# IN THE COURT OF COMMON PLEAS FOR ALLEGHENY COUNTY, PENNSYLVANIA

COMMONWEALTH OF PENNSYLVANIA	
OFFICE OF ATTORNEY GENERAL,	
Acting by Attorney General Josh Shapiro	

CIVIL ACTION

EQUITY

Petitioner,

v.

Case No.

LOAD UP TECHNOLOGIES, LLC d/b/a MATTRESS DISPOSAL PLUS, a Georgia limited liability company,

ASSURANCE OF VOLUNTARY COMPLIANCE

Respondent.

Filed on Behalf of Plaintiff:

COMMONWEALTH OF PENNSYLVANIA, OFFICE OF ATTORNEY GENERAL

Counsel of Record for this Party:

Susan A. Apel Senior Deputy Attorney General P.A. I.D. No. 50597 Office of Attorney General Bureau of Consumer Protection 1251 Waterfront Place, Mezzanine Pittsburgh, PA 15222 (412) 565-2578

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### ASSURANCE OF VOLUNTARY COMPLIANCE

AND NOW, comes the Commonwealth of Pennsylvania, Office of Attorney General, by Attorney General Josh Shapiro ("Commonwealth" or "Petitioner"), which has caused an investigation to be made into the business practices of Load Up Technologies, LLC, a Georgia limited liability company d/b/a Mattress Disposal Plus ("Respondent") pursuant to the Pennsylvania Unfair Trade Practices and Consumer Protection Law, 73 P.S. §§ 201-1 et. seq. ("CPL") and states the following:

## **PARTIES**

WHEREAS, Petitioner is the Commonwealth of Pennsylvania, Office of Attorney

General, with offices located at 1251 Waterfront Place, Mezzanine Level, Pittsburgh PA 15222

and 15th Floor, Strawberry Square, Harrisburg, Pennsylvania 17120;

WHEREAS, the Petitioner enforces the *CPL* and if necessary, has the power to bring an action to impose a civil penalty and to seek other relief, including injunctive relief, pursuant to the *CPL*; and

WHEREAS, Respondent is a limited liability company organized under the laws of the State of Georgia, that does business as "Mattress Disposal Plus"; and

WHEREAS, Respondent's registered business address is 816 Colston Road SW, Marietta GA, 30064 and it operates from an address of 300 Galleria Parkway SE Suite 1870, Atlanta GA 30339-5922.

#### BACKGROUND

WHEREAS, Respondent has engaged in nationwide trade and commerce, including within the Commonwealth of Pennsylvania, by advertising, marketing, and selling to consumers a platform which connects residential consumers with local companies that pick up used mattresses, furniture and "junk" from consumers' homes, and disposes of such items;

WHEREAS, Respondent markets to consumers who wish to dispose of such items, by soliciting such consumers to use Respondent's online platform to identify service requests, and after contracting with the consumer, Respondent sends independent contractors across the United States, including those located in approximately 14 Pennsylvania "areas of service," to go to the consumer's residence and pick up such items;

WHEREAS, beginning in at least 2017 through 2019, Respondent featured prominently in its sales practices and website, including through the use of video clips, the concept of "green" or "eco-friendly" mattress disposal, and mattress recycling or donation (rather than landfill disposal);

WHEREAS, the Commonwealth has determined that such claims of "green," and "eco-friendly" disposal, and of mattress recycling or donation (rather than landfill disposition) were not accurate with respect to mattresses arranged by Respondent to be picked up from Pennsylvania consumers; and

WHEREAS, Respondent has agreed to (and has) modified its website and sales practices to clarify that neither "green," or "eco-friendly" mattress disposal, nor mattress recycling or donation, is available to Pennsylvania consumers, and has agreed to other matters, as set forth below.

