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**STATE OF WASHINGTON  
KING COUNTY SUPERIOR COURT**

STATE OF WASHINGTON,  
  
Plaintiff,  
  
v.  
  
AUTISM OUTREACH FOUNDATION,  
INC., BRANDIE M. CHRISTIAN a/k/a  
Brandie M. Blackford and JOSHUA E.  
HANI, husband and wife, as members of a  
marital community,  
  
Defendants.

NO.  
  
COMPLAINT FOR INJUNCTIVE  
AND OTHER RELIEF

**COMES NOW**, Plaintiff, State of Washington, by and through its attorneys, Robert W. Ferguson, Attorney General, and Sarah A. Shifley, Assistant Attorney General, and brings this action against the Defendants named below. The State alleges the following on information and belief:

**I. PLAINTIFF**

1.1 The Plaintiff is the State of Washington.

1.2 The Attorney General is authorized to commence this action pursuant to RCW 19.09.340, RCW 19.86.080, and RCW 19.86.140.

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4 **II. DEFENDANTS**

5 2.1 Defendant Autism Outreach Foundation (“AOF”) is a domestic non-profit  
6 corporation registered as a charity with the Secretary of State. AOF’s principal place of  
7 business is at 16001 35<sup>th</sup> Avenue West, Lynnwood, Washington 98036.

8 2.2 Defendant Brandie M. Christian, formerly known as Brandie M. Blackford, is  
9 the founder and President of AOF. As such, Ms. Christian directed, controlled, formulated,  
10 and carried out the acts, practices, and activities that are the subject of this complaint.  
11

12 2.3 Ms. Christian maintains a primary residence at 17318 44<sup>th</sup> Avenue West,  
13 Lynnwood, Washington 98087, and is married to Defendant Joshua Hani. All actions taken by  
14 Ms. Christian as alleged in this complaint were for the benefit of her marital community.

15 2.4 Defendant Joshua Hani helped found AOF and is its Vice President. As such,  
16 Mr. Hani directed, controlled, formulated, and carried out the acts, practices, and activities that  
17 are the subject of this complaint.  
18

19 2.5 Mr. Hani maintains a primary residence at 17318 44<sup>th</sup> Ave West, Lynnwood,  
20 Washington 98087, and is married to Defendant Brandie Christian. All actions taken by Mr.  
21 Hani as alleged in this complaint were for the benefit of his marital community.

22 2.6 Ms. Christian and Mr. Hani acted in concert and cooperatively in carrying out  
23 the conduct alleged in this complaint and each is responsible for the unlawful conduct alleged  
24 herein.  
25  
26

1 **III. JURISDICTION AND VENUE**

2 3.1 The State files this complaint and institutes these proceedings under the provisions  
3 of the Consumer Protection Act (“CPA”), RCW 19.86, and the Charitable Solicitations Act  
4 (“CSA”), RCW 19.09.

5 3.2 The Defendants engaged in the conduct set forth in this complaint in King County  
6 and elsewhere in the state of Washington.

7 3.3 Venue is proper in King County pursuant to RCW 4.12.020 and RCW 4.12.025.  
8

9 **IV. NATURE OF TRADE OR COMMERCE**

10 4.1 Defendants were at all times relevant to this action engaged in trade or commerce  
11 within the meaning of RCW 19.86.020 by soliciting and collecting charitable contributions from  
12 the general public in the state of Washington.

13 4.2 Defendants were at all times relevant to this action in competition with others  
14 engaged in similar activities in the state of Washington.  
15

16 **V. FACTS**

17 5.1 Prior to founding Autism Outreach Foundation (“AOF”), Ms. Christian spent at  
18 least nine months working for a similar entity named Autism Awareness United (“AAU”). AAU  
19 ceased operations in late 2012 and thereafter entered into a Consent Decree with the Attorney  
20 General’s Office resolving the Attorney General’s allegations of CSA and CPA violations  
21 committed during AAU’s operation, including misrepresenting how donated money was spent,  
22 telling consumers that solicitors were volunteers when they were not, and failing to file required  
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1 registrations with the Secretary of State. The AAU Consent Decree and accompanying Complaint  
2 are attached as Exhibit A.

3           5.2     In the midst of AAU ceasing operations, Ms. Christian and Mr. Hani went about  
4 setting up AOF. On December 16, 2012, Ms. Christian filed Articles of Incorporation for AOF,  
5 listing herself as the registered agent and only board member. Shortly thereafter, Defendants  
6 registered AOF as a charity with the Secretary of State and populated the AOF board solely with  
7 friends and family members.  
8

9           5.3     Defendants did not indicate in their filing with the Secretary of State that they  
10 would use commercial fundraisers and did not file contracts with any commercial fundraisers.

11           5.4     No later than January 2, 2103, Defendants began soliciting charitable donations  
12 from the general public and continue to solicit as of the date of this complaint.  
13

14           5.5     Defendants' solicitation practices are nearly identical to the practices of AAU  
15 which gave rise to the State's action against AAU. Defendants set up tables outside of retail  
16 stores such as Wal-Mart and Albertson's. As consumers enter and exit the stores, Defendants ask  
17 if they would like to make a donation to AOF. Defendants have a plexiglass box on the table for  
18 cash donations and also accept donations by credit card. Defendants offer small trinkets, such as  
19 bracelets and lanyards, in exchange for donations, and have tri-fold solicitation brochures  
20 available as well.  
21

22           5.6     Defendants solicit eight hours a day, seven days a week. Ms. Christian and Mr.  
23 Hani both personally solicit. Defendants also pay other individuals to solicit on behalf of AOF.  
24 Defendants do not enter into written contracts with paid solicitors. Defendants do not instruct  
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1 solicitors to register or make any filings with the Secretary of State. Defendants do not file any  
2 registration(s) with the Secretary of State regarding their engagement of solicitors.

