



resolution of any and all claims by the Iowa Attorney General against Respondent for the alleged violations of the Iowa Consumer Fraud Act, Iowa Code § 714.16 (“CFA”) that occurred or may have occurred prior to the effective date of this Assurance and that were raised by the Attorney General in the investigation and/or resolution of this matter.

#### ALLEGATIONS

6. The Attorney General alleges that, in the course of soliciting sales of merchandise,

Respondents violated the Iowa Consumer Fraud Act by:

- a. failing to comply with Iowa Code Chapter 555A (Iowa Door to Door Sales Act) by failing to provide customers with a three day notice of right to cancel, and by providing a notice which does not comply with the requirements for the notice as set out in statute §555A.2 and §555A.3,
- b. failing to comply with Iowa Code Chapter 555A (Iowa Door to Door Sales Act) by failing to complete the Notice of Cancellation by entering the name of the seller, the address of the seller’s place of business, the date of the transaction, and the date, not earlier than the third business day following the date of the transaction by which the buyer can give notice of cancellation as required by Iowa Code § 555A.4 (1)
- c. failing to orally inform the buyer, at the time the buyer signs the contract, of the buyer’s right to cancel, as required by Iowa Code §555A.4(3).

7. The Attorney General contends that the above-noted acts, statements, and omissions by Respondents in relation to efforts to sell merchandise to Iowa consumers constitute “unlawful acts” pursuant to Iowa Code §714.16(2)(a), and thus violate the CFA.

8. Respondents dispute the Attorney General's allegations. This Assurance is intended to resolve the dispute between the Attorney General and Respondents. In entering into this Assurance, Respondents admit no liability whatsoever under the CFA or any other law.

## RESOLUTION

9. Respondents agree to comply with the following conditions from the date of the signing of this Assurance:

a. Respondents shall comply in all respects with Iowa Code Chapter 555A (Iowa Door to Door Sales Act), a copy of which is attached to this Assurance as "Exhibit A".

b. It is further agreed that Respondents shall not make any deceptive<sup>2</sup> or untrue representations to any consumer, including, but not limited to any representation of the cost, add-ons, surcharges, fees, or services included in the sale of a contract for the purchase of satellite television service, including any fees which may be charged upon termination or cancellation of the service contract.

c. It is further agreed that Respondents shall timely respond to consumer complaints received from consumers, or from any third party on behalf of the consumers, including, but not limited to, the Attorney General of Iowa, within ten (10) business days from receipt of the complaints. Failure to respond to any complaint within the 10-day limit shall create the irrebuttable presumption that the consumers are entitled to a full cancellation of any contract as well as a full refund of any funds paid by consumers.

d. It is further agreed that Clear Satellite will tag in its computer system all Iowans who subscribed in 2015. In the event that any of the Iowa Subscribers seek to cancel the subscription entered into during 2015, Clear Satellite will allow the Iowa subscriber to cancel the contract without penalty.

e. It is further agreed that Clear Satellite will mail a letter to the 22 Iowans who have previously tried to cancel informing them of this AVC and the resulting opportunity to cancel their contract without penalty. The list of Iowa consumers and the letter which will be sent are attached to this AVC as Exhibit B.

f. It is further agreed that Respondents shall comply with reasonable requests from the Attorney General for information relating to compliance with this Assurance and for information relating to possible refunds to customers.

g. It is further agreed that, on or before the effective date of this Assurance, pursuant to Iowa Code § 714.16, Respondents pay to the Attorney General \$5000.00, in the manner instructed by the Attorney General. The money received by the AG will be deposited in the consumer education and litigation fund referred to in Iowa Code § 714.16C.

10. Respondents agree that a violation by Respondents of any requirement of this

---

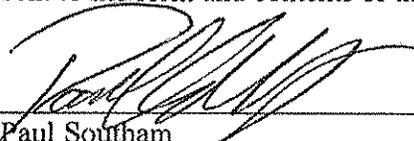
<sup>2</sup> The term "deceptive" or "deception," as used herein, is as defined in Iowa Code § 714.16(1)(f).

Assurance shall constitute a violation of the Iowa Consumer Fraud Act, Iowa Code § 714.16, and that violations by Respondents of any requirements of this Assurance shall constitute a violation of this contractual agreement with the State entitling a court to impose civil penalties against Respondents pursuant to Iowa Code § 714.16(7) as if the Respondents had violated a court injunction.

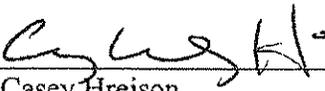
11. Respondents agree that this Assurance shall not in any way bar the Attorney General from taking further action regarding Respondents' solicitation of sales or sales of merchandise.

12. The undersigned who have the authority to consent and sign on behalf of Respondent and the Attorney General of Iowa hereby consent to the form and contents of this Assurance.

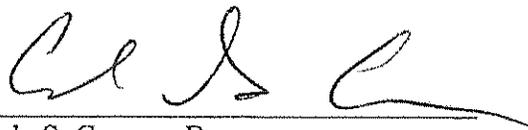
Date: 11/14/2015

  
\_\_\_\_\_  
Paul Southam  
President of Clear Satellite, LLC

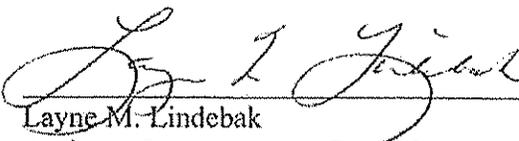
Date: 11/12/2015

  
\_\_\_\_\_  
Casey Hreison  
COO of Clear Satellite, LLC

Date: 11/12/2015

  
\_\_\_\_\_  
Cole S. Cannon, Esq.  
Cannon Law Group, PLLC  
Attorney for Respondents

Date: 11/10/2015

  
\_\_\_\_\_  
Layne M. Lindebak  
Assistant Iowa Attorney General

## CHAPTER 555A

## DOOR-TO-DOOR SALES

Referred to in §587.3501, §551A.6, §552A.3, §714Y.3

This chapter not enacted as a part of this title;  
transferred from chapter 82 in Code 1993

555A.1	Definitions.	555A.4	Duties of seller.
555A.2	Contract.	555A.5	Effect on indebtedness.
555A.3	Cancellation.	555A.6	Penalties.

**555A.1 Definitions.**

As used in this chapter, unless the context otherwise requires:

1. "Business day" means any calendar day except Saturday, Sunday, or public holiday, including holidays observed on Mondays.

2. "Consumer goods or services" means goods or services purchased, leased, or rented primarily for personal, family, or household purposes, including courses of instruction or training regardless of the purpose for which they are taken.

3. a. "Door-to-door sale" means a sale, lease, or rental of consumer goods or services with a purchase price of twenty-five dollars or more, whether under single or multiple contracts, in which the seller or the seller's representative personally solicits the sale, including those in response to or following an invitation by the buyer, and the buyer's agreement or offer to purchase is made at a place other than the place of business of the seller. Door-to-door sale does not include a transaction:

(1) Made pursuant to prior negotiations in the course of a visit by the buyer to a retail business establishment having a fixed permanent location where the goods are exhibited or the services are offered for sale on a continuing basis.

(2) In which the consumer is accorded the right of rescission by the provisions of the Consumer Credit Protection Act, 15 U.S.C. §1635, or rules issued pursuant to this chapter.

(3) In which the buyer has initiated the contact and the goods or services are needed to meet a bona fide immediate personal emergency of the buyer, and the buyer furnishes the seller with a separate dated and signed personal statement in the buyer's handwriting describing the situation requiring immediate remedy and expressly acknowledging and waiving the right to cancel the sale within three business days.

(4) Conducted and consummated entirely by mail or telephone, and without any other contact between the buyer and the seller or its representative prior to delivery of the goods or performance of the services.

