

<p>DISTRICT COURT, ARAPAHOE COUNTY, COLORADO</p> <p>7325 S. Potomac Street Centennial, Colorado 80112</p> <hr/> <p>STATE OF COLORADO, ex rel. JOHN W. SUTHERS, ATTORNEY GENERAL,</p> <p>Plaintiff,</p> <p>v.</p> <p>COLORADO HUMANE SOCIETY & S.P.C.A., INC.; MARY C. WARREN, an individual; ROBERT WARREN, an individual; and STEPHENIE L. GARDNER, an individual;</p> <p>Defendants.</p>	<p style="text-align: center;">▲ COURT USE ONLY ▲</p>
<p>JOHN W. SUTHERS, Attorney General ALISSA HECHT GARDENSWARTZ Assistant Attorney General, 36126* LEEANN RICHEY Assistant Attorney General, 38742* JAY B. SIMONSON First Assistant Attorney General, 24077* 1525 Sherman Street, 7th Floor Denver, CO 80203 (303) 866-5079 (303) 866-4916 Fax *Counsel of Record</p>	<p>Case No.:</p> <p>Div:</p>
<p style="text-align: center;">COMPLAINT AND PETITION FOR APPOINTMENT OF CUSTODIAN OR FOR DISSOLUTION</p>	

Plaintiff, the State of Colorado, upon relation of John W. Suthers, Attorney General for the State of Colorado, by and through undersigned counsel, states and alleges as follows:

INTRODUCTION

1. The Colorado Attorney General brings this action on behalf of the State of Colorado pursuant to the Colorado Charitable Solicitations Act, Colo. Rev. Stat. §§ 6-16-101 through 114 (2008) (“CCSA”), the Pet Animal Care and Facilities Act, Colo. Rev. Stat. §§ 35-80-101 through 117 (2008) (“PACFA”), and the Colorado Consumer Protection Act, Colo. Rev. Stat. §§ 6-1-101 through 1115 (2008) (“CCPA”), to enjoin

and restrain the Defendants from engaging in certain acts of charitable fraud and unlawful deceptive trade practices, as well as for statutorily mandated civil penalties, for disgorgement, restitution, and for other relief as provided in the CCSA, PACFA and the CCPA. Because Defendant the Colorado Humane Society & S.P.C.A., Inc. (“CHS”) has abused the authority conferred by law upon charitable nonprofit organizations, and because its charitable assets have been misused and wasted, and are in danger of being misused and wasted further, the Colorado Attorney General petitions this Court to appoint a custodian to manage CHS assets or, in the alternative, to dissolve the CHS assets pursuant to the Colorado Revised Nonprofit Corporation Act, Colo. Rev. Stat. §§ 7-121-101 through 137 (2008) (“CRNCA”) and C.R.C.P. 66.

PARTIES

2. John W. Suthers is the duly elected Attorney General of the State of Colorado, and is authorized to enforce the CCPA under Colo. Rev. Stat. § 6-1-103 as well as to petition the Court for dissolution of nonprofit corporations under Colo. Rev. Stat. § 7-134-301. The Attorney General is also charged with protection of charitable assets pursuant to common law and Colo. Rev. Stat. § 24-31-101(5).

3. CHS is a Colorado nonprofit corporation formed on August 6, 1881, with its principal place of business located at 2760 S. Platte River Drive, Englewood, CO 80110. CHS provides shelter, veterinarian care, and adoption services for surrendered and stray animals. Within the past four years, CHS also provided animal control services for the City of Colorado Springs, and has provided animal housing services for Arapahoe County, the City of Littleton, CO, and the City of Englewood, CO.

4. Mary C. Warren is an individual currently residing at 13058 S. Ridge Road, Conifer, Colorado 80433. Ms. Warren is the Executive Director and a member of the Board of Directors of CHS. As Executive Director, Ms. Warren is intimately involved in all aspects of CHS’s operations, and has formulated, directed, controlled, or participated in the alleged unlawful acts or practices of CHS.

5. Robert W. Warren is an individual currently residing at 13058 S. Ridge Road, Conifer, Colorado 80433. Mr. Warren is the Director of Development for CHS. Mr. Warren assists Defendant Mary Warren in the overall management of CHS, and has formulated, directed, controlled, or participated in the alleged unlawful acts or practices of CHS. Mr. Warren is also married to Defendant Mary Warren.

6. Stephenie L. Gardner is an individual currently residing at 11325 Pauls Drive, Conifer, Colorado 80433. Ms Gardner is the Director of Operations for CHS. Ms. Gardner oversees the day-to-day operations of CHS, including CHS bookkeeping, and has formulated, directed, controlled, or participated in the alleged unlawful acts or practices of CHS. Ms. Gardner is the daughter of Defendant Mary Warren and the step-daughter of Defendant Robert Warren.

7. Ms. Warren, Mr. Warren, and Ms. Gardner are hereinafter collectively referred to as the “Individual Defendants.”

JURISDICTION AND VENUE

8. Pursuant to the CCPA, 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.

9. Pursuant to the CRNCA, Colo. Rev. Stat. §§ 7-134-302(1) and (3) as well as C.R.C.P. 66, this Court has jurisdiction to issue injunctions and to appoint a custodian to manage the affairs of CHS with all the powers and duties this Court directs.

10. At all times relevant to this action, CHS maintained its principal office in Arapahoe County, Colorado. Accordingly, venue is proper under Colo. Rev. Stat. §§ 6-1-103 and 7-134-302(1), and C.R.C.P. 98.

RELEVANT TIMES

11. The conduct that gives rise to the claims for relief contained in this Complaint began in 2003 and continues through the present.

12. 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 false, misleading, and deceptive acts or practices occurred and/or were discovered, and the series of false, misleading, and deceptive acts and practices is continuing in nature.

PUBLIC INTEREST

13. Through the unlawful practices of their business, vocation, or occupation the Individual Defendants have deceived, misled, and financially injured consumers in Colorado. Specifically, the Individual Defendants improperly solicited and spent donations made to the CHS, and have repeatedly violated the Colorado Charitable Solicitations Act, the Pet Animal Care and Facilities Act, the Colorado Consumer Protection Act, and the Colorado Revised Nonprofit Corporation Act.