3 5.7 In addition to in-person solicitations outside of retail stores, Defendants also solicit  
4 charitable donations through a website, [www.autismoutreachfoundation.org](http://www.autismoutreachfoundation.org), initially created by  
5 Mr. Hani. Defendants also maintain and post comments on a Facebook page for AOF.  
6

7 5.8 In solicitations, Defendants and other AOF solicitors represent to consumers that  
8 consumers' donations will go to provide grants to families with autistic children. A few examples  
9 of these representations are as follows:

- 10 a. Defendants state in their solicitation brochure that "AOF collects donations so that  
11 we can give grants to families with autistic children so that the child can continue to  
12 receive the services that he/she needs."
- 13 b. Defendants make the following statements on the AOF website, through which they  
14 solicit donations:
- 15 • "Autism Outreach Foundation's (AOF) mission is to help low income families  
16 receive grants so that their children can receive the therapy that they need."
  - 17 • "AOF is made up of a small community of volunteers that give up a few days a  
18 week to fundraise and collect donations. This is how we are able to provide so  
19 many grants."
  - 20 • "[O]ver the last several months we have seen the need for more private grants  
21 grow. So we, as an organization, have decided to focus more on private grants  
22 rather than on donating to corporations and other non profits."
- 23 c. Defendants posted on the AOF Facebook page that they opened AOF "to give out  
24 grants to those families that need help in between the insurance gaps."
- 25 d. On February 25, 2014, a male solicitor for AOF outside of a Wal-Mart store in  
26 Lynnwood, Washington, told an undercover investigator for the Attorney General's  
Office that AOF was associated with the wrap-around program through DSHS and  
that it pays for counseling, respite, and other needs for families.

1 e. On March 1, 2014, an individual soliciting donations for AOF outside of a Walmart  
2 store in Federal Way, Washington asked an undercover investigator for the  
3 Attorney General's Office if he would like to donate to families affected by autism  
4 and stated that AOF provides grants to families affected by Autism and in need of  
5 assistance.

6 5.9 Defendants also reported in their application to the IRS for tax exempt status that  
7 they would give 52 grants annually at a "minimum."

8 5.10 In reality, Defendants only gave \$4,000 in grants in 2013 -- less than ten percent  
9 of what they collected that year. Defendants have not provided any grants in 2014. Instead,  
10 Defendants took most of the donated funds for their own, personal use.

11 5.11 In the course of soliciting charitable contributions, Defendants and other AOF  
12 solicitors represent to consumers that they are volunteers. In reality, both Ms. Christian and Mr.  
13 Hani are compensated, as are the other solicitors.

14 5.12 Examples of Defendants' misrepresentations regarding their volunteer status  
15 include the following:

- 16
- 17 a. Defendants stated on July 25, 2013, that "[w]e want to see the funds that our  
18 volunteers raise impact the families directly and as soon as possible."
  - 19 b. Defendants represented on the AOF website homepage that AOF "is made up of a  
20 small community of volunteers that give up a few days a week to fundraise and  
21 collect donations.... Without our volunteers and the fact that they give up their  
22 time so freely giving, we would have no grants to offer."
  - 23 c. On July 25, 2013, Defendants posted on the AOF Facebook page that "[o]ur  
24 volunteers have worked endlessly night and day to make sure that we have helped  
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1 as many children as possible with autism.”

2 d. On February 25, 2014, a male solicitor outside of a Wal-Mart store in Lynnwood,  
3 Washington, who identified himself as “Charlie,” told an undercover investigator  
4 from the Attorney General’s Office that he was a volunteer.

5 e. On March, 1, 2014, a male solicitor outside of a Walmart store in Federal Way,  
6 Washington, told an undercover investigator from the Attorney General’s Office  
7 that AOF was comprised of 4-5 volunteer solicitors.  
8

9 5.13 In reality, Defendants directly paid themselves over \$10,000 in 2013, and also  
10 compensated other solicitors.

11 5.14 In addition to what they paid themselves directly, Defendants also used donated  
12 funds for their living and personal expenses, including but not limited to: cosmetics, designer  
13 jeans, shoes, meals out, and groceries.  
14

15 5.15 Defendants treated many purchases made with donated funds as AOF “supplies”  
16 for tax and accounting purposes, and did not treat them as income or compensation. Below are  
17 just a few examples of such purchases:

- 18 • \$156.37 at the True Religion designer jeans store in Tulalip, Washington (March  
19 26, 2013).
- 20 • \$88.56 at the Ginkgo Gem Shop in Vantage, Washington (On April 9, 2013).
- 21 • Two purchases totaling over \$150 of what appear to be Murad-brand skincare  
22 products purchases from DRTV (April 16 and 26, 2013).
- 23 • Two purchases from the Home Shopping Network (“HSN”), totaling \$74.07  
24 (August 15, 2013).
- 25 • \$240.55 at a DSW shoe store (September 11, 2013).
- 26 • \$126.86 at Macy’s in Lynnwood, Washington (February 26, 2014).

- 1           • Regular purchases at QFC, Fred Meyer, Walmart, Fred Meyer, Kmart, Best Buy,  
2           Costco, and the like, totaling thousands of dollars.

3           5.16 Defendants also used over \$2,000 of donations to pay for Ms. Christian's  
4 membership in the National Association of Professional Women, an "exclusive network for  
5 professional women" that offers promotional and marketing tools as well as a "perks" program  
6 with shopping coupons and discounts.

7           5.17 In addition, Defendants used donated funds for travel expenses for a trip to San  
8 Francisco, Santa Cruz, and Monterey, California in August, 2013.

