

IN THE CHANCERY COURT OF DAVIDSON COUNTY, TENNESSEE
FOR THE TWENTIETH JUDICIAL DISTRICT AT NASHVILLE

STATE OF TENNESSEE, *ex rel.*)
HERBERT H. SLATERY III,)
Attorney General and Reporter,)
)
Petitioner,)
)
v.)
)
AMP SECURITY, LLC, a foreign limited)
liability company doing business as)
AMP SMART,)
)
Respondent.)

No. 19-830-III

FILED
2019 JUL 10 PM 2:13
CLERK OF COURT
DAVIDSON COUNTY, TENNESSEE

PETITION

The State of Tennessee through its Attorney General, Herbert H. Slatery III (State or Attorney General), files this Petition pursuant to Tenn. Code Ann. § 47-18-107 of the Tennessee Consumer Protection Act (TCPA), and respectfully shows the Court as follows:

1. The Attorney General commenced an investigation into the Respondent pursuant to the TCPA, Tenn. Code Ann. §§ 47-18-101 to -131 to determine whether Respondent had engaged in unlawful acts or practices in violation of the TCPA.
2. The State alleges the following:
 - a. AMP SECURITY, LLC is a limited liability company, formed in Utah, that first registered to do business in Tennessee in 2011. AMP SECURITY, LLC does business as and operates under the assumed name "AMP SMART."
 - b. Through door-to-door direct solicitations to consumers, Respondent sells home

security equipment intended to detect intruders and to alert emergency personnel of potential emergency situations at consumers' homes, along with related alarm monitoring services.

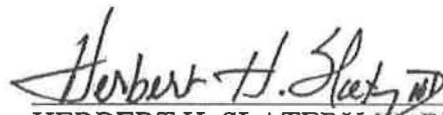
- c. Since 2013, Respondent has had approximately 4,800 customers in the state of Tennessee.
- d. The Attorney General learned of numerous complaints against Respondent lodged with the Better Business Bureau, with the Tennessee Department of Commerce and Insurance's Division of Consumer Affairs and its Alarm Systems Contractors Board, and with various media outlets, alleging deceptive sales practices related to Respondent's direct solicitations to Tennessee consumers.
- e. Typical complaints alleged that Respondent's sales representatives made misleading statements regarding: (a) the Respondent's or the sales representatives' identity or its affiliation with a third-party company; (b) the status of a consumer's existing monitoring company or the condition of a consumer's existing alarm equipment; (c) the nature of the goods and services being offered; or (d) the financial terms on which Respondent would provide goods and services to consumers.
- f. Respondent's own training materials encouraged sales representatives to use deceptive and unfair sales tactics that were consistent with consumer complaints.
- g. Respondent routinely failed to meaningfully investigate consumer complaints concerning deceptive and unfair statements and sales tactics.

- h. Respondent failed to discipline sales representatives who had been the subject of serious, often repeated consumer complaints concerning deceptive and unfair statements and sales tactics.
 - i. The Attorney General identified complaints from more than 90 Tennessee consumers concerning allegedly deceptive and unfair statements and sales tactics by Respondent and has reason to believe that the number of Tennessee consumers who were victims of deceptive and unfair conduct by Respondent exceeds the number of identified complaints.
- 3. Following the investigation, the Attorney General negotiated an Assurance of Voluntary Compliance (Assurance) in accordance with the provisions set forth in Tenn. Code Ann. § 47-18-107 with Respondent.
- 4. In accordance with the provisions of Tenn. Code Ann. § 47-18-107(c), the execution, delivery and filing of the Assurance do not constitute an admission of prior violation of the TCPA except as expressly set forth in Tenn. Code Ann. § 47-18-109(d).
- 5. The Attorney General and Respondent have jointly agreed to the Assurance and Agreed Final Order, and join in their filing.

PREMISES CONSIDERED, the State prays that:

1. This Petition be filed without cost bond pursuant to the provisions of Tenn. Code Ann. § 47-18-116.
2. The Assurance be approved and filed in accordance with the provisions of the TCPA.

