
ASSURANCE OF DISCONTINUANCE

IN THE MATTER OF VOYAGEURS INTERNATIONAL, LTD

This Assurance of Discontinuance (“Assurance”) is entered into between the State of Colorado, *ex rel.* Philip J. Weiser, Attorney General for the State of Colorado (“Attorney General” or the “State”), and Respondent Voyageurs International, Ltd. (“Voyageurs” or “Respondent”). The State and the Respondent are collectively referred to as “the Parties.” This Assurance is entered into pursuant to the Attorney General’s powers under C.R.S. § 6-1-110(2) and constitutes a settlement between the Parties regarding the following allegations.

I. PARTIES

1. Philip J. Weiser is the duly elected Attorney General for the State of Colorado and has express jurisdiction to investigate and prosecute violations of the Colorado Consumer Protection Act (“CCPA”), Colo Rev. Stat. Sections 6-1-101 through 6-1-1214.

2. Voyageurs is a Colorado corporation with its principal place of business at 3726 Pierce Street, Wheat Ridge, Colorado 80033. Voyageurs is owned and controlled by Gilford L. Mahaffy and Carlyne J. Mahaffy.

II. DEFINITIONS

3. The term “Effective Date” means the first date upon which both of the following events have occurred: (a) the Parties’ full execution of this Assurance, and (b) Respondent’s initial delivery of the payment described in Section V below.

4. The term “Covered Conduct” means any and all alleged acts or omissions (including all communications) by Voyageurs arising out of or relating to the 2020 Tours (as defined below) and the Greece Extension.

5. Unless otherwise specified, all definitions found in C.R.S. § 6-1-102 are incorporated herein by this reference, and any term defined in those sections shall have the same meaning when used in this Assurance.

6. “Participant” means any State resident that signed the Contract as parent or guardian and was registered on March 17, 2020, the date of cancellation.

III. ALLEGATIONS

7. For fifty years, Voyageurs has facilitated trips to Europe for high school students as well as accompanying parents or guardians.

8. Voyageurs operated these trips under the trade name “Ambassadors of Music.” Voyageurs operated these trips nationwide (the “Tours”).

9. Voyageurs contracted with and received payment from approximately four-hundred Colorado residents for the 2020 Colorado Ambassadors of Music Tour (the “Tour”). This includes Colorado Participants who had purchased a “Greece Extension” from Voyageurs, an additional four-day extension of the Tour to include another country, and two Participants who had contracted only for the Greece Extension without participation in the rest of the Tour.

10. In addition, individual residents of other states purchased Ambassador of Music Tours and Greece extensions with other state Ambassador Tours for which they have not been fully reimbursed.

11. For each of these Tours, the total cost was \$6345 per student traveler and \$6745 per adult traveler. The Greece Extension cost an additional \$2075 per student and \$2265 per adult.

12. On March 10, 2020, Colorado Governor Jared Polis declared a state of emergency as a result of the presence of the coronavirus disease 2019 (“COVID-19”) in the State of Colorado. Similar states of emergency declarations or limitations on travel arising out of COVID-19 were implemented across the United States and in Europe.

13. On March 17, 2020, Voyageurs cancelled all of its 2020 Ambassadors of Music Tours.

14. By March 17, 2020, most of the Participants had prepaid the entire cost of the Tour.

15. Voyageurs issued refunds to its 2020 Participants, but retained a \$1900 “cancellation fee” from each Participant, as well as an additional \$765 per student and \$775 per adult traveler that was not refunded to Voyageurs by European vendors from each purchaser of the Greece Extension.

16. In total, Voyageurs withheld seven hundred ninety-three thousand three hundred dollars (\$793,300) from Colorado residents registered for the Tour pursuant to these cancellation fees.

17. In addition, Voyageurs withheld fifty-nine thousand nine hundred twenty-five dollars (\$59,925), pursuant to these cancellation fees, from the residents of other states identified in Exhibit B who were traveling with and registered for another state Ambassador 2020 Tour on March 17, 2020.

