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KING COUNTY  
SUPERIOR COURT

The Honorable Barbara A. Mack

**FILED**  
KING COUNTY, WASHINGTON

JUL 28 2017

SUPERIOR COURT CLERK  
BY Jennifer Few  
DEPUTY

STATE OF WASHINGTON  
KING COUNTY SUPERIOR COURT

STATE OF WASHINGTON,

Plaintiff,

v.

iYOGI, INC., a New York corporation;  
iYOGI TECHNICAL SERVICES  
PRIVATE LTD.; and VISHAL DHAR,  
individually and on behalf of his marital  
community,

Defendants.

NO. 15-2-30407-1 SEA

CONSENT DECREE WITH  
VISHAL DHAR

(CLERK'S ACTION REQUIRED)

**I. JUDGMENT SUMMARY**

- 1.1 Judgment creditor: State of Washington
- 1.2 Judgment Debtor: Vishal Dhar
- 1.3 Principal Judgment Amount:  
A. Civil Penalty: \$500,000.00 (with \$500,000.00 suspended as  
conditioned in this Consent Decree)
- 1.4 Interest on Unpaid Judgment  
Amounts if Judgment Debtors  
Breach Terms of Payment: 12 percent per annum.
- 1.5 Attorney for Judgment Creditor: Daniel Davies and Andrea Alegrett, Assistant  
Attorneys General
- 1.6 Attorneys for Judgment Debtor: None. Vishal Dhar, *pro se*

1           1.7 Plaintiff State of Washington, acting by Attorney General Robert W. Ferguson,  
 2 (herein referred to as "Plaintiff"), filed a Complaint in the above-captioned action (herein  
 3 referred to as the "Complaint") pursuant to RCW 19.86, the Consumer Protection Act, and  
 4 19.270 RCW, the Computer Spyware Act, against Defendants iYogi, Inc., iYogi Technical  
 5 Services Private Ltd., and Vishal Dhar, and

6           1.8 Plaintiff and Defendant Vishal Dhar hereby consent to the entry of this Consent  
 7 Decree and its provisions (herein referred to as the "Consent Decree" and/or "Judgment"); and

8           1.9 This Consent Decree is entered into by Vishal Dhar freely and voluntarily and  
 9 with full knowledge and understanding of the nature of the proceedings and the obligations and  
 10 duties imposed upon them; and

11           1.10 Vishal Dhar having been served with a Summons and Complaint previously filed  
 12 in this matter or having waived service; and

13           1.11 Plaintiff appearing by and through its attorneys, Robert W. Ferguson, Attorney  
 14 General; and Daniel Davies and Andrea Alegett, Assistant Attorneys General; and Vishal Dhar  
 15 appearing pro se; and

16           1.12 Plaintiff and Vishal Dhar having agreed on a basis for the settlement of the  
 17 matters alleged in the Complaint, and to the entry of this Consent Decree against Vishal Dhar  
 18 without the need for trial or adjudication of any issue of law or fact; and

19           1.13 Plaintiff and Defendants having agreed that this Consent Decree does not  
 20 constitute evidence or an admission regarding the existence or non-existence of any issue, fact, or  
 21 violation of any law alleged by Plaintiff; and

22           1.14 Vishal Dhar recognizes and states that this Consent Decree is entered into  
 23 voluntarily and that no promises or threats have been made by the Attorney General's Office or  
 24 any member, officer, agent or representative thereof to induce him to enter into this Consent  
 25 Decree, except as provided herein; and  
 26

1 1.15 Vishal Dhar waives any right he may have to appeal from this Consent Decree;  
2 and

3 1.16 Vishal Dhar further agrees that he will not oppose the entry of this Consent  
4 Decree on the grounds the Consent Decree fails to comply with Rule 65(d) of the Rules of Civil  
5 Procedure, and hereby waives any objections based thereon; and

6 1.17 Vishal Dhar further agrees that this Court shall retain jurisdiction of this action for  
7 the purpose of implementing and enforcing the terms and conditions of the Consent Decree and  
8 for all other purposes associated therewith; and

9 The Court finding no just reason for delay;

10 NOW, THEREFORE, it is hereby ORDERED, ADJUDGED, AND DECREED as  
11 follows:

12 **II. GENERAL**

13 2.1 Jurisdiction. This Court has jurisdiction over the subject matter of this action  
14 and over the parties. Plaintiff's Complaint in this matter states claims upon which relief may be  
15 granted under the Consumer Protection Act, Chapter 19.86 RCW. Venue in this Court is  
16 appropriate because acts described in the State's Complaint occurred in King County.

