Gra	anted with Modifications ***See eSignature page***	Clerk of the Superior Court *** Electronically Filed *** Y. Rodriguez, Deputy 11/15/2023 8:00:00 AM Filing ID 16893921	
1 2 3 4 5 6 7 8 9	KRISTIN K. MAYES ATTORNEY GENERAL (Firm State Bar No. 14000) DYLAN JONES (BAR NO. 034185) ASSISTANT ATTORNEY GENERAL OFFICE OF THE ATTORNEY GENERAL 2005 North Central Avenue Phoenix, AZ 85004-1592 Telephone: (602) 542-5210 Facsimile: (602) 542-4377 Email: consumer@azag.gov Attorneys for the State of Arizona		
10	SUPERIOR COURT OF ARIZONA		
11	IN MARICOR	PA COUNTY	
12 13 14 15 16 17 18	STATE OF ARIZONA, <i>ex rel.</i> KRISTIN K. MAYES, Attorney General, Plaintiff, v. OLD TOWN AC, L.L.C., Defendant.	Case No.: CV2023-017529 CONSENT JUDGMENT (Assigned to the Hon. John Blanchard)	
19 20	The State of Arizona, <i>ex rel</i> . Kristin K. M	ayes, the Attorney General (the "State"), filed a	

The State of Arizona, *ex rel*. Kristin K. Mayes, the Attorney General (the "State"), filed a Complaint alleging violations of the Arizona Telephone Solicitation Statue, A.R.S. §§ 44-1271 21 to -1282 (the "ATSS") and the Arizona Consumer Fraud Act, A.R.S. §§ 44-1521 to -1534 (the 22 "ACFA"), and the Defendant Old Town AC, L.L.C. (the "Defendant") has waived service of the 23 Complaint, has been advised of the right to a trial in this matter, and has waived the same. 24 25 Defendant admits the jurisdiction of this Court over the subject matter and parties, stipulates that this Court may enter the following Factual Allegations, Legal Allegations, and Order, and 26 27 acknowledges that this Court will retain jurisdiction for the purpose of enforcing this Consent Judgment. Defendant has consented and stipulated to entry of this Consent Judgment to 28

compromise and settle claims in connection with an investigation under the Arizona Consumer 1 2 Fraud Act and not out of any admission of guilt, wrongdoing, violation, or sanction. 3 **PARTIES** 1. The State is authorized to bring this action under the ACFA. 4 5 2. Defendant Old Town AC, L.L.C. ("Old Town AC"), formerly known as Rescue 6 One Air, LLC, is a limited liability company that was organized in and is located in Arizona. 7 3. All events, acts and practices described in, and relevant to, this Consent Judgment 8 took place in Maricopa County, Arizona. 9 4. This Court has jurisdiction over the Complaint and the parties necessary for the Court to enter this Consent Judgment and any orders hereafter appropriate pursuant to 10 A.R.S. § 44-1528 and this Consent Judgment. 11 12 5. Venue is proper in Maricopa County pursuant to A.R.S. § 12-401. 13 FACTUAL ALLEGATIONS 14 6. Between February 2016 and February 2019, Old Town AC offered and provided 15 heating, ventilation, and air conditioning services in Arizona. 16 7. Between February 2016 and February 2019, Old Town AC initiated thousands of intrastate telephone solicitations to telephone numbers belonging to Arizona consumers and 17 registered on the Federal Trade Commission's Do-Not-Call Registry. 18 19 8. During all times relevant, Jason Thibodeau was a Member and the Manager of Old Town AC and an Arizona resident. 20 21 9. At the time of the telephone solicitations, the State alleges that Old Town AC was not authorized or permitted to make such solicitations. 22 23 At all relevant times, the State alleges that Defendant knew or should have known 10. 24 that the actions described above were of the nature prohibited by the ATSS and the ACFA. 25 **LEGAL ALLEGATIONS** 26 11. Pursuant to A.R.S. §§ 44-1278 and -1282, the alleged acts and practices set forth 27 in the foregoing Factual Allegations constitute unlawful practices in violation of the ACFA. 28

