

<p>DISTRICT COURT, COUNTY OF BROOMFIELD          COLORADO          Broomfield Combined Courts          17 Descombes Drive, Broomfield, CO 80020</p> <hr/> <p>STATE OF COLORADO, <i>ex rel.</i> PHILIP J.          WEISER, ATTORNEY GENERAL</p> <p>Plaintiff,</p> <p>v.</p> <p>MOUNTAIN VIEW PUBLISHERS, INC.</p> <p>Defendant.</p>	<p>▲ COURT USE ONLY ▲</p>
<p>PHILIP J. WEISER, Attorney General          ABIGAIL M. HINCHCLIFF, 47942*          First Assistant Attorney General          JEFFREY M. LEAKE, 38338*          Senior Assistant Attorney General          Ralph L. Carr Judicial Center          1300 Broadway, 10<sup>th</sup> Floor          Denver, CO 80203          Telephone: (720) 508-6000          FAX: (720) 508-6040          *Counsel of Record</p>	<p>Case No.</p> <p>Div.:</p>
<p style="text-align: center;"><b>COMPLAINT</b></p>	

Plaintiff, the State of Colorado, upon relation of Philip J. Weiser, Attorney General for the State of Colorado, alleges as follows:

### INTRODUCTION

1. This is an action brought by the State of Colorado pursuant to the Colorado Consumer Protection Act, C.R.S §§ 6-1-101 *et seq.* (“CCPA”) to enjoin and restrain the Defendant from engaging in certain unlawful deceptive trade practices and for statutorily mandated civil penalties.

## PARTIES

2. Philip J. Weiser is the duly elected Attorney General of the State of Colorado and is authorized under Colo. Rev. Stat. § 6-1-103 to enforce the provisions of the CCPA.

3. Defendant Mountain View Publishers, Inc. is a Colorado corporation, incorporated on December 30, 2013, with its principal place of business located at 1505 West First Avenue, Suite B, Broomfield, CO 80020.

## JURISDICTION AND VENUE

4. Pursuant to Colo. Rev. Stat. §§ 6-1-103 and 6-1-110(1), this Court has jurisdiction to enter appropriate orders prior to and following an ultimate determination of liability.

5. The violations alleged herein occurred, in part, in Broomfield, Colorado. Therefore, venue is proper in Broomfield County, Colorado, pursuant to Colo. Rev. Stat. § 6-1-103 and Colo. R. Civ. P. 98.

## RELEVANT TIMES

6. The conduct that gives rise to the claims for relief contained in this Complaint began at least as of 2016, though Defendant has changed its mailers over time.

7. This action is timely brought pursuant to Colo. Rev. Stat. § 6-1-115 in that it is brought within three years of the date on which the last in a series of false, misleading, deceptive acts or practices occurred.

8. With this Complaint, the parties have asked the Court to enter a Final Consent Decree.

## GENERAL ALLEGATIONS

### **I. MVP's advertisements misled consumers into believing they had won a substantial prize**

9. Mountain View Publishers, Inc. ("MVP") publishes and sells subscriptions to "Jackpot Journal," a short catalogue that primarily lists national sweepstakes that readers may enter. The catalogue also includes brief articles and games.

10. The third-party sweepstakes advertised in the catalogue are sourced from the internet and entry in these sweepstakes is open to anyone, not solely Jackpot Journal's subscribers.

11. MVP sends out the Jackpot Journal once per month and bills \$33 per quarter, effectively charging \$11.00 per issue.

12. To obtain subscribers to its Jackpot Journal, MVP designs and sends mailers to consumers via the mail. To obtain mailing addresses, MVP purchases lists of consumers from a broker.

13. MVP's mailers do not emphasize their primary purpose-to sell a subscription to Jackpot Journal. Instead, MVP designed many of its advertisements to appear as though the recipient had won a significant cash prize:

A PURCHASE IS NOT NECESSARY TO ENTER TO WIN, NOR WILL IT INCREASE YOUR CHANCES OF WINNING 27 5RF Page 1 of 2

**\$100** (current\_month\_amount)

Reported Monthly Amount

**123456789** (barcode)

Recipient Reference Code

**APPROVED**

MOUNTAIN VIEW PUBLISHERS

The Following Entry Documentation Has Been Compiled for the Recipient on File to Authorize the Issuance of:

☒ Claim A: CONFIRMED PRIZE  
24 Karat Gold Keepsake

☒ Claim B: JACKPOT JOURNAL  
\$2.1 Million in Prizes Reported Annually

Non-transferable - Read Entire Document

**<JANE><SMITH>, YOU ARE A CONFIRMED PRIZE WINNER!**

By virtue of receiving this notice today, the Board has unanimously authorized the release of said prize to your <city> home. Please confirm that your name and address matches the information we have on file. OUR RECORDS STATE <FNAME> <LNAME> has been assigned Recipient Reference Code <123456789(barcode)>, which will appear on your Certificate of Acceptance (see page 2). This entry document, when returned by you in its entirety, will positively match you with the confirmed prize on record.

