

Hearing date: \_\_\_\_\_  
Hearing time: \_\_\_\_\_  
Judge/Calendar: \_\_\_\_\_  
\_\_\_\_\_

**FILED**  
**MAR 12 2018**  
Superior Court  
Linda Myhre Enlow  
Thurston County Clerk

**STATE OF WASHINGTON  
THURSTON COUNTY SUPERIOR COURT**

In re:  
  
NATIONWIDE SECURITY  
SOLUTIONS, INC.,  
  
Respondent.

NO. 18-2-01445-34  
  
PETITION FOR ORDER  
APPROVING ASSURANCE OF  
DISCONTINUANCE PURSUANT  
TO RCW 19.86.100

COMES NOW State of Washington, by and through its attorneys, Robert W. Ferguson, Attorney General, and Daniel L. Allen, Assistant Attorney General, and petitions this Court for an Order approving the attached Assurance of Discontinuance. This petition is made pursuant to RCW 19.86.100, which authorizes the Attorney General to accept an Assurance of Discontinuance in the enforcement of the Consumer Protection Act.

DATED this 2nd day of March, 2018.

Presented By:  
  
ROBERT W. FERGUSON  
Attorney General  
  
/s/ Daniel L. Allen  
DANIEL L. ALLEN, WSBA #45036  
Assistant Attorney General  
Attorneys for State of Washington

**FILED**

**MAR 14 2018**

Superior Court  
Linda Myhre Enlow  
Thurston County Clerk

Hearing date: \_\_\_\_\_  
Hearing time: \_\_\_\_\_  
Judge/Calendar: \_\_\_\_\_

STATE OF WASHINGTON  
THURSTON COUNTY SUPERIOR COURT

In re:

NATIONWIDE SECURITY  
SOLUTIONS, INC.,

Respondent.

NO. 18-2-01445-34

ASSURANCE OF  
DISCONTINUANCE

[CLERK'S ACTION REQUIRED]

The State of Washington, by and through Robert W. Ferguson, Attorney General, and Daniel L. Allen, Assistant Attorney General, files this Assurance of Discontinuance pursuant to RCW 19.86.020 and RCW 19.86.100.

1.1 Through telephonic and door-to-door sales, respondent Nationwide Security Solutions, Inc. ("Nationwide" or "Respondent"), which has its corporate headquarters in Washington, sold contracts for home alarm systems in Washington. This agreement is between Respondent and the Attorney General of Washington ("Attorney General") acting pursuant to RCW 19.86.020 and RCW 19.86.100.

1.2 This Assurance of Discontinuance ("AOD") is a settlement of a disputed matter arising out of Washington consumer complaints received or reviewed by the Attorney General's Office. It shall not be considered an admission of a violation for any purpose, and Respondent expressly denies having engaged in any unlawful or otherwise inappropriate business practices. Respondent and the Attorney General agree that no provision of this AOD operates as a penalty,

1 forfeiture, or punishment under the Constitution of the United States and the Constitution of the  
2 State of Washington, or under any other provision of law.

3 1.3 Respondent understands and agrees this AOD applies to Respondent,  
4 Respondent's principals, officers, directors, agents including independent contractors,  
5 employees, representatives, successors and assigns, jointly and severally, while acting  
6 personally, or through any corporation or other business entities, whose acts, practices or policies  
7 are directed, formulated or controlled by Respondent (the "Related Parties").

8 1.4 Respondent agrees and understands the Attorney General may communicate  
9 directly with Respondent for the purpose of executing and enforcing the terms of this agreement,  
10 resolving future complaints, and conducting undercover investigations of Respondent to the  
11 extent permitted by law and by the Washington Rules of Professional Responsibility. However,  
12 neither this paragraph nor any other language contained in this AOD is intended in any manner  
13 to be a waiver of Respondent's right to seek the advice and assistance of counsel at any time or  
14 to direct the Attorney General to communicate with Respondent through specified counsel at  
15 any time.

16 1.5 Respondent understands and agrees this AOD will be filed in and subject to the  
17 approval of the Superior Court of Thurston County, Washington.

18 1.6 Respondent waives any further notice of submission to and filing with the court  
19 of this AOD. Respondent agrees to accept service of a conformed or court certified copy by  
20 prepaid first class mail sent to the address following Respondent's signature or to Respondent's  
21 attorney.

22 1.7 Failure to comply with this AOD shall be prima facie evidence of a violation of  
23 RCW 19.86, which may result in the possibility of imposition by the Court of injunctions;  
24 restitution; civil penalties of up to \$2,000.00 per violation; and costs including reasonable  
25 attorney fees.

