both corporate defendants, Fallen Hero Bracelets and The Benjamin Foundation, and participated in all of the conduct of Defendants that is alleged in this Complaint. On information and belief, the State alleges that Friedmann resides and does business at 16011 3rd Avenue Court East, Spanaway, Pierce County, Washington 98445.

- 1.3 On information and belief, the state alleges that Defendant Jane Doe Friedmann is Friedmann's spouse and resides with him.
- 1.4 Defendant Fallen Hero Bracelets is a Washington nonprofit corporation formed in 2015 exclusively for charitable purposes. Fallen Hero Bracelets maintains a website from which it sells bracelets, hats, pins, engraved bullets and other items by representing that proceeds will benefit veterans and veterans' charitable organizations. Fallen Hero Bracelets' last annual report lists its directors as Michael Friedmann, MA Friedmann, and M Friedmann. The state alleges that all of these are the same person. Friedmann calls himself President, Chief Executive Officer, Chief Legal Officer, and Director of Fallen Hero Bracelets. The corporation's annual report also lists the street address of its principal place of business as a post office box in Olympia. Since a post office box is not a street address, the State alleges on information and belief that Fallen Hero Bracelets' principal place of business is 16011 3<sup>rd</sup> Avenue Court East, Spanaway, Pierce County, Washington 98445, which Friedmann uses as both his residential and his business address.
- 1.5 Defendant The Benjamin Foundation, which sometimes does business as The Roberts Ridge Foundation, is a Washington nonprofit corporation formed exclusively for charitable purposes. Its website links to the website for Fallen Hero Bracelets. The Benjamin Foundation claims that the Roberts Ridge Foundation, its d/b/a, is a Pararescue Organization that raises money for the same veterans' causes as Fallen Hero Bracelets. Friedmann formed The Benjamin Foundation in 2003 as N.W.S.R.C., a/k/a the Northwest Street Racing Commission. In 2005, Friedmann changed the name of the corporation to W.S.P.I.C., a/k/a the Washington State Police Investigations Commission. In 2010, Friedmann changed the name of the

corporation to ANDREA, which stands for "Association for Need in Domestic violence victim Remedy, Evaluation and Advocacy." Friedmann changed the name again in 2011, this time to The Benjamin Foundation. He wrote that it was dedicated to "father's rights", particularly "the victimization of men and fathers through the abuse of process of domestic violence laws." Friedmann is President and one of two directors of The Benjamin Foundation. The Benjamin Foundation's principal place of business is at 16011 3rd Avenue Court East, Spanaway, Pierce County, Washington 98445.

- 1.6 Michael Friedmann and Jane Doe Friedmann currently reside in Spanaway, Washington. All actions taken by either Defendant Michael Friedmann or Defendant Jane Doe Friedmann, as alleged in this Complaint, have been and are for the benefit of any marital community.
- 1.7 The term "Defendants" in this Complaint refers collectively to all defendants named in paragraphs 1.2 through 1.6, as well as their agents, servants, employees, or representatives.

#### II. JURISDICTION & VENUE

- 2.1 The State files this Complaint pursuant to its authority under the Consumer Protection Act (RCW 19.86) and the Charitable Solicitations Act (RCW 19.09). The Attorney General has authority under RCW 19.86.080 to prevent and restrain violations of the Consumer Protection Act. The Attorney General has authority under RCW 19.09.340 to prevent and restrain violations of the Charitable Solicitations Act.
- 2.2 This Court has personal jurisdiction over Defendants under RCW 19.86.080 and RCW 19.09.340. Defendants have submitted themselves to the jurisdiction of this Court by engaging in the conduct set forth in this Complaint in the State of Washington, including in Pierce County. Specifically, Defendants have engaged in conduct in Pierce County and elsewhere in the state of Washington that violates the Consumer Protection Act and the Charitable Solicitations Act.