Respectfully Submitted,



HERBERT H. SLATTERY II, BPR # 9077
Attorney General and Reporter



J. DAVID McDOWELL, BPR # 024588
Consumer Protection Division
UBS Tower, 20th Floor
315 Deaderick Street
Nashville, TN 37243
Phone: (615) 741-1671
David.McDowell@ag.tn.gov

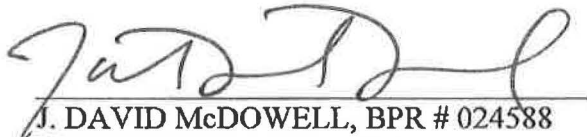
Attorneys for the Petitioner, State of Tennessee

CERTIFICATE OF SERVICE

I hereby certify that on July 10, 2019, 2019, the foregoing document was served this same day on counsel of record identified below via U.S. mail and electronic mail as follows:

Joshua A. Mullen
Baker, Donelson, Bearman, Caldwell & Berkowitz, PC
Baker Donelson Center, Suite 800
211 Commerce Street
Nashville, Tennessee 37201
Phone 615.726.7318
jmullen@bakerdonelson.com

Attorney for Respondent AMP SECURITY, LLC, doing business as AMP SMART



J. DAVID McDOWELL, BPR # 024588
Consumer Protection Division
UBS Tower, 20th Floor
315 Deaderick Street
Nashville, TN 37243
Phone: (615) 741-1671
David.McDowell@ag.tn.gov

Attorney for Plaintiff, State of Tennessee

RECEIVED

JUL 10 2019

Davidson Co. Chancery Court

IN THE CHANCERY COURT OF DAVIDSON COUNTY, TENNESSEE
FOR THE TWENTIETH JUDICIAL DISTRICT AT NASHVILLE

STATE OF TENNESSEE, *ex rel.*
HERBERT H. SLATERY III,
Attorney General and Reporter,

Petitioner,

v.

AMP SECURITY, LLC, a foreign limited
liability company doing business as
AMP SMART,

Respondent.

No. 19-830-III

CLERK & MASTER
DAVIDSON CO. CHANCERY CT.
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AGREED FINAL ORDER

This cause came to be heard on the State of Tennessee's Petition and the Parties' Assurance of Voluntary Compliance (Assurance), and the Court is of the opinion that said Assurance should be approved.

IT IS THEREFORE ORDERED that the Assurance, attached as Exhibit A, is incorporated by reference as if set forth fully herein, and is hereby made a part of this Agreed Final Order (Order).

IT IS FURTHER ORDERED that the Assurance is hereby approved, unless rescinded in writing by the agreement of the Parties and approved by the Court or modified by this Court for good cause shown.

IT IS FURTHER ORDERED that, pursuant to Tenn. Code Ann. § 47-18-107, Respondents shall comply with all terms set forth in the Assurance.

IT IS FURTHER ORDERED that within 7 days of the date of entry of this Order, Respondent shall pay to the State of Tennessee the sum of \$23,333.33 by wire transfer or certified check pursuant to the directions of counsel for the State, to be followed by five additional monthly payments of \$23,333.33 each ("Settlement Funds"). The funds shall be distributed at the sole discretion of the Attorney General.

IT IS FURTHER ORDERED that, pursuant to Tenn. Code Ann. § 47-18-116, all costs associated with the filing of this action shall be assessed against Respondent. No costs, including discretionary costs, shall be assessed against the State.

IT IS SO ORDERED.

ENTERED this _____ day of _____, 2019.

I HEREBY CERTIFY THAT THIS IS A TRUE COPY
OF ORIGINAL INSTRUMENT FILED IN MY OFFICE.
THIS 10th DAY OF July 2019
MARIA M. SALAS, CLERK & MASTER
BY Beth Ross
DEPUTY

Min W. Lyle
CHANCELLOR

JOINTLY APPROVED AND SUBMITTED FOR ENTRY:

FOR THE STATE OF TENNESSEE:

A handwritten signature in dark ink, appearing to read 'David McDowell', is written over a horizontal line.

DAVID McDOWELL

B.P.R. No. 024588

Assistant Attorney General

Office of the Attorney General and Reporter

Consumer Protection Division

P.O. Box 20207

Nashville, TN 37202

Tel: (615) 741-7663

Facsimile: (615) 532-2910

Email: David.McDowell@ag.tn.gov

Agreed Final Order Incorporating Assurance of Voluntary Compliance
State of Tennessee v. AMP Security, LLC

JOINTLY APPROVED AND SUBMITTED FOR ENTRY:

FOR RESPONDENT AMP SECURITY, LLC d/b/a AMP SMART:



Gary C. Shockley (BPR No. 10104)
Joshua A. Mullen (BPR No. 28388)
Baker, Donelson, Bearman, Caldwell
& Berkowitz, PC
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(615) 726-7318
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Agreed Final Order Incorporating Assurance of Voluntary Compliance
State of Tennessee v. AMP Security, LLC

IN THE CHANCERY COURT OF DAVIDSON COUNTY, TENNESSEE
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STATE OF TENNESSEE, *ex rel.* HERBERT)
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ASSURANCE OF VOLUNTARY COMPLIANCE

Subject to the Court's approval, the State of Tennessee through its Attorney General, Herbert H. Slatery III, ("State" or "Attorney General") accepts this Assurance of Voluntary Compliance ("Assurance") given by AMP SECURITY, LLC, d/b/a AMP SMART (the "Respondent").