### INVESTIGATIVE CONCLUSIONS

WHEREAS, based upon its investigation, Petitioner believes that Respondent has engaged in conduct that violates the *CPL* by engaging in false, misleading and deceptive advertising to Pennsylvania consumers, by inaccurately advertising that Respondent's disposal of mattresses picked up from Pennsylvania consumers is "eco-friendly," and "green" and avoids landfills by use of mattress recycling or donation;

WHEREAS, in particular, the Commonwealth believes that from at least January 1, 2017 through 2019, Respondent picked up and disposed of at least 400 mattresses from Pennsylvania consumers, who reasonably believed (based on Respondent's marketing) that their discarded mattresses would be disposed of by recycling or donation; and

WHEREAS, in fact, none or a very small percentage of such 400 mattresses were disposed of by recycling or donation; and

**WHEREAS**, the Commonwealth has further concluded that by engaging in the behavior described above, Respondent has violated the *CPL* by, among other things:

(i) Representing that goods or services are of a particular standard, quality or grade, or that goods are of a particular style or model, if they are of another, 73 P.S. § 201-2(4)(vii);

- (ii) Representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation, or connection that he does not have, 73 P.S. § 201-2(4)(v); or
- (iii) Engaging in any other fraudulent or deceptive conduct which creates a likelihood of confusion or of misunderstanding, by engaging in marketing of mattress disposal services in a manner that confused and misled consumers, 73 P.S. § 201-2(4)(xxi).

**WHEREAS**, Respondent agrees to cease and desist from violating the *CPL*, as outlined below, and desires to comply with the laws of the Commonwealth of Pennsylvania; and

**WHEREAS**, this Assurance of Voluntary Compliance is accepted by the Commonwealth pursuant to Section 201-5 of the *CPL*, in lieu of commencing statutory proceedings provided under Section 201-4 (see 73 P.S. §201-4 and 201-5).

## SETTLEMENT TERMS

NOW THEREFORE, having conducted trade and commerce within the Commonwealth, Respondent agrees for itself, its successors, assigns, officers, partners, and Affiliates, as follows:

- I. The Recitals set forth above are incorporated herein as though fully set forth.
- II. Injunctive and Affirmative Relief
  - A. Respondent and its Affiliates (as defined in Part IV(N) below) shall comply with any and all provisions of the *CPL* and any amendments thereto, and is permanently enjoined from any violation thereof.

- B. Respondent, its Affiliates, and any and all employees or consultants acting on behalf of Respondent or its Affiliates, are permanently enjoined from marketing "green," or "eco-friendly" mattress disposal to Pennsylvania consumers (through the use of this exact language or otherwise), and from advertising or stating that Respondent will dispose of mattresses picked up from Pennsylvania consumers via recycling or donation.
- C. Respondent agrees that, if at any time, whether on its website, through verbal or written communications with consumers, or otherwise, it markets or discusses mattress disposal as "green," or "eco-friendly" (through the use of this exact language or otherwise) or suggests that Respondent will dispose of any mattress picked up from a consumer via recycling or donation, Respondent will clearly and conspicuously also disclose that no mattress picked up from any Pennsylvania consumer will be subject to such "eco-friendly," "green" or otherwise environmentally sound disposal, and that no mattress picked up from any Pennsylvania consumer will be disposed of via recycling or donation.
- D. If in the future recycling centers or donations are available in the State of Pennsylvania, Respondent agrees that it will first notify the Pennsylvania Attorney General's office of the details of such availability before Respondent commences advertising or marketing of such mattress recycling or donation (via the contact information provided in this Assurance of Voluntary Compliance), at least 60 days in

<sup>&</sup>quot;Clear and conspicuous" or "clearly and conspicuously" as utilized in this Assurance of Voluntary Compliance means that the statement, representation or term being disclosed is of such size, color, and contrast and is so presented as to be readily noticed and understood by the person to whom it is being disclosed. If such statement is necessary as a modification, explanation or clarification to other information with which it is presented, it must be presented in close proximity to the information it modifies, in a manner so as to be readily noticed and understood. In addition to the foregoing, in interactive online media, the disclosure shall also be presented prior to the consumer incurring any financial obligation

advance of implementation of any such change. Respondent will provide such additional documentation and information regarding such change as is reasonably requested.