26

1 1.8 Other than as provided in this AOD, the parties acknowledge that no other  
2 promises, representations or agreements of any nature have been made or entered into by the  
3 parties. The parties further acknowledge this AOD constitutes a single and entire agreement that  
4 is not severable or divisible, except that if any provision herein is found to be legally insufficient  
5 or unenforceable, the remaining provisions shall continue in full force and effect.

#### 6 ASSURANCES AND REMEDIES

7 1.9 Other than as provided in this AOD, Respondent shall not represent or imply that  
8 the Attorney General or any other governmental unit of the State of Washington acquiesces or  
9 approves of Respondent's past business practices, current efforts to reform its practices, or any  
10 future practices which Respondent may adopt or consider adopting. The Attorney General's  
11 decision to settle this matter or to otherwise unilaterally limit current or future enforcement  
12 action does not constitute approval or imply authorization for any past, present, or future  
13 business practice. Similarly, Respondent's decision to settle this matter does not constitute an  
14 admission or any other form of acknowledgement that Respondent engaged in any unlawful  
15 practice or otherwise violated the law, or that Respondent is not already voluntarily performing  
16 the assurances set forth herein.

17 1.10 Effective immediately upon signing this AOD, Respondent agrees to:

18 A. Conduct its business in compliance with RCW 19.86, the Washington  
19 Consumer Protection Act ("CPA"), and 15 C.F.R. § 429.

20 B. Respondent shall not participate, directly or indirectly, in any activity that  
21 it knows or should know is prohibited by this AOD, nor form a separate company, corporation  
22 or other business entity which engages in acts or practices, in whole or in part, that are prohibited  
23 by this AOD.

24 C. If at any point Respondent is unable or unwilling to comply with the CPA  
25 and this AOD, Respondent shall immediately cease conducting business in the state of  
26

1 Washington. (Currently, Respondent is not conducting business within this state but the  
2 corporation has not yet been dissolved.)

3 D. Prior to allowing sales representatives to have any contact with  
4 Washington consumers, Respondent shall both orally advise and provide in writing to sales  
5 representatives a summary of the obligations set forth in this AOD. The sales representative must  
6 immediately discontinue a solicitation if *at any point* the person being solicited indicates that  
7 they are not interested in listening to the sales presentation or purchasing the product/service.  
8 During the sales presentation, the sales representative must explicitly state the total estimated  
9 cost of the goods or services being sold (monthly fee x length of contract + installation,  
10 activation, and any other applicable fees + taxes). During the course of a solicitation, the sales  
11 representative must refrain from making any misrepresentation of which he/she/it knows or  
12 should know about the product, the service, the contract, the company, competitor companies,  
13 and/or the customer's home or neighborhood safety. Misrepresentations include but are not  
14 limited to: False or misleading statements concerning the offering price of, or the cost for, goods  
15 or services; Representing that goods or services have sponsorship that they do not have; Causing  
16 a likelihood of confusion/misunderstanding as to Nationwide's affiliation, connection, or  
17 association with any other company; Making false or misleading representations concerning the  
18 existence, or amounts, of price reductions; Making false or misleading representations relating  
19 to price reductions for permitting goods or services to be used for model or demonstration  
20 purposes; Leading the customer to erroneously believe (through stating, suggesting or implying)  
21 that Nationwide Security Solutions has 'bought out' or otherwise 'taken over' the alarm system  
22 that is already in place in the consumer's home. Recordings of conversations with consumers,  
23 previous monitoring disclaimers, and pre/post-installation surveys, if any, shall be retained by  
24 Respondent for a minimum period of seven years.

25 E. Respondent shall provide this initial, pre-contact-with-consumers training  
26 plus quarterly training follow-up, to any and all salespersons who solicit Washington consumers.

1 Respondent shall provide training – which shall be both oral and in writing – a segment  
2 incorporating the contents of paragraph D, immediately above, and an express prohibition on  
3 misrepresentations of which it knows or should know, consistent with the requirements of this  
4 AOD and Washington law.

5 F. Respondent shall provide ongoing training and take reasonable steps to  
6 ensure its sales representatives do not make any oral promises or modifications to contracts or  
7 any other representations to a Washington customer that are not set forth in the written contract.

8 G. Respondent's sales representatives shall not enter any Washington  
9 residence, even partially, without first receiving permission from the person being solicited.

10 H. Respondent's sales representatives shall immediately leave any  
11 Washington residence or property if the person being solicited asks them to leave at any point  
12 during the sales presentation.

