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**STATE OF WASHINGTON
BENTON COUNTY SUPERIOR COURT**

In the matter of

No.

**PROPERTY RESEARCH
SPECIALISTS, LLC., a Washington
limited liability company; TONY
BROWN, an individual; and
KARMA SIMONS, an individual,**

**ASSURANCE OF
DISCONTINUANCE**

Respondents

1. GENERAL

1.1 This Assurance of Discontinuance is between the Attorney General of the State of Washington and Respondents Property Research Specialists, LLC, a Washington limited liability company, with its principal office located at 507 George Washington Way, Richland, Washington; Tony Brown, an individual residing in Benton County, Washington; and Karma Simons, an individual residing in Benton County, Washington.

1.2 This Assurance shall be binding on and apply to Respondents and their respective owners, directors, successors, assigns, transferees, officers, agents, partners, servants, employees, representatives, and all other persons or entities acting in concert or participating with Respondents and is effective on the date it is entered by the Court.

1.3 Pursuant to the Washington Consumer Protection Act, RCW Ch. 19.86, the Attorney General has investigated allegations that some of Respondents' business practices

1 violated the Washington State Consumer Protection Act, RCW 19.86 ("CPA") and the Credit
2 Services Organizations Act, RCW 19.134 ("CSOA").

3 1.4 Respondents have voluntarily cooperated in the Attorney General's inquiry.

4 1.5 At this time, the Attorney General has determined to conclude his inquiry and
5 Respondents have agreed to a set of practices regarding certain aspects of their business. This
6 Assurance represents a full and final resolution of this matter.

7 1.6 Washington and Respondents agree this Assurance does not constitute evidence or
8 an admission by any party regarding the existence or non-existence of any issue, fact, or violation
9 of any law alleged by Washington nor shall this Assurance constitute an admission of liability in
10 any proceeding, administrative or judicial, arising out of the subject matter of Washington's
11 investigation.

12 1.7 Respondents recognize and state that this Assurance is entered into voluntarily and
13 that no promises, representations or threats have been made by the Attorney General's Office or
14 any member, officer, agent or representative thereof to induce them to enter into this Assurance,
15 except for the promises and representations provided herein.

16 1.8 Respondents further agree their payments made or due pursuant to this Assurance
17 are not amenable to discharge in bankruptcy and they shall not seek or support their discharge in
18 bankruptcy, nor oppose their being determined not amenable to discharge in bankruptcy.

19 1.9 Respondents further agree their payments made or due pursuant to this Assurance
20 are not preferential transfers of assets and they shall not make nor support arguments to the
21 contrary in bankruptcy court or elsewhere.

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23 **2. BASIS OF THE ATTORNEY GENERAL'S INQUIRY**

24 2.1 The Attorney General commenced an investigation into Respondents' marketing
25 and sales practices for alleged violations of the CPA and CSOA.
26

1 2.2 Respondents have been engaged in the business of providing “foreclosure
2 rescue” services to financially distressed homeowners in the State of Washington by offering
3 to negotiate a refinancing of homeowners’ current mortgages. The Attorney General alleged
4 that Respondents: (1) misrepresented the consequences of foreclosures and used false
5 testimonials in their advertisements; (2) failed to register their business with state regulatory
6 agencies as required by statute; and (3) failed to provide customers with information and
7 cancellation right notices as required by statute.

8 2.3 Respondents deny having committed any violation of any law including but not
9 limited to the CPA and CSOA.

10
11 3. **BUSINESS PRACTICES**

12 3.1 The provisions of this Section 3 of this Assurance shall apply to Respondents and
13 each of their respective owners, directors, successors, assigns, transferees, officers, agents,
14 partners, servants, employees and representatives, and all other persons or entities acting in
15 concert or participating with Respondents.

16 3.2 Respondents shall immediately provide to their managers a copy this Assurance
17 once entered by the court.

18 3.3 The following definitions shall apply to this Assurance:

19 a. “Customer” shall refer to any member (business or individual) of the
20 public.

21 b. “Advertise” or “Advertisement” shall refer to any direct or indirect
22 representation or promotional device used to promote the sale of products or services
23 and/or to educate, inform or attract customers, including but not limited to those that
24 are telephonic, electronic, digital, oral, visual, aural, written, video or printed.

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1 3.4 Respondents and their respective owners, directors, successors, assigns,
2 transferees, officers, agents, partners, servants, employees, representatives, and all other
3 persons or entities acting in concert or participating with Respondents in the context of
4 conducting Respondents' business, shall not directly or indirectly engage in the following acts
5 or practices in the State of Washington:

6 a. Failing to comply with the applicable provisions of regulatory statutes
7 such as the CSOA and RCW 61.34.020, et seq., as they may be amended, including but
8 not limited to customer notice requirements and restrictions against charging up-front
9 fees; and

10 b. Failing to refrain from unfairly or deceptively advertising their products
11 and services, including but not limited to using misrepresentations and false
12 testimonials.

