

IN THE IOWA DISTRICT COURT FOR POLK COUNTY

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

Plaintiff,

v.

LIFE QUEST OF AMERICA, LLC,
A Wyoming Limited Liability Company; and
JOHN MICHAEL ZAMPIERI, III, in his
personal capacity,

Defendants.

EQUITY No. 05771 EQCE084008

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 Life Quest of America, LLC, and John Michael Zampieri, III in his personal capacity.

2. Life Quest of America, LLC, formerly Life Quest, LLC, (“Life Quest”) is a Wyoming limited liability corporation with a primary (and only) place of business at 10023 Lifeline Ct., Mobile, Alabama, 36608.

3. The Zampieri Family Trust, care of trustee Sharon Beck, 10023 Lifeline Ct., Mobile, Alabama, 36608, owns 100% of the membership interests in Life Quest.

4. Defendant John Michael Zampieri III, who resides at 4103 Indian Trail, Destin, Florida, 32541, is settlor and one cestui que trust beneficiary of the Zampieri Family Trust.

5. The Court has jurisdiction of the parties and subject matter.

ALLEGATIONS

6. The Attorney General alleges that, while soliciting sales of merchandise,

Defendant Life Quest violated the Iowa Consumer Fraud Act, Iowa Code § 714.16 ("CFA") by:

- a. employing telemarketers to lie to Iowa consumers about having disabilities, including blindness, while soliciting sales of products including household items such as freezer bags;
- b. employing telemarketers to lie to Iowa consumers about the extent to which Life Quest's sales allegedly assist the blind and disabled; and
- c. conveying a false net impression that its telemarketing activities are charitable, rather than for-profit, in nature.

7. Additionally, the Attorney General alleges that John Michael Zampieri, III, violated his written January 12, 2012 Assurance of Voluntary Compliance ("AVC") agreement with the Attorney General to "permanently refrain from engaging in any course of advertising, solicitation, or sale directed at Iowa consumers (or direct to non-Iowans from an Iowa location) that involves express or implied representations that sales or donations benefit the blind, vision impaired, disabled or disadvantaged."

- a. Said AVC defined "Respondents" to include "each of them (ie. Lifeline Industries, Inc., and J. Michael Zampieri, III), as well as their "directors, officers, principals, partners, employees, agents, servants, representatives, subsidiaries, affiliates, successors, assigns, merged or acquired predecessors, parent or controlling entities"; and
- b. Said AVC provided that J. Michael Zampieri III's violation of his agreement "is deemed a violation of the CFA for purposes of enforcement by the Attorney General."

8. Defendants deny that they, or (as applicable) their agents, owners, officers,

directors, or employees are legally responsible for any conduct in violation of the CFA, and this Consent Judgment is not an admission of liability by those individuals or entities.

9. This Consent Judgment, which has been approved by all Defendants, is intended to resolve this litigation pursuant to the CFA. For purposes of entry of this Consent Judgment, the above-captioned Defendants agree that any and all service or notice requirements relating to this Consent Judgment may be fully met through Plaintiff's prompt emailing of a file-stamped copy of this document to attorney Phillip A. Kaiser.

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 Life Quest of America, LLC and John Michael Zampieri, III in his personal capacity, ("Defendants"), 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 refrain now and at all times in the future, from engaging in or participating, directly or indirectly, in any form of advertising, solicitation or sale involving telemarketing or mailing solicitations (a) to Iowa consumers or (b) that are conducted in whole or in part from any location in the State of Iowa. Without limiting the foregoing injunction, the Defendants are permanently enjoined from expressly or impliedly representing that sales to Iowa consumers will assist the blind, vision impaired, disabled and/or disadvantaged. 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

the amount of \$12,000.00 to Iowa consumers who purchased Life Quest of America's products on or after January 1, 2013.

To effectuate its reimbursement of Iowa resident consumers, the Defendants shall, on or before February 1, 2019 and in the manner instructed by the Attorney General, transfer to the Attorney General \$12,000.00. The Iowa Attorney General shall thereafter send refunds directly to impacted Iowa consumers.

If the Attorney General is unable to exhaust the \$12,000.00 amount in reimbursements to Iowa consumers within six months of its receipt, and in any event by August 1, 2019, any leftover amount shall be deposited into the Consumer Education and Litigation Fund referred to in Iowa Code § 714.16C.