1	12. The State alleges that Defendant knew or should have known that its conduct was		
2	of the nature prohibited by the ATSS and the ACFA.		
3	<u>ORDER</u>		
4	NOW, THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED:		
5	<b>INJUNCTIVE TERMS</b>		
6	13. The injunctive relief set forth in this Consent Judgment is binding upon any of the		
7	following that receive actual notice of this Consent Judgment through personal service or		
8	otherwise: (a) Defendant and its subsidiaries; and (b) its officers and employees.		
9	14. Pursuant to A.R.S. § 44-1528, Defendant is permanently enjoined, restrained and		
10	prohibited from:		
11	a. engaging in any telephone solicitation, as defined in A.R.S. §§ 44-1271, to -1282,		
12	of any Arizona consumer, directly or through any third party, in any manner for a		
13	period of one (1) year following the effective date of this Consent Judgment,		
14	except that Old Town AC may contact its own existing customers telephonically		
15	during this period for customer service and to solicit those customers for future		
16	business, provided that such solicitations comply with all other applicable state		
17	and federal law; and		
18	b. engaging in any practice in violation of the Arizona Consumer Fraud Act, A.R.S.		
19	§§ 44-1521 to -1534, as currently written and as it may be amended in the future.		
20	PAYMENT TERMS		
21	15. Pursuant to A.R.S. § 44-1531(A), Defendant is liable and obligated to pay to the		
22	Attorney General the amount of \$285,000.00 (the "Payment") in civil penalties due prior to the		
23	entry of this Consent Judgment to be deposited into the Consumer Protection-Consumer Fraud		
24	Revolving Fund pursuant to A.R.S. § 44-1531.01, and used for the purposes set forth therein;		
25	provided that if the entry of the Consent Judgment does not occur on or before the ninetieth (90)		
26	day following the date the Payment is received by the State, the State must return the Payment to		
27	Defendant upon its written request (electronic mail is acceptable) and, if such request is made,		
28	this Consent Judgement shall be void ab initio.		

16. The payments required herein must be paid by wire transfer according to instructions supplied by the State or in the form of cashier's checks or money orders made payable to "The State of Arizona" and mailed and postmarked to:

Consumer Protection and Advocacy Section The Office of the Arizona Attorney General 2005 North Central Avenue Phoenix, Arizona 85004-1592

### **BANKRUPTCY PROVISIONS**

17. Defendant agrees that the facts as alleged in the Complaint in this action and the Factual Allegations and Legal Allegations in this Consent Judgment will be taken as true without further proof in any bankruptcy case or subsequent civil litigation pursued by the State to enforce its rights to any payment or money judgment pursuant to this Consent Judgment, including, but not limited to, a non-dischargeability complaint in any bankruptcy case.

18. Defendant stipulates by entering this Consent Judgment that the Factual Allegations and Legal Allegations set forth herein establish all elements necessary to sustain an action by the State pursuant to Section 523(a)(2)(A) and Section 523(a)(7) of the Bankruptcy Code, 11 U.S.C. § 523(a), and that this Order will have res judicata and collateral estoppel effect for such purposes and proceedings to enforce payment, including, but not limited to, a non-dischargeability complaint filed in a bankruptcy proceeding, and Defendant waives any right to contest any of the allegations in the State's Complaint in any such proceedings to enforce payment.

19. Defendant warrants and represents that there is not any pending case, proceeding, or other action seeking reorganization, arrangement, adjustment, liquidation, dissolution, or recomposition of Defendant or its debts under any law relating to bankruptcy, insolvency, reorganization, or the relief of debtors, or seeking the appointment of a receiver, trustee, custodian, or other similar official for Defendant. Defendant further warrants and represents that it will not file, or cause to be filed, any such case, proceeding, or other action prior to 91 days after complete payment of all amounts due under this Consent Judgment. If Defendant does file or cause to be filed such a case, proceeding, or other action prior to the expiration of that time,

then the State will have the right, at its sole discretion, to treat that as a material breach of this Consent Judgment, reopen proceedings, and proceed with this case as though this Consent Judgment had not been entered, provided that Defendant will be entitled to an offset for any amount Defendant already paid to the State under this Consent Judgment.

20. Defendant must provide the State with written notice within 15 days of Defendant's filing or causing to be filed any case, proceeding, or other action seeking reorganization, arrangement, adjustment, liquidation, dissolution, or recomposition of Defendant or its debts under any law relating to bankruptcy, insolvency, reorganization, or the relief of debtors, or seeking the appointment of a receiver, trustee, custodian, or other similar official prior to complete payment of all amounts due under this Consent Judgment. If Defendant fails to provide the notice as required, the State may, at its sole discretion, accelerate the remaining payments due under this Consent Judgment. If the State chooses to accelerate the remaining payments, all amounts awarded under this Consent Judgment not previously paid to the State will become due and immediately payable in full to the State, including interest accrued from the date this Consent Judgment is entered by the Court.

#### **MATERIAL BREACH**

21. In the event of a material breach of this Consent Judgment, in addition to all other remedies available under Arizona law and the penalties specifically provided under A.R.S. § 44-1532, the State may, in its sole discretion, reopen proceedings and continue with this case as though this Consent Judgment had not been entered, provided that Defendant will be entitled to an offset for any amount actually paid to the State.