- 2.3 This Court has subject matter jurisdiction over this action pursuant to RCW 19.86.080 and RCW 19.86.140.
- 2.4 Venue is proper in Pierce County pursuant to RCW 4.12.020 and RCW 4.12.025. Defendants reside or maintain their principal places of business in Pierce County.
- 2.5 Defendant Michael Friedmann serves and has served as an officer or director of the corporate defendants. Corporate officers who participate in the wrongful conduct alleged in this Complaint, or who, with knowledge, have approved of the wrongful conduct alleged in this Complaint, are individually liable for such wrongful conduct. *State v. Ralph Williams' North West Chrysler Plymouth, Inc.*, 87 Wn.2d 298, 322, 553 P.2d 423 (1976).

### III. FACTS

- 3.1 Since at least 2015, Defendants Friedmann and Fallen Hero Bracelets have conducted charitable solicitations in Washington through their website, <a href="https://www.fallenherobracelets.com">www.fallenherobracelets.com</a> ("the Website"), which offers for sale a variety of bracelets, hats, badges, engraved bullets and other merchandise bearing names of servicemembers, the names or logos of military or patriotic organizations, or other military or patriotic themes. The Website also asks for donations to Fallen Hero Bracelets.
- 3.2 The Website claims that sales of bracelets "support the following organizations and foundations and funds: The Benjamin Foundation, The Roberts Ridge Foundation, The Sgt. David Coullard Memorial Fund, SSG Matthew A. Pucino Memorial Foundation, LTD., The Green Beret Foundation, Intrepid Fallen Heroes Fund, Wounded Warrior Project, Rolling Thunder, National Fallen Firefighters Association, The British Forces Foundation, British Soldiers Fund, Stolen Valor, Canadian Fallen Heroes Foundation, Special Operations Warrior Foundation, The Navy SEAL Foundation, 173rd ABN BDE National Memorial Foundation, Mike Stokely Foundation, Inc., 82nd Airborne Division Association, 101st Airborne Division Association, National Ranger Memorial Foundation, Inc., Lead The Way Fund, Inc., US Army Ranger Association, Lt. Scott F. Milley Ranger Foundation, National Law Enforcement Officers

Memorial Fund, Royal Marines Charitable Trust, The RCMP, Machine Gun Preacher, USAF TACP Association, That Others May Live Foundation, Special Air Service Regimental Association, The Mark Forester Foundation, FallenHeroes.org.uk, AdamsHoofingHut.com, Washington State Patrol Troopers Association, National Association of the 10th Mountain Division, 10th Mountain Division Association, British Police and Services Canine Association, United States Police K-9 Association, Inc., Night Stalker Association, John Faas Foundation, Chris Kyle Memorial Fund, Bootneck.org, Choose Life, [and] The Lone Survivor Foundation."

- 3.3 In fact, as of June 14, 2018, Fallen Hero Bracelets had not donated any money to any of these organizations.
- 3.4 The Website also represents that purchases and donations would support a program to provide trained service dogs to military veterans suffering from post-traumatic stress disorder. In fact, Defendants have not provided any service dogs to any veterans.
- 3.5 The Website bears a logo for something called the "Business Bureau of America" that says "A+ Rating" and "Accredited." The name resembles the name of the <u>Better</u> Business Bureau, a legitimate, national nonprofit organization that provides reviews and ratings of businesses and nonprofits across the country to make consumers and donors aware of the reputation of businesses and nonprofits with which they might be considering doing business. The logo bears a torch, as does the logo of the real Better Business Bureau.
- 3.6 In fact, the real Better Business Bureau has not awarded an A+ rating or an accreditation to Fallen Hero Bracelets. In fact, the real Better Business Bureau gives an F rating to FallenHeroBracelets.com. In fact, the real Better Business Bureau posts on its website the following warning to consumers about FallenHeroBracelets.com:

Pattern of Complaints

On July 28, 2017, BBB recognized a pattern of complaints from consumers regarding delivery and customer service issues.

Complaints allege that consumers purchased product(s) from Fallen Hero Bracelets and didn't receive their product(s) after 1-5 months. Consumers allege when contacting the company they are told the delay was due to personal reasons. Also, consumers allege the company is rude and uses profanity when contacted.

On August 3, 2017, Fallen Hero Bracelets responded to BBB. The company communicated to BBB that it does not see a pattern in its BBB complaints. Also, the company has denied consumer allegations.

As of May 18, 2018, BBB has determined the pattern of complaints still exist.