IV. LEGAL AUTHORITY

18. C.R.S. section 6-1-110(2) authorizes the Attorney General to accept a voluntary payment from Voyageurs of the costs of the State's investigation and any action or proceeding by the Attorney General and any amount necessary to restore to any person any money or property that may have been acquired by Voyageurs by means of any deceptive trade practice. The Attorney General may also recover restitution and unjust enrichment under C.R.S. section 6-1-110(1) and penalties under C.R.S. section 6-1-112.

V. CONSIDERATION

19. The Attorney General and Voyageurs enter into this Assurance as a compromise and settlement of the Attorney General's allegations herein and to avoid further expense of protracted litigation. This Assurance is entered into without adjudication of any issue of fact or law or finding of liability, and Voyageurs was cooperative and responsive during the State's investigation. Voyageurs denies that the State's "Allegations" set forth above violate the CCPA. Voyageurs does not admit to violation of any Colorado statutes or common law. Voyageurs enters into this Assurance regarding the Covered Conduct in order to resolve the Attorney General's concerns under the Colorado Statutes as to the matters addressed in this Assurance and thereby avoid significant expense, inconvenience, and uncertainty.

20. Voyageurs agrees to a payment to the State in the amount of eight hundred fifty-three thousand, two hundred twenty-five (\$853,225). The funds are payable, in trust, to the Attorney General to be used in the Attorney General's sole discretion for reimbursement of the State's actual costs and attorneys' fees and costs, the payment of consumer restitution, if any, and for future consumer fraud, consumer credit, or antitrust enforcement purposes, consumer education, or public welfare purposes. The State acknowledges and agrees that payment made by

Voyageurs to each Participant shall be deemed fulfillment of the payment obligation to the State. The total amount to be refunded and payable by Voyageurs to the person who made payment to Voyageurs for the Tours, under this Assurance, is eight hundred fifty-three thousand two hundred twenty-five dollars (\$853,225). Voyageurs has issued, or shall issue, in accordance with the terms of this Assurance refunds directly to the effected Participants on behalf of the Attorney General pursuant to the amounts owed as outlined in confidential attachments A, B, and C. These payments along with prior payments by Voyageurs will constitute a full refund and restitution to all identified residents in Colorado and in other states whose residents are identified in Exhibit B as specified and associated with the Covered Conduct.

21. The refunds will be accompanied by a letter of explanation with language approved by the Attorney General, in the form attached hereto as Exhibit C.

22. Within ninety (90) days after execution of this Assurance, Voyageurs shall provide the Attorney General with evidence that Voyageurs sent refunds and such refunds were received, including the mode of payment such as by copies of negotiated checks back to each Participant, the total dollar amount of all refunds, and the number of refunds provided. Such evidence may be by copies of the front and backs of the negotiated refund checks showing their endorsement and deposit by such Participants and/or copies of Voyageurs' bank statements showing that the checks to specific Participants have been withdrawn from its account. If Voyageurs is unable to confirm payment to each Participant within one-hundred twenty (120) days of the date each check was issued or within such longer time as agreed to by the Attorney General in writing, or a check was returned or not cashed, then Voyageurs shall cancel each such check or stop payment and issue an aggregated check payable to the Colorado Attorney General in an equal amount to the non-negotiated checks, and also identify each Participant who was to

receive, but did not receive, such refunds. Such identification shall include the last known address, telephone number and email address for each such Participant. Such payments shall be deemed paid upon the Attorney General's receipt of the payment.

23. Payments to the Colorado Attorney General under the preceding paragraph shall be in the form of a certified check, cashier's check, or money order made payable to the "Colorado Department of Law," shall reference "Voyageurs International" and shall be delivered to:

Mica Moore, Program Assistant
Consumer Protection Section
Colorado Department of Law
1300 Broadway, 7th Floor
Denver, Colorado 80203

Such payments shall be held, along with any interest thereon, in trust by the Attorney General to be used in the Attorney General's sole discretion for reimbursement of the State's actual costs and attorneys' fees, the payment of restitution, if any, and for future consumer fraud, consumer credit or antitrust enforcement, consumer education, or public welfare purposes.