FACTS

1. Some of the facts and circumstances surrounding the execution of this Assurance are as follows:

- a. The Attorney General conducted an investigation of Respondent and as a result has made certain determinations, including determinations that certain acts and practices of Respondent violated the Tennessee Consumer Protection Act of 1977, Tenn. Code Ann. §§ 47-18-101-131. (TCPA). Specifically:
 - i. Through door-to-door direct solicitations to consumers, Respondent sells home security equipment intended to detect intruders and to alert emergency personnel of potential emergency situations at consumers' homes, along with related alarm monitoring services.

- ii. Since 2013, Respondent has had approximately 4,800 customers in the state of Tennessee.
 - iii. The Attorney General learned of numerous complaints against Respondent lodged with the Better Business Bureau, with the Tennessee Department of Commerce and Insurance's Division of Consumer Affairs and its Alarm Systems Contractors Board, and with various media outlets, alleging deceptive and unfair sales practices related to Respondent's direct solicitations to Tennessee consumers.
 - iv. Typical complaints alleged that Respondent's sales representatives made misleading statements regarding: (a) the Respondent's or the sales representatives' identity or its affiliation with a third-party company; (b) the status of a consumer's existing monitoring company or the condition of a consumer's existing alarm equipment; (c) the nature of the goods and services being offered; or (d) the financial terms on which Respondent would provide goods and services to consumers.
 - v. The Attorney General investigated some of those complaints and found them to be credible.
- b. Pursuant to Tenn. Code Ann. § 47-18-107, Respondent desires to give this Assurance, and the Attorney General desires to accept it, in order to avoid the expense and uncertainty associated with litigation.
 - c. Acting pursuant to Tenn. Code Ann. § 47-18-107, subject to Court approval, Respondent gives and the Attorney General accepts the following assurances.
 - d. Respondent denies any wrongdoing. Pursuant to Tenn. Code Ann. § 47-18-107(c), the Respondent's acceptance of this Assurance shall not be considered an admission of the State's determinations or allegations related to Respondent's business practices and shall not be considered an admission of a prior violation of the TCPA.

DEFINITIONS

2. As used in this Assurance and accompanying Agreed Final Order (Agreed Order), the following words or terms shall have the following meanings:

- a. "Advertisement" means any written, oral, graphic, or electronic statement, solicitation, marketing, illustration, label, or other depiction, including labeling that is designed or used to: create interest in the purchasing of or in the consideration for purchasing of, impart information about the attributes of, publicize the availability of, or affect the sale or use of, goods or services, whether the statement appears in a brochure, newspaper, magazine, free standing insert, marketing kit, leaflet, mailer, book insert, letter, catalogue, poster, chart, billboard, electronic mail, web

site, or other digital form, slide, or on the radio, broadcast television, cable television, or commercial or infomercial whether live or recorded or elsewhere.

- b. "Communication(s)" means any conversation, discussion, letter, email, memorandum, meeting, note or other transmittal of information or message conveying knowledge or information, whether transmitted in writing, orally, electronically or by any other means, and shall include any document that abstracts, digests, transcribes, records, or reflects any of the foregoing.
- c. "Consumer" means "any natural person who seeks or acquires by purchase, rent, lease, assignment, award by chance, or other disposition, any goods, services, or property, tangible or intangible, real, personal or mixed, and any other article, commodity, or thing of value wherever situated or any person who purchases or to whom is offered for sale a franchise or distributorship agreement or any similar type of business opportunity."
- d. "Goods" means "any tangible chattels leased, bought, or otherwise obtained for use by an individual primarily for personal, family, or household purposes or a franchise, distributorship agreement, or similar business opportunity."
- e. "Parties" means the State through its Attorney General and Respondent.
- f. "Person" means "a natural person, individual, governmental agency, partnership, corporation, trust, estate, incorporated or unincorporated association, and any other legal or commercial entity however organized."
- g. "Product(s)" means something that is distributed commercially for use or consumption.
- h. "Respondent" means AMP SECURITY, LLC, d/b/a AMP SMART and/or any and all future or past purchasers of AMP SECURITY, LLC, merged parties, other successors in interest of AMP SECURITY, LLC, and all officers, directors, owners, employees, sales staff, managers, partners, parent companies, affiliates, subdivisions, successors, assigns, agents and representatives that have authority to act on behalf of AMP SECURITY, LLC, d/b/a AMP SMART. Respondent does not mean any third party purchaser(s) of accounts over whom AMP has no control or authority.
- i. "Services" means "any work, labor, or services including services furnished in connection with the sale or repair of goods or real property or improvements thereto."