9           5.18 Defendants also regularly used donated funds for car-related expenses, including  
10 hundreds of dollars for rental cars, gas, and car repairs. For example, on February 6, 2013,  
11 Defendants spent \$668.20 at Enterprise Rent-A-Car in Lynnwood, Washington. In March and  
12 April, 2013, Defendants spent over \$900 more at Enterprise. They also used donations to make  
13 purchases at Les Schwab and Bucky's Auto.  
14

15           5.19 Defendants also regularly withdrew donated funds from AOF account by the  
16 hundreds of dollars, which they treated as a purchase of "supplies" from a "Generic Vendor" for  
17 accounting and tax reporting purposes.  
18

19  
20                                   **VI. FIRST CAUSE OF ACTION**  
21                                   **(Misrepresenting the Use to Which Donated Funds Are Put)**

22           6.1 Plaintiff realleges Paragraphs 1.1 through 5.19 as if set forth in full.

23           6.2 Defendants misrepresent that all or substantially all of the money consumers  
24 donate to AOF would be given as grants to families with autistic children. In reality, Defendants  
25 gave less than ten percent of donated funds as grants in 2013, and gave no grants in 2014.  
26



1 Instead, Defendants used substantial sums of donated funds for their own living and personal  
2 expenses.

3 6.3 Defendants do not disclose to potential donors that, in fact, the majority of donated  
4 funds are used for Defendants' personal expenses, such as travel, cosmetics, jeans, shoes, and  
5 groceries.

6  
7 6.4 The conduct described above violates the Charitable Solicitations Act, RCW  
8 19.09.100(15). Pursuant to RCW 19.09.340, violations of the Charitable Solicitations Act are  
9 *per se* violations of the Consumer Protection Act, RCW 19.86.

10 6.5 Notwithstanding RCW 19.09.340, the conduct described above has the capacity  
11 to deceive a substantial number of consumers and constitutes unfair or deceptive acts or  
12 practices in trade or commerce and unfair methods of competition, which are contrary to the  
13 public interest and therefore violate RCW 19.86.020 of the Consumer Protection Act.  
14

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16 **VII. SECOND CAUSE OF ACTION**  
**(Misrepresenting that Paid Solicitors are Volunteers)**

17 7.1 Plaintiff realleges Paragraphs 1.1 through 6.5 as if set forth in full.

18 7.2 Defendants and other solicitors misrepresent to consumers that they are volunteers.  
19 In reality, both Ms. Christian and Mr. Hani are compensated, as are the other solicitors.

20  
21 7.3 In addition to what they paid themselves directly, Defendants also use donated  
22 funds for their living and personal expenses, including but not limited to: cosmetics, designer  
23 jeans, shoes, meals out, and groceries.

24 7.4 Misrepresenting that solicitors are volunteers when in fact they are not violates the  
25 Charitable Solicitations Act, RCW 19.09.100(7)(b) and RCW 19.09.100(15). Pursuant to  
26

1 RCW 19.09.340, violations of the Charitable Solicitations Act are *per se* violations of the  
2 Consumer Protection Act, RCW 19.86.

3 7.5 Notwithstanding RCW 19.09.340, the conduct described above has the capacity  
4 to deceive a substantial number of consumers and constitutes unfair or deceptive acts or  
5 practices in trade or commerce and unfair methods of competition, which are contrary to the  
6 public interest and therefore violate RCW 19.86.020 of the Consumer Protection Act.  
7

8 **VIII. THIRD CAUSE OF ACTION**  
9 **(Failure to Register and File Contracts with Commercial Fundraisers)**

10 8.1 Plaintiff realleges Paragraphs 1.1 through 7.5 and incorporates them herein as if  
11 set forth in full.

12 8.2 Defendants represent to consumers and the Secretary of State that AOF is a  
13 charitable organization as that term is defined in RCW 19.09.020(2).

14 8.3 Defendants engage and compensate individuals to solicit charitable donations on  
15 behalf of AOF. These individual solicitors fall within the definition of “commercial fundraiser”  
16 under RCW 19.09.020(5), and the definition of “entity” under RCW 19.09.020(9).  
17

18 8.4 Defendants failed to enter into written contracts with its paid solicitors that include  
19 the terms required by RCW 19.09.097(1).

20 8.5 Defendants and their paid solicitors failed to file with the Secretary of State the  
21 registration form required by RCW 19.09.097(2). Defendants also failed to file with the Secretary  
22 of State its contracts with paid solicitors, as required by RCW 19.09.097(4).  
23

24 8.6 Failing to include the contractual terms required by RCW 19.09.097(1,) and to file  
25 the registration required by RCW 19.09.097(2) and a copy of the contracts required by RCW  
26 19.09.097(4), are violations of the Charitable Solicitations Act. Pursuant to RCW 19.09.430,

1 violations of the Charitable Solicitations are *per se* violations of the Consumer Protection Act,  
2 RCW 19.86.

3  
4 **IX. PRAYER FOR RELIEF**

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

6 9.1 That the Court adjudge and decree that Defendants have engaged in the conduct  
7 complained of herein.

8 9.2 That the Court adjudge and decree that the conduct complained of constitutes  
9 unfair or deceptive acts and practices and unfair methods of competition contrary to the public  
10 interest and is unlawful in violation of the Consumer Protection Act, RCW 19.86.

11 9.3 That the Court adjudge and decree that the conduct complained of violates the  
12 Charitable Solicitations Act, RCW 19.09, and therefore violates the Consumer Protection Act,  
13 RCW 19.86, *per se*.

14 9.4 That the Court issue a permanent injunction enjoining and restraining Defendants  
15 and their representatives, successors, assigns, officers, agents, servants, employees, and all other  
16 persons acting or claiming to act for, on behalf of, or in active concert or participation with  
17 Defendants, from continuing or engaging in the unlawful conduct complained of herein.  
18

19 9.5 That the Court assess civil penalties, pursuant to RCW 19.86.140, of up to two  
20 thousand dollars (\$2,000) per violation against Defendants for each and every violation of  
21 RCW 19.86.020 caused by the conduct complained of herein.  
22


23 9.6 That the Court make such orders pursuant to RCW 19.86.080 as it deems  
24 appropriate to provide for restitution to consumers of money or property acquired by Defendants  
25 as a result of the conduct complained of herein.  
26

1 9.7 That the Court make such orders pursuant to RCW 19.86.080 to provide that the  
2 plaintiff, State of Washington, have and recover from Defendants the costs of this action,  
3 including reasonable attorneys' fees.