ATTENTION: This offer is for the exclusive use of the recipient on file, and as such cannot be conceded to any other person or party. Enclosed enrollment documentation has been provided to facilitate delivery of your confirmed prize. In accordance with official rules set forth by the governing board, you are required to respond BY MAIL in order to formally claim your guaranteed prize. NO EXCEPTIONS!

After further review of your file, the Board has also determined that you are currently eligible, by virtue of third-party corporate sponsorship, to win a verified total of <\$100(current\_month\_amount)> in Cash and Prizes as reported in our <mo(current\_month\_name)> Jackpot Journal. NO taxes, commissions or royalties will be deducted from any and all winnings attained through our service.

A shipping and handling fee of only \$2.85 is required to receive your prize and must be made payable to the offices of MVP. By virtue of your signature, complete information on how you can attain a much greater prize compensation - a minimum of 2.1 MILLION DOLLARS in Cash and Prizes over the next 12 months - shall be disclosed in regular installments every month hereafter for only \$11/mo (see Claim B). As an added courtesy, your first installment will be sent free of charge.

INSTRUCTIONS: A) To claim your guaranteed prize, submit your \$2.85 payment by personal check, money order or credit card. B) To initiate your subscription and receive your first installment for free, sign and return your Certificate of Acceptance (page 2). Our Verification Department has been instructed to process your claim as soon as it arrives so be sure to complete and return page 2 of this form to our offices without delay.

RETAIN THIS PAGE FOR YOUR RECORDS

**CERTIFICATE OF ACCEPTANCE** Page 2 of 2

Failure to Respond Before the Specified Deadline(s) of Featured Prize Opportunities Will Result in: DISQUALIFICATION

Recipient Reference Code: **123456789** (barcode)

Reported Monthly Amount: **\$100** (current\_month\_amount)

**RETURN THIS DOCUMENT TO OUR OFFICES**

**CONFIRMED**

The verified amount of CASH and PRIZE OPPORTUNITIES to be awarded for the month of <mo(current\_month\_name)> has been verified as <\$100(current\_month\_amount)> for an annual minimum total of ALL PRIZES TO BE PAID OUT by the corporate sponsor named pursuant to their respective rules and regulations. All entry details and deadlines shall be provided.

**SPECIAL INSTRUCTIONS**

☒ Approved

☒ Verified

☐ Pending

☐ Under Review

**QUALIFICATION**

Prize Category: Third-Party Sweepstakes

Percentage of Taxes Deducted: 0.0%

Method of Response Required: Reply by Mail

Date of Release: <mail date>

Reply by: <mail date+14>

**DESCRIPTION OF BENEFITS**

**Claim A** Free Prize: 24K Gold Keepsake

**Claim B** Annual Prize Total: \$2,100,000.00

Certified as 99.99% Pure Gold

Recipient Must Respond by Mail to Claim Delivery Available Anywhere in the U.S. \$2.85 S&H Required

**IMPORTANT:** MVP is under no obligation to contact you again if you fail to respond and is not responsible for any prize opportunity missed as a result of failure to return this document.

**FINAL NOTICE**

A PURCHASE IS NOT NECESSARY TO ENTER TO WIN, NOR WILL IT INCREASE YOUR CHANCES OF WINNING

**CLAIM A CONFIRMED PRIZE**  
24 Karat Gold Keepsake

Enclose the mandatory S&H fee of \$2.85 by personal check made payable to: MVP (see back for credit card payments)

<Jane(fname)> <Smith(lname)>  
<1234 Main St.(address)>  
<Anytown(city)>, <US(state)><98765(zip)>

Recipient Reference Code: **123456789** (barcode)

**CLAIM B JACKPOT JOURNAL - \$2,100,000.00 in Prizes Reported Annually**

Sign below to receive first installment free of charge, and establish ongoing delivery with no less than \$175,000.00 in cash and prizes itemized each month. <name>

**X SIGN HERE**

Signature \_\_\_\_\_ Date \_\_\_\_\_ <barcode>

I REQUEST ALL MONTHLY REPORTS BE SENT TO THE ADDRESS ON FILE. BY SIGNING ABOVE, I REQUEST MVP TO DEBIT MY ACCOUNT AND CASH BILL ME ALL REQUIREMENTS ONLY BY MY MAILING UNIT. I CHARGE OR CANCEL MY SUBSCRIPTION. I HAVE READ AND UNDERSTAND THE MVP 100% NO-FEE GUARANTEE.