VI. RELEASE

24. The State acknowledges by its execution hereof that this Assurance constitutes a complete settlement and release of all claims under the CCPA and other State statutes and common law on behalf of the State against Voyageurs with respect to all claims, causes of action, damages, fines, costs, and penalties which were asserted or could have been asserted under the CCPA or other applicable statutes and common law for the conduct described in this Assurance, that arose prior to the Effective Date and relating to or based upon the acts or practices which are the subject of this Assurance. The State agrees that, except as provided in this Assurance, it shall not proceed with or institute any civil action or proceeding under the

CCPA or any applicable State statute or common law against Voyageurs for any conduct or practice prior to the Effective Date which relates to the Covered Conduct and subject matter of this Assurance.

25. The State agrees that the information provided to the State by Voyageurs contains confidential and proprietary information, including proprietary trade secret information, and that the State will not voluntarily make public or produce such information pursuant to § 24-72-204(2)(a)(IX)(A), C.R.S., of the Colorado Open Records Act (“CORA”) and § 6-1-111, C.R.S., of the Colorado Consumer Protection Act (“CCPA”). If served with a subpoena for release of all or any of the information so provided, and if the State determines to release any of such information, the State will, prior to the release, give Voyageurs and its counsel reasonable prior written notice of the intended release sufficient to permit Voyageurs to seek a court order enjoining, intervening, or restricting the release.

VII. ASSURANCES OF RESPONDENT

26. Voyageurs, its directors, officers, principals, employees, agents, contractors, assigns, servants, and all other persons in active concert or participation with Voyageurs, whether directly or indirectly, agree as follows:

27. In addition to the refunds processed pursuant to paragraph 20 above, Voyageurs reaffirms and attests to the truthfulness, accuracy, and completeness in all material respects of all of the information Voyageurs provided to the Attorney General in connection with entry of this Assurance to the best of its knowledge, including but not limited to, a confidential list of Participants, cancellation fees assessed, and amounts to be refunded.

28. Voyageurs represents that it has diligently undertaken efforts to discover and disclose material information related to the Attorney General’s investigation. If the Attorney General finds that Voyageurs intentionally or recklessly failed to disclose material information or

made a material misrepresentation of fact relevant to the resolution of the Attorney General's investigation, such finding, or occurrence shall constitute a violation of this Assurance.

VIII. ENFORCEMENT

29. The obligations set forth in this Assurance are continuing.

30. A material violation of any of the terms of this Assurance shall constitute a prima facie violation of the CCPA in accordance with C.R.S. § 6-1-110(2). Upon a violation of any of the terms of this Assurance by Voyageurs, the Attorney General shall be entitled to file a civil action under the CCPA in any court of competent jurisdiction and to seek an injunction or other appropriate order from such court to enforce the provisions of this Assurance and for appropriate monetary remedies.

31. In addition to any remedies provided under the CCPA, the Attorney General shall be entitled to apply for and seek from a court of competent jurisdiction an order converting this Assurance into a permanent injunction against Voyageurs as if the parties had fully litigated all issues contained herein, upon a showing by the Attorney General of a material violation by Voyageurs of this Assurance. In such event, Voyageurs agrees to waive any and all defenses and counterclaims it may have had to such an action, except as to claims or defenses related to the alleged violation of this Assurance or as to the need for injunctive relief. Should Voyageurs become aware of any Colorado resident or independent Participant eligible for the refund amount inadvertently omitted from Exhibit A, Voyageurs will promptly notify the Attorney General and, within five business days, remit the additional refund amount to the Participant without violation of this Assurance.

32. This Assurance shall not be construed to create, waive, or otherwise affect any rights of any private party to pursue remedies pursuant to C.R.S. § 6-1-113, or any other statute

or claim in common law. Nor shall this Assurance create, waive, or otherwise affect any remedies or defenses of the Parties in respect to any third parties.

