

IN THE IOWA DISTRICT COURT FOR POLK COUNTY

**STATE OF IOWA *ex rel.*
THOMAS J. MILLER,
ATTORNEY GENERAL OF IOWA,**

Plaintiff,

v.

**ONLINE DIVORCE TECHNOLOGIES,
LLC, A Delaware Limited Liability
Corporation;**

and

ANDRIY BOGDONOV, in his personal
and corporate capacities,

Defendants.

EQUITY No. 05771 EQCE085104

PROPOSED CONSENT JUDGMENT

The Court, having been presented by Assistant Attorney General J. Andrew Cederdahl with this Consent Judgment, finds and orders as follows:

PARTIES

1. The term “Defendants” as used herein shall apply to Online Divorce Technologies, LLC (“ODT”) and Andriy Bogdonov (“Bognodov”) in his personal and corporate capacities.
2. ODT is a Delaware Limited Liability Corporation with a principal place of business at 8 The Green Suite #7129, Dover, DE 19901.
3. Bogdonov owns ODT and resides in Dnepropetrovsk, Ukraine.
4. ODT operates a website located at www.onlinedivorce.com under the brand Online Divorce.
5. The Court has jurisdiction of the parties and subject matter with regard to this

Proposed Consent Judgment and the enforcement thereof.

ALLEGATIONS

6. The Attorney General alleges that, while advertising and making sales of merchandise, the Defendants violated the Iowa Consumer Fraud Act, Iowa Code § 714.16 ("CFA") and Iowa Buying Club Memberships law, Iowa Code § 552A ("BCM"), by:

- a. falsely implying that ODT would provide legal forms to consumers for use in their divorces, which were "guaranteed" to be accepted by Iowa courts;
- b. failing to abide by the "100% guarantee of court approval or your money back" standard advertised to consumers on its front page;
- c. falsely representing that ODT would assist consumers to "choose . . . appropriate divorce forms" that "correspond" to their "particular situation[s]," thereby advertising merchandise that could be the result of the unlicensed practice of law;
- d. incorrectly instructing consumers to initially file paper legal forms rather than complying with mandatory electronic filing court rules, thereby potentially prejudicing consumers' legal rights and remedies and causing them unnecessary additional stress in seeking a divorce; and
- e. enrolling Iowa consumers into a recurring monthly fee that violated the requirements of the BCM.

7. Defendants deny that they, or (as applicable) their agents, owners, officers, directors, or employees engaged in or are legally responsible for any conduct in violation of the CFA or BCM, and this Consent Judgment is not an admission of liability by those individuals or entities.

8. This Consent Judgment, which has been approved by all Defendants, is intended to resolve this litigation pursuant to the CFA and BCM and all current or prior disputes or claims between the parties to the Proposed Consent Judgment. For purposes of entry of this Consent Judgment, the above-captioned Defendants agree that all service or notice requirements relating to this Consent Judgment may be fully met through Plaintiff's emailing of a file-stamped copy of this document to attorneys David L. Brown and Pete Kennedy at the addresses listed below their signatures.

9. The Defendants understand and acknowledge that this settlement is binding as between them and the Consumer Protection Division of the Iowa Attorney General's Office and is not binding upon other state regulatory agencies, including (but not limited to) the Iowa Commission on Unauthorized Practice of Law.

10. The Court finds that this Consent Judgment should be entered.

RESOLUTION

IT IS THEREFORE ORDERED, pursuant to Iowa R. Civ. P. 1.1501 *et seq.* and the CFA, that the Defendants (as defined in Paragraph 1), as well as the Defendants' employees, successors, principles, partners, affiliates, members, agents, representatives, subsidiaries, assigns, parent or controlling entities, and all other persons, corporations, trusts or other entities acting in concert or participating with one or more Defendants who have actual or constructive knowledge of this Consent Judgment, shall:

- a) not misrepresent or falsely imply that the services and products they sell to Iowa consumers include the assistance of live attorneys if they in fact do not;
- b) include the following disclaimer in a prominent location on the website:

“Online Divorce is not a law firm and its services, website and forms are not a substitute for the advice of an attorney. Online Divorce provides access to computer-

aided self-help services at your specific direction. Online Divorce's website and written instructions provide general information about the divorce process only; we cannot give you any specific advice, opinions or recommendations as to your selection or completion of forms or your particular legal rights, remedies or options. OnlineDivorce.com is a website that provides access to self-guided online questionnaires. Online Divorce does not sell blank forms. You may be able to download blank forms from a government website depending upon your state.