**CONFIRMED PRIZE**

Complete front page of MVP mailer (above), and reverse (below)

Please check your name and address details on the front of the form. If there are changes, make them below.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Email: \_\_\_\_\_

PLEASE ENTER YOUR CREDIT CARD INFORMATION IN THE SPACE PROVIDED

Credit Card No. \_\_\_\_\_

Exp. Date \_\_\_\_\_ CVV Code \_\_\_\_\_

RETURN TO: MVP, PO BOX 9022, BROOMFIELD CO 80021

**DON'T FORGET TO SIGN AND DATE YOUR DELIVERY REQUEST**

**MVP 100% RISK-FREE GUARANTEE**

We are so confident that you will enjoy every aspect of our product that all publications come with a 60-day, risk-free, money-back guarantee. If, for any reason, our publication fails to fulfill every one of your expectations, we will give you a refund. PLUS, as our courtesy to you, you may keep the most recent issue free of charge. This is our commitment to you!

**A PURCHASE IS NOT NECESSARY TO ENTER OR WIN. NOR WILL IT IMPROVE YOUR ODDS OF WINNING.**

Mountain View Publishers (MVP) proudly publishes an exclusive line of entertainment magazines. Each month our subscribers enjoy a comprehensive and interactive guide loaded with informative articles, puzzles, recipes, arts & crafts projects as well as complete information on how to participate in free-to-enter, third-party, cash and prize opportunities being offered to the public. Included with each subscription, MVP provides the name of each corporate sponsor (if applicable), the approximate retail value of the cash and/or prize(s) available, and details for official entry procedures, deadlines, rules and regulations. MVP only features prize opportunities that have not yet been won but which are GUARANTEED TO BE AWARDED AS SPECIFIED BY EACH SPONSOR PURSUANT TO THEIR RESPECTIVE RULES AND REGULATIONS. A PURCHASE IS NOT NECESSARY TO ENTER TO WIN. NOR WILL IT IMPROVE YOUR CHANCES OF WINNING any prize published in our guide. Respondents must be 18 years or older to purchase. Our guide will be sent to respondent upon receipt of request. Respondent will receive the issue advertised as long as entry is received before the print deadline. The subsequent issue will be provided otherwise. By signing the subscription request, respondent authorizes MVP to automatically debit the account provided \$33 recurring quarterly (every three months) for as long as the respondent chooses to be a subscriber. Subscription requests may also be invoiced monthly. YOU CAN ADJUST, SUSPEND OR STOP THIS CONTINUOUS SERVICE AT ANY TIME BY CONTACTING OUR CUSTOMER SERVICE WITH THE INFORMATION PROVIDED BELOW. If you prefer to have your name withheld or no longer wish to receive our mailings, please send us a written request with your full name and address as it appears in our correspondence to:

MVP Customer Service  
PO Box 6780, Broomfield, CO 80021  
or call (303) 469-7955 between 9am - 4pm (MST)  
[www.mountainviewpublishers.com](http://www.mountainviewpublishers.com)

CONFIRMED PRIZE: To claim your promotional prize, you must enter by mail by December 31, 2019. A nominal shipping and handling fee of \$2.75 is required for delivery. This promotion will be conducted from January 1, 2019 to December 31, 2019. Note: This is NOT a sweepstakes, contest or drawing. ALL RESPONDENTS WILL RECEIVE A 24K GOLD KEEPSAKE (APR \$5.99). No cash or other prize substitution permitted except at sponsor's discretion. Multiple entries during this promotion may be acknowledged with a single response and guaranteed prize. Please allow 6-8 weeks for delivery.

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**DEADLINES IN EFFECT  
PLEASE REPLY TODAY**

## II. MVP's mailers deceived consumers to sign up for an auto-renewal subscription with automatic monthly debits.

20. MVP's mailers from 2019 did not make clear that consumers who signed and returned the form would be charged for an automatically renewing magazine subscription. Instead, MVP's mailers prominently displayed a large cash prize in combination with language that obscures—particularly from unsophisticated consumers—that the consumer has not actually won the amount of cash listed on the advertisement. For example:

# AUTHENTICATED MATERIAL Annual Award Assessment

# PORTFOLIO SUMMARY

## PRIZE OPPORTUNITY STATEMENT

Authorized ☒ Disavowed ☐

AWARD TYPE	THIS MONTH	PREVIOUS MONTH	YEAR TO DATE
Cash and sweepstakes	<Current_Month_Amount>	<History12_Month_Amount>	<total_History5_to_Current>
Fixed income annuities	0.00	0.00	0.00
Additional funds	0.00	0.00	0.00

TOTAL VALUE: \* <Current\_Month\_Amount> <History12\_Month\_Amount> <total\_History5\_to\_Current>

\*Indicates the verified total of third-party cash and sweepstakes opportunities reported in the Jackpot Journal, an exclusive, limited circulation publication proprietary to Mountain View Publishers (MVP).