13 I. Respondent's sales representatives shall not employ any unconscionable  
14 sales tactics, including, but not limited to, intentionally misleading the potential customer, or  
15 falsely advising potential customers that they live in a high crime neighborhood, there have been  
16 recent burglaries in the area, or their home is not secure.

17 J. If Respondent installs a home alarm system prior to the expiration of a  
18 customer's three (3) day right of rescission and the customer cancels the sale pursuant to that  
19 right, Respondent shall provide a full refund within ten (10) days of cancellation without any  
20 penalty or fees to the customer.

21 K. In dealing with Washington consumers, Respondent shall be compliant  
22 with 16 C.F.R. § 429.0 – 429.3. In addition to providing all customers with copies of the Notice  
23 of Buyers Right to Cancel, Respondent's sales representatives also must verbally inform  
24 customers of their right to cancel the sale and receive a full refund without any penalty, activation  
25 fee, installation fee, cancellation fee, or any other financial obligation. Respondent's training  
26

1 P. Respondent shall create and utilize training materials as necessary to  
2 incorporate all prohibitions and requirements expressed in this AOD. Respondent shall revise or  
3 adopt and implement policies and procedures necessary to ensure compliance with the terms of  
4 this AOD.

5 1.11 Effective immediately, Respondent shall refrain from conduct which is at  
6 variance with this AOD, including but not limited to the following:

7 A. Respondent's contracts with consumers shall not contain provisions at  
8 variance with this agreement.

9 B. Respondent shall not sell contracts to individuals Respondent knows or  
10 should know to have mental or physical infirmities such as the following:

11 (a) Those that have Alzheimer's disease; and

12 (b) Those who have cognitive impairments such as dementia.

13 C. Respondent shall not represent that consumers have a thirty (30) day right  
14 to cancel, or some period of time greater than three (3) days, if they only have a three (3) day  
15 right to cancel.

16 D. Respondent shall not misrepresent material contract terms, including but  
17 not limited to:

18 (a) The existence or cost of service fees;

19 (b) The cost or duration of service;

20 (c) Warranties;

21 (d) The necessity or costs of permits;

22 (e) The ability of consumers to terminate contracts with Respondent;

23 and

24 (f) Those costs or fees associated with terminating contracts with

25 Respondent.

26

1 E. Respondent shall comply with Washington law in connection with the  
2 collection of any debt arising out of a consumer transaction.

3 **PAYMENT**

4 1.12 Respondent shall pay the sum of \$75,000.00 and Washington shall recover the same  
5 under this Assurance of Discontinuance. Within fifteen (15) days after the filing of the AOD,  
6 Respondent shall pay \$25,000.00 of said \$75,000.00 to the Attorney General. The payment funds  
7 shall be made by Respondent by valid check, made payable to the "Attorney General - State of  
8 Washington," and shall be delivered to the Office of the Attorney General, Attention: Margaret  
9 Farmer, 800 Fifth Avenue, Suite 2000, Seattle, Washington 98104-3188. The Attorney General  
10 agrees to suspend the remaining payment of \$50,000.00 so long as Respondent fully complies with  
11 the terms and conditions of this AOD. The Attorney General shall use the payment funds for  
12 recovery of the costs and attorneys' fees incurred in investigating this matter, future monitoring and  
13 enforcement of this Assurance of Discontinuance, future enforcement of RCW 19.86, and for any  
14 lawful purpose in the discharge of the Attorney General's duties at the sole discretion of the  
15 Attorney General. Of this recovery, the Attorney General will allocate up to \$15,000.00 for  
16 consumer restitution to address consumer complaints submitted by Washington residents to the  
17 Washington Attorney General or the Better Business Bureau against Respondent, and who have  
18 not already received a refund or otherwise had complaints resolved or closed. Any unclaimed  
19 restitution shall be used for the payment funds for recovery of the costs and attorneys' fees incurred  
20 in investigating this matter, future monitoring and enforcement of this Assurance of  
21 Discontinuance, future enforcement of RCW 19.86, and for any lawful purpose in the discharge of  
22 the Attorney General's duties at the sole discretion of the Attorney General. Should the Attorney  
23 General determine, after notice to and consultation with Respondent's legal counsel, that  
24 Respondent has failed to comply with any term or condition of this AOD, the Attorney General  
25 may then apply to the appropriate court to convert to a General Judgment, Money Award both  
26 any unpaid portion of the \$25,000 and the suspended \$50,000, together

1 **RELEASE**

2 1.13 The parties acknowledge and agree that this AOD constitutes a full and final release  
3 by the Attorney General of Respondent and the Related Parties from any and all liability under the  
4 Washington Consumer Protection Act, for Respondent's telephone and door-to-door sales of home  
5 alarm systems in Washington, which occurred before the date of execution of this AOD.  
6 Respondent agrees and understands that nothing in this AOD precludes any private right of action  
7 or Respondent's defenses or claims relating to any such private right of action.