JURISDICTION

3. Jurisdiction of this Court over the subject matter and Respondent for the purpose of entering into and enforcing this Assurance and Agreed Order is admitted. Jurisdiction is retained by this Court for the purpose of enabling the State to apply for such further orders and directions as may be necessary or appropriate for the construction, modification, or execution of this Assurance and Agreed Order, including enforcement of compliance and assessment of penalties for violation(s). The Respondent agrees that the State shall be entitled to recover all reasonable attorneys' fees and reasonable costs associated with the State's filing of a Petition to enforce any provision of this Assurance and Agreed Order if, and only if, the Court determines that the State has prevailed on the relief sought by the Petition.

VENUE

4. Pursuant to Tenn. Code Ann. § 47-18-107(a), venue as to all matters between the Parties related to or arising out of this Assurance and Agreed Order is solely in the Chancery Court of Davidson County, Tennessee.

REPRESENTATIONS AND WARRANTIES

5. Respondent represents and warrants that the execution and delivery of this Assurance is its free and voluntary act.

6. Respondent represents that signatories to this Assurance have authority to act for and bind Respondent.

7. Respondent represents and warrants that AMP SECURITY, LLC is the true legal name of the entity entering into this Assurance and Agreed Order.

8. Respondent represents and warrants that AMP SMART is the only doing-business-as name that it has used in advertisements or communications about their products and services to Tennessee consumers since 2013.

9. Respondent represents and warrants that it has engaged in trade or commerce in Tennessee from April 9, 2011 to the present time.

10. Respondent represents and warrants that in addition to its door-to-door sales and direct interactions with consumers that occur in communities, that prior to April 2019, it has only sold alarm monitoring services or equipment to Tennessee consumers from the following addresses, physical and electronic:

- a. Landings at Brentwood, 1505 The Landings Dr., Brentwood TN 37027;
- b. Candlewood Suites, 5129 Virginia Way, Brentwood, TN 37027;
- c. Innkeeper, 3020 Riverside Dr., Danville, VA 24541;
- d. Wyndchase Aspen Grove, 3100 Aspen Grove Dr., Franklin, TN 37067;
- e. Candlewood Suites, 10206 Parkside Drive, Knoxville, TN 37922;
- f. Office address: Plaza Leasing, 124 S David Lane #124, Knoxville, TN 37922;
- g. <https://ampsmart.com/>; and
- h. Office address: 1261 S. 820 E., Ste 300, American Fork, Utah 84003.

11. Respondent represents and warrants that AMP ALARM, LLC is the name of an entity that is an affiliate of the Respondent.

12. By agreeing to this Assurance, Respondent attests to the truthfulness, accuracy, and completeness of all of the information provided by Respondent to the Attorney General prior to entry of this Assurance, to the best of its knowledge, information, and belief and as explained in the materials provided to the Attorney General. The Attorney General's agreement to this Assurance is expressly premised upon the truthfulness, accuracy, and completeness of the information provided by Respondent to the Attorney General throughout the course of the investigation of this matter, which was relied upon by the Attorney General in negotiating and agreeing to the terms and conditions of this Assurance.

13. Respondent further understands that the State expressly relies on the truthfulness and accuracy of the representations and warranties set forth in this Assurance. If any of the material representations or warranties are proven materially false or inaccurate, Respondent shall agree, at the request of the Attorney General, that the Assurance is rescinded, or in the alternative, that good cause exists for a court to void the Agreed Order.

**AGREEMENT TO REFRAIN FROM ENGAGING IN UNFAIR OR DECEPTIVE
BUSINESS PRACTICES**

14. It is agreed that upon approval of this Assurance by the Court, that Respondent hereby agrees to refrain from engaging in any acts or practices towards consumers or persons that misrepresent a material fact regarding: (a) the Respondent's identity or its affiliation with a third-party company; (b) the status of a Consumer's existing monitoring company or the condition of a Consumer's existing alarm equipment; (c) the nature of the goods and services being offered by Respondent; or (d) the financial terms on which the Respondent would provide goods and services to Consumers.