IT IS FURTHER ORDERED, pursuant to the CFA, that the Defendants shall pay \$12,000.00 to the Consumer Education and Litigation Fund referred to in Iowa Code § 714.16C. The Defendants are permitted to pay said sum to the Attorney General in installments beginning on or before March 1, 2019, but shall pay at least \$1,000 per month until the total \$12,000.00 amount is satisfied.

IT IS FURTHER ORDERED that Defendant John Michael Zampieri III 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 from within any Iowa location or directed at Iowa consumers that are prohibited by this Order, or for any other purpose which circumvents any part of this Order. This permanent injunction is entered against the Defendants pursuant to the authority of Iowa Code § 714.16 (7).

IT IS FURTHER ORDERED that the Defendants shall refrain from selling, renting, sharing, transferring, making available for use by others, or making any other use whatsoever of

the names and/or other identifying or personal information of persons with Iowa addresses who previously responded to solicitations from Defendants, and shall promptly destroy the identifying or personal information.

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.

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

IT IS FURTHER ORDERED that Defendant Life Quest shall distribute a copy of this Order to every one of its employees within two weeks of the Order's entry.

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 8 thorough 10 of this Order that (i) occurred prior to entry of this Consent Judgment; and (ii) would violate the CFA; provided, the Attorney General may seek to enforce violations of this Consent Judgment.

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 any of the Defendants et. al. 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.

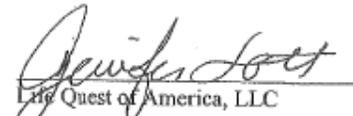
IT IS FURTHER ORDERED that the Defendants pay court costs, if any.

SO ORDERED

The undersigned, who have the authority to consent and sign on behalf of 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:

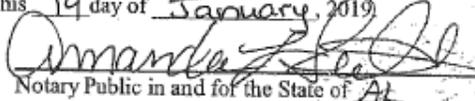
Date: 1/16/19


Life Quest of America, LLC

By: Jennifer Lott
(Print Name) on behalf of Life Quest of America, LLC

STATE OF Alabama
COUNTY OF Mobile) ss:

Subscribed and sworn to by Jennifer Lott before the undersigned notary public in and for the state of AL on this 19 day of January, 2019


Notary Public in and for the State of AL

MY COMMISSION EXPIRES MAY 12, 2019

The undersigned, who have the authority to consent and sign on behalf of 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: _____

Life Quest of America, LLC

By: _____
(Print Name) on behalf of Life Quest of America, LLC

STATE OF _____)
COUNTY OF _____) ss:

Subscribed and sworn to by _____ before the undersigned notary public in and for the state of _____ on this _____ day of _____, 2019.

Notary Public in and for the State of _____

Date: 1-17-19

John Michael Zampieri III
John Michael Zampieri III, in his personal capacity

STATE OF Florida)
COUNTY OF Okaloosa) ss:

Subscribed and sworn to by John Michael Zampieri III before the undersigned notary public in and for the state of Florida on this 17 day of January, 2019.



Notary Public in and for the State of _____

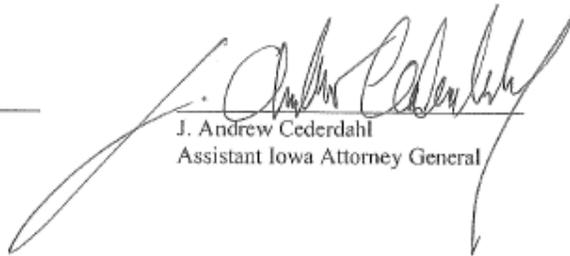
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Date: January 17, 2019


Philip A. Kaiser, attorney for Life Quest of
America, LLC, and John Michael Zampieri III

Date: 1/17/2019


J. Andrew Cederdahl
Assistant Iowa Attorney General



State of Iowa Courts

Type: ORDER FOR JUDGMENT

Case Number **Case Title**
EQCE084008 STATE OF IOWA VS LIFE QUEST OF AMERICA ET AL

So Ordered

A handwritten signature in blue ink, appearing to read "Celene Gogerty". The signature is written in a cursive style and is positioned above a horizontal line.

Celene Gogerty, District Judge
Fifth Judicial District of Iowa