13 3.5 The Attorney General deems and Respondents acknowledge that the acts set out
14 in section 3.4 above are unfair or deceptive act or practice, in violation of the Unfair Business
15 Practices – Consumer Protection Act, chapter 19.86 RCW.

16
17 **4. ATTORNEY'S FEES AND COSTS**

18 4.1 Pursuant to RCW 19.86.080, Washington shall recover and Respondents shall pay
19 the costs and reasonable attorneys' fees incurred by Washington in pursuing this matter in the
20 amount of \$3,000.00 pursuant to Section 5 of this Assurance.

21 4.2 If not paid when due, interest will accrue on any unpaid and overdue payment
22 balance of attorneys' fees and costs at the rate of twelve percent (12%) per annum.

23 4.3 In any successful action to enforce this Assurance against Respondents,
24 Respondents shall bear Washington's reasonable costs, including reasonable attorneys' fees.

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1 **5. TERMS OF PAYMENT**

2 **5.1** Respondents shall pay a total of \$3,000.00 at the rate of at least \$500.00 per month
3 with the first payment due on or before August 15, 2009, and each successive payment due on the
4 15th of each month following until the entire amount is paid in full, including but not limited to
5 any accrued interest.

6 **5.2** Respondents shall make all payments to Washington by one or more checks
7 payable to the Attorney General - State of Washington, and shall be mailed or delivered to the
8 Office of the Attorney General, Consumer Protection Division, 800 5th Avenue, Suite 2000,
9 Seattle, Washington 98104-3188, Attention: Cynthia Lockridge, unless otherwise agreed to in
10 writing by Washington.

11 **5.3** Respondents' failure to timely make a payment without written agreement by
12 Washington shall be a material breach of this Assurance.

13
14 **6. ENFORCEMENT**

15 **6.1** Under no circumstances shall this Assurance, or the name of the State of
16 Washington, the Office of the Attorney General, the Consumer Protection Division or any of their
17 employees or representatives be used by Respondents or any of their respective owners, directors,
18 successors, assigns, transferees, officers, agents, servants, employees, representatives, and all
19 other persons acting in concert or participating with Respondents in connection with any selling,
20 advertising, or promotion of products or services, or as an endorsement or approval of
21 Respondents' acts, practices or conduct of business.

22 **6.2** Washington shall be permitted, upon thirty (30) days' advance notice to
23 Respondents, to access, inspect and/or copy, pursuant to RCW 19.86.110, all relevant business
24 records or documents in possession, custody or under control of Respondents, except for
25 business records and documents subject to a claim of privilege or the work product doctrine, to
26

1 monitor compliance with this Assurance, provided that the inspection and copying shall be
2 done in such a way as to avoid unreasonable disruption of Respondents' business activities.

3 **6.3** Washington shall be permitted to question Respondents or any officer, director,
4 agent or employee of Respondents by deposition, pursuant to the provisions of RCW 19.86, to
5 monitor compliance with this Assurance.

6 **6.4** Respondents shall provide Washington with copies of any and all complaints
7 against it made by Washington residents for a period of one year from the effective date of this
8 Assurance and copies of all documents that memorialize Respondents' response to each of the
9 complaints. Failure to do so is a material breach of this Assurance.

10 **6.5** Nothing in this Assurance shall be construed to limit or bar any other
11 governmental entity or person from pursuing other available remedies against Respondents or
12 any other person.

13 **6.6** Jurisdiction is retained by this court for any party to this Assurance to apply for
14 enforcement of or compliance with this Assurance, to punish violations thereof or clarify the
15 terms of this Assurance.

16 **6.7** The invalidity or unenforceability of any particular provision of this Assurance
17 shall not affect the validity of the other provisions of this agreement.

18 Approved on this _____ day of July, 2009.

19
20 _____
21 COURT COMMISSIONER

22 Presented by:

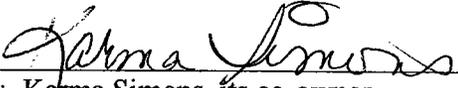
23 ROBERT M. McKENNA
24 Attorney General

25 By: _____

26 Jack G. Zurlini, Jr., WSBA No. 30621
Attorneys for State of Washington

1 Agreed to, Approved for Entry, and
2 Notice of Presentation Waived by:

3 PROPERTY RESEARCH SPECIALISTS, LLC

4 
5 By: Karma Simons, its co-owner

6 Dated: 7-7-09


By: Tony Brown, its co-owner

Dated: 7-7-09

8
9 KARMA SIMONS

10 
11 Karma Simons

12 Dated: 7-7-09

TONY BROWN


Tony Brown

Dated: 7-7-09

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