Communications between you and Online Divorce are governed by our Privacy Policy [LINKED] but are not covered by the attorney-client or work product privileges. Your access to Online Divorce's website is subject to and governed by our Terms of Use [LINKED]. Any purchase from Online Divorce is subject to and governed by our Terms & Conditions [LINKED]."

- c) not contradict the provisions found within the website's Terms of Use and Terms & Conditions with other representations made to Iowa consumers elsewhere; and
- d) not charge a recurring monthly fee for its services and products to Iowa consumers.

This Court's permanent injunction is entered against the Defendants, and each of them, pursuant to the authority of Iowa Code § 714.16 (7).

IT IS FURTHER ORDERED, pursuant to the CFA, that the Defendants shall reimburse \$30.00 to every Iowa consumer who purchased ODT's products on or after January 1, 2014 and who have not already been provided a refund.

Additionally, the Defendants shall reimburse every \$19 monthly fee paid to the Defendants by every Iowa consumer on or after January 1, 2014, who have not already been provided a refund of such fee. To any extent ODT assessed monthly fees to Iowa consumers that have not already been paid, ODT shall forgive the alleged debt, make no representation to applicable consumers otherwise, shall not turn over said debts to collection agencies, and shall treat all said alleged debts null and void.

To effectuate its reimbursement of Iowa consumers as described above, the Defendants shall, on or before two weeks after the entry of this Order, credit the amounts to which Iowa

consumers are eligible for reimbursement directly to the debit or credit cards said consumers used to purchase the Defendants' services.

If the Defendants are unable to reimburse one or more Iowa consumers entitled to reimbursement as described above before the conclusion of the above-mentioned two-week period, the Defendants shall identify all such consumers to the Consumer Protection Division ("CPD"). The Defendants shall thereafter confer with the CPD to consider alternative manners to reimburse those consumers within a reasonable amount of time. If the agreed-upon alternative manner of reimbursement includes issuance of physical reimbursement checks via mail, the Defendants shall issue the checks and bear the cost of mailing.

If remaining amounts are still unable to be reimbursed to one or more eligible Iowa consumers a reasonable time after a second reimbursement attempt, or if the parties agree that a second reimbursement attempt is not practicable, all such remaining amounts shall be deposited into the Consumer Education and Litigation Fund referred to in Iowa Code § 714.16C at the direction of the Attorney General.

IT IS FURTHER ORDERED, pursuant to the CFA, that the Defendants shall pay \$15,000.00 (fifteen-thousand dollars) to the Consumer Education and Litigation Fund referred to in Iowa Code § 714.16C. The Defendants shall pay said sum to the Attorney General on or before October 15, 2019.

IT IS FURTHER ORDERED that the Defendant Bogdonov shall not participate directly or indirectly in any activity to form or proceed as a separate entity, trust or corporation for the purpose of engaging in, or benefitting from, acts in Iowa or directed at Iowans that are prohibited by this Order or for any other purpose which circumvents any part of this Order. This

permanent injunction is entered against Defendant Bogdonov pursuant to the authority of Iowa Code § 714.16 (7).

IT IS FURTHER ORDERED that the Defendants shall comply with requests from the Attorney General for information relating to compliance with this Consent Judgment.

IT IS FURTHER ORDERED that nothing contained in this Consent Judgment shall be construed to waive any individual right of action by a consumer or a local, state, federal or other governmental entity, or to waive any defense or set-off based on the reimbursement made pursuant to this Consent Judgment.

IT IS FURTHER ORDERED that nothing herein diminishes the requirements, duties, obligations, or powers set forth in the CFA.