Client ID: <123456789> Form No. 234RF-9

Statement prepared for:

<fname> <lname>  
<address>  
<city>, <state> <zip>

.....CLIENT STATUS.....

**APPROVED**

ATTN: <FNAME> <LNAME>

## YOUR ELIGIBILITY HAS BEEN CONFIRMED!

As appointed representative for Mountain View Publishers, it is my pleasure to inform you that <fname> <lname> of <city>, <state> has been positively matched with Client ID <123456789> (barcode) >, confirming your eligibility to become a grand prize recipient. **You may claim the latest awards portfolio at your earliest convenience.** To process your claim, please complete and detach your Delivery Clearance Confirmation (see below), submit \$2.75 for your first installment and return it to our offices by mail without delay.

As of <February 14, 2019(mailDate)>, the current sum of cash and prize opportunities declared in the <current\_month\_name> Jackpot Journal is: \*\*\* <Current\_Month\_Amount> \*\*\*. Of this total, our offices have determined that you are eligible to enter and win 100% of the total proceeds if chosen winner. Each opportunity presented on your behalf is absolutely free to enter. Furthermore, no commissions will be applied to any and all winnings attained through our service, meaning that you are entitled to every last penny!

By serving you this notice today, it is also our intent to ensure that you are fully aware of your eligibility rights and that you understand what steps must be taken to guarantee your qualification. NOTE: You haven't won yet! If you fail to respond to this offer or do not take action of your own volition to contend for these awards, you will lose your eligibility to the awards listed. **Your action is required to avoid this loss.**

The <current\_month\_name> Jackpot Journal has been prepared and is approved for immediate delivery to your <city> home. This awards portfolio will include the following:

- A Detailed Summary of All Cash Prizes and Sweepstakes (including the retail value of each prize)
- All Sponsor Requirements and Rules of Participation
- All Promotional Deadlines and Methods of Entry
- Official, Pre-Printed, Entry Documentation (no cost to enter or win the listed prizes)

As you can see from the progress report, <total\_history5\_to\_current> in cash prizes and sweepstakes has already been declared in the last nine (9) months alone. At this rate, we can GUARANTEE that each installment will feature no less than ONE HUNDRED AND SEVENTY-FIVE THOUSAND DOLLARS A MONTH in documented cash and prize opportunities. However, necessary steps must still be taken to ensure you don't miss out on any opportunity going forward.

**Act now to avoid defaulting on this offer.** To claim your first issue of the Jackpot Journal, enclose only \$2.75 by check or credit card. Keep in mind - to ensure your subscription is not delayed or discontinued for any reason **you must sign and date below.** Subsequent installments shall be delivered every month thereafter at a rate of only \$11/mo. Once activated, you may make changes to your subscription at any time. On behalf of our organization, let me be the first to congratulate you for being selected. We look forward to serving you.

To your good fortune,

  
MVP Corporate Offices

Detach and Return to MVP

234RF-9

EXPEDITED DELIVERY

## DELIVERY CLEARANCE CONFIRMATION

Client ID: <123456789>

<Current\_Month\_Amount> Current Monthly Value of Cash and Prizes Reported

Prepared for: ☐ Address Change (if needed on back)

<fname> <lname>  
<address>  
<city>, <state> <zip>



Complete and return this form to:  
MVP, PO Box 9022, Broomfield, CO 80021  
A PURCHASE IS NOT NECESSARY TO ENTER OR WIN.  
NOR WILL IT IMPROVE YOUR CHANCES OF WINNING.

To claim your first issue, enclose the required fee of \$2.75 by personal check or credit card made payable to "MVP". (see back for credit card payments)

To confirm ongoing delivery of your monthly portfolio, with complete entry details for the awards available, **sign where indicated.** Each installment, with a minimum of \$175,000.00 in cash and prize opportunities, shall be delivered to the address on file each month.