4 9.8 For such other relief as the Court may deem just and proper.  
5  
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7  
8 DATED this 2<sup>nd</sup> day of September, 2014.  
9

10 ROBERT W. FERGUSON  
11 Attorney General

12   
13 SARAH A. SHIFLEY, WSBA #39394  
14 Assistant Attorney General  
15 Attorneys for Plaintiff  
16 State of Washington  
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# EXHIBIT A

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FILED  
KING COUNTY, WASHINGTON

FEB 13 2013

SUPERIOR COURT CLERK

EXPO2

STATE OF WASHINGTON  
KING COUNTY SUPERIOR COURT

STATE OF WASHINGTON,

Plaintiff,

v.

AUTISM AWARENESS UNITED, a/k/a  
AUTISM AWARENESS WASHINGTON,  
f/k/a AUTISM AWARENESS NORTHWEST;  
ENCORE MARKETING GROUP, INC.;  
JOSEPH W. SEARLES; RENA R. SEARLES;  
the marital community of JOSEPH W.  
SEARLES and RENA R. SEARLES,  
Defendants.

NO. 13-2-05127-3SEA

CONSENT DECREE

[CLERK'S ACTION  
REQUIRED]

I. JUDGMENT SUMMARY

- 1.1 Judgment Creditor: State of Washington
- 1.2 Judgment Debtors: Autism Awareness United, a/k/a Autism Awareness Washington, f/k/a Autism Awareness Northwest; Encore Marketing Group, Inc., Joseph W. Searles and Rena R. Searles, and the marital community thereof
- 1.3 Judgment Amount: \$50,000 (suspended conditioned upon compliance with this Consent Decree)
  - a. Suspended Penalties: \$50,000 (suspended conditioned upon compliance with this Consent Decree)
- 1.4 Post Judgment Interest Rate: 12%

1 1.5 Attorneys for Judgment Creditor: Sarah A. Shifley, Assistant Attorney  
2 General

3 1.6 Attorney for Judgment Debtors: C. Scott Kee  
4 Rodgers Kee & Pearson, P.S.

## 5 II. GENERAL

6 2.1 Per agreement with Defendants, Plaintiff State of Washington, commenced an  
7 action and simultaneously filed this Consent Decree, pursuant to the Consumer Protection Act,  
8 RCW 19.86 RCW, and the Charitable Solicitations Act, RCW 19.09.

9 2.2 Defendants appeared by and through their attorney, C. Scott Kee, and waived  
10 service of the Summons and Complaint. The State appeared by and through its attorneys  
11 Robert W. Ferguson, Attorney General, and Sarah A. Shifley, Assistant Attorney General.

12 2.3 Defendants and the State agree on a basis for the settlement of the matters  
13 alleged in the Complaint and to the entry of this Consent Decree relating to Defendants without  
14 the need for trial or adjudication of any issue of law or fact.

15 2.4 Defendants, by entering into this Consent Decree, do not admit the allegations  
16 of the Complaint.

17 2.5 Defendants understand and agree that this Consent Decree is entered into  
18 voluntarily and that no promises or representations have been made by the State or any  
19 member, officer, agent, or representative thereof to induce it to enter into this Consent Decree,  
20 except for the promises and representations provided herein.

21 2.6 Defendants waive any right they may have to appeal from this Consent Decree.

22 2.7 Defendants agree that they will not oppose the entry of this Consent Decree on  
23 the grounds the Consent Decree fails to comply with Rule 65(d) of the Rules of Civil  
24 Procedure, and waive any objections based on Rule 65(d).

25 2.8 Defendants and the State agree that this Court shall retain jurisdiction of this  
26 action for the purpose of implementing and enforcing the terms and conditions of the Consent  
Decree and for all other purposes.

The Court finding no just reason for delay;

1 NOW, THEREFORE, it is hereby ORDERED, ADJUDGED, AND DECREED as  
2 follows:  
3

### 4 III. JURISDICTION

5 3.1 This Court has jurisdiction over the subject matter of this action and over the  
6 parties. The State's Complaint in this matter states claims upon which relief may be granted  
7 under the provisions the Consumer Protection Act, RCW 19.86, and the Charitable  
8 Solicitations Act, RCW 19.09.

9 3.2 This Court shall retain jurisdiction over this matter and over the parties pursuant  
10 to RCW 19.86.140.

### 11 IV. INJUNCTIONS

12 4.1 The injunctive provisions of this Consent Decree shall apply to Defendants and  
13 Defendants' successors, assigns, officers, agents, servants, employees, representatives,  
14 affiliates, and all other persons or entities in active concert or participation with Defendants.

15 4.2 Defendants shall immediately inform all successors, assigns, transferees,  
16 officers, agents, servants, employees, representatives, attorneys and all other persons or entities  
17 in active concert or participation with Defendants of the terms and conditions of this Consent  
18 Decree. Defendants shall immediately inform their owners, officers, directors, and management  
19 level employees of this Consent Decree by providing each such person with a copy of this  
20 Consent Decree on or before the third business day after the Effective Date of this Consent  
21 Decree.