- 3.7 The Website also claims in large letters that customers will receive "7 to 14 day processing on all orders" while it states in smaller print that there is a "35 day lead time on engraved bracelets," "3 to 6 week lead time on hats and shirts when out of stock. Business days only!", and "processing does not include production or shipping time frames."
- 3.8 The Website makes other dubious claims: that there have been "over 1,223,218 sales worldwide"; that "We offer a 100% consumer satisfaction guarantee"; and "Up to 47 dozen shirts an hour. Quick turn around."
- 3.9 In fact, when consumers order merchandise from Defendants, Defendants often do not deliver that merchandise to consumers until they complain, or do not deliver it for several weeks or even months. Consumers who complain to government agencies or the real BBB are subjected to a number of harsh reactions from Defendants. Defendants write profanity-laced letters and emails to the consumers. Defendants tell the agencies that the consumers are lying. Defendants file claims against complaining consumers in small claims court for amounts sometimes exceeding \$1000. Defendants claim the consumers owe Defendants money, and report them to collection agencies, sometimes multiple collection agencies. When consumers attempt to exercise their chargeback rights under the Fair Credit Billing Act, 15 U.S.C. Sections 1601 et seq., Defendants retaliate by seeking to block chargebacks. Defendants also post the

names of complaining consumers on a website Defendants created that refers to the consumers by name and describes these consumers in coarse, crude, and profane language.

- 3.10 In correspondence with consumers, Friedmann sometimes refers to himself as "Chief Legal Officer" of Fallen Hero Bracelets. This has the tendency and capacity to mislead consumers into believing Friedmann is a lawyer. In fact, Friedmann does not have a law degree and has never been licensed to practice law.
- 3.11 Defendants also maintain another website, <u>www.3charlie.com</u>, that provides links to <u>www.fallenherobracelets.com</u>, displays the fake BBB logo and A+ rating, asks for donations, and claims that purchases help support The Roberts Ridge Foundation "and 40 other veteran and law enforcement organizations in four countries." The name "3charlie.com" is another fictitious name for Fallen Hero Bracelets.
- 3.12 Finally, Defendants operate a for-profit corporation, The Midnight Coal Company, LLC, which is listed on a government website as a federally licensed firearms dealer, and hosts its own website, <a href="www.kopfjagerarms.com">www.kopfjagerarms.com</a>, under the names Midnight Coal Company, Kopfjager Arms, and Tier One Tactical. This website asserts that the firm's "primary client base" is "special operations units and law enforcement." The website offers "more than one million firearms" for sale and claims that "A portion of every sale is donated to the Roberts Ridge Foundation and Fallen Hero Bracelets to help them in their effort to honor and remember our fallen heroes." The website also asks for donations to Fallen Hero Bracelets.

### IV. FIRST CAUSE OF ACTION

# **False and Misleading Charitable Solicitations**

- 4.1 Plaintiff realleges Paragraphs 1.1 through 3.9 and incorporates them herein as if set forth in full.
- 4.2 Defendants have made false, misleading, and deceptive statements in charitable solicitations to induce consumers to donate to or purchase merchandise from Fallen Hero Bracelets. Such misrepresentations have included, but are not limited to:

- c. That Defendants are accredited by and have received an A+ rating from the real Better Business Bureau; and
- d. That Defendant Friedmann is "Chief Legal Officer" of Fallen Hero Bracelets, which tends to make consumers think he is a lawyer;
- 5.4 In fact, Defendants do not guarantee 100% consumer satisfaction; do not provide 7 to 14 day processing on all orders; are not accredited by the real Better Business Bureau; and have received an F rating, not an A+, from the real Better Business Bureau; and Friedmann is not now and never has been a lawyer.
- 5.5 The conduct described in paragraphs 5.1 through 5.4 constitutes unfair and deceptive acts and practices in violation of RCW 19.86.020 as currently and previously enacted.