IT IS FURTHER ORDERED that the Attorney General's execution of this Consent Judgment and its subsequent entry by the Court constitutes a settlement, and a release of the Defendants from any and all liability for conduct outlined in Allegation Paragraphs 6(a)-(e) of this Order that (i) occurred prior to entry of this Consent Judgment; and (ii) would violate the CFA or the BCM; provided, the Attorney General may seek to enforce violations of this Consent Judgment that are alleged to have occurred subsequent to its entry.

IT IS FURTHER ORDERED that, in addition to whatever other legal remedies may be available, a violation of this Consent Judgment constitutes a violation of the Consumer Fraud Act, Iowa Code § 714.16 (CFA), and each such violation by either, or both, of the Defendants of this Consent Judgment, if established by a preponderance of the evidence in an enforcement action by the Attorney General, gives rise to all of the remedies provided in the CFA.

IT IS FURTHER ORDERED that the Court retain jurisdiction to enforce this Consent

Judgment and, upon agreement of the parties, to modify or vacate it.

IT IS FURTHER ORDERED that the Defendants pay court costs, if any.

SO ORDERED

The undersigned, who have the authority to consent and sign on behalf of the Defendants and the Attorney General of Iowa, hereby consent to the form and contents of this Consent Judgment. The undersigned parties also agree that transmission of their signatures by facsimile and/or electronic mail shall have the same validity and enforceability as manually executed signatures.

Approved:


Date: 19 September 2019



Online Divorce Technologies, LLC

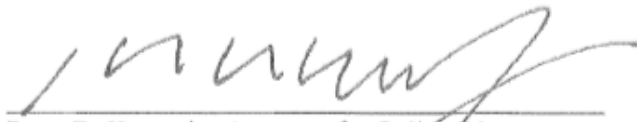
By: Andriy Bogdonov, on behalf of Online Divorce Technologies, LLC

Date: 19 September 2019



Andriy Bogdonov, in his personal capacity

Date: 9/20/19



Peter D. Kennedy, Attorney for Online Divorce Technologies, LLC and Andriy Bogdonov in his Personal capacity

Graves, Dougherty, Hearon & Moody, P.C.
401 Congress Avenue, Suite 2700
Austin, Texas 78701
pkennedy@gdhm.com

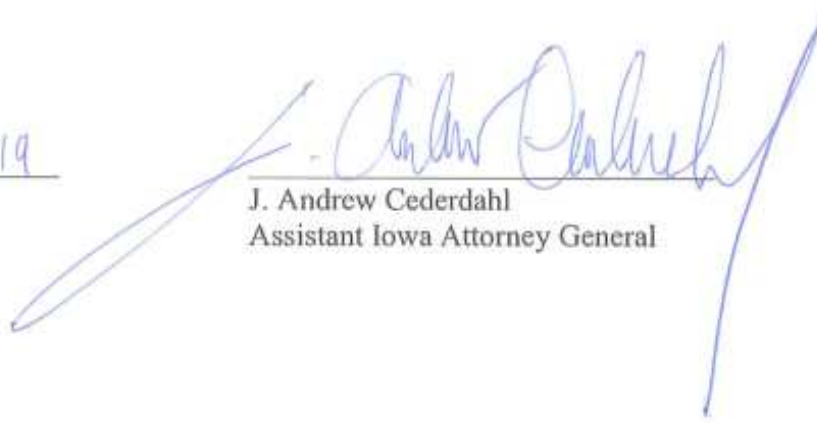
Date: 9/23/2019



David L. Brown, Attorney for Online Divorce Technologies, LLC and Andriy Bogdonov in his personal capacity

Hansen, McClintock & Riley
520 Walnut Street, Suite 500
Des Moines, Iowa 50309
dlbrown@hmrlawfirm.com

Date: 9/23/2019

A handwritten signature in blue ink, appearing to read "J. Andrew Cederdahl", is written over a horizontal line. The signature is stylized and cursive.

J. Andrew Cederdahl
Assistant Iowa Attorney General



State of Iowa Courts

Type: OTHER ORDER

Case Number **Case Title**
EQCE085104 STATE OF IOWA VS ONLINE DIVORCE TECHNOLOGIES ET AL

So Ordered

A handwritten signature in blue ink that reads "David Nelmark". The signature is written in a cursive style.

David Nelmark, District Judge
Fifth Judicial District of Iowa