## III. Monetary Relief

- A. Required Payment Respondent shall be obligated to pay a total payment of FOURTEEN THOUSAND FIVE HUNDRED and 00/100 Dollars (\$14,500.00) ("Required Payment") which shall be allocated as follows, and paid in accordance with part B below:
  - 1. Civil Penalties in the amount of ONE THOUSAND FIVE HUNDRED and 00/100 Dollars (\$1,5000.00), to be distributed to the Commonwealth of Pennsylvania, Department of Treasury.
  - 2. Costs of Investigation in the amount of TEN THOUSAND and 00/100 Dollars (\$10,000.00), which shall be distributed to the Commonwealth of Pennsylvania, Office of Attorney General, to reimburse the costs incurred in pursuing this action, and shall be deposited into an interest-bearing account from which both principal and interest shall be expended for future public protection and educational purposes.
  - 3. **Donation to Environmental Organization** of Respondent's choice, in the amount of THREE THOUSAND and 00/100 Dollars (\$3,000.00), provided that such organization is a validly formed § 501(c)(3) nonprofit organization whose mission includes the promotion and facilitation of mattress recycling and donation in a geographical area that includes the Commonwealth of Pennsylvania.

## B. Payment Terms -

Upon the execution of this Assurance of Voluntary Compliance by
 Respondent, Respondent shall pay ELEVEN THOUSAND FIVE HUNDRED and

00/100 Dollars (\$11,500.00) of the Required Payment, pursuant to Part (A)(1) and (A)(2) above.

- 2. Upon the execution of this Assurance of Voluntary Compliance by Respondent, Respondent shall provide proof to the Commonwealth of the required donation described in Part (A)(3) above.
- 3. All payments required to be made by Respondent pursuant to Part (A)(1) and (2) above shall be made by certified check, cashier's check, or money order, and made payable to the Commonwealth of Pennsylvania, Office of Attorney General, and delivered to the Bureau of Consumer Protection, 1251 Waterfront Place, Mezzanine Level, Pittsburgh, Pennsylvania 15222, c/o the undersigned Senior Deputy Attorney General on or before the date due hereunder. Payment may alternatively be made by wire transfer, in accordance with instructions that will be provided by the Office of Attorney General upon request.

#### IV. Miscellaneous Terms

- A. The Court of Common Pleas of Allegheny County, Pennsylvania shall maintain jurisdiction over the subject matter of this Assurance of Voluntary Compliance and over the Respondent for the purpose of enforcing the terms of this Assurance of Voluntary Compliance.
  - B. Time shall be of essence with regards to Respondent's obligations hereunder.
- C. Nothing in this Assurance of Voluntary Compliance shall be construed to waive or limit any right of action by any individual, person or entity, or by any local, state, federal or other governmental entity.

- D. Gregory Workmon, as CEO of Respondent, hereby states that he is authorized to enter into and execute this Assurance of Voluntary Compliance on behalf of Respondent and further agrees on behalf of Respondent that Respondent will execute and deliver all authorizations, documents, and instruments which are necessary to carry out the terms and conditions of this Assurance of Voluntary Compliance, whether required prior to, contemporaneous with or subsequent to the Effective Date.
- E. Any failure of the Commonwealth to exercise any of its rights under this Assurance of Voluntary Compliance shall not constitute a waiver of its rights hereunder.
- F. This Assurance of Voluntary Compliance may be executed in any number of counterparts and by different signatories on separate counterparts, each of which shall constitute an original counterpart hereof and all of which together shall constitute one and the same document. One or more counterparts of this Assurance of Voluntary Compliance may be delivered by facsimