

FILED  
SEP 12 2013  
SUPERIOR COURT  
BETTY J. GOULD  
THURSTON COUNTY CLERK

1  EXPEDITE  
2  No hearing set  
3  Hearing is set  
4 Date:  
Time:  
Judge/Calendar: ExParte Entry

5 STATE OF WASHINGTON  
6 THURSTON COUNTY SUPERIOR COURT

7 STATE OF WASHINGTON,  
8 Plaintiff,  
9 v.  
10 JONATHAN GIBBS, individually and his  
11 marital community; CHRISTINE GIBBS,  
12 individually and her marital community;  
13 All of their Timeshare and Travel Related  
14 Businesses, including SUMMIT  
15 MARKETING ASSOCIATES, LLC;  
16 FINANCIAL RECOVERY SOLUTIONS,  
17 LLC; WE COLLECT TIMESHARES,  
18 LLC, dba TIMESHARE FREEDOM;  
19 DIRECT TRANSFERS, LLC;  
20 PRUDENTIAL WEST, LLC; SAFE  
21 HANDS TRANSFERS, LLC; APEX  
22 PROFESSIONALS, LLC; PREFERRED  
23 TRANSFERS, LLC; CORNERSTONE  
24 CLOSING, LLC; GREAT TIMESHARE  
25 BARGAINS, LLC; MARMAC ETT,  
26 LLC; EAGLE VENTURE ASSOCIATES,  
LLC; ELLIOT'S WORLD, LLC;  
GLOBAL ACQUISITION  
ASSOCIATES, LLC; GOLDEN  
ROYALTY ADVISORS, LLC;  
LUDDERS WINE, LLC; POY  
DEVELOPERS, LLC; THE GOLDEN  
GRILL, LLC; THE MIDDLE SEAT,  
LLC; THE THROWN APPLE, LLC;  
ALEW, LLC; VAN DRIVER'S  
CONSULTING, LLC; CALLAHAN AND  
ZALINSKY ASSOCIATES, LLC; ST  
HAMM MANAGEMENT, LLC;  
REALTIMSHAREHELP.COM, a Domain  
Name; TIMESHARE FREEDOM, LLC;  
TIMESHARE HOLDING COMPANY,

NO. 13-2-01222-4  
CONSENT DECREE  
[CLERKS ACTION REQUIRED]

1 LLC, VACATION CHOICES, LLC;  
2 CHOICE RESORT VACATIONS, LCC,  
3 and other yet unknown Timeshare and  
4 Travel Related Businesses and Jane and  
5 John Does,

6 Defendants.

7 **I. JUDGMENT SUMMARY**

- 8 1.1 Judgment Creditor: State of Washington
- 9 1.2 Judgment Debtors Jonathan Gibbs; Summit Marketing  
10 Associates, LLC; Financial Recovery  
11 Solutions, LLC; We Collect Timeshares,  
12 LLC dba Timeshare Freedom; Direct  
13 Transfers, LLC; Prudential West, LLC;  
14 Safe Hands Transfers, LLC; Apex  
15 Professionals, LLC; Preferred Transfers,  
16 LLC; Cornerstone Closing, LLC; Great  
17 Timeshare Bargains, LLC; MarMac ETT,  
18 LLC; Global Acquisition Associates,  
19 LLC; Golden Grill, LLC; The Middle  
20 Seat, LLC; The Thrown Apple, LLC;  
21 Alew, LLC; Van Driver's Consulting,  
22 LLC; Callahan and Zalinsky Associates,  
23 LLC; ST Hamm Management, LLC;  
24 Realtimesharehelp.com; Timeshare  
25 Freedom, LLC; and Timeshare Holding  
26 Company, LLC; Vacation Choices, LLC;  
and Choice Resorts Vacation, LLC
- 1.3 Costs and Attorneys Fees: \$500,000.00
- 1.4 Restitution See Paragraph 3.4
- 1.5 Total Judgment: \$1,200,000.00
- 1.6 Post Judgment Interest Rate: 12% per annum
- 1.7 Attorney for Judgment Creditor: Elizabeth J. Erwin  
Senior Counsel
- 1.8 Attorneys for Judgment Debtors: John Young, Young deNormandie  
Sally Gustafson Garratt, Of Counsel  
Young deNormandie
- 1.9 Plaintiff, State of Washington (State), having commenced this action pursuant

to the Consumer Protection Act, RCW 19.86, the Debt Adjusting Act, RCW 18.28, the Sellers