SIGN HERE

I REQUEST ALL MONTHLY REPORTS BE SENT TO THE VERIFIED ADDRESS ON FILE. BY SIGNING ABOVE, I REQUEST MVP TO DEBIT MY ACCOUNT AND/OR BILL ME \$33 RECURRING QUARTERLY (EVERY THREE MONTHS) UNTIL I CHANGE OR CANCEL MY SUBSCRIPTION. I HAVE READ AND UNDERSTAND THE MVP 100% RISK-FREE GUARANTEE.

<30MVP00001>

14. The phrasings in this mailer, such as “Annual Award Assessment,” “Portfolio Summary,” “Delivery Clearance Confirmation,” and “YOUR ELIGIBILITY HAS BEEN CONFIRMED” suggest that the consumer has already won the large cash prizes advertised in the mailer.

15. Some MVP mailers suggested consumers had won a substantial cash prize, when in fact MVP had only offered them a “promotional prize.” Two of MVP’s mailers emphasized “gold keepsake” prizes.

16. MVP’s mailers contain a signature section which directs consumers to sign, with the following examples of explanations:

- Sign below to receive first installment free of charge and establish ongoing delivery with no less than \$175,000 in cash and prizes itemized each month.
- To confirm ongoing delivery of your monthly portfolio, with complete entry details for the awards available, **sign where indicated**. Each installment, with a minimum of \$175,000.00 in cash and prizes, shall be delivered to the address on file each month.

17. MVP’s mailers deceptively avoid telling consumers what they are signing up for. The “Awards Assessment” mailer, has a “Delivery Clearance Confirmation” section which directs consumers to sign to confirm “ongoing delivery” of a “monthly portfolio.” The section makes no reference to Jackpot Journal or a magazine:

Detach and Return to MVP

234RF-9
EXPEDITED DELIVERY

DELIVERY CLEARANCE CONFIRMATION

Client ID: < 1 2 3 4 5 6 7 8 9 >  
(offermail ID)>

<Current\_Month\_Amount>

Current Monthly Value of Cash and Prizes Reported

Prepared for: \_\_\_\_\_ ☐ Address Change (if needed on back)

<fname> <lname>  
<address>  
<city>, <state> <zip>



Complete and return this form to:  
**MVP, PO Box 9022, Broomfield, CO 80021**  
 A PURCHASE IS NOT NECESSARY TO ENTER OR WIN,  
 NOR WILL IT IMPROVE YOUR CHANCES OF WINNING.

To claim your first issue, enclose the **required fee of \$2.75** by personal check or credit card made payable to “MVP”.  
(see back for credit card payments)

To confirm ongoing delivery of your monthly portfolio, with complete entry details for the awards available, **sign where indicated**. Each installment, with a minimum of \$175,000.00 in cash and prize opportunities, shall be delivered to the address on file each month.

<barcode>

SIGN HERE

I REQUEST ALL MONTHLY REPORTS BE SENT TO THE VERIFIED ADDRESS ON FILE. BY SIGNING ABOVE, I REQUEST MVP TO DEBIT MY ACCOUNT AND/OR BILL ME \$33 RECURRING QUARTERLY (EVERY THREE MONTHS) UNTIL I CHANGE OR CANCEL MY SUBSCRIPTION. I HAVE READ AND UNDERSTAND THE MVP 100% RISK-FREE GUARANTEE.

<source> MVP000001

18. Only *below* the signature line, is a disclaimer that suggests consumers are signing up for an automatically renewing subscription that costs

\$11 per month. The disclaimer does not refer to a magazine or Jackpot Journal, rather “monthly reports.”

19. The signature sections in MVP’s other mailers are equally deceptive. The Certificate of Acceptance Mailer (signature section shown below) referenced a “Claim A” to a “gold keepsake” and a “Claim B” to receive a free first installment of Jackpot Journal. This particular mailer directed consumers to:

- Enclose the mandatory S&H fee of 2.35 by personal check made payable to MVP
- Sign below to receive first installment free of charge.

A PURCHASE IS NOT NECESSARY TO ENTER TO WIN, NOR WILL IT INCREASE YOUR CHANCES OF WINNING

**CLAIM A CONFIRMED PRIZE**  
24 Karat Gold Keepsake

Enclose the mandatory S&H fee of \$2.35 by personal check made payable to: MVP (see back for credit card payments)

<Jane{fname}> <Smith{lname}>  
<1234 Main St.{address}>  
<Anytown{city}>, <US{state}><98765{zip}>

Recipient Reference Code:  
123456789  
(barcode)>

**CLAIM B JACKPOT JOURNAL - \$2,100,000.00 in**  
Prizes Reported Annually

Sign below to receive first installment free of charge, and establish ongoing delivery with no less than \$175,000.00 in cash and prizes itemized each month. <source>

**X SIGN HERE**

Signature \_\_\_\_\_ Date \_\_\_\_\_ <barcode>

I REQUEST ALL MONTHLY REPORTS BE SENT TO THE ADDRESS ON FILE. BY SIGNING ABOVE, I REQUEST MVP TO DEBIT MY ACCOUNT AND/OR BILL ME \$33 RECURRING QUARTERLY (EVERY THREE MONTHS) UNTIL I CHANGE OR CANCEL MY SUBSCRIPTION. I HAVE READ AND UNDERSTAND THE MVP 100% RISK-FREE GUARANTEE.