15. It is also agreed that Respondent agrees to refrain from engaging in, causing, or assisting or facilitating violations of any provision of the TCPA, including but not limited to the following:

- a. Materially Misrepresenting, directly or by implication, any material aspect of the performance, efficiency, nature, or central characteristics of the goods, products, or services that are the subject of any advertisement directed toward Tennessee consumers or persons by Respondent;
- b. Materially Misrepresenting, directly or by implication, goods, products, or services offered by Respondent as goods or services of another;
- c. Causing the likelihood of confusion or misunderstanding as to the source, sponsorship, approval or certification of Respondent's goods, products, or services;
- d. Causing confusion or misunderstanding as to the affiliation, connection or association with, or certification by another of Respondent's goods, products, or services;

- e. Materially Misrepresenting that Respondent's goods, products, or services have sponsorship, approval, characteristics, ingredients, uses, benefits or quantities that they do not have;
- f. Disparaging the goods, services, or business of another by making false or misleading representations of fact;
- g. Representing that a consumer transaction confers or involves rights, remedies, or obligations that it does not have or involve;
- h. Representing that a service, replacement or repair is needed when it is not.

AGREEMENT TO INSTITUTE CERTAIN BUSINESS PRACTICES

16. Respondent will create a new sales training manual, to more directly address practical selling techniques related to legal and ethical sales.

17. Respondent shall train all present employees and contractors that if a consumer alleges to any representative of Respondent (including phone representatives) that any representative of Respondent made a deceptive statement or otherwise engaged in conduct that violates the law, Respondent will deem that allegation a "complaint," and will, in a manner that is documented, refer such complaint to a "Consumer Advocate" or other designated representative for investigation by Respondent.

18. Respondent will update its complaint tracking software and take any other reasonably necessary actions to document the efforts undertaken to investigate each complaint, and to track any corresponding employee discipline related to the complaint.

19. Respondent will form a discipline committee that will be designated with the responsibility to discipline sales representatives for violations of company policy or violations of law.

MONETARY PROVISIONS

20. Pursuant to Tenn. Code Ann. § 47-18-107(b), Respondent shall pay the State \$140,000 over a six-month period (six monthly payments of \$23,333.33 each) ("Settlement

Funds”), with the first such payment to be made within seven days after court entry of the Agreed Order approving this Assurance.

21. Within 14 days after Court approval of this Assurance, Respondent will provide to the Attorney General a spreadsheet of last known addresses of Respondent’s current and former Tennessee customers who contracted for alarm services from Respondent on or after January 1, 2013 (the “Identified Customers”), which the Attorney General can use to send out a notice about the settlement (the “Restitution Notice”).

22. Respondent shall not be required to admit any wrongdoing in the Restitution Notice. The Restitution Notice shall not confirm any wrongdoing by Respondent, but shall instead describe the Attorney General’s allegations, inform the Identified Customers about this settlement, and inform the Identified Customers about their option to file a restitution claim. The Parties shall mutually agree to the language included in the Restitution Notice before it is distributed to confirm that it complies with these terms.

23. The Settlement Funds will be used to reimburse consumers:

- a. who purchased products or services from Respondent;
- b. who file a restitution claim with the Attorney General during a period beginning on the date 15 days after the Agreed Order is entered by the Court, and ending six months from that date; and
- c. who the Attorney General has reason to believe hold valid claims for ascertainable losses sustained as a result of Respondent’s violation of the TCPA.

24. In the event that there is not enough money to provide restitution to all eligible consumers, the Settlement Funds may be distributed pro rata at the discretion of the Attorney General and no further funds will be required from Respondent to settle the Attorney General’s claims.

25. Any Settlement Funds remaining after restitution is paid to all eligible consumers shall be distributed at the sole discretion of the Attorney General and may be used to reimburse the Attorney General for costs and expenses related to the investigation.

26. Respondent shall reasonably cooperate in providing the Attorney General with updated customer account records that are necessary to validate a consumer's claim for restitution. The Attorney General shall maintain such information using methods that will protect consumers' personal and confidential information.