1 of Travel Act, RCW 19.138, the Promotional Advertising of Prizes Act, RCW 19.170, and the  
2 Disposal of Personal Information Act, RCW 19.215; and

3 1.10 Defendants, having been served with or accepted service of the Summons and  
4 Complaint and the State, appearing by and through its attorneys, Robert Ferguson, Attorney  
5 General and Elizabeth J. Erwin, Assistant Attorney General; and Defendants appearing by and  
6 through John G. Young and Sally Gustafson Garratt of the law offices of Young and  
7 deNormandie;

8 1.11 The State and Defendants having agreed on a basis for the settlement of the  
9 matters alleged in the Complaint and to the entry of this Consent Decree against Defendants  
10 without the need for trial or adjudication of any issue of law or fact; and

11 1.12 Defendants deny the allegations in the Complaint; and

12 1.13 The State and Defendants agree this Consent Decree does not constitute evidence  
13 or an admission regarding the existence or non-existence of any issue, fact, or violation of any law  
14 alleged by the State; the State and the Defendants mutually desire to reach a full and final  
15 settlement of all claims outlined in the Complaint filed previously and those that could have been  
16 brought by either party; and

17 1.14 Defendants recognize and state this Consent Decree is entered into voluntarily and  
18 that no promises, representations, or threats have been made by the Attorney General's Office  
19 (AGO) or any member, officer, agent, or representative thereof to induce it to enter into this  
20 Consent Decree, except for the promises and representations provided herein; and

21 1.15 Defendants waive any right they may have to appeal from this Consent Decree;  
22 and

23 1.16 Defendants further agree they will not oppose the entry of this Consent Decree on  
24 the ground it fails to comply with CR 65(d), and hereby waive any objections based thereon; and

25 1.17 Defendants further agree this Court shall retain jurisdiction of this action and  
26 jurisdiction over Defendants for the purpose of implementing and enforcing the terms and

1 conditions of the Consent Decree and for all other purposes related to this matter; and The Court,  
2 finding no just reason for delay pursuant to CR 54(b):

3 **NOW, THEREFORE, IT IS HEREBY, ADJUDGED AND DECREED AS**  
4 **FOLLOWS:**

5 **II. GENERAL**

6 2.1 This Court has jurisdiction of the subject matter of this action and of the parties.  
7 The State's complaint in this matter states claims upon which relief may be granted under the  
8 Consumer Protection Act, RCW 19.86, the Debt Adjusting Act, RCW 18.28, the Sellers of  
9 Travel Act, RCW 19.138, the Promotional Advertising of Prizes Act, RCW 19.170, and the  
10 Disposal of Personal Information Act, RCW 19.215.

11 2.2 For purposes of this Consent Decree the term "Defendants" where not otherwise  
12 specified shall mean Jonathan Gibbs; Summit Marketing Associates, LLC; Financial Recovery  
13 Solutions, LLC; We Collect Timeshares, LLC dba Timeshare Freedom; Direct Transfers, LLC;  
14 Prudential West, LLC; Safe Hands Transfers, LLC; Apex Professionals, LLC; Preferred  
15 Transfers, LLC; Cornerstone Closing, LLC; Great Timeshare Bargains, LLC; MarMac ETT,  
16 LLC; Global Acquisition Associates, LLC; Golden Grill, LLC; The Middle Seat, LLC; The  
17 Thrown Apple, LLC; Alew, LLC; Van Driver's Consulting, LLC; Callahan and Zalinsky  
18 Associates, LLC; ST Hamm Management, LLC; Realtimesharehelp.com, a Domain Name;  
19 Timeshare Freedom, LLC; and Timeshare Holding Company, LLC, Vacation Choices, LLC;  
20 and Choice Resort Vacations, LLC. Christine Gibbs is dismissed from this matter with  
21 prejudice in a prior order of this Court and is not included in the definition of "Defendants."

22 2.3 This Consent Decree or the fact of its entry does not constitute evidence or an  
23 admission by any party named in the Complaint regarding the existence or non-existence of  
24 any issue, fact, or violation of any law alleged by the State.

25 2.4 This Consent Decree finally resolves all claims the State may have under the  
26 Consumer Protection Act, RCW 19.86, and the Debt Adjusting Act, RCW 18.28, the Sellers of

1 Travel Act, RCW 19.138; the Promotional Advertising of Prizes Act, RCW 19.170 and the  
2 Disposal of Personal Information Act, RCW 19.215 against Defendants arising out of the facts  
3 described in the complaint filed in this action, except that Defendants' failure to comply with  
4 this Consent Decree shall permit the State to take such further action against Defendants as  
5 provided in this Consent Decree, or otherwise allowed by law.

