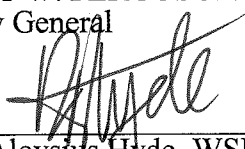
13 9.5 That the Court make such orders pursuant to RCW 19.86.080 as it deems  
14 appropriate to provide for restitution to consumers of money or property acquired by the  
15 Defendants as a result of the conduct complained of herein.

16 9.6 That the Court make such orders pursuant to RCW 19.86.080 to provide that the  
17 Plaintiff, State of Washington, recover from the Defendants the costs of this action, including  
18 reasonable attorneys' fees.

19 9.7 For such other relief as the Court may deem just and proper.

20 DATED this 21st day of December, 2017.

21 ROBERT W. FERGUSON  
22 Attorney General

23   
24 Robert Aloysius Hyde, WSBA #33593  
25 Trisha L. McArdle, WSBA #16371  
26 Assistant Attorneys General  
Attorneys for Plaintiff, State of Washington