14. Additionally, Individual Defendants have misused and wasted and continued to misuse and waste charitable assets intended for the benefit of the public.

15. Therefore, the Attorney General believes these legal proceedings are in the public interest and are necessary to safeguard Colorado citizens from the Individual Defendants’ charitable fraud and unlawful business activities, as well as to protect valuable charitable assets intended to benefit the public.

STATUTORY BACKGROUND

A. The Colorado Charitable Solicitations Act

16. The Colorado Charitable Solicitations Act was passed by the legislature after it found that “fraudulent charitable solicitations are a widespread practice in this state which results in millions of dollars of losses to contributors and legitimate charities each year.” Colo. Rev. Stat. § 6-16-102. Accordingly, the legislature passed the Act to “protect the public’s interest in making informed choices as to which charitable causes should be supported.” *Id.*

17. Under the Act, any charitable organization that solicits or intends to solicit more than \$25,000 in a fiscal year must register with the Colorado Secretary of State and provide the information required by Colo. Rev. Stat. § 6-16-104(2). *Id.* § 6-16-104(1), (6)(c). This registration must be renewed on an annual basis and the charity must file a financial report on the fifteenth day of the fifth calendar month after the close of the charity’s fiscal year. *Id.* § 6-16-104(4), (5). The Act prohibits any charity that is required to register from soliciting any contributions prior to the charity complying with the registration requirements. *Id.* § 6-16-104(9).

18. The Charitable Solicitations Act prohibits “charitable fraud” which is committed when a person:

(a) Knowingly solicits any contribution and in the course of such solicitation knowingly performs any act or omission in violation of any of the provisions of sections 6-16-104 to 6-16-107 and 6-16-110;

...

(f) Knowingly makes a misrepresentation of a material fact in any notice, report, or record required to be filed, maintained, or created by this article;

(g) With intent to defraud, devises or executes a scheme or artifice to defraud by means of a solicitation or obtains money, property, or services by means of a false or fraudulent pretense, representation, or promise in the course of a solicitation. A representation may be any manifestation of any assertion by words or conduct, including, but not limited to, a failure to disclose a material fact;

...

- (i) Represents or causes another to represent that a contribution to a charitable organization will be used for a purpose other than the purpose for which the charitable organization actually intends to use such contribution;

...

Id. § 6-16-111(1)(a), (g), (i).

B. The Pet Animal Care and Facilities Act

19. The Pet Animal Care and Facilities Act (“PACFA”) regulates the licensing and activities of any place or premise used for the keeping of pet animals for adoption, breeding, boarding, grooming, handling, selling, sheltering, trading, or otherwise transferring such animals. *See* Colo. Rev. Stat. § 35-80-101 *et seq.* (2008).

20. Under PACFA, it is unlawful for any person or entity, “To make any misrepresentation or false promise through advertisements, employees, agents, or otherwise in connection with the business operations licensed pursuant to [PACFA]. . .” *Id.* at § 35-80-108(2)(f).

21. Additionally, Colo. Rev. Stat. § 35-80-107 imposes a minimum two-year recordkeeping requirement for documents such as animal contracts on all pet animal care facilities.

C. The Consumer Protection Act

22. The Colorado Consumer Protection Act (CCPA) prohibits deceptive trade practices as set forth in the statute. *Id.* § 6-1-105 (2007).

23. Any violation of the CCSA is a deceptive trade practice under the CCPA and subjects the violator to the CCPA’s penalties. *Id.* §§ 6-1-105(1)(hh), 6-16-111(5).

24. Additionally, any violation of PACFA, Colo. Rev. Stat. § 35-80-108(2)(f) is a deceptive trade practice and subjects the violator to the CCPA’s penalties. *Id.* at § 35-80-108(4), § 6-1-105(1)(oo).

D. The Colorado Revised Nonprofit Corporation Act

25. The CRNCA, Colo. Rev. Stat. §§ 7-121-101 *et seq.* through § 7-137-101 *et seq.* (2008), governs the operations of nonprofit corporations that are incorporated in Colorado.

26. Colo. Rev. Stat. § 7-128-401 states that officers and directors of a nonprofit corporation shall discharge their duties:

(a) In good faith;

(b) With the care an ordinarily prudent person in a like position would exercise under similar circumstances; and

(c) In a manner the director or officer reasonably believes to be in the best interests of the nonprofit corporation.

Colo. Rev. Stat. § 7-128-401(1)(a)-(c).

27. Colo. Rev. Stat. § 7-128-501(2) states that no loans shall be made by a corporation to its directors or officers.

28. Colo. Rev. Stat. § 7-136-101 provides in relevant part that a “nonprofit corporation shall keep as permanent records minutes of all meetings of its members and board of directors, [and] a record of all actions taken by the members or board of directors without a meeting,” and also requires a nonprofit corporation to maintain appropriate accounting records. *Id.* § 7-136-101(1), (2).

29. Colo. Rev. Stat. § 7-123-104 (2)(c) states that a nonprofit corporation’s power to act may be challenged by the Attorney General under Colo. Rev. Stat. § 7-134-301.

30. Colo. Rev. Stat. § 7-134-301(1)(b) states that, “a nonprofit corporation may be dissolved in a proceeding by the attorney general if it is established that: . . . The nonprofit corporation has continued to exceed or abuse the authority conferred upon it by law.”

31. Colo. Rev. Stat. § 7-134-303 permits a court in a judicial proceeding to dissolve a nonprofit corporation to appoint “one or more custodians to manage, the affairs of the corporation.” *See* Colo. Rev. Stat. § 7-134-303(1).

GENERAL ALLEGATIONS

32. CHS is a Colorado nonprofit corporation that operates an animal shelter in Englewood, CO for stray and abandoned animals. CHS operations include adopting animals out, returning lost animals brought to the shelter, providing medical care to animals, spaying and neutering of animals, and euthanizing animals. Until October 19, 2007, CHS also operated a veterinary clinic at 1864 South Wadsworth, Lakewood, CO 80232, at which it provided medical care for its animals.

33. CHS additionally provides animal housing services for the City of Littleton and the City of Englewood. These entities paid CHS a monthly fee in exchange for shelter and care of stray dogs and cats collected within their boundaries. CHS provided similar services for Arapahoe County until October 2007. Additionally, from January 2004 through July 2005, CHS provided animal control

services for the City of Colorado Springs, which included operating an animal shelter in Colorado Springs, picking up stray animals, and administering pet licenses for the city.

34. CHS receives additional funding through program service fees charged to consumers. CHS charges fees for adoptions, for returning lost pets, for taking in animals that are surrendered by their owners, and for euthanizing animals brought in by their owners for that purpose.

35. CHS also receives money through donations. According to its Form 990 returns filed with the Internal Revenue Service, CHS received \$507,323 in donations for its 2003-2004 fiscal year, \$292,690 in donations for its 2004-2005 fiscal year, and \$1,364,628 in donations for its 2005-2006 fiscal year. Records provided to the Colorado Secretary of State indicate that CHS collected \$552,498.15 in donations for its 2006-2007 fiscal year.

Registration Under the Colorado Charitable Solicitations Act.

36. Defendants failed to properly register CHS under the Colorado Charitable Solicitations Act, causing CHS to collect nearly \$3 million in donations illegally.

37. CHS filed an initial registration under the CCSA on May 22, 2003, shortly after the registration requirement under the CCSA went into effect.

38. Under the CCSA, CHS was required to renew this registration annually and to file an annual financial report. *See* Colo. Rev. Stat. § 6-16-104(4), (5).

39. On or about December 4, 2003, the Secretary of State's office sent an e-mail notice to Defendant Mary Warren notifying her that CHS missed its November 15, 2003 deadline to renew its registration and reminding Ms. Warren of requirements to register and file annual financial reports pursuant to the CCSA

40. Defendant Mary Warren did not respond to the Secretary of State's December 4, 2003 notice.

41. On or about December 18, 2003, the Secretary of State e-mailed a second notice to Defendant Mary Warren again requesting that she renew CHS's overdue registration.

42. CHS did not respond to the December 18, 2003 notice, and on January 6, 2004 the Secretary of State sent a letter to Defendant Mary Warren telling her that it was providing its third and final notice to her regarding CHS's overdue registration renewal. The letter advised Ms. Warren that CHS's registration to solicit contributions in Colorado would be suspended on the 46th day after the November 15, 2003 deadline unless registration was renewed.

43. In response to the Secretary of State's January 6, 2004 notice, on or about January 18, 2004, Defendant Mary Warren requested an extension to renew CHS's registration. The Secretary of State granted her an extension up to and including February 15, 2004.

44. On or about February 18, 2004, the Secretary of State sent Ms. Warren an e-mail notice alerting her that CHS had missed the February 15, 2004 deadline to renew CHS's registration.

45. CHS again did not respond to the Secretary of State's notice, and on March 3, 2004, the Secretary of State again notified Defendant Mary Warren via e-mail that CHS's registration was delinquent.

46. On March 26, 2004, the Secretary of State sent a letter via U.S. mail to Defendant Mary Warren stating that it was providing its third and final notice to her regarding CHS's overdue registration renewal. The letter advised Ms. Warren that CHS's registration to solicit contributions in Colorado would be suspended on the 46th day after the February 15, 2004 deadline unless registration was renewed.

47. CHS did not respond to the Secretary of State's March 26, 2004 letter, and on April 13, 2004, the Secretary of State mailed a letter to Defendant Mary Warren alerting her that CHS was suspended, and that CHS or anyone acting on its behalf could not solicit contributions until its registration had been brought up to date.

48. Despite receiving the Secretary of State's April 13, 2004 notice that CHS was prohibited by law from soliciting donations, CHS continued to solicit and collect donations for over three years without being registered, in violation of Colo. Rev. Stat. § 6-16-104(9) and § 6-16-111(1)(a).

49. Additionally, CHS did not file annual financial reports for fiscal years 2003, 2004, 2005 and 2006 in violation of Colo. Rev. Stat. § 6-16-104(5).

50. More recently, Defendant Mary Warren again failed to file CHS's 2006-2007 annual report and renewal with the Secretary of State in a timely manner. After receiving two extensions of time to file CHS's annual report, Ms. Warren received three delinquent notices from the Secretary of State prior receiving a notice of suspension on July 14, 2008. Ms. Warren did not file CHS's annual report until August 13, 2008.

51. On November 17, 2008, the Secretary of State issued yet another delinquent notice to Defendant Mary Warren for failure to renew CHS's charitable registration for 2008. The Secretary of State has since granted CHS an extension to renew its 2008 registration.

Misrepresentations Regarding Colorado Humane Society's Use of Donations.

52. Defendants have made repeated misrepresentations to Colorado consumers regarding how their donations would be used

A. Misrepresentations Regarding Donations Collected for Hurricane Katrina Relief.

53. Defendants used Hurricane Katrina as an opportunity to raise tens of thousands of dollars for routine CHS operating expenses rather than to help animals affected by Hurricane Katrina.

54. On or about August 31, 2005, in the wake of Hurricane Katrina, CHS began making appeals through the media for Coloradans to make donations to help animals affected by Katrina.

55. As a result of these appeals, numerous donors flooded CHS with supplies for Katrina animals and also gave CHS monetary donations for Katrina relief efforts.

56. Defendants admit to having received at least \$66,154.54 in monetary donations for Hurricane Katrina relief, and claim to have spent \$73,193.71 in providing aid to Katrina area animals.

57. However, the accounting firm that audited CHS states that CHS only incurred approximately \$16,000 in Hurricane Katrina related expenses.

58. Expense records related to CHS's Katrina relief effort reveal that Defendants cannot accurately account for several of CHS's claimed expenses. The records show that money raised for Katrina was used to cover normal CHS operating costs, including the salaries of the Individual Defendants.

59. Included in CHS' accounting of its Katrina expenses is \$1000 incurred by Defendant Robert Warren for travel to Mississippi prior to the date of Hurricane Katrina. Rather than provide receipts for his expenses, Mr. Warren simply provided a copy of his credit card statement and checked charges that purportedly applied to his expense report. Several of the checked charges pre-date Hurricane Katrina.