#### VI. THIRD CAUSE OF ACTION

# Using a Deceptively Similar Name, Symbol, Statement or Emblem

- 6.1 Plaintiff realleges paragraphs 1.1 through 5.5 and incorporates them herein as if set forth in full.
- 6.2 By using the name "Business Bureau of America," a torch emblem similar to that used by the real Better Business Bureau, and a rating that looks like a rating the real Better Business Bureau would provide, Defendants used "an identical or deceptively similar name, sympbol, statement, or emblem so closely related or similar that its use would confuse or mislead the public."
  - 6.3 Defendants did so without permission from the real Better Business Bureau.
- 6.4 The conduct described in paragraphs 6.1 through 6.3 constitutes violations of RCW 19.09.230 of the Charitable Solicitations Act. Pursuant to RCW 19.09.340, violations of the Charitable Solicitations Act are per se violations of the Consumer Protection Act, RCW 19.86.

(206) 464-7745

### VII. FOURTH CAUSE OF ACTION

## Failure to Include Required Disclosures in Mass Solicitation Material

- 7.1 Plaintiff realleges Paragraphs 1.1 through 6.4 and incorporates them herein as if set forth in full.
- 7.2 Defendants maintain and have maintained websites that solicit contributions and purchases from the general public. Defendants have failed to include on the Website and other websites the disclosures required by RCW 19.09.100(1) and (4). Specifically, Defendants have failed to disclose: (a) the published toll-free number and website of the Secretary of State's Office so the donor may call to obtain additional financial and other information; (b) the city of the principal place of business of the charity; and (c) the entity's registration status.
- 7.3 The conduct described in paragraphs 7.1 through 7.2 violates RCW 19.09.100(1) and (4). Pursuant to RCW 19.09.340, violations of the Charitable Solicitations Act are *per se* violations of the Consumer Protection Act, RCW 19.86.

#### VIII. FIFTH CAUSE OF ACTION

# **Conducting Unregistered Charitable Solicitation Activities**

- 8.1 Plaintiff realleges paragraphs 1.1 through 7.3 and incorporates them herein by this reference.
- 8.2 Beginning in 2015 and continuing through the date this Complaint was filed, Defendants solicited and collected charitable contributions from the general public in the State of Washington through appeals to charitable causes without being properly registered as a charitable organization with the Secretary of State.
- 8.3 Defendant Fallen Hero Bracelets did file an Optional Registration form with the Secretary of State on September 14, 2017 indicating it was exempt from registration as a charitable organization, but in so doing it represented that no one involved with Fallen Hero Bracelets is paid for their work. In fact, on information and belief, the State alleges it is false that no one is compensated for their work. In addition, part of Fallen Hero Bracelets' income inures

to the benefit of Friedmann, and he is not in the charitable class purportedly benefited by Fallen Hero Bracelets. Therefore, pursuant to RCW 19.09.065(1), .075, .081, and .085, and rules of the Secretary of State, Defendant Fallen Hero Bracelets was required to register as a charitable organization from 2015 to the present, but has not done so.

- 8.4 The conduct described in paragraphs 8.1 through 8.3 violates the Charitable Solicitations Act, specifically RCW 19.09.065, RCW 19.09.075, and RCW 19.09.081, and RCW 19.09.085.
- 8.5 Pursuant to RCW 19.09.340, the violations described in paragraphs 8.1 through 8.4 are *per se* violations of the Consumer Protection Act, RCW 19.86.

## IX. PRAYER FOR RELIEF

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

- 9.1 That the Court adjudge and decree that the Defendants have engaged in the conduct complained of herein.
- 9.2 That the Court adjudge and decree that the conduct complained of constitutes violations of the Charitable Solicitations Act, RCW 19.09, and per se violations of the Consumer Protection Act.
- 9.3 That the Court adjudge and decree that the conduct complained of constitutes unfair or deceptive acts and practices and an unfair method of competition and is unlawful in violation of the Consumer Protection Act, RCW 19.86.020.
- 9.4 That the Court issue temporary, preliminary and permanent injunctions enjoining and restraining the Defendants, and their representatives, successors, assigns, officers, agents, servants, employees, and all other persons acting or claiming to act for, on behalf of, or in active concert or participation with the Defendants, from continuing or engaging in the unlawful conduct complained of herein.
- 9.5 That the Court assess civil penalties, pursuant to RCW 19.86.140, of up to two thousand dollars (\$2,000) per violation against the Defendants for each and every violation of