**CONFIRMED PRIZE**

20. As with its other mailer, the disclaimer below the signature line does not refer to a magazine or Jackpot Journal, rather “monthly reports.”

21. The disclaimers on the back of these mailers fail to clear up the numerous misrepresentations on the front of the mailers. In the middle of a large block of small-size text disclaimers, the mailers include statements such as “[b]y signing the subscription request, respondent authorizes MVP to automatically debt the account \$33 recurring quarterly” “for so long as the respondent chooses to be a subscriber.”

22. The location of the misleading language and the failure to plainly disclose the nature of the offer, concealed what MVP was actually selling, and what consumers would actually be charged. This allowed MVP to collect fees until customers caught on to these recurring charges.

23. To claim their free first installment of Jackpot Journal, MVP's mailers directed consumers to enclose a "required fee" of \$2.75. Or to claim the gold keepsake, MVP's mailers directed them to enclose the "mandatory" shipping handling fee of \$2.75. The mailers instruct consumers that payment can be made by check or credit card.

24. Having obtained the consumer's signed acceptance, as well as their bank account and routing number, or the consumer's credit card number, MVP used this information to auto-debit approximately \$33 every three months from the consumer's account for the Jackpot Journal.

### **III. MVP knew (and should have known) that its advertisements were misleading.**

25. In response to the Attorney General's investigative subpoena, MVP produced documents which showed that it received numerous consumer complaints that would have alerted the company to the misleading nature of their advertisements. Consumers commonly complained about account charges and that they never authorized the deduction. Some consumers called because they believed they had won the substantial cash prize.

26. These complaints have many common themes. In its review of Attorney General, Better Business Bureau, and MVP customer service complaints, the Attorney General reviewed several complaints from adult children who took over their parents' finances and belatedly discovered the reoccurring charges from MVP for \$33.00. The parents had no idea what they were being charged for and were not familiar with Jackpot Journal.

27. Other consumer complaints show that the consumer believed that by signing the advertisement, and sending a small fee, that they were able to immediately collect the prize money advertised by MVP.

28. And other complainants—sometimes in combination with the issues above—simply did not understand that returning the signed advertisement with shipping and handling for a promotional prize would sign them up for a recurring deduction of \$33.00 a month.

29. MVP's own customer service scripts expressly address the types of complaints that MVP receives:

30. For example, the very first prompt in MVP's customer service script provides an answer to the customer query "Did I win?" MVP, of course, responds that the consumer has "won" the "promotional prize" of a small \$6 bottle of gold flakes, which MVP refers to as a "24K Gold Keepsake."

C: "Did I win?"

*"That's a good question. Let's take a look."*

*>LOOK UP THEIR ACCOUNT. VERIFY THEIR FULL NAME AND ADDRESS. NOTE: Some mail offers, such as 275RF, advertise a guaranteed prize of a "24 Karat Gold Keepsake". It's a small promotional prize they can receive by replying to our offer. VERIFY THE MAIL OFFER THEY RECEIVED.>*

*"Yes, according to my records, you were chosen by Mountain View Publishers to receive a promotional prize of a 24K Gold Keepsake. If you wish to receive it, simply follow the instructions and reply by mail."*

31. MVP's customer service script recognized that some consumers were not merely confused about whether they had won the promotional prize: the very next prompt is meant to clarify for the many confused consumers that they had not won any money whatsoever—despite the language in MVP's advertisements that MVP designed to suggest to consumers they had won "thousands of dollars"—indeed, sometimes, millions—of cash prizes.

C: "The letter mentions thousands of dollars in prizes. When do I get that?"