### 6 III. INJUNCTIONS

7 3.1 Application of Injunctions. The injunctive provisions of this Consent Decree  
8 shall apply to the Defendants, and the Defendants' successors, assigns, officers, agents,  
9 servants, employees, representatives, and all other persons in active concert or participation  
10 with the Defendants.

11 3.2 Notice. Defendants shall immediately inform all successors, assigns,  
12 transferees, officers, agents, servants, employees, representatives, and all other persons or  
13 entities in active concert or participation with defendants or with the business entities named as  
14 defendants in the Complaint of the terms and conditions of this Consent Decree and shall direct  
15 those persons and/or entities to comply with this Consent Decree.

16 3.3 Injunctions. Defendants and all successors, assigns, transferees, officers,  
17 agents, servants, employees, representatives and all other persons or entities in active concert  
18 or participation with Defendants are hereby permanently enjoined and restrained from directly  
19 or indirectly violating or failing to comply with the provisions of the Consumer Protection Act,  
20 RCW 19.86, the Debt Adjusting Act, RCW 18.28, the Sellers of Travel Act, RCW 19.138, the  
21 Promotional Advertising of Prizes Act, RCW 19.170 and the Disposal of Personal Information  
22 Act, RCW 19.215 as currently written or as they are amended in the future. Therefore:

23 a. Defendants shall not offer for sale any timeshare-related transfer  
24 services, including but not limited to advertising, marketing, calling, selling, and  
25 transferring title, points or any part of any ownership of any timeshare. The only  
26 exception to this injunctive provision is set forth in Paragraphs 3.4(c) and (d) relating to

1 the return of titles or other ownerships interests, such as points, to timeshare resorts as  
2 part of this Consent Decree;

3 b. Defendants shall cease performing or offering to perform the transfer of  
4 timeshare ownerships as of the date of entry of this Consent Decree;

5 c. Defendants shall cease performing or offering to perform lien release  
6 services as of the date of the entry of this Consent Decree;

7 d. Defendants shall not practice law, individually or through any business  
8 entity; nor provide any legal advice, including any legal advice regarding tax law, legal  
9 processes, or powers of attorney as of the entry of this Consent Decree;

10 e. Defendants shall not offer for sale any travel-related services, including  
11 but not limited to advertising, marketing, calling, selling travel memberships or any  
12 other promotional travel-related business ;

13 f. Defendants shall not dispose of personal and/or financial information  
14 relating to any consumer except as in conformance with the laws relating to destruction  
15 of personal and financial information.

16 3.4 Restitution: Defendants agree to pay \$700,000.00 to the State of Washington,  
17 Office of the Attorney General to create a Timeshare Restitution Fund (Restitution Fund). The  
18 Restitution Fund shall be distributed to Washington State consumers as provided for in the  
19 following paragraphs. In the event the Restitution Fund is not depleted by consumer claims for  
20 refunds, the remainder of the Restitution Fund shall be retained by the Attorney General as  
21 recovery of costs and fees for administering the Restitution Fund, for future enforcement of  
22 RCW 19.86, or for any lawful purpose in the discharge of the Attorney General's duties at the  
23 sole discretion of the Attorney General.

24 a. Consumers may apply to the Office of Attorney General for a refund  
25 with the following criteria: (1) a consumer for whom contracted timeshare transfer  
26 services, (either timeshare title and/or point transfer services) and/or the Lien Release

1 services have not been provided prior to entry of this Consent Decree; and (2) who  
2 have not already received refunds in whole or in part by the Defendants prior to entry  
3 of the Consent Decree; (3) the consumers must have purchased Defendants' timeshare  
4 transfer services from January 1, 2008 to July 1, 2013; and the Attorney General's  
5 Office must receive notice of a request for restitution prior to January 1, 2015.

6 b. Prior to entry of this Consent Decree, Defendants shall provide a list of  
7 all Washington State consumer names, addresses, phone numbers, and readily available  
8 information about what timeshare services were provided to the Consumer by the  
9 Defendants and amount of refunds (if any) given by Defendants. The list shall be in an  
10 electronically searchable Excel spreadsheet for verification to the Attorney General's  
11 Office to use in determining refunds. In the event that consumers claim to have  
12 received timeshare transfer services but cannot provide copies of any contract with the  
13 Defendants to the Attorney General's Office, the Defendants agree to make best efforts  
14 in assisting the Attorney General's Office in locating all available information and  
15 documents in the possession the defendants for this purpose. If the Defendants exercise  
16 best efforts to locate requested documents but are unable to locate additional  
17 information, the lack of additional information shall not be a violation of the Consent  
18 Decree.