60. Similarly, Defendants support several of their expenses with copies of check stubs and CHS's own internally-created QuickBook reports rather than actual receipts. For example, CHS states that it used \$458.27 for "Extra Needed Supplies," and as support for that expense, provides a QuickBook report with certain expenditures highlighted. There is nothing in the description of these expenditures to indicate that they were incurred in conjunction with Hurricane Katrina.

61. Moreover, Defendants used approximately \$32,000 of Katrina donations to cover CHS's own payroll. Defendants used Katrina donations to pay for salaries if employees spent any time on Katrina-related efforts. CHS records show that Katrina donations paid for Defendant Mary Warren's salary for the pay period of September 1-15, 2005 (\$2791.67). Defendant Mary Warren did not travel to Katrina-affected areas during this time period, nor did she abandon her normal duties as Executive Director of CHS.

62. Included within CHS' claimed expenses related to care of animals rescued from Hurricane Katrina are expenses associated with several animals brought to CHS either directly by Colorado pet owners or transferred from shelters located in areas not affected by Katrina.

B. Misrepresentations Regarding CHS's "No-Kill" Status, Euthanasia Policy and Euthanasia Rate

63. Defendants also have made regular and repeated misrepresentations regarding CHS's euthanasia policies and euthanasia rates in an effort to encourage donations to CHS rather than to other animal shelters with allegedly higher euthanasia rates.

64. Defendants at times misrepresented that CHS operated as a "no-kill" shelter, when in fact CHS has always had a euthanasia policy and committed euthanasia.

65. On CHS's website, Defendants misrepresented that "time is the animal's greatest asset" because CHS "is the state's only open admission shelter where no clock is ticking," and that "[w]ith no clock ticking, CHS does not euthanize for money or space considerations."

66. Defendants misrepresented CHS's euthanasia policy as follows: "In only the most extreme situations is an animal put to sleep. Grave illness or injury, advanced age with infirmity or aggression are the only criteria considered for euthanasia."

67. Defendants further misrepresented that CHS's combination of being an open admission shelter while not euthanizing for money or space considerations, "is what sets us apart from every other organization in Colorado."

68. In contravention of its publicly-stated euthanasia policy, CHS routinely euthanizes animals that are not "adoptable." The CHS Employee Handbook discloses to its employees what is not disclosed to the public: that CHS will euthanize animals that are not adopted in a timely manner or that are unlikely to be adopted. CHS's Employee Handbook states:

The longer the animal stays in the shelter suffering the lack of security, purpose and attachment enjoyed by owned companion animals, the less adaptable and adoptable it becomes.

When we have an animal in this condition, or receive an animal whose adoption is so unlikely that its only future is in our shelter, we can only prevent suffering by humane euthanasia.

(emphasis added).

69. The CHS euthanasia policy was reviewed and approved by Defendant Mary Warren.

70. The internal CHS Employee Handbook also states that the final decision to euthanize is the responsibility of the Executive Director, Defendant Mary Warren.

71. Defendant Mary Warren would regularly select animals for euthanasia that were not otherwise gravely ill or injured, of advanced age and infirm, or aggressive to make room at the shelter for more “adoptable” animals.

72. Defendants regularly initiated and accepted transfers of animals from other shelters when CHS’s own shelter space was already full. Specifically, CHS accepted numerous transfers of animals from the Espanola Humane Society and the Roswell Humane Society in New Mexico. Defendants would hand-pick the animals that they wanted transferred from these shelters, typically selecting puppies and younger dogs as well as smaller dog breeds. These dogs are considered more “adoptable” than older or larger dogs.

73. The number of animals in these transfers would range from ten to seventy animals at a time. The transfers occurred, on average, twice a month for the past several years.

74. Prior to receiving these transfers, Defendants Mary Warren and Stephenie Gardner would select certain dogs to be euthanized to make room for the transferred animals. Specifically, they would select larger dogs for euthanasia because one kennel could house six to seven smaller dogs, but could only accommodate one or two larger dogs.

75. The dogs euthanized to make room for new dogs frequently had no history of illness, injury, old-age, or aggression. Often times, they were simply larger dogs that were taking up space and not considered as “adoptable” as the dogs coming in from a transfer, dogs that had been at the shelter for a period of time and had decreasing chances of being adopted, or dogs of a particular breed not considered easily adoptable.

76. Defendants also misrepresented CHS's euthanasia rate. Specifically, they consistently claim that CHS euthanizes less than 8% of the total number of animals it shelters. In statements to the public, including in CHS's registration statement filed with the Secretary of State, Defendants contrasted their claimed euthanasia rate with the higher euthanasia rates of competing shelters. Upon information and belief, CHS's actual euthanasia rate within the past five years has at times been as high as 29%.

77. Defendants reported false statistics to the Colorado Department of Agriculture regarding the numbers of animals adopted to new owners, returned to owners, transferred to other licensed facilities, and euthanized at CHS's election in order to artificially maintain the organization's claimed euthanasia rate.

78. Pursuant to PACFA, animals euthanized at the pet owner's request need not be counted toward a shelter's euthanasia rate.

79. Defendants manipulated CHS's reported euthanasia rate by falsely categorizing animals as "PTS (put to sleep)" at the owners' request when, in fact, CHS chose to euthanize those animals.

80. In fact, consumers have surrendered their pets to CHS's care with the specific intent of having their pets placed up for adoption in reliance on the Defendants' representations that CHS is a "no kill" shelter that does not euthanize animal for "money or space considerations," only to have CHS euthanize their pets within a few days of surrender based on claimed, but in fact nonexistent, requests by consumers to have CHS euthanize their pets.

81. Upon information and belief, CHS employees routinely fabricate information contained in animal contracts at the Individual Defendants' direction to reduce CHS's stated euthanasia rate. For example, employees will indicate on an animal contract that the animal was euthanized at the owner's request when in fact the animal was euthanized at CHS's election and therefore should have been factored into CHS's euthanasia rate.

82. Defendants foregoing misrepresentations regarding CHS's "no-kill" policy, and its low euthanasia rate induced consumers to entrust CHS with placing their pets up for adoption and to donate money to the organization.

Individual Defendants' Wasting and Misuse of CHS Charitable Assets

83. Individual Defendants have misused and wasted charitable assets by operating CHS in violation of Colorado law and in violation of CHS's own Articles of Incorporation and Amended Bylaws, and by grossly mismanaging CHS assets. Furthermore, Individual Defendants have co-mingled their personal assets with CHS assets and have used CHS assets for their own personal benefit.