22 4.3 Defendants and their owners, officers, directors, employees, servants,  
23 transferees, successors, assigns and all other persons in active concert or participation with  
24 Defendant are enjoined, restrained, and prevented from directly or indirectly engaging in the  
25 following acts or practices within the state of Washington, and shall comply with the following  
26 provisions:



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- a. Defendants are enjoined from soliciting directly or indirectly for charitable contributions in the state of Washington either as a charitable organization or as a commercial fundraiser. To facilitate this compliance with this injunction, Defendants shall: submit closing paperwork to the Washington Secretary of State's Office within five (5) business days of the entry of this Consent Decree that dissolves the Washington corporations Autism Awareness United and Encore Marketing Group, Inc.; and, submit closing paperwork to the Washington Secretary of State within five (5) business days of the entry of this Consent Decree that closes Autism Awareness United's and Encore Marketing Group, Inc.'s registrations with the Washington Secretary of State;
  - b. Defendants Joseph W. Searles and Rena R. Searles are permanently enjoined from forming any charitable organization in Washington;
  - c. Defendants Joseph W. Searles and Rena R. Searles are permanently enjoined from serving officers, directors, board members, managers, or in any fiduciary capacity for any charitable organization located or operating in Washington, and from having any involvement in the financial or charitable solicitation operations of any charitable organization located or operating in Washington;
  - d. Defendants Joseph W. Searles and Rena R. Searles are permanently enjoined from submitting application for commercial fundraiser registration to the Washington Secretary of State for any entities they are or will become involved with in the future;
  - e. Defendants Joseph W. Searles and Rena R. Searles are permanently enjoined from serving as directors, officers, executives, managers, or in

1  
2 any similar capacity for any commercial fundraising entity in  
3 Washington; and,

4 f. Defendants Joseph W. Searles and Rena R. Searles are permanently  
5 enjoined from soliciting Washington residents on behalf of any  
6 charitable organization or for a cause that the public could reasonably  
7 understand to be charitable, public benefit, or community service  
8 oriented in nature either directly or through a commercial fundraiser.

9 **V. CIVIL PENALTIES**

10 5.1 Pursuant to RCW 19.86.140, Plaintiff shall have and recover and Defendants  
11 shall be liable for and shall pay civil penalties of \$50,000. Provided, the entire \$50,000 in civil  
12 penalties is suspended provided Defendants comply with all injunctions and material  
13 provisions of this Consent Decree.

14 5.2 Any payment owing under this provision shall be in the form of a valid check  
15 paid to the order of the "Attorney General—State of Washington" and shall be due and owing  
16 upon entry of this Consent Decree. Payment shall be sent to the Office of the Attorney  
17 General, Attention: Cynthia Lockridge, Administrative Office Manager, 800 Fifth Avenue,  
18 Suite 2000, Seattle, Washington, 98104-3188.

19 **VI. ENFORCEMENT**

20 6.1 Violation of any of the injunctions contained in this Consent Decree, as  
21 determined by the Court, shall subject the Defendants to a civil penalty of up to \$25,000 per  
22 violation pursuant to RCW 19.86.140 and shall subject the Defendants to paying the civil  
23 penalties set forth in this Consent Decree that are suspended conditioned on Defendants  
24 compliance with the injunctions set forth in this Consent Decree.

25 6.2 Violation of any of the terms of this Consent Decree, as determined by the Court,  
26 shall constitute a violation of the Consumer Protection Act, RCW 19.86.020.

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2           6.3     This Consent Decree is entered pursuant to RCW 19.86.080. Jurisdiction is  
3 retained for the purpose of enabling any party to this Consent Decree with or without the prior  
4 consent of the other party to apply to the Court at any time for enforcement of compliance with  
5 this Consent Decree, to punish violations thereof, or to modify or clarify this Consent Decree.

6           6.4     In any successful action to enforce any part of this Consent Decree, Defendant will  
7 pay the Attorney General its attorneys' fees and costs, including reasonable attorneys' fees as  
8 provided by RCW 19.86.080.

9           6.5     Upon 14 days written notice or as otherwise agreed to by the parties, Defendants  
10 shall provide the State with copies of any business records the State deems necessary in order to  
11 monitor compliance with this Consent Decree. Provided, however, that the State's request for  
12 records shall be reasonably related to Defendants' performance of the terms of the Consent  
13 Decree and shall not be unduly burdensome. In addition, representatives of the Office of the  
14 Attorney General shall be permitted reasonable access to inspect and/or copy all business records  
15 or documents under control of Defendants in order to monitor compliance with this Consent  
16 Decree within 14 days of such reasonable written request to Defendants, provided that the  
17 inspection and copying shall be done in such a way as to avoid unreasonable disruption of  
18 Defendants' business activities. Failure to comply with this section will subject Defendants to a  
19 minimum civil penalty of \$2,000 per day for each day beyond 14 days after such reasonable  
20 written request that the Attorney General is prevented by Defendants from accessing records for  
21 inspection and copying.

22           6.6     Representatives of the Office of the Attorney General may be permitted to  
23 question Defendants, or any officer, director, agent, or employee of any corporation affiliated with  
24 Defendants, in deposition, pursuant to the provisions and notice requirements of CR 30, in order  
25 to monitor compliance with this Consent Decree.

26           6.7     Nothing in this Consent Decree shall be construed as to limit or bar any  
governmental entity or consumer from pursuing other available remedies against Defendants.

1           6.8 Under no circumstances shall this Consent Decree or the name of the State of  
2 Washington, the Office of the Attorney General, Consumer Protection Division, or any of their  
3 employees or representatives be used by any Defendant named in the Complaint in connection  
4 with any selling, advertising, or promotion of products or services, or as an endorsement or  
5 approval of Defendants' acts, practices or conduct of business.  
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VII. DISMISSAL AND WAIVER OF CLAIMS

7.1 Upon entry of this Consent Decree, the State releases Defendants from any and all claims and causes of action, whether known or unknown, that occurred prior to the effective date of this Consent Decree and which directly pertain to the matters covered in this Consent Decree and Complaint. Nothing in this section shall be construed as a limit or bar to any other government entity or consumer from pursuing available claims or remedies against Defendants.

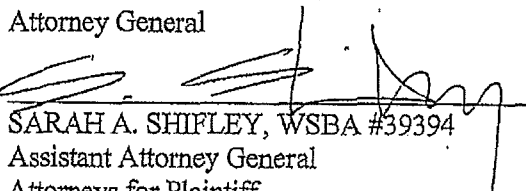
DONE IN OPEN COURT this \_\_\_\_ day of 2/13, 2013.