27. Except for the above conditions requiring mutual agreement of the language included in the Restitution Notice and Respondent's cooperation in providing updated customer records, the Attorney General shall have sole responsibility to administer the restitution fund, including without limitation, the development of criteria for determining which Identified Customers will be entitled to restitution, the delivery of any restitution funds to the Identified Customers who meet the Attorney General's criteria, communications with the Identified Customers about the restitution fund, answering the Identified Customers' questions about the restitution fund, and incurring the costs of the administration of the restitution fund.

GRANTING RIGHTS TO CANCEL CERTAIN CONTRACTS

28. In addition to the restitution relief discussed above, Respondent will agree to allow the 93 customers who the Attorney General has identified as making formal complaints (the "93 Customers") to cancel their contracts based on the following terms:

- a. Within 14 days after the Court's approval of this Assurance, the Attorney General will provide Respondent with a list of the 93 Customers it has identified, including an identification of the complaints made by those 93 Customers.
- b. As to each of those 93 Customers, Respondent, within 21 days of receiving the list from the Attorney General, will send to their last known email and postal address a notice that informs those 93 Customers of the right to cancel the alarm service contract with Respondent within a period of 60 days from the date of the notice (the "Cancellation Notice").

- c. Respondent shall not be required to admit any wrongdoing in the Cancellation Notice. The Cancellation Notice shall not confirm any wrongdoing by Respondent, but shall instead describe the Attorney General's allegations, inform the 93 Customers about this settlement, and inform the 93 Customers about: (1) their option to cancel the current contract that is in its initial term with Respondent and to obtain a refund of all monthly monitoring fees previously paid; or (2) if they have already cancelled the initial term of the contract with Respondent and have not previously obtained a refund of the monthly monitoring fees and the early termination fee previously paid, to obtain a refund or charge forgiveness of those fees; or 3) if the account is now owned by a third party purchaser, to receive the benefits described in Paragraph 28(i). The Parties shall mutually agree to the language included in the Cancellation Notice before it is distributed to the 93 Customers to confirm that it complies with these terms.
- d. For one of the 93 Customers to cancel the contract or to be entitled to the benefits provided under Paragraph 28(i) related to contracts now owned by third party purchasers, the customer receiving the Cancellation Notice shall be required to contact Respondent by email or postal mail within the 60-day period to inform Respondent of the cancellation request.
- e. The rights and remedies described in this Paragraph 28, including the right to cancel, is not provided to any customer outside of the 93 Customers identified in this Paragraph 28. Any of the 93 Customers who do not contact Respondent within that 60-day period from the date on the Cancellation Notice shall lose the right granted here to cancel their contracts.
- f. From the date (within that 60-day period) that Respondent receives notice from the customer of the request to cancel the alarm service contract, the customer providing such proper notice shall have no further obligation to continue payments to Respondent, and, except for active accounts owned by third party purchasers as provided in Paragraph 28(i), Respondent also shall have no further obligations to the customer who provided the proper notice of cancellation, including no further obligation to provide alarm monitoring services to the customer or to refund any monies paid by the customer prior to the notice of cancellation.
- g. Any of the 93 Customers who have provided a proper cancellation notice within sixty days pursuant to these terms shall not be required to pay any cancellation fee to cancel his or her existing alarm service contract.
- h. To the extent that any of the 93 Customers have already cancelled their alarm service contract with Respondent and paid or been charged a cancellation fee, Respondent will refund such fee and/or forgive such charges.

- i. To the extent that any active account related to one of the 93 Customers is currently with a third party purchaser and to the extent the customer related to that active account gave proper notice to Respondent within 60 days as provided above, Respondent will pay the balance owed by the customer of any remaining initial contract term to that third party purchaser to allow that customer to have no further monetary obligation to the third party purchaser related to the initial term of the contract.
- j. Respondent agrees that, for any of the 93 Customers who elect to cancel, Respondent will not "lock out" their installed equipment (and, to the extent that such equipment is currently "locked," Respondent will cooperate in unlocking it).

EXECUTION UPON DEFAULT

29. For purposes of enforcing any monetary portion of this Assurance in the event of default, service shall be deemed effective upon mailing a notice via certified mail return receipt requested to Respondent's mailing address of record set forth in the notice section below. If no response is received within 30 days, the Attorney General may obtain a default judgment or other adverse ruling.

30. Respondent hereby agrees that if any monetary amount owed to the State is not paid within 30 days after it is due and after the Respondent has received notice of the default, the State is then entitled to pursue collection of such amount through any means available under the law, and the State is entitled to access any data or information about Respondent that may aid in the collection of such amounts including consumer and business credit reports.