19 c. Defendants shall transfer title and/or ownership of every timeshare  
20 transferred by defendants to all timeshare resorts located within the United States,  
21 including those outside the State of Washington, with whom the defendants conducted  
22 timeshare transfer or lien release services if requested in writing by timeshare resorts  
23 until December 31, 2014; provided that the Defendants are the owner of the timeshares

24 d. In addition, Defendants, or their designee, shall assist in the transfer of  
25 title and/or ownership of timeshares from Keith Barkas, Yvonne Barkas,  
26 George Barkas, Cynthia Barkas, and Stella Dirks if they are currently living in

1 Washington State by executing limited powers of attorney in order to transfer  
2 timeshares back to the resort. The resorts are under no obligation to use this process,  
3 nor are the Defendants or their designees under any obligation to execute any other  
4 documents other than the limited power of attorney as set forth in this section.

5 e. Defendants shall make reasonable efforts to contact timeshare resort  
6 owners via the last known email or business address in order to notify the timeshare  
7 resorts of this return opportunity. The defendants shall not charge any fees payable to  
8 the timeshare resort for transfer costs associated with the transfer of any timeshare(s)  
9 back to any resort. Nothing in this Consent Decree requires the Defendants to pay costs  
10 associated with the transfers of any timeshares to resorts. Nothing in this Consent  
11 Decree affects the rights and responsibilities between timeshare resorts and the  
12 Defendants.

13 f. Defendants agree to provide proof of transfers of timeshares back to  
14 resorts upon request from the Attorney General at any time through July 1, 2015.  
15 Additionally, Defendants agree to provide a written report to the Attorney General  
16 containing the name of the resort, including the named Defendant and the date of  
17 transfer for any timeshare transferred between the entry of this Consent Decree and  
18 December 31, 2014. The report will contain whatever information is available from the  
19 resort regarding the transfer. That information may include the resort contact  
20 information, contact name, telephone number, address and email address if available.

21 3.5 Cooperation. In addition, Defendants agree to cooperate fully with the State in  
22 the pending litigation, other related litigation, and investigations by the State against other  
23 entities and individuals with which the Defendants have had dealings, or of which the  
24 Defendants have knowledge. Cooperation shall be reasonable, and shall include truthfully  
25 answering questions, providing all relevant available documents in the Defendants' possession  
26 or control, including financial records, and testifying, if requested by the State.

1 **IV. ATTORNEY'S FEES AND COSTS**

2 4.1 Defendants shall pay the amount of \$500,000.00 to the State of Washington,  
3 Office of the Attorney General. The Attorney General shall use the funds for recovery of its  
4 costs and attorneys' fees in investigating this matter, future monitoring and enforcement of this  
5 Consent Decree, future enforcement of RCW 19.86, or for any lawful purpose in the discharge  
6 of the Attorney General's duties at the sole discretion of the Attorney General.

7 4.2 In any successful action to enforce this Consent Decree against Defendants,  
8 Defendants shall bear the State's reasonable costs, including reasonable attorneys' fees.

9 **V. TERMS OF PAYMENT**

10 5.1 Prior to entry of this Consent Decree, the Defendants paid a total of \$1,200,000.00  
11 to the Attorney General's Office by delivering a bank cashier's check to payable to Attorney  
12 General - State of Washington. Said check was mailed or delivered to the Office of the Attorney  
13 General, Consumer Protection Division, 800 Fifth Avenue, Suite 2000, Seattle, Washington,  
14 98104-3188, Attention: Cynthia Lockridge.

15 **VI. ENFORCEMENT**

16 6.1 For purposes of resolving disputes with respect to compliance with this Judgment,  
17 should the Attorney General have cause to believe that Defendants have violated a provision of  
18 this Judgment after its entry, then the Attorney General shall notify Defendants in writing of the  
19 specific objection, and give Defendants fifteen (15) business days to respond to the notification  
20 and to cure any alleged violation prior to taking action regarding that alleged violation; provided  
21 however that the Attorney General may take any action where the Attorney General concludes  
22 that because of the specific practice, a threat to the health, safety or general welfare of the public  
23 requires immediate action. It is contemplated that both parties will evidence good faith in  
24 attempting to furnish all relevant and useful information necessary to resolve any concern of  
25 the Attorney General, and that a substantive in-person meet and confer opportunity will be  
26 made for a meeting in this jurisdiction during the fifteen (15) days.