(5) In which the buyer has initiated the contact and specifically requested the seller to visit the buyer's home for the purpose of repairing or performing maintenance upon the buyer's personal property. If in the course of such a visit, the seller sells the buyer the right to receive additional services or goods other than replacement parts necessarily used in performing the maintenance or in making the repairs, the sale of those additional goods or services would not fall within this exclusion.

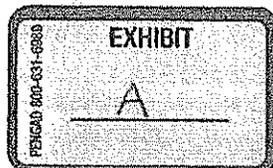
(6) Pertaining to the sale or rental of real property, to the sale of insurance and prepaid health service plans, or to the sale of securities or commodities by a broker-dealer registered with the securities and exchange commission.

b. "Door-to-door sale", irrespective of the place or manner of sale, also means the following:

(1) A sale of funeral services or funeral merchandise regulated under chapter 523A.

(2) A sale of a social referral service or an ancillary service. For purposes of this subparagraph, "social referral service" means a service for a fee providing matching or introduction of individuals for the purpose of dating, matrimony, or general social contact not otherwise prohibited by law, and "ancillary service" means goods or services directly or indirectly related to or to be provided in connection with a social referral service.

4. "Place of business" means the main or permanent branch office or local address of a seller.



5. "Purchase price" means the total price paid or to be paid for the consumer goods or services, including all interest and service charges.

6. "Seller" means any person engaged in the door-to-door sale of consumer goods or services.

[C75, 77, §713B.1; C79, 81, §82.1; 82 Acts, ch 1249, §5]  
C93, §555A.1  
2000 Acts, ch 1021, §3  
Referred to in §552A.3

**555A.2 Contract.**

Every seller shall furnish the buyer with a fully completed receipt or copy of any contract pertaining to a door-to-door sale at the time of its execution, which is in the same language as that principally used in the oral sales presentation and which shows the date of the transaction and contains the name and address of the seller, and in immediate proximity to the space reserved in the contract for the signature of the buyer or on the front page of the receipt if a contract is not used and in boldface type of a minimum size of ten points, a statement in substantially the following form:

You, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. See the attached notice of cancellation form for an explanation of this right.

[C75, 77, §713B.2; C79, 81, §82.2]  
C93, §555A.2  
Referred to in §552A.3

**555A.3 Cancellation.**

Every seller shall furnish each buyer, at the time the buyer signs the door-to-door sales contract or otherwise agrees to buy consumer goods or services from the seller, a completed form in duplicate, captioned "Notice of Cancellation", which shall be attached to the contract or receipt and easily detachable, and which shall contain in ten point boldface type the following information and statements in the same language as that used in the contract:

**NOTICE OF CANCELLATION**

.....  
(enter date of transaction)

You may cancel this transaction, without any penalty or obligation, within three business days from the above date.

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within ten business days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do not agree to return the goods to the seller or if the seller does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to ....., (Name of seller) at .....  
(Address of seller's place of business) not later than midnight of ..... (Date).

I hereby cancel this transaction.

.....  
(Date)

.....  
(Buyer's signature)

[C75, 77, §713B.3; C79, 81, §82.3]  
C93, §555A.3  
Referred to in §551A.3, §552A.3

#### 555A.4 Duties of seller.

A seller shall:

1. Furnish two copies of the notice of cancellation to the buyer, and complete both copies by entering the name of the seller, the address of the seller's place of business, the date of the transaction, and the date, not earlier than the third business day following the date of the transaction, by which the buyer may give notice of cancellation.
2. Not include in any contract or receipt any confession of judgment or any waiver of any of the rights to which the buyer is entitled under this chapter including specifically the right to cancel the sale in accordance with the provisions of this chapter.
3. Inform each buyer orally, at the time the buyer signs the contract or purchases the goods or services, of the buyer's right to cancel.
4. Not misrepresent in any manner the buyer's right to cancel.
5. Honor any valid notice of cancellation by a buyer and within ten business days after the receipt of notice shall refund all payments made under the contract or sale, return any goods or property traded in, in substantially as good condition as when received by the seller, and cancel and return any negotiable instrument executed by the buyer in connection with the contract or sale and take any action necessary or appropriate to terminate promptly any security interest created in the transaction.
6. Not negotiate, transfer, sell, or assign any note or other evidence of indebtedness to a finance company or other third party prior to midnight of the seventh business day following the day the contract was signed or the goods or services were purchased.
7. Within ten business days of receipt of the buyer's notice of cancellation notify the buyer whether the seller intends to repossess or to abandon any shipped or delivered goods.