  
JUDGE/COURT COMMISSIONER

Approved for Entry and Presented by:

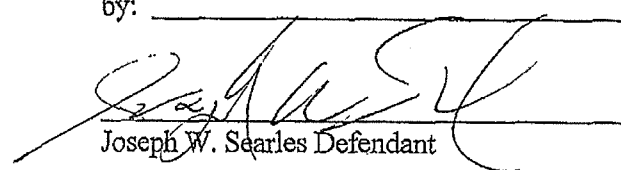
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Waived:

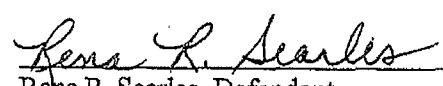
ROBERT W. FERGUSON  
Attorney General

  
SARAH A. SHIFLEY, WSBA #39394  
Assistant Attorney General  
Attorneys for Plaintiff  
State of Washington

  
C. SCOTT KEE, WSBA #28173  
Rodgers Kee & Pearson, P.S  
Attorneys for Defendants

Autism Awareness United, Defendant  
by: \_\_\_\_\_

  
Joseph W. Searles Defendant

  
Rena R. Searles, Defendant

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**STATE OF WASHINGTON  
KING COUNTY SUPERIOR COURT**

STATE OF WASHINGTON,

NO.

Plaintiff,

v.

COMPLAINT FOR INJUNCTIVE  
AND OTHER RELIEF UNDER  
THE CONSUMER PROTECTION  
ACT AND CHARITABLE  
SOLICITATIONS ACT

AUTISM AWARENESS UNITED, a/k/a  
AUTISM AWARENESS WASHINGTON,  
f/k/a AUTISM AWARENESS  
NORTHWEST; ENCORE MARKETING  
GROUP, INC.; JOSEPH W. SEARLES;  
RENA R. SEARLES; the marital community  
of JOSEPH W. SEARLES and RENA R.  
SEARLES,

Defendants.

Plaintiff, State of Washington, by and through its attorneys Robert W. Ferguson,  
Attorney General, and Sarah A. Shifley, Assistant Attorney General, brings this action against  
the Defendant named below. The State alleges the following on information and belief:

**I. PLAINTIFF**

1.1 The Plaintiff is the State of Washington.

1.2 The Attorney General is authorized to commence this action pursuant to  
RCW 19.09.340, RCW 19.86.080, and RCW 19.86.140.

**II. DEFENDANTS**

2.1 Defendant Autism Awareness United ("AAU") is a Washington non-profit  
corporation. AAU is located in Olympia, Washington, and conducts business in King and  
other counties. AAU solicits and collects charitable contributions for charitable or purportedly

1 charitable purposes from the general public in the state of Washington. AAU is also known as  
2 "Autism Awareness Washington" and was formerly known as "Autism Awareness  
3 Northwest."

4 2.2 Defendant Joseph W. Searles is President of AAU, and as such, he controls or  
5 has control over its policies, activities, and practices, including those alleged in this Complaint.  
6 Joseph W. Searles was previously the President of the now-terminated commercial fundraiser,  
7 The THR Group, Inc. Joseph W. Searles is married to Rena R. Searles and together they  
8 constitute a marital community. All actions taken by Joseph W. Searles as alleged in this  
9 Complaint are for the benefit of his marital community. Joseph W. Searles resides in Olympia,  
10 Washington and transacts or has transacted business in the state of Washington.

11 2.3 Defendant Rena R. Searles is a Director of AAU, and as such, she controls or  
12 has control over its policies, activities, and practices, including those alleged in this Complaint.  
13 Rena R. Searles was previously the president of a now-terminated for-profit commercial  
14 fundraiser, Associated Services of Washington, Inc. Rena R. Searles is married to Joseph W.  
15 Searles and together they constitute a marital community. All actions taken by Rena R. Searles  
16 as alleged in this Complaint are for the benefit of her marital community. Rena R. Searles  
17 resides in Olympia, Washington and transacts or has transacted business in the state of  
18 Washington.

19 2.4 Defendant Encore Marketing Group, Inc. ("Encore") is a for-profit corporation  
20 incorporated in the state of Washington by Defendant Joseph W. Searles on May 2, 2012.  
21 Encore was registered as a commercial fundraiser with the Secretary of State Charities  
22 Program from May 4, 2012 until November 20, 2012. Upon information and belief, Encore  
23 solicited donations in Washington on behalf of AAU.

24 2.5 Defendants have acted and continue to act in concert and cooperatively in  
25 carrying out the conduct alleged in this Complaint and each is responsible for the unlawful  
26 conduct alleged herein.

1 **III. JURISDICTION AND VENUE**

2 3.1 The State files this complaint and institutes these proceedings under the  
3 provisions of the Consumer Protection Act, RCW 19.86, and the Charitable Solicitations Act,  
4 RCW 19.09.

5 3.2 The Defendants have engaged in the conduct set forth in this complaint in King  
6 County and elsewhere in the state of Washington.

7 3.3 Venue is proper in King County pursuant to RCW 4.12.020 and .025.

8 **IV. NATURE OF TRADE OR COMMERCE**

9 4.1 Defendants are now, and have been at all times relevant to this lawsuit, engaged  
10 in trade or commerce within the meaning of RCW 19.86.020 by directly or indirectly soliciting  
11 and collecting charitable contributions from the general public in the state of Washington.

12 4.2 Defendants have been at all times relevant to this action in competition with  
13 others engaged in similar activities in the state of Washington.

14 **V. FACTS**

15 5.1 Defendants Joseph W. Searles and Rena R. Searles have established various  
16 charitable organizations and commercial fundraising organizations for the purpose of soliciting  
17 and collecting charitable contributions from the general public to support, or purportedly to  
18 support, causes relating to autism, including but not limited to autism education and awareness,  
19 and financial support for individuals with autism and/or their families. In many instances,  
20 Defendants have solicited donations through such organizations without properly registering  
21 with the Secretary of State.