*"To be clear, you haven't won anything yet. The reason you received the notice in the mail was to inform you of your eligibility. The prize amount you see advertised is the total sum of prize opportunities published in our next issue of Jackpot Journal. If you wish to subscribe, simply follow the instructions and reply by mail."*

32. MVP's customer service script also included responses to consumer questions about charges on their bank statement. MVP well understood that their consumers frequently did not understand that by signing and returning the advertisement that they had agreed to recurring charges for the "Jackpot Journal." Indeed, it appears from these questions that many consumers did not even understand that MVP charged for the Jackpot Journal, and so were confused about both the existence of the charge, what MVP was charging for, and how MVP had even obtained the consumer's bank information in the first place. For example:

C: "I just saw a (\$\$) charge on my statement. What this is this about?"

*"I'd be happy to look into that for you."*

*<LOOK UP THEIR ACCOUNT. VERIFY THEIR FULL NAME AND MAILING ADDRESS>*

*"Thank you for your patience. It appears the (\$\$) charge you see is for your subscription to Jackpot Journal (or Up4Grab\$) that you started back on (date the subscription began)."*

33. MVP's script showed that some consumers indicated they had never meant to place an order for the magazine. MVP included a prompt to explain its deceptive subscription request—further demonstrating MVP's knowledge that its subscription process confused consumers, signing them up for something they never wanted, for money they never intended to pay. For example:

C: "I never placed an order for the magazine."

*"Okay, let's take a look."*

*<LOOK UP THEIR ACCOUNT. VERIFY THEIR FULL NAME AND ADDRESS>*

*"According to our records, we received your (money order/check/credit card) payment for (\$\$) back on (date of purchase). Along with your payment, we received a subscription request. Although it may have not been your intention, the request was signed, and that's what authorized the payment."*

34. The Attorney General's review of MVP's customer complaints, including calls to its customer service center, showed that consumers often requested full refunds. MVP's customer service recognizes that consumers may seek full refunds and blames the consumer for not noticing the ongoing charges—telling the consumer that he or she "could have cancelled at any time." Instead, MVP authorized its sales associates to offer a refund of a few months, plainly hoping that would be enough to pacify consumers taken in by MVP's deceptive practices.

C: "I want a refund for the entire time you have been charging me."

*<NOTE: Use your best judgement. We already offer a very generous 60-day, risk-free guarantee, but issue a full refund only if you feel the customer's request is warranted. You may need an authorization to proceed.>*

*"Please understand we process every order we receive in good faith, and by all accounts we honored your subscription in good faith. You could have cancelled at any time. We do have a 60-day, risk-free guarantee so I would be more than happy to issue a refund for the last two months. How would you like to handle this?"*

35. The review of MVP complaints showed some consumers' charges reached over \$100.00 dollars—approximately nine months of charges—before the consumer realized the situation and complained.

#### **IV. MVP's deception has resulted in significant consumer harm.**

36. Operating from Colorado, MVP's deceptive trade practices have resulted in significant harm to consumers across the country.

37. MVP has sent millions of deceptive mailers. In 2019, MVP sent approximately 200,000 letters a month.

38. During its investigation, the Attorney General review of MVP's business records showed that MVP had obtained over fifty thousand subscribers, with over two million dollars in revenues and an average of approximately \$40 in charges per customer.

39. Indeed, that the average customer cancelled after approximately \$40 of charges—since MVP bills consumers \$33 on a quarterly basis—is evidence that many consumers did not understand the nature of MVP's offer and cancelled quickly when they realized MVP was charging their credit cards or bank accounts.

40. A review of MVP consumers with Colorado addresses showed that the average age of MVP's Colorado consumers was almost 80 years old.

41. Complaints to the Colorado Attorney General, and the Better Business Bureau, about the company's conduct demonstrate the harm and impact of MVP's deceptive mailers—including that many older consumers were confused by MVP's mailers, did not understand that they had not won a large cash prize, or that MVP would automatically debit their bank account, every three months.

42. A sixty-nine-year-old consumer from North Carolina stated that he received a letter from MVP informing him that he had won over three hundred thousand dollars but needed to send \$2.35 to claim his prize. He sent in that sum and expected to receive his winnings. When he did not receive the money, he sent MVP \$2.35 several more times in the hopes of redeeming his prize. The consumer stated that he did not realize that MVP was charging him for the Jackpot Journal and generally threw it away.

43. A consumer from North Carolina stated that “many times they have written me saying I have won this or that but take my money and nothing. I’m a poor man....”

44. An individual from Michigan with power of attorney for a 90-year-old woman, noted that MVP responds to consumers who complain to the BBB but felt compelled to report MVP's tactics to state and federal law enforcement, stating, that “[t]his company documents closely all transactions and is able to provide evidence to the unsuspecting victims of the fine print agreement to charge

substantial fees well in excess of any service or product provided. In this case, the victim is a 90-year-old individual who may not have had sufficient vision to read the fine print. I view this practice as predatory solicitation of seniors. To the extent the FTC is able to interdict this predatory practice, please pursue appropriate legal action.”