1           6.2    If, after notice to Defendants and an opportunity to be heard at an evidentiary  
2 hearing, the Court finds by a preponderance of evidence that Defendants have violated a  
3 material condition of the Consent Decree, the State may seek imposition of additional  
4 conditions, civil penalties, restitution, injunctive relief, attorney's fees, costs and such other  
5 remedies as the Court may deem appropriate against Defendants.

6           6.3    Violation of any of the terms of this Consent Decree shall constitute a violation of  
7 an injunction for which civil penalties of up to \$25,000 per violation may be sought by the AGO  
8 pursuant to RCW 19.86.140, in addition to such other remedies as may be provided by law.

9           6.4    The violation of any term of this Consent Decree shall constitute a violation of the  
10 Consumer Protection Act, RCW 19.86.020.

11          6.5    This Court shall retain jurisdiction for the purpose of enabling any party to this  
12 Consent Decree with or without the prior consent of the other party to apply to the Court at any  
13 time for enforcement of compliance with this Consent Decree, to punish violations thereof, or  
14 otherwise address the provisions of this Consent Decree.

15          6.6    Nothing in this Consent Decree shall be construed to limit or bar any other  
16 governmental entity or person from pursuing other available remedies against Defendants or any  
17 other person.

18          6.7    Under no circumstances shall this Consent Decree, or the name of the State of  
19 Washington, the Office of the Attorney General, the Consumer Protection Division, or any of  
20 their employees or representatives be used by Defendants or any of its members, directors,  
21 successors, assigns, transferees, officers, agents, servants, employees, representatives, and all  
22 other persons or entities in active concert or participation with Defendants, in connection with  
23 any selling, advertising, or promotion of products or services, or as an endorsement or approval of  
24 Defendants' acts, practices, or conduct of business.

25          6.8    The State shall be permitted, upon ten (10) days advance notice to Defendants,  
26 to access, inspect and/or copy all business records or documents in possession, custody or

1 under control of Defendants to monitor compliance with this Consent Decree, provided that the  
2 inspection and copying shall avoid unreasonable disruption of Defendants' business activities.

3 6.9 The State shall be permitted to question Defendants or any member, officer,  
4 director, agent, or employee of Defendants by deposition pursuant to the provisions of CR 30  
5 to monitor compliance with this Consent Decree.

6 6.10 Defendants shall fully cooperate with the State and other civil regulatory  
7 agencies in any civil investigation of any other person who advertised, marketed, or sold any of  
8 Defendants' goods, products or services. Defendants also shall fully cooperate with the State  
9 and other civil regulatory agencies in any civil investigation of any other agent, employee,  
10 independent contractor, or representative of Defendants who is alleged to have violated any of  
11 the provisions of this Consent Decree. Defendants' failure to cooperate shall be a material  
12 breach of this Consent Decree.

13 **VII. DISMISSAL**

14 7.1 Except as provided above, this proceeding, in all other respects, is dismissed as to  
15 the Defendants upon entry of this Consent Decree.

16 7.2 The Clerk of the Court is ordered to enter the foregoing Judgment and Consent  
17 Decree immediately.

18 **DONE IN OPEN COURT** this \_\_\_\_\_ day of REBEKAH ZINN 2013.  
19 **COURT COMMISSIONER**

20 SEP 12 2013

21 \_\_\_\_\_  
22 JUDGE

23 Presented by:  
24 ROBERT FERGUSON  
25 Attorney General

Approved for entry, notice of presentation  
waived:

26 *Elizabeth J. Erwin*  
ELIZABETH J. ERWIN, WSBA #16548  
Assistant Attorney General  
State of Washington  
Attorney for Plaintiff

*Sally Gustafson Garratt*  
SALLY GUSTAFSON GARRATT,  
WSBA # 7638  
JOHN YOUNG, WSBA #12890  
Attorney for Defendants

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**ACKNOWLEDGMENT AND WAIVER**

I, Jonathan Gibbs, am a named Defendant in the above captioned case; I am signing this Consent Decree on my own behalf and on the behalf of all named entities. I am represented in this case by attorneys John Young and Sally Gustafson Garratt. Those attorneys also represent my wife Christine Gibbs. I understand that I could have a different attorney, who would represent my interests only, review this Consent Decree and advise me separately regarding whether I should agree to its terms. I chose not to consult a different attorney and sign and agree to the terms of this Consent Decree freely and voluntarily.

  
\_\_\_\_\_  
JONATHAN GIBBS

8.28.13  
\_\_\_\_\_  
Date