17 2.2 Definitions. For the purposes of this Consent Decree, the following definitions  
18 apply:

19 a. "Clear and Conspicuous" or "Clearly and Conspicuously," when  
20 referring to a statement, disclosure, or any other information, means that such statement,  
21 disclosure, or other information, by whatever medium communicated, is in readily  
22 understandable language and syntax and presented in such size, color, font, contrast,  
23 appearance, location, and audibility, and is sufficiently noticeable compared to other  
24 information with which it is presented that is readily apparent to the person to whom it is  
25 disclosed such that the person can read and comprehend what is being presented. If such  
26 statement, disclosure, or other information is necessary as a modification, explanation or

1 clarification to other information with which it is presented, it shall be presented in Direct  
2 Proximity to the information it modifies in a manner that is readily noticeable and  
3 understandable. As to statements, disclosures, or any other information made or presented on  
4 the Internet or other web-based applications or services, in addition to the other requirements  
5 stated herein, "Clear and Conspicuous" or "Clearly and Conspicuously," shall mean that such  
6 statements, disclosures or any other information shall be placed in locations on the same  
7 webpage as the offer, term or limitation to which it relates where it will be sufficiently  
8 prominent and readily seen, shall be labeled and presented in such a way to indicate its  
9 importance and relevance, be in text that can be easily read and understood by the reader, and  
10 be placed on the webpage in a position in Direct Proximity to the offer, term or limitation.  
11 Further, a disclosure of information is not Clear and Conspicuous if, among other things, it is  
12 obscured by the background against which it appears or there are other distracting elements, or  
13 the net impression of the statement, disclosure, or other information is inconsistent with,  
14 contrary to, or in mitigation of the disclosure itself. Statements of limitation shall be set out in  
15 close conjunction with the benefits described or with appropriate captions of such prominence  
16 that statements of limitation are not minimized, rendered obscure, presented in an ambiguous  
17 fashion, or intermingled with the context of the statement so as to be confusing or misleading.  
18 Nothing contrary to, inconsistent with, or in mitigation of any disclosure shall be permitted. In  
19 all instances, the disclosure shall be presented prior to the consumer incurring any financial  
20 obligation;

21 b. "Express Informed Consent" shall mean explicit, affirmative consent  
22 indicated by a consumer after Clear and Conspicuous disclosure of all material terms of the  
23 offer;

24 c. "Material fact(s)," "material condition(s)," "material term(s)," or any  
25 similar phrase or combination of words or phrases is any fact, condition or term that, if known and  
26 understood by the consumer, would have been important to a consumer making a purchasing

1 decision. A "material limitation" means a term or condition that necessarily affects a consumer's  
2 ability to obtain an offer as advertised.

3 **III. INJUNCTION**

4 3.1 Application of Injunction. The injunctive provisions of this Consent Decree  
5 shall apply to Vishal Dhar and his agents and representatives.

6 3.2 Injunction. Vishal Dhar is hereby permanently enjoined and restrained from the  
7 following acts or omissions in connection with the marketing, promoting, advertising, sale,  
8 solicitation, offering for sale, or distribution of goods or services:

9 a. Inducing Washington computer owners and operators to install its  
10 proprietary software onto their computers by deceptively representing that it is necessary to  
11 assess the computer's health, or repair and protect the computer's security;

12 b. Deceptively representing that files on a consumer's computer are  
13 potentially harming the computer, when the files are not infected or otherwise harmful to the  
14 computer;

15 c. Using software that flashes warning signs, including "Critical" computer  
16 status, regardless of the computer's health;

17 d. Falsely claiming that malware or computer viruses have infected a  
18 consumer's computer;

19 e. Deceptively representing that consumers' computers lack any anti-virus  
20 programs, when the computers have an anti-virus program installed;

21 f. Purchasing advertising on Internet search engines so that Defendants' or  
22 their agents' websites are featured more prominently than the software and hardware  
23 companies for which the consumer is actually searching;

24 g. Identifying items on a consumer's screen as malware, infected files,  
25 potentially harmful files, other serious defects harming the computer, when items are routine  
26 programs or files that pose no harm to the consumer's computer;

1 h. Encouraging consumers to download software on their computers that  
2 displays warnings when a computer is free from defects, including "warnings" that are related  
3 to routine computer functions rather than a defect;

4 i. Selling hardware and software products, including operating system  
5 upgrades, which are available for free from the manufacturer, including products that are  
6 covered by a manufacturer's warranty;

7 j. Deceptively representing to consumers that products are defective in  
8 order to sell them new products;

9 k. Selling consumers additional service subscriptions to a consumer when  
10 the consumer already has a subscription for the advertised service;

11 l. Engaging in unfair and deceptive sales tactics to induce consumers to  
12 purchase products or services, including continuing to try and sell additional services after a  
13 consumer has declined the services;

14 m. Engaging in unfair and deceptive sales tactics by making false and  
15 misleading statements to consumers including but not limited to, the need for repair,  
16 replacement and/or service and the quality of services consumers will receive;