22 5.2 Defendant AAU is one of the organizations established by Defendants  
23 Joseph W. Searles and Rena R. Searles. AAU solicits and collects charitable contributions for,  
24 or purportedly for, providing support to families affected by autism. AAU has also solicited  
25 charitable contributions on behalf of Autism Family Support Foundation, a separate 501(c)(3)  
26 organization. AAU formerly operated as Autism Awareness Washington.



1           5.3   AAU has solicited charitable donations from the general public across  
2 Washington, including but not limited to: Clark, Thurston, King, Kitsap, Snohomish, Skagit,  
3 Walla Walla, and Whatcom Counties.

4           5.4   AAU employs individuals as solicitors. In internet advertisements for  
5 “fundraising representatives,” Defendants state that fundraising representatives, i.e., solicitors,  
6 are paid \$80-\$100 per day depending on performance.

7           5.5   AAU solicits donations at tables set up outside retail establishments such as  
8 liquor and grocery stores. Donors make cash donations into a “bucket” or purchase small  
9 trinkets or raffle tickets. AAU solicitors tell donors and potential donors that their donations  
10 will help families with autistic children in the local community. Defendants instruct and/or  
11 encourage solicitors to tell donors and potential donors that 100 percent of donations go to help  
12 families with autistic children even though that is not true. Through instructing new solicitors  
13 to observe and imitate experienced solicitors, defendants encourage new solicitors to tell  
14 donors and potential donors that they have somebody in their family with autism, regardless of  
15 whether that is true.

16           5.6   Defendants pay solicitors out of the cash collected in the donation bucket at the  
17 end of each day. Despite this, Defendants instruct solicitors to tell donors and potential donors  
18 that they are volunteers.

19           5.7   Individual Defendants Rena R. Searles and Joseph W. Searles have participated  
20 in hiring and training solicitors, as well as the day-to-day operations of AAU.

21           5.8   Defendants have acted and continue to act in concert and cooperatively in  
22 carrying out the conduct alleged in this Complaint and each is responsible for the unlawful  
23 conduct alleged herein.

24  
25                           **VI. FIRST CAUSE OF ACTION**  
26                           **(Conducting Solicitations as a Commercial Fundraiser Without Registration)**

          6.1   Plaintiff realleges Paragraphs 2.1 through 5.8.

1           6.2     On October 27, 2003, Defendant Joseph W. Searles incorporated The THR Group,  
2 Inc. ("THR") as a for-profit commercial fundraising corporation. Between October 27, 2003 and  
3 March 4, 2010, Defendants solicited charitable contributions through THR on behalf of the  
4 Washington Fire Fighters' Association and The Autism Society of Washington even though THR  
5 was not yet registered as a commercial fundraiser with the Secretary of State. Defendants did not  
6 register THR as a commercial fundraiser with the Secretary of State until March 4, 2010.

7           6.3     On April, 29, 2010, Defendant Rena R. Searles incorporated Associated Services  
8 of Washington, Inc. ("ASW") as a for-profit commercial fundraiser. At no time has ASW been  
9 registered as a commercial fundraiser with the Secretary of State although they had a fundraising  
10 contract with The Autism Society of Washington between May1, 2010, and September 27, 2010  
11 and continued to solicit on behalf of The Autism Society of Washington after the contract ended  
12 until December 2010.

13           6.4     Defendant AAU has solicited charitable contributions on behalf of Autism Family  
14 Support Foundation, a charitable organization, and in doing so has acted as a commercial  
15 fundraiser on the latter's behalf. However, AAU is not, and has never been, registered as a  
16 commercial fundraiser with the Secretary of State.

17           6.5     The conduct described above violates the Charitable Solicitations Act,  
18 RCW 19.09.065. Pursuant to RCW 19.09.340, violations of the Charitable Solicitations Act are  
19 per se violations of the Consumer Protection Act, RCW 19.86.

20           6.6     Notwithstanding RCW 19.09.340, the conduct described in paragraphs 6.1 through  
21 6.4 has the capacity to deceive a substantial number of consumers and constitutes unfair or  
22 deceptive acts or practices in trade or commerce and unfair methods of competition, which are  
23 contrary to the interest and therefore violates RCW 19.86.020 of the Consumer Protection Act.

24                                   **VII. SECOND CAUSE OF ACTION**  
25                   **(Conducting Solicitations as a Charitable Organization without Registration)**

26           7.1     Plaintiff realleges Paragraphs 2.1 through 6.6.

1           7.2     Between late 2011 and early 2012, Defendants conducted business and solicited  
2 contributions under the name, "Autism Awareness Northwest." At no time did the defendants  
3 register or make any filing with the Secretary of State regarding Autism Awareness Northwest."

4           7.3     On August 31, 2010, Defendants registered the charitable organization "Autism  
5 Awareness Washington" with the Secretary of State. Prior to that time, however, Defendants  
6 conducted solicitations under the name "Autism Awareness Washington."

7           7.4     The conduct described above violates the Charitable Solicitations Act,  
8 RCW 19.09.065. Pursuant to RCW 19.09.340, violations of the Charitable Solicitations Act are  
9 per se violations of the Consumer Protection Act, RCW 19.86.

10          7.5     Notwithstanding RCW 19.09.340, the conduct described in paragraphs 7.1 through  
11 7.3 has the capacity to deceive a substantial number of consumers and constitutes unfair or  
12 deceptive acts or practices in trade or commerce and unfair methods of competition, which are  
13 contrary to the interest and therefore violates RCW 19.86.020 of the Consumer Protection Act.

14  
15                           **VIII. THIRD CAUSE OF ACTION**  
16                           **(Misrepresenting That Paid Solicitors Are Volunteers)**

17          8.1     Plaintiff realleges Paragraphs 1.1 through 7.4.

18          8.2     Defendants posted internet advertisements seeking to employ "fundraising  
19 representatives," i.e., solicitors, stating that the solicitor would be paid \$80-\$100 per day  
20 depending on performance.