#### <u>RELEASE</u>

22. The parties acknowledge by the execution hereof that this Consent Judgment constitutes a complete settlement of the allegations contained in this Consent Judgment and the State agrees not to institute any civil action against the Defendant or its officers, directors, affiliates, employees, or agents for the alleged violations of the ACFA described herein. Notwithstanding the foregoing, the State may institute an action or proceeding to enforce the terms and provisions of this Consent Judgment, take action based on future conduct by

Defendant, take action based on past conduct not specified in this Consent Judgment, and/or institute an action or proceeding to prevent the discharge of any debt acquired through this Consent judgment.

#### **GENERAL PROVISIONS**

23. Nothing in this Consent Judgment will be construed as an approval by the Attorney General, the Court, the State of Arizona, or any agency thereof of Defendant's past, present, or future conduct. Defendant must not represent or imply that the Attorney General, the Court, the State of Arizona, or any agency thereof has approved or approves of any of Defendant's actions or any of Defendant's past, present or future business practices.

24. This Consent Judgment represents the entire agreement between the parties, and there are no representations, agreements, arrangements, or understandings, oral or written, between the parties relating to the subject matter of this Consent Judgment which are not fully expressed herein or attached hereto.

25. If any portion of this Consent Judgment is held invalid by operation of law, the remaining terms thereof will not be affected and will remain in full force and effect.

26. Jurisdiction is retained by this Court for the purpose of entertaining an application by either Party for the enforcement of this Consent Judgment.

27. This Consent Judgment is the result of a compromise between the parties. Only the Parties may seek enforcement of this Consent Judgment. Nothing herein is intended to create a private right of action by other parties.

28. This Consent Judgment does not limit the rights of any private party to pursue any remedies allowed by law.

29. The effective date of this Consent Judgment is the date that it is entered by the
4 Court.

30. This Consent Judgment may be executed by the parties in counterparts and be delivered by facsimile or electronic transmission, or a copy thereof, such constituting an original counterpart hereof, all of which together will constitute one and the same document.

31. This Consent Judgment resolves all outstanding claims alleged in the Complaint as to Defendant. As no further matters remain pending, this is a final judgment entered pursuant to Ariz. R. Civ. P. 54(c).

DATED this \_\_\_\_\_ day of November, 2023.

Honorable John Blanchard Maricopa County Superior Court Judge

## **CONSENT TO JUDGMENT**

1. Defendant acknowledges that it has waived service of the Summons and Complaint, has read the Factual Allegations, Legal Allegations, and Order, and is aware of its right to a trial in this matter and has waived the same.

2. Defendant admits the jurisdiction of this Court, and consents to the entry of the foregoing Factual Allegations, Legal Allegations, and Order.

3. Defendant states that no promise of any kind or nature whatsoever was made to induce them to enter into this Consent Judgment and declares that it has entered into this Consent Judgment voluntarily.

4. This Consent Judgment is entered as a result of a compromise between the parties. Only the State may seek enforcement of this Consent Judgment. Nothing herein is intended to create a private right of action by other parties; however, this Consent Judgment does not limit the rights of any private party to pursue any remedies allowed by law.

5. Defendant acknowledges that its acceptance of this Consent Judgment is for the purpose of settling a lawsuit filed by the State alleging violations the Arizona Consumer Fraud Act and not out of any admission of guilt, wrongdoing, violation, or sanction, and further acknowledges that this Consent Judgment does not preclude any agency or officer of this State or subdivision thereof from instituting other civil or criminal proceedings as may be appropriate.

6. This Consent to Judgment may be executed in counterparts and be delivered by facsimile or electronic transmission, or a copy thereof, such constituting an original counterpart hereof, all of which together will constitute one and the same document.

7. This Consent Judgment resolves all outstanding claims alleged in the Complaint as to Defendant. As no further matters remain pending, this is a final judgment entered pursuant to Ariz. R. Civ. P. 54(c).

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APPROVED AS TO FORM AND CONTENT:		
KRISTIN K. MAYESBerenson LLPAttorney General		
-		

# eSignature Page 1 of 1

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Granted with Modifications



/S/ John Blanchard Date: 11/14/2023 Judicial Officer of Superior Court

#### **ENDORSEMENT PAGE**

CASE NUMBER: CV2023-017529

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SIGNATURE DATE: 11/14/2023 FILED DATE: 11/15/2023 8:00:00 AM

DYLAN KENT JONES

OLD TOWN AC L L C 6540 E OCUPADO DR CAVE CREEK AZ 85331