A. Operation of CHS in Violation of CHS Articles of Incorporation and Bylaws

84. Individual Defendants have been operating CHS in violation of its Articles of Incorporation and Amended Bylaws since at least 2004.

85. According to the Amended Bylaws of CHS, Article VII, CHS should have a Board of Directors consisting of at least seven members.

86. From 2004 to 2007, the CHS Board of Directors had consisted of the same three members: Defendant Mary Warren, Madeline Duncan, and Nancy Miller. Upon information and belief, Mary Warren was the sole Board member from October 2007 to May 2008.

87. According to filings with the Colorado Secretary of State, CHS currently only has two Board members: Defendant Mary Warren and Stephen Hallberg.

88. The CHS Amended Bylaws also provide that directors' terms expire every three years, and that no director shall serve more than two consecutive terms.

89. Defendant Mary Warren has served on the CHS Board consecutively for the past eighteen years, in direct violation of the CHS Amended Bylaws. Prior to resigning from the CHS Board in October 2007, Madeline Duncan served on the Board for consecutive terms for approximately ten years, also in violation of the CHS Amended Bylaws.

90. The CHS Amended Bylaws further provide that the CHS Board elect a Chairman of the Board. The CHS Board has not elected a Chairman at least since 2004.

91. Because CHS has been functioning without a Board as prescribed by its Articles of Incorporation and Amended Bylaws, all actions taken by the CHS Board since at least 2004 have been *ultra vires* and illegal.

92. Article XII, Section 2 of the CHS Amended Bylaws further states that:

No contract, loan, evidence of indebtedness, negotiable paper, or other instrument or document issued in the name of or on behalf of [CHS] shall be entered into, executed, or incurred on behalf of or binding upon the corporation . . . unless authorized by the Board of Directors.

93. Defendants Mary Warren and Robert Warren claim to have loaned in excess of \$100,000 to CHS. These alleged loans were made without the knowledge or approval of the CHS Board

94. In sum, Individual Defendants have operated CHS in violation of Colorado law as well as in flagrant disregard of its Articles of Incorporation and Amended Bylaws, and have substantially jeopardized the assets and integrity of the corporation.

95. The CHS Board additionally failed to provide adequate oversight over CHS. For example, Defendant Mary Warren ignored a majority CHS Board vote to suspend CHS operations in October 2007 as a result of CHS being unable to pay its workers compensation insurance. Despite a majority of the CHS Board voting to suspend operations, Defendant Mary Warren refused to close CHS.

96. The CHS Board's lack of oversight is further evidenced by CHS's continual operation in violation of Colorado law, and by the financial mismanagement of CHS by Individual Defendants.

B. Individual Defendants' Gross Mismanagement of CHS Assets

97. Individual Defendants have grossly mismanaged the finances CHS. Examples of Individual Defendants' gross financial mismanagement include:

- a. Allowing CHS to incur thousands of dollars in overdraft fees. For example, from 2004 through 2007, CHS incurred over \$14,000 in overdraft fees on its payroll account;
- b. Maintaining \$1000 in an unused account such that the amount was eventually consumed by fees in keeping the account open;
- c. Needlessly maintaining over thirteen bank accounts for CHS over the past three years;
- d. Allowing CHS's workers compensation insurance to lapse such that CHS was forced to let go of all of its employees and rely upon volunteers for the operation of the shelter for a period of time;
- e. Allowing bills to CHS's pet cremation service to go unpaid such that CHS freezers for storing deceased animals were full and employees were forced to dispose of euthanized animals in a dumpster behind the CHS facility;
- f. Maintaining inadequate documentation of thousands of dollars in expenses related to CHS's Hurricane Katrina relief efforts;
- g. Failing to maintain proper financial controls; and
- f. Failing to maintain complete and accurate financial records.

98. Individual Defendants' mismanagement also led to CHS losing a \$49,500 annual contract with Arapahoe County for animal housing services. After a media report alleged that CHS employees were placing euthanized animals in a dumpster behind the facility rather than cremating the animals, Arapahoe County gave CHS thirty days to provide the following information:

- a. Proof that CHS had a contract in good standing with a cremation service;
- b. Proof that CHS had a waste disposal contract that excluded disposal of animals; and
- c. Financial records showing that CHS could continue operations in compliance with the law.

CHS did not provide this information in the time allotted and lost the contract.

99. More recently, Defendant Robert Warren unilaterally cancelled one of the two remaining contracts for animal housing services that CHS holds with municipalities, thereby causing CHS to lose one of its last two consistent streams of revenue.

100. Specifically, CHS had a long-standing contract for the provision of animal housing services with the City of Littleton from which CHS earned monthly revenue in the amount of \$1,160.00. Defendant Robert Warren abruptly served notice of cancellation to City of Littleton officials on or about November 13, 2008.

101. Upon information and belief, Defendant Robert Warren's unilateral decision to cancel CHS's contract with the City of Littleton stemmed from a dispute over a parcel of land sold to CHS for nominal consideration by the City of Littleton in October 2005.

102. Pursuant to the terms of the purchase and sale contract, the City of Littleton agreed to convey the parcel to CHS for five years for the construction of an animal shelter during that time and subject to the condition that the parcel would revert to the City of Littleton if the parcel ceased to be used for an animal shelter.

103. Despite having specific fundraising goals for a capital campaign to finance the construction of a new shelter and having architect plans developed for the site, Defendant Robert Warren's inability to effectively raise funds rendered the City of Littleton's transfer of the parcel of land meaningless. Upon information and belief, the parcel of land sits vacant and unused.

104. In addition to the land donated to CHS by the City of Littleton for the specific purpose of the construction of a new shelter, the City of Englewood also sold a parcel of land adjacent to the City of Littleton's parcel to CHS for nominal consideration in 2005 to be used as a parking lot for the new shelter.

105. Upon information and belief, the parcel of land sold to CHS by the City of Englewood is not fit for the construction of a new shelter due to flood plane considerations, and thus is only suitable for use as parking lot.