21          8.3     Defendants have instructed solicitors soliciting donations on behalf of AAU to tell  
22 donors and potential donors that they are volunteers or words of similar meaning or effect.

23          8.4     Upon Defendants' instruction, solicitors have told donors and potential donors that  
24 they are volunteers and not paid solicitors despite the fact that they are paid.

25          8.5     The conduct described above violates RCW 19.09.100(12) as currently and  
26 previously enacted. Pursuant to RCW 19.09.340, violations of the Charitable Solicitations Act are  
per se violations of the Consumer Protection Act, RCW 19.86.

1           8.6     Notwithstanding RCW 19.09.340, the conduct described in paragraphs 8.1 through  
2 8.4 has the capacity to deceive a substantial number of consumers and constitutes unfair or  
3 deceptive acts or practices in trade or commerce and unfair methods of competition, which are  
4 contrary to the interest and therefore violates RCW 19.86.020 of the Consumer Protection Act.  
5

6                           **IX.     FOURTH CAUSE OF ACTION**  
7                           **(False, Misleading, and Deceptive Statements in Solicitations)**

8           9.1     Plaintiff realleges Paragraphs 1.1 through 8.6.

9           9.2     Defendants have instructed solicitors to falsely represent in oral solicitations for  
10 donations that 100 percent of donations go to help families with autism.

11           9.3     Defendants have directly or indirectly encouraged solicitors to tell potential donors  
12 that the solicitors have family members diagnosed with autism when in fact many do not.

13           9.4     Defendants have instructed solicitors to state or otherwise create the impression  
14 that they are unpaid volunteers when in fact solicitors are paid.

15           9.5     The conduct described above violates RCW 19.09.100(15). Pursuant to  
16 RCW 19.09.340, violations of the Charitable Solicitations Act are per se violations of the  
17 Consumer Protection Act, RCW 19.86.

18           9.6     Notwithstanding RCW 19.09.340, the conduct described in paragraphs 9.1 through  
19 9.4 has the capacity to deceive a substantial number of consumers and constitutes unfair or  
20 deceptive acts or practices in trade or commerce and unfair methods of competition, which are  
21 contrary to the interest and therefore violates RCW 19.86.020 of the Consumer Protection Act.

22                           **X.     FIFTH CAUSE OF ACTION**  
23                           **(Failure to Maintain Books, Records, and Contracts)**

24           10.1     Plaintiff realleges Paragraphs 1.1 through 9.6.

25           10.2     Defendants have not kept accurate, current, and readily available records of daily  
26 cash donations received by AAU or its gross revenues.

          10.3     Defendants have failed to maintain accurate, current, and readily available records  
of the total value of funds expended by AAU for charitable purposes.

1 10.4 Defendants have failed to maintain accurate, current, and readily available records  
2 of AAU's expenses, including fundraising costs and administrative expenses.

3 10.5 Defendants have failed to retain true and correct copies of written contracts  
4 between AAU and commercial fundraisers that solicit on AAU's behalf, including between AAU  
5 and The THR Group, Inc.

6 10.6 Defendants have failed to retain true and correct copies of written contracts  
7 between Encore and charitable organizations for which Encore solicits contributions.

8 10.7 The conduct described above violates RCW 19.09.200(1) and (2) as currently and  
9 previously enacted. Pursuant to RCW 19.09.340, violations of the Charitable Solicitations Act are  
10 per se violations of the Consumer Protection Act, RCW 19.86.

11 10.8 Notwithstanding RCW 19.09.340, the conduct described in paragraphs 10.1  
12 through 10.6 has the capacity to deceive a substantial number of consumers and constitutes unfair  
13 or deceptive acts or practices in trade or commerce and unfair methods of competition, which are  
14 contrary to the interest and therefore violates RCW 19.86.020 of the Consumer Protection Act.

#### 15 XI. PRAYER FOR RELIEF

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

17 11.1 That the Court adjudge and decree that Defendants have engaged in the conduct  
18 complained of herein.

19 11.2 That the Court adjudge and decree that the conduct complained of constitutes  
20 unfair or deceptive acts and practices and unfair methods of competition contrary to the public  
21 interest and is unlawful in violation of the Consumer Protection Act, RCW 19.86.

22 11.3 That the Court adjudge and decree that the conduct complained of violates the  
23 Charitable Solicitations Act, RCW 19.09, and therefore violates the Consumer Protection Act, per  
24 se.

25 11.4 That the Court issue a permanent injunction enjoining and restraining Defendants,  
26 and their representatives, successors, assigns, officers, agents, servants, employees, and all other

1 persons acting or claiming to act for, on behalf of, or in active concert or participation with  
2 Defendants, from continuing or engaging in the unlawful conduct complained of herein.

3 11.5 That the Court assess civil penalties, pursuant to RCW 19.86.140, of up to two  
4 thousand dollars (\$2,000) per violation against Defendants for each and every violation of  
5 RCW 19.86.020 caused by the conduct complained of herein.

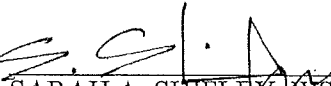
6 11.6 That the Court make such orders pursuant to RCW 19.86.080 as it deems  
7 appropriate to provide for restitution to consumers of money or property acquired by Defendants  
8 as a result of the conduct complained of herein.

9 11.7 That the Court make such orders pursuant to RCW 19.86.080 to provide that the  
10 plaintiff, State of Washington, have and recover from Defendants the costs of this action,  
11 including reasonable attorneys' fees.

12 11.8 For such other relief as the Court may deem just and proper.

13 DATED this 8<sup>th</sup> day of February, 2013.

14  
15 ROBERT W. FERGUSON  
16 Attorney General

17   
18 SARAH A. SHIFLEY, WSBA #39394  
19 Assistant Attorney General  
20 Attorneys for Plaintiff  
21 State of Washington  
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