45. Defendant has continued to deny that it violated the law or caused harm to consumers.

### **PLAINTIFF’S CLAIMS**

#### **FIRST CLAIM FOR RELIEF**

(Knowingly or recklessly makes a false representation as to the characteristics, ingredients, uses, benefits, alterations, or quantities of goods, food, services, or property or a false representation as to the sponsorship, approval, status, affiliation, or connection of a person therewith; C.R.S. § 6-1-105(1)(e)).

46. Plaintiff incorporates herein by reference all allegations set forth above.

47. Defendant has violated the Colorado Consumer Protection Act, C.R.S. § 6-1-105(1)(e), by sending millions of deceptive advertisements to consumers which falsely suggest that the consumer has won a significant cash prize.

48. Defendant makes these false representations through the use of misleading language, suggesting that if the recipient pays shipping and handling or a small fee that they can collect the cash prize.

49. By means of the above-described unlawful deceptive trade practices, Defendant has deceived, misled, and unlawfully acquired money from Colorado consumers and consumers in other states.

#### **SECOND CLAIM FOR RELIEF**

(Makes false or misleading statements of fact concerning the price of goods, services, or property or the reasons for, existence of, or amounts of price reductions; C.R.S. § 6-1-105(1)(l)).

50. Plaintiff incorporates herein by reference all allegations set forth above.

51. Defendant has violated the Colorado Consumer Protection Act, C.R.S. § 6-1-105(1)(e), by sending millions of deceptive advertisements to

consumers which concealed that MVP would charge consumers for an auto-renewing subscription to Defendant's sweepstakes publication.

52. By means of the above-described unlawful deceptive trade practices, Defendant has deceived, misled, and unlawfully acquired money from Colorado consumers and consumers in other states.

### THIRD CLAIM FOR RELIEF

(Represents to any person that such person has won or is eligible to win any award, prize, or thing of value as the result of a contest, promotion, sweepstakes, or drawing, or that such person will receive or is eligible to receive free goods, services, or property, unless, at the time of the representation, the person has the present ability to supply such award, prize, or thing of value;; C.R.S. § 6-1-105(1)(jj)).

53. Plaintiff incorporates herein by reference all allegations set forth above.

54. Defendant has violated the Colorado Consumer Protection Act, C.R.S. § 6-1-105(1)(jj), by sending millions of deceptive advertisements to consumers which falsely suggest that the consumer has won a significant cash prize.

55. Defendant makes these false representations through the use of misleading language, suggesting that if the recipient pays shipping and handling or a small fee that can collect the cash prize.

56. By means of the above-described unlawful deceptive trade practices, Defendant has deceived, misled, and unlawfully acquired money from Colorado consumers and consumers in other states.

### FOURTH CLAIM FOR RELIEF

(Knowingly or recklessly engages in any unfair, unconscionable, deceptive, deliberately misleading, false, or fraudulent act or practice, C.R.S. § 6-1-105(1)(kkk))

57. Plaintiff incorporates herein by reference all allegations set forth above.

58. Defendant has knowingly and recklessly violated the Colorado Consumer Protection Act, C.R.S. § 6-1-105(1)(kkk), by sending mailers that suggest consumers have won a large cash price and conceal that MVP will bill consumers for an automatically renewing subscription to Defendant's sweepstakes catalogue.

59. Defendant makes these false representations through the use of misleading directive language.

60. Defendant employs deceptive trade practices to which the vulnerable—here, elderly or older persons—are particularly susceptible.

61. Defendant's actions are and were unfair, unconscionable, deceptive, deliberately misleading, false, and fraudulent.

62. By means of the above-described unlawful deceptive trade practices, Defendant has deceived, misled, and unlawfully acquired money from Colorado consumers and consumers in other states.

### **RELIEF REQUESTED**

WHEREFORE, Plaintiff prays for judgment against the Defendant and the following relief, including:

A. An order entering the proposed Final Consent Judgment pursuant to the Colorado Consumer Protection Act, §§ 6-1-101, et seq. C.R.S., 2021. ("CCPA").

B. Additional appropriate orders necessary to prevent Defendant's continued or future deceptive trade practices.

C. An order requiring Defendant to pay the costs and expenses of this action as provided in the Stipulation

D. Any such further orders as the Court may deem just and proper to effectuate the purposes of the CCPA.

Respectfully submitted this 29<sup>th</sup> day of March 2022.

PHILIP J. WEISER  
Attorney General

*Abigail M. Hinchcliff*

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