106. Defendant Robert Warren's inability to effectively capitalize on the City of Littleton's transfer of the buildable parcel of land rendered the City of Englewood's transfer of the unbuildable parcel of land meaningless. Upon information and belief, the parcel of land transferred to CHS by the City of Englewood sits vacant and unused.

107. More recent evidence of Individual Defendants' gross mismanagement of CHS includes their illegal operation of a veterinary clinic in the City of Littleton. Individual Defendants have been operating this clinic at 4712 W. Bowles Avenue, despite receiving a notice from Littleton on July 16, 2008 to discontinue any commercial activity at that location. The City had determined that Individual Defendants were operating a commercial enterprise at that address without having submitted a site development plan, as required by law.

108. On October 31, 2008, officials from the City of Littleton went to the Bowles Avenue address to serve a final notice upon Individual Defendants for improperly operating a commercial enterprise. Upon receiving the notice, Defendant Mary Warren became extremely agitated, tore up the envelope containing the notice without reading it, and yelled at the city officials. Ms. Warren also put herself in front of the City officials' vehicle in an attempt to block their exit, and did not move until one of the officials threatened to call the police.

109. On December 8, 2008, the City of Littleton served a Summons and Complaint on Defendant Mary Warren for improper failure to file a site development plan. This action unnecessarily exposes CHS to fines and penalties.

C. Individual Defendants' Failure to Maintain Required Records

110. Individual Defendants further compromised CHS assets by failing to maintain records required by Colorado law.

111. The Colorado Revised Nonprofit Corporations Act provides that a "nonprofit corporation shall keep as permanent records minutes of all meetings of its members and board of directors, [and] a record of all actions taken by the members or board of directors without a meeting" *See* Colo. Rev. Stat. § 7-136-101(1).

112. Despite this recordkeeping requirement, Individual Defendants have failed to maintain as permanent records the minutes of all meetings of CHS's Board of Directors, and the records of all actions taken by CHS's Board of Directors without a meeting.

113. Colo. Rev. Stat. § 7-136-101(2) additionally provides that a “nonprofit corporation shall maintain appropriate accounting records.”

114. Despite this recordkeeping requirement, Individual Defendants have failed to maintain appropriate accounting records. For example, Individual Defendants have not maintained appropriate records related to loans claimed to have been made by Defendants Mary and Robert Warren to CHS, or to loans from CHS to Defendant Robert Warren.

115. Additionally, Individual Defendants have failed to maintain any accounting records related to thousands of dollars in commissions and back-wages that Defendants Mary Warren and Robert Warren claim are owed to them from CHS.

116. Individual Defendants have similarly failed to maintain any accounting records related to payroll advances made by CHS to Defendants Mary Warren and Stephenie Gardner, as well as to other CHS employees.

117. Individual Defendants also have failed to maintain required records under the Pet Animal Care Facilities Act. PACFA imposes a minimum two-year recordkeeping requirement for documents such as animal contracts on all pet animal care facilities. *See Id.* § 35-80-107

118. Despite this recordkeeping requirement, Defendants failed to maintain a complete set of animal contracts for 2006.

D. Individual Defendants’ Misuse of CHS Assets for Personal Benefit

119. Individual Defendants generally have operated CHS like a family business rather than a charitable, non-profit organization.

120. CHS top management are all related. Defendants Mary Warren and Robert Warren are married, and Defendant Stephenie Gardner is Mary Warren’s daughter and Robert Warren’s step-daughter. Despite repeated recommendations from CHS’s financial auditors to implement a conflict of interest policy, Individual Defendants failed to do so.

121. The familial relationship of Individual Defendants has resulted in management improprieties.

122. Defendant Robert Warren receives substantial compensation as Director of Development for CHS, but spends very little time fundraising for CHS. In fiscal year 2006, Defendant Robert Warren was compensated approximately \$81,000. By his own admission, Defendant Robert Warren has spent only ten percent of his time on fundraising over the past three years. Mary Warren, as a member of the CHS Board of Directors, was part of a decision to award her husband a ten-percent

commission (\$80,000), on the CHS' contract with the City of Colorado Springs to administer animal control activities.

123. In fact, Defendant Robert Warren has held the position of Director of Development for CHS since at least 1990. In April 2003, Defendant Mary Warren submitted a "Proposal for Fundraising (Development Director) Position for Robert Warren" to the CHS Board of Directors that included the following duties:

- 1) Submission of a minimum of three grant applications per week (156 per year)
- 2) Development of a marketing plan and capital campaign for new shelter construction:
 - A). Campaign "kick off" June 1, 2003
 - B). Goal of \$6.5 million by Dec. 31, 2005
- 3) Development of a fundraising committee by Jul. 1, 2003
- 4) Implementation of a planned giving program by Sep. 1, 2003
- 5) Four (4) organizational presentations per month
- 6) Development and production of printed materials
- 7) Preparation and distribution of three (3) fundraising mailings per year

....

Upon information and belief, Defendant Robert Warren has consistently failed to execute the above-listed duties in furtherance of his position as Director of Development of CHS, and Defendant Mary Warren has consistently failed to ensure he execute the above-listed duties.

124. Additionally, in 2003, Defendant Robert Warren was permitted to borrow \$8900 from CHS, in direct violation of Colo. Rev. Stat. § 7-128-501(2), which prevents a nonprofit corporation from loaning money to officers of the corporation. No records can be found showing whether the money was ever repaid.

125. In July 2005, after the CHS contract with Colorado Springs was terminated, Defendant Robert Warren sold CHS vehicles used to administer that contract and, upon information and belief, retained at least a portion of the proceeds from those sales for himself.

126. Defendant Robert Warren also took approximately \$6000 from CHS for reimbursement for expenses incurred in administering relief efforts for Hurricane Katrina animals. Defendant Robert Warren was paid the \$6000 even though he provided an incomplete accounting for those expenses, and supported \$1000 of those expenses with expense reports that pre-dated Hurricane Katrina.

127. In December 2006, Defendant Robert Warren accepted a vehicle donation on behalf of CHS and, instead of selling the vehicle and remitting the proceeds to CHS, took ownership of the vehicle for personal use.

128. On September 14, 2006, Defendant Stephenie Gardner was awarded an \$800 bonus. No other CHS employee has ever received a bonus.

129. Individual Defendants have co-mingled CHS finances with their own personal finances to an extent that the integrity of CHS finances has been brought into question.