[C75, 77, §713B.4; C79, 81, §82.4]  
C93, §555A.4  
Referred to in §552A.3

#### 555A.5 Effect on indebtedness.

Rescission of any contract pursuant to this chapter or the failure to provide a copy of the contract to the buyer as required by this chapter shall void any contract, note, instrument, or other evidence of indebtedness executed or entered into in connection with the contract and shall constitute a complete defense in any action based on the contract, note, instrument or other evidence of indebtedness brought by the seller, the seller's successors or assigns unless a successor or assignee of the seller after the seventh business day following the day the contract was signed has detrimentally relied upon a representation of the buyer that the contract has not been rescinded. This section shall not affect the rights of holders in due course of checks made by the buyer.

[C75, 77, §713B.5; C79, 81, §82.5]  
C93, §555A.5  
Referred to in §552A.3

#### 555A.6 Penalties.

1. Any seller who violates the provisions of this chapter shall be guilty of a simple misdemeanor.

2. A violation of this chapter is a violation of section 714.16, subsection 2, paragraph "a".  
[C75, 77, §713B.6; C79, 81, §82.6]  
92 Acts, ch 1062, §1  
C93, §555A.6

CLEAR SATELLITE, INC.  
135 MOUNTAIN WAY DR.  
OREM, UT 84058



Dealer #1747853  
www.Clearsat.tv

Dear Customer,

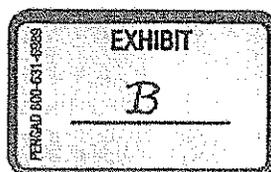
Thank you for recently subscribing to DIRECTV through Clear Satellite, Inc., an authorized dealer and installer of DIRECTV's services. We hope you are enjoying your new DIRECTV service. If there is anything we can do to improve your experience, please contact our Customer Care line at 877-901-1059, press #2 then #1.

We understand that you have contacted Clear Satellite with a complaint about your sales experience. You have chosen DIRECTV over other television providers, and we want you to be satisfied with your choice. We have reached an agreement with the Iowa Attorney General's Office concerning your complaint. As a result, if you are not satisfied with your DIRECTV purchase for any reason, you have the right to cancel your DIRECTV service, if you desire to do so, without any penalty or obligation, within 7 days from the postmark on the envelope that contained this notice. Please see the instructions on the attached Cancellation Notice. You may also contact our Customer Care line at 877-901-1059, press #2 then #1.

We hope that you will continue to enjoy your service with DIRECTV. Don't hesitate to let us know how you are enjoying your DIRECTV experience. DIRECTV continues to offer the latest blockbusters and hit TV shows On-Demand on any screen of your choice. Catch up on entire seasons of your favorite shows or watch the biggest big-screen releases, many available almost a month before they're on Netflix. We're your one-stop shop for all the entertainment you want, whenever and wherever you want it.

Thank you,

The Clear Satellite Customer Care Team



**NOTICE OF CANCELLATION**

(Date: 7 Days from the postmark on the envelope containing this notice)

You may CANCEL this transaction, without any Penalty or Obligation, within THREE BUSINESS DAYS from the above date.

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within TEN BUSINESS DAYS following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do not agree to return the goods to the seller or if the seller does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation.

To cancel this transaction, mail or deliver a signed and dated copy of this Cancellation Notice or any other written notice, or send a telegram, to Clear Satellite, 135 Mountain Way Dr. Orem, UT 84058 at NOT LATER THAN MIDNIGHT OF 7 Days from the postmark on the envelope containing this notice.

I HEREBY CANCEL THIS TRANSACTION. (Date) \_\_\_\_\_

Buyer's Signature \_\_\_\_\_