8 Approved on this 14<sup>th</sup> day of MARCH, 2018

9 REBEKAH ZINN  
10 COURT COMMISSIONER

11 

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JUDGE/COURT COMMISSIONER

12 Presented By:

Agreed to, Approved For Entry, and Notice of  
13 Presentation Waived:

14 ROBERT W. FERGUSON  
15 Attorney General

STOEL RIVES LLP

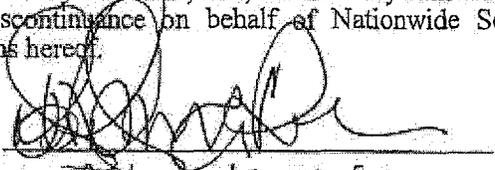
16  
17 Daniel L. Allen  
18 DANIEL L. ALLEN, WSBA #45036  
19 Assistant Attorney General  
20 Attorneys for State of Washington  
21 800 Fifth Avenue, Suite 2000  
Seattle, WA 98104  
(206) 254-0575  
DanielA1@atg.wa.gov

Timothy W. Snider  
TIMOTHY W. SNIDER, WSBA #39808  
Attorney for Respondent Nationwide Security  
Solutions, Inc.  
900 SW 5th Ave, Suite #2600  
Portland, OR 97204  
503-294-9557  
timothy.snider@stoel.com

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**CORPORATE RESPONDENT**

I MARIN MOORE-CANE  
~~DANIEL MESTRE~~, being first duly sworn on oath, depose and say that I am the  
of Nationwide Security Solutions, Inc., and am fully authorized and  
empowered to sign this Assurance of Discontinuance on behalf of Nationwide Security  
Solutions, Inc., and bind the same to the terms hereof.

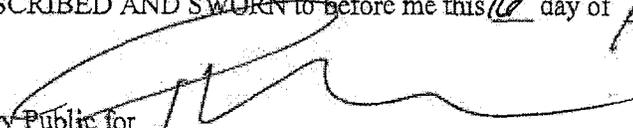


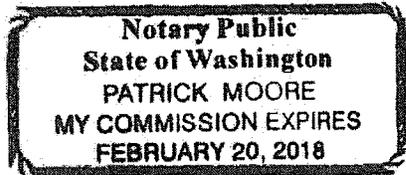
MARIN MOORE-CANE  
PRINT NAME

OWNER / PRESIDENT  
Title

Address: 4401 NE 117th Ave, Unit 12  
Vanouver, WA 98162

SUBSCRIBED AND SWORN to before me this 16<sup>th</sup> day of Feb, 2018.

Notary Public for 



Hearing date: \_\_\_\_\_  
Hearing time: \_\_\_\_\_  
Judge/Calendar: \_\_\_\_\_  
\_\_\_\_\_

**FILED**  
MAR 14 2018  
Superior Court  
Linda Myhre Enlow  
Thurston County Clerk

STATE OF WASHINGTON  
THURSTON COUNTY SUPERIOR COURT

In re:  
  
NATIONWIDE SECURITY  
SOLUTIONS, INC.,  
  
Respondent.

NO. 18-2-01445-34  
  
[PROPOSED] ORDER APPROVING  
ENTRY OF ASSURANCE OF  
DISCONTINUANCE  
  
[CLERK'S ACTION REQUIRED]

Pursuant to RCW 19.86.100, which authorizes the Attorney General to accept an Assurance of Discontinuance in the enforcement of the Consumer Protection Act, the Court hereby approves and orders entry of the Assurance of Discontinuance in this matter. Following entry of the Assurance of Discontinuance, the clerk is directed to close this matter.

DATED this 14<sup>th</sup> day of February, 2018.

REBEKAH ZINN  
COURT COMMISSIONER

\_\_\_\_\_  
JUDGE/COURT COMMISSIONER

Presented By:  
  
ROBERT W. FERGUSON  
Attorney General

Approved as to Form; Notice of Presentation  
Waived;

STOEL RIVES LLP

Daniel L. Allen  
DANIEL L. ALLEN, WSBA #45036  
Assistant Attorney General  
Attorneys for the State of Washington

Timothy W. Snider  
TIMOTHY W. SNIDER, WSBA #39808  
Attorney for Respondent Nationwide Security  
Solutions, Inc.