130. Defendants Robert and Mary Warren claim to have personally loaned CHS over \$100,000 and have received large amounts of money from CHS as “payback” for these loans. For example, on March 27, 2006, Defendant Mary Warren received a \$20,000 payment out of CHS’s Operating Account at Colorado Business Bank that was recorded as repayment of a long-term loan.

131. However, CHS audited financial statements show that CHS’s only debt owed to a related party was for \$16,901 in 2002 and for \$6,735 in 2003. CHS audited financial statements from 2004, 2005 and 2006 do not show any loans made to CHS by Defendants Mary or Robert Warren, nor do those statements show that CHS owed any money to the Warrens.

132. Individual Defendants have paid for personal expenses using CHS funds.

133. For example, on December 29, 2003, Defendant Mary Warren entered into a contract with Bell Mountain Stables for the boarding of two horses, one owned by her, the other co-owned by Ms. Warren and her daughter, Defendant Stephenie Gardner. The contract required that Ms. Warren and Ms. Gardner pay approximately \$600 a month for boarding of their two horses. Payments were made exclusively from CHS bank accounts from December 29, 2003 through October 2005.

134. In October 2005, Defendant Mary Warren sold one of the horses and moved the other to a new boarding facility, Shiloh Farms Equestrian Center, in Golden, Colorado. Shiloh Farms charged Ms. Warren approximately \$350 a month to board her horse. These payments were made exclusively from CHS bank accounts from November 2005 through December 2006.

135. According to testimony of CHS employees, Individual Defendants frequently took cash from the CHS cash register to pay for personal expenses.

136. Individual Defendants' gross mismanagement of CHS finances, including use of CHS funds for personal benefit, has led to the continual wasting and misuse of charitable assets, and has endangered CHS's tax-exempt 501(c)(3) status. This mismanagement also has resulted in misleading Colorado consumers who believed that their donations would be used for the care of abused and abandoned animals.

Defendants Activities in Violation of the Colorado Charitable Solicitations Act, Pet Animal Care Facilities Act, and the Colorado Consumer Protection Act

137. During the course of their business, vocation or occupation, Defendants violated the Colorado Charitable Solicitations Act, Colo. Rev. Stat. § 6-16-111(1)(a), (f), (g), and (i), and thereby committed charitable fraud, by, among other things:

- a. Knowingly soliciting contributions while knowingly violating the provisions of Colo. Rev. Stat. § § 6-16-104 to 6-16-107 and 6-16-110;
- b. Knowingly making a misrepresentation of a material fact in any notice, report, or record required to be filed, maintained, or created by this article;
- c. With intent to defraud, devising a scheme or artifice to defraud by means of a solicitation or obtaining money, property, or services by means of a false or fraudulent pretense, representation (including any manifestation of any assertion by words or conduct, including, but not limited to, a failure to disclose a material fact), or promise in the course of a solicitation; and
- d. Representing or causing another to represent that a contribution to a charitable organization will be used for a purpose other than the purpose for which the charitable organization intends to use the contribution.

138. Defendants also violated the CCSA by, among other things:

- a. Failing to register as a charity as required by Colo. Rev. Stat. § 6-16-104; and
- b. Failing to file financial reports as required by Colo. Rev. Stat. § 6-16-104, and/or failing to file them in a timely manner.

139. Defendants have violated PACFA, Colo. Rev. Stat. § 35-80-108(2)(f), by, among other things, making misrepresentations and false promises in connection with PACFA-licensed operations.

140. By violating both the CCSA and PACFA, Defendants have also violated the CCPA. *See* Colo. Rev. Stat. § 6-16-111(5), § 35-80-108(4).

Defendants' Violations of the Colorado Revised Nonprofit Corporations Act

141. Defendants have violated the CRNCA by, among other things, failing to maintain required records as set forth in Colo. Rev. Stat. § 7-136-101(1) and (2), and by making loans to officers in violation of Colo. Rev. Stat. § 7-128-501(2).

Individual Defendants' Breach of Fiduciary Duties to CHS

142. Individual Defendants have breached their fiduciary duties to CHS as set forth in Colo. Rev. Stat. § 7-128-401(1)(a)-(c) by causing CHS to operate continually in violation of Colorado law, and by operating CHS in violation of its Articles of Incorporation and Amended Bylaws.

143. By breaching their fiduciary duties to CHS, Individual Defendants have endangered CHS assets.

CHS's Continual Abuse of the Authority Conferred Upon it By Law

144. CHS has continued to exceed and abuse the authority conferred upon it by law by operating in violation of the CCSA, PACFA, the CCPA and the CRNCA, and by acting without a valid Board of Directors.

The Individual Defendants' Actions Have Exposed CHS to Losses and Liabilities

145. The actions attributed to the Individual Defendants alleged herein above have exposed CHS to the following potential losses and liabilities:

- a. Penalties under the Colorado Charitable Solicitations Act;
- b. Penalties under the Pet Animal Care Facilities Act;
- c. Loss of 501(c)(3) charitable status;
- d. Loss of nonprofit corporation status under the Colorado Revised Nonprofit Corporation Act;
- e. Civil penalties and restitution under the Colorado Consumer Protection Act;
- f. Fines and penalties for violations of City of Littleton zoning ordinances; and

g. Tort liability to Colorado consumers who surrendered their pets to CHS's care based on the misrepresentation of CHS as a no-kill shelter where euthanasia is a last resort.

FIRST CLAIM FOR RELIEF

(Failure to Register as a Charity Before Conducting Solicitations)

146. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 145 of this Complaint.

147. Through the above-described conduct in the course of their business, occupation or vocation, Defendants violated the Charitable Solicitations Act, Colo. Rev. Stat. §§ 6-16-104(1), (9), 6-16-111(1)(a) by CHS's failure to register as a charity from April 2004 through October 2007.

148. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from numerous Colorado consumers.

SECOND CLAIM FOR RELIEF

(Misrepresentation of Material Fact in Reports Filed with the Secretary of State)

149. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 148 of this Complaint.

150. Through the above-described conduct in the course of their business, occupation or vocation, Defendants violated the Charitable Solicitations Act, Colo. Rev. Stat. §6-16-111(1)(f) by misrepresenting CHS's euthanasia rate in CHS's registration statement with the Colorado Secretary of State.

151. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from numerous Colorado consumers.

THIRD CLAIM FOR RELIEF

(False Pretenses)

152. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 151 of this Complaint.

153. Through the above-described conduct in the course of its business, occupation or vocation, Defendants have violated Colo. Rev. Stat. § 6-16-111(1)(g) by, with the intent to defraud, obtaining money by means of a false or fraudulent pretense, representation or promise.

154. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from numerous Colorado consumers.

FOURTH CLAIM FOR RELIEF

(False Statements Regarding Purpose of Contributions)

155. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 154 of this Complaint.

156. Through the above-described conduct in the course of its business, occupation or vocation, Defendants have violated Colo. Rev. Stat. § 6-16-111(1)(i) by representing that contributions would be used for purposes other than those for which they were actually used.

157. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from numerous Colorado consumers.

FIFTH CLAIM FOR RELIEF

(Failure to File Financial Reports in a Timely Manner)

158. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 157 of this Complaint.

159. Through the above-described conduct in the course of their business, occupation or vocation, Defendants have violated the Charitable Solicitations Act, Colo. Rev. Stat. §§ 6-16-104(5), 6-16-111(1)(a), by failing to file financial reports for 2003, 2004, 2005, 2006 and 2007 in a timely manner.

160. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from numerous Colorado consumers.

SIXTH CLAIM FOR RELIEF

(Misrepresentations and False Promises Made in Connection with PACFA-licensed Operations)

161. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 160 of this Complaint.

162. Through the above-described conduct in the course of their business, occupation or vocation, Defendants have violated the Pet Animal Care Facilities Act, Colo. Rev. Stat. § 35-80-108(2)(f), by making misrepresentations regarding CHS's euthanasia policies and rates.

163. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from numerous Colorado consumers.

SEVENTH CLAIM OF RELIEF
(Violations of CCPA)

164. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 163 of this Complaint.

165. The conduct described in counts One through Six above constitute deceptive trade practices pursuant to Colo. Rev. Stat. §§ 6-16-111(5), 35-80-108(4), and 6-1-105(1)(hh) and (oo).

166. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from numerous Colorado consumers.

EIGHTH CLAIM OF RELIEF
(Violations of the CRNCA)

167. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 166 of this Complaint.

168. Defendants, through the above-described conduct, have violated the CRNCA by failing to maintain required records, and by making loans to officers in violation of Colo. Rev. Stat. § 7-136-101(1) and (2), and Colo. Rev. Stat. § 7-128-501(2), respectively.

169. By means of the above-described conduct, Defendants have exceeded and abused the authority conferred upon CHS by law as contemplated in the CRNCA, Colo. Rev. Stat. § 7-134-301(1)(b).

NINTH CLAIM OF RELIEF
(Appointment of Custodian or Dissolution)

170. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 169 of this Complaint.

171. Defendants, through the conduct described above, have misused and wasted charitable assets.

172. Defendants have persisted in committing illegal and unauthorized acts without regard to statutory obligations on charitable nonprofit organizations and their directors and officers as set forth in the CCSA and the CRNCA, and have misused and wasted charitable assets.

173. In the interest of protecting donors and legitimate charities, and because CHS assets are in danger of being misused and wasted further, the Attorney General requests this Court to appoint a custodian pursuant to Colo. Rev. Stat. § 7-134-303(1) and C.R.C.P. 66 to preserve and manage CHS assets, or, in the alternative, to dissolve CHS pursuant to Colo. Rev. Stat. §§ 7-134-304 and 7-134-105.

RELIEF REQUESTED

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

A. An order declaring Defendants' above-described conduct to be in violation of the Colorado Charitable Solicitations Act, Colo. Rev. Stat. §§ 6-16-104, 6-16-111 (2008), the Pet Animal Care Facilities Act, §35-80-108 (2008), the Colorado Consumer Protection Act, Colo. Rev. Stat. § 6-1-105(1)(hh) and (oo) (2008), and the Colorado Revised Nonprofit Corporations Act, Colo. Rev. Stat. §§ 7-121-101 through 137 (2008).

B. An order permanently enjoining Defendants, their officers, directors, successors, assigns, agents, employees, and anyone in active concert or participation with any Defendant with notice of such injunctive orders, from engaging in any deceptive trade practices as defined in and proscribed by the CCSA, PACFA, or the CCPA and as set forth in this Complaint.

C. Appropriate orders necessary to prevent Defendants' continued or future deceptive trade practices.

D. For a judgment in an amount to be determined at trial for restitution, disgorgement, or other equitable relief pursuant to Colo. Rev. Stat. § 6-1-110(1) (2008).

E. An order requiring Defendants to forfeit and pay to the General Fund of the State of Colorado, civil penalties in an amount not to exceed \$2,000 per violation pursuant to Colo. Rev. Stat. § 6-1-112(1) (2008), or \$10,000 per violation pursuant to Colo. Rev. Stat. § 6-1-112(3) (2007).

F. An order appointing a custodian with all powers and duties the court directs to preserve CHS assets pending a full hearing to determine whether CHS should be judicially dissolved, pursuant to Colo. Rev. Stat. § 7-134-303 and C.R.C.P. 66.

G. A full and complete accounting of CHS assets;

H. If appropriate, an order dissolving CHS and securing remaining and recovered charitable assets for use by an appropriate organization in carrying out a legitimate public purpose, pursuant to Colo. Rev. Stat. §§ 7-134-304 and 7-134-105.

I. An order requiring Defendants to pay the costs and expenses of this action incurred by the Attorney General, including, but not limited to, Plaintiff's attorney fees, pursuant to Colo. Rev. Stat. § 6-1-113(4) (2008).

J. Any such further orders as the Court may deem just and proper to effectuate the purposes of the CCPA, PACFA, the CCSA, and the CRNCA, and to protect CHS charitable assets.

Dated this 10th day of December 2008.

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/s/

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Pursuant to C.R.C.P. 121, § 1-26(9), the original of this document with original signatures is maintained in the offices of the Colorado Attorney General, 1525 Sherman Street, Denver, CO 80203, and will be made available for inspection by other parties or the Court upon request.