33. Nothing in this Assurance shall be construed to release claims held by any other governmental authority.

34. Pursuant to C.R.S. § 6-1-110(2), this Assurance shall be a matter of public record.

35. This Assurance may be executed in one or more counterparts, each of which shall be deemed an original, but which together shall constitute the Assurance.

36. The person who signs this Assurance in a representative capacity for Voyageurs warrants that he or she is duly authorized to do so. Voyageurs acknowledges that it had a full opportunity to review this Assurance and consult with legal counsel regarding same. Voyageurs agrees and represents that it has read and understands this Assurance and that it accepts the legal consequences involved in signing it.

IX. MISCELLANEOUS PROVISIONS

37. This Assurance is the final, complete, and exclusive statement of the Parties' agreement on the matters contained herein, and it supersedes, terminates, and replaces any and all previous negotiations, agreements, and instruments as may exist between the Parties. Other than any representation expressly stated in this Assurance, the Parties have not made any representations or warranties to each other, and no Party's decision to enter into this Assurance is based upon any statements by any other Party outside of those in this Assurance. No change or modification of this Assurance shall be valid unless in writing and signed by all Parties. If any provision(s) of this Assurance is held to be invalid, illegal, unenforceable or in conflict with the law of any jurisdiction, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

38. Under no circumstances shall this Assurance or the name of the Attorney General or any of the State's employees or representatives be used by Voyageurs, or any person under their direction or control in any way that suggests the States' endorsement of Voyageurs' past, present, or future conduct.

39. Nothing herein relieves Voyageurs of its duty to comply with all applicable laws, regulations, or rules of the State nor constitutes authorization by the State for Voyageurs to engage in acts and practices prohibited by such laws.

40. Voyageurs acknowledges that it is the Attorney General's customary position that an agreement restraining certain conduct by a party does not prevent the State from addressing later conduct that could have been prohibited, but was not, in the earlier agreement, unless the earlier agreement expressly limited the State's enforcement options in that manner. Therefore, nothing herein shall be interpreted to prevent the State from taking enforcement action to address conduct occurring after the Effective Date that the State believes to be in violation of the law. The fact that such conduct was not expressly prohibited by the terms of this Assurance shall not be a defense to any such enforcement action.

41. The terms and provisions of this Assurance may be enforced by the current Colorado Attorney General, and by any of his duly authorized agents or representatives, as well as by any of his successors in interest, and by any of his successors in interest's agents or representatives. Nothing herein precludes the Attorney General from enforcing the provisions of this Assurance pursuant to its terms, or from pursuing any law enforcement action under the CCPA or any other applicable law with respect to any unrelated acts or practices of Voyageurs not covered by the Attorney General's investigation and this Assurance or any acts or practices of Voyageurs conducted after the Effective Date of this Assurance.

X. NOTICE

42. All notices regarding this Assurance shall be sent by certified mail, or reputable overnight delivery service (e.g., FedEx, UPS) and email at the addresses set forth below unless any Party notifies the other Parties in writing of another address to which notices should be provided:

To Respondent Voyageurs International, Ltd.

Address: 3726 Pierce Street
Wheat Ridge, CO 80033

To Respondent's Counsel, Phillip A. Parrott

Address: 270 St. Paul St., Suite 200
Denver, CO 80206
Email: pparrott@ckbrlaw.com

To the Attorney General:

Daniel B. Snow
Assistant Attorney General
Daniel.snow@coag.gov
Libby Webster
Senior Assistant Attorney General
1300 Broadway, 8th Floor
Denver, CO 80203
Fax: 720-508-6380

[Signature[s] appear on the following pages.]

Denver, CO 80203
Fax: 720-508-6380

[Signature[s] appear on the following pages.]

Respondent Voyageurs International, Ltd.



Date: 3-04-2021

By: Gilford L. Mahaffy, President

PHILIP J. WEISER
Attorney General



Date: March 4, 2021

By: (Daniel B. Snow)