31. In the event of default of any monetary provision of this Assurance, Respondent agrees and will not contest that all Settlement Funds, including statutory interest, are non-dischargeable under 11 U.S.C. § 523(a) and 11 USC § 1141(d)(4).

32. Respondent further agrees that in any subsequent proceeding based upon the monetary amount set forth in this Assurance, Respondent shall not contest the State's right to obtain the full amount of the Settlement Funds including statutory interest, civil penalties, attorney's fees and costs due and owing, shall reaffirm any such debt if necessary in order to

completely fulfill Respondent's monetary obligations to the State, and shall not object in any manner or form that is contradictory to the terms of this Assurance to any proof of claim filed by the State.

COMPLIANCE

33. Respondent agrees to reasonably provide books, records, and documents to the Attorney General in response to the Attorney General's reasonable requests and to provide testimony and other information under oath relating to compliance with this Assurance. The Attorney General shall make such requests only if it has a reasonable basis for needing such information. Respondent shall make any requested information or documents available, in writing, within 7 days of the receipt of the Attorney General's request at the Office of the Attorney General in Nashville, Tennessee or at any other location within the State that is mutually agreeable to Respondent and the Attorney General. Any testimony requested by the Attorney General shall be provided at a location that is mutually agreeable to the Respondent and the Attorney General. This section shall in no way limit the State's right to obtain documents, information, or testimony pursuant to any federal or state law, regulation, or rule.

34. For a period of three years after the entry of this Assurance, the State has the right to conduct undercover investigations of Respondent, within the limits allowed by law, for the purpose of confirming compliance with this Assurance and state law. The State's undercover investigators are not required to disclose that they are representatives of the State when making contact with Respondent. Further, the State may record (audio and/or video) any or all aspects of its interaction with Respondent without notice to Respondent. Upon notification, Respondent agrees to void any sale that is conducted by an undercover investigator on behalf of the State. Provided, however, Respondent does not waive any rights provided under the United States' Constitution or Tennessee's Constitution in relation to this Paragraph 34.

PRIVATE RIGHTS OF ACTION

35. Nothing in this Assurance shall be construed to affect, limit, or alter any private right of action that any consumer, person, entity, or any local, state, federal or other governmental entity, may hold against the Respondent, except that a consumer who receives restitution under the terms of this settlement may not double-recover for amounts actually paid to him or her, and Respondent may rely on any restitution payment or relief provided to a consumer under this Assurance as a defense to reduce damages sought by that consumer in separate litigation or to prove that the consumer has suffered no actual damages.

GENERAL PROVISIONS

36. Respondent hereby accepts and expressly waives service of process for the State's Petition.

37. Respondent shall not participate, directly or indirectly, in any activity to form a separate entity or corporation for the purpose of engaging in acts or practices in whole or in part in the State that are prohibited in this Assurance or for any other purpose which would otherwise circumvent any part of this Assurance or the spirit or purpose of this Assurance.

38. The acceptance of this Assurance by the Attorney General shall not be deemed approval by the Attorney General of any of Respondent's advertising or business practices. Further, neither Respondent nor anyone acting on its behalf shall state or imply or cause to be stated or implied that the Attorney General has approved, sanctioned or authorized any practice, act, advertisement or conduct of the Respondent. Similarly, the acceptance of this Assurance by the Respondent is not an admission of any wrongdoing by Respondent and shall not be deemed an admission of wrongdoing or of liability in this matter, or in any separate litigation.

39. After Respondent has implemented the business practices provisions at paragraphs 16-19 and the cancellation provisions at paragraph 28, Respondent shall execute and submit to the Attorney General a certification of that fact ("Compliance Certification").

40. Upon receipt of the Compliance Certification and following the 91st day after full payment of the amount due under Paragraph 20, the Attorney General releases Respondent from all civil claims that have been or could have been brought by the Tennessee Attorney General pursuant to the TCPA, the common law, or other regulation or statute, relating to Respondent's representatives making misleading statements regarding: (a) the Respondent's identity or its affiliation with a third-party company; (b) the status of a consumer's existing monitoring company or the condition of a consumer's existing alarm equipment; (c) the nature of the goods and services being offered; or (d) the financial terms on which Respondent would provide goods and services to consumers, at any time before the entry of this Assurance.

41. If any clause, provision, or section of this Assurance shall, for any reason, be held illegal, invalid, or unenforceable, such illegality, invalidity, or unenforceability shall not affect any other clause, provision, or section of this Assurance, and this Assurance shall be construed and enforced as if such illegal, invalid, or unenforceable clause, section, or other provision had not been contained herein.