17 n. Deceptively representing the nature of or identity of iYogi, Inc. or iYogi,  
18 Technical Services Private Ltd.;

19 o. Deceptively representing the identity, existence, nature or qualifications  
20 of any persons affiliated with iYogi, Inc. or iYogi Technical Services Private Ltd.;

21 p. Failing to comply with 16 CFR Part 255, the FTC Guides Concerning  
22 the Use of Endorsements and Testimonials in Advertising;

23 q. Failing to disclose any facts that would be material to a consumer's  
24 decision to purchase iYogi, Inc. or iYogi Technical Services Private Ltd.'s products or  
25 services;

26  
CONSENT DECREE - 6

ATTORNEY GENERAL OF WASHINGTON  
Consumer Protection Division  
800 Fifth Avenue, Suite 2000  
Seattle, WA 98104-3188  
(206) 464-7745

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r. Failing to obtain a consumer's express informed consent to any recurrent payment plan. For purposes of this provision, "express informed consent" shall mean a check box whereby the consumer must affirmatively agree to be automatically billed for a product or service on a recurring basis. ;

s. Failing to disclose all material terms and conditions of any recurrent payment plan in direct proximity to the check box whereby the consumer is asked to give express informed consent to be automatically billed for a product or service on a recurring basis, which must be clearly and conspicuously disclosed.

**IV. MONETARY PAYMENT**

4.1 Pursuant to RCW 19.86.080 and RCW 19.270, the Court awards Judgment against Defendant Vishal Dhar in the amount of \$500,000.00 as a civil penalty, \$500,000.00 of which is suspended subject to the subparts below.

4.2 Plaintiff's agreement to the suspension of the judgment is expressly premised on the truthfulness, accuracy, and completeness of Vishal Dhar's financial statements and related documents (financial disclosures) submitted to the Plaintiff.

4.3 The suspension of the judgment shall be lifted as to Vishal Dhar if, upon motion by the Plaintiff, the Court finds that Vishal Dhar failed to disclose any material asset, materially misstated the value of an asset, or made any other material misrepresentations or omissions in its financial disclosures to the Plaintiff.

4.4 If the suspension of the judgment is lifted, the judgment becomes immediately due.

**V. ENFORCEMENT**

5.1 Violation of any of the injunctions contained in this Consent Decree, as determined by the Court, shall subject Defendants to a civil penalty pursuant to RCW 19.86.140.

5.2 This Consent Decree is entered pursuant to RCW 19.86.080. Jurisdiction is retained for the purpose of enabling any party to this Consent Decree with or without the prior

1 consent of the other party to apply to the Court at any time for enforcement of compliance with  
2 this Consent Decree, to punish violations thereof, or to modify or clarify this Consent Decree.

3 5.3 Representatives of the Office of the Attorney General shall be permitted to access,  
4 inspect, and/or copy relevant and discoverable business records or documents under control of  
5 Defendants in order to monitor compliance with this Consent Decree within fourteen (14) days of  
6 written request to Defendants, provided that the inspection and copying shall be done in such a  
7 way as to avoid disruption of Defendants' business activities.

8 5.4 Representatives of the Office of the Attorney General may be permitted to  
9 question Defendants or any officer, director, agent, employee, or independent contractor of any  
10 corporation affiliated with Defendants, in deposition, pursuant to the provisions and notice  
11 requirements of CR 30, in order to monitor compliance with this Consent Decree.

12 5.5 Under no circumstances shall this Consent Decree or the name of the State of  
13 Washington, the Office of the Attorney General, Consumer Protection Division, or any of their  
14 employees or representatives be used by Defendants in connection with any selling, advertising,  
15 or promotion of products or services, or as an endorsement or approval of Defendants' acts,  
16 practices, or conduct of business.

17 **VI. DISMISSAL AND WAIVER OF CLAIMS**

18 6.1 This Consent Decree resolves with prejudice all issues raised by the Attorney  
19 General pertaining to the acts or omissions of Vishal Dhar addressed in the Complaint filed in this  
20 matter. Upon entry of this Consent Decree, all claims against Vishal Dhar, in this matter, not  
21 otherwise addressed by this Consent Decree, are dismissed.

22 6.2 This Consent Decree is entered with respect to Defendant, Vishal Dhar, alone and  
23 other Defendants in this matter are not dismissed under this Consent Decree.

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DONE IN OPEN COURT this 24 day July, 2017.

  
JUDGE/ Barbara A. Mack

Approved for Entry and Presented by:

Approved for Entry, Notice of Presentation  
Waived:

ROBERT W. FERGUSON  
Attorney General

VISHAL DHAR  
Defendant





DANIEL DAVIES, WSBA #41793  
ANDREA ALEGRETT, WSBA #50236  
Assistant Attorneys General  
Attorneys for Plaintiff  
State of Washington

Vishal Dhar  
Date: July 24<sup>th</sup> 2017