42. Respondent hereby waives any and all rights that they may have to be heard in connection with judicial proceedings upon the approval of this Assurance. This Assurance is made a part of and is incorporated into the Agreed Order. Respondent consents to the entry of this Assurance and Order without further notice.

43. All court costs associated with the filing of this Petition, Order, and Assurance shall be borne by Respondent. No costs shall be taxed against the State of Tennessee as provided by Tenn. Code Ann. § 47-18-116. Further, no discretionary costs shall be taxed to the State.

44. Notwithstanding the Attorney General's agreement to develop mutually agreeable language for the Restitution Notice and Cancellation Notice, nothing in this Assurance shall constrain the Attorney General's ability to discuss or describe the findings of his investigation of Respondent. Respondent also is not constrained from denying liability or wrongdoing in relation to the Attorney General's investigation of Respondent.

45. Any notices related to this Assurance shall be sent to the following addresses:

For the Tennessee Attorney General: Deputy Attorney General Office of the Attorney General Consumer Protection Division Attn: David McDowell Post Office Box 20207 Nashville, Tennessee 37202 Telephone: (615) 741-1671 Facsimile: (615) 532-2910	For AMP SECURITY, LLC: Michael Melzer President of Operations & General Counsel AMP Security 1261 S. 820 E., Ste. 300 American Fork, Utah 84003 Michael.melzer@ampsmart.com Phone: 801-854-9219 Facsimile: 801-704-1709 & Gary C. Shockley (BPR No. 10104) Joshua A. Mullen (BPR No. 28388) Baker, Donelson, Bearman, Caldwell & Berkowitz, PC Baker Donelson Center, Suite 800 211 Commerce Street Nashville, Tennessee 37201 (615) 726-7318 (615) 744-7318 (facsimile)
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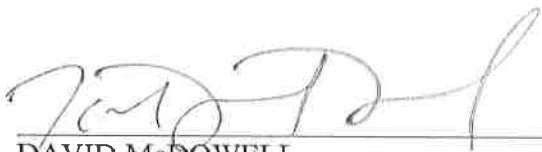
46. This Assurance sets forth the entire agreement between the State and Respondent, and there are no representations, agreements, arrangements, or understandings, oral or written, relating to its subject matter which are not fully expressed in this Assurance.

JOINTLY APPROVED AND SUBMITTED FOR ENTRY:

FOR THE STATE OF TENNESSEE:



HERBERT H. SLATTERY III
Attorney General and Reporter
B.P.R. No. 10934



DAVID McDOWELL
B.P.R. No. 024588
Assistant Attorney General
Office of the Attorney General and Reporter
Consumer Protection Division
P.O. Box 20207
Nashville, TN 37202
Tel: (615) 741-7663
Facsimile: (615) 532-2910
Email: David.McDowell@ag.tn.gov

JOINTLY APPROVED AND SUBMITTED FOR ENTRY:

FOR RESPONDENT AMP SECURITY, LLC d/b/a AMP SMART:



Gary C. Shockley (BPR No. 10104)

Joshua A. Mullen (BPR No. 28388)

Baker, Donelson, Bearman, Caldwell

& Berkowitz, PC

Baker Donelson Center, Suite 800

211 Commerce Street

Nashville, Tennessee 37201

(615) 726-7318

(615) 744-7318 (facsimile)

RESPONDENT AMP SECURITY, LLC'S SIGNATURE AND ACKNOWLEDGMENT

Respondent AMP SECURITY, LLC d/b/a AMP SMART has read and understands this Assurance and each of its terms. Respondent admits to the jurisdiction of the Court in this matter and consents to the entry of this Assurance. Respondent agrees to each and every term contained herein to the best of its knowledge and belief.

I, Allen Bolen, on behalf of AMP SECURITY, LLC d/b/a AMP SMART, being first duly sworn on oath, depose and say that I am an owner and officer of AMP SECURITY, LLC d/b/a AMP SMART and am fully authorized and empowered to sign this Assurance on behalf of AMP SECURITY, LLC d/b/a AMP SMART and bind the same to the terms hereof.



Allen Bolen
Chief Executive Officer
AMP Security
1261 S. 820 E., Ste. 300
American Fork, Utah 84003

SUBSCRIBED AND SWORN to before
me this 17 day of June, 2019.

Notary Public 
My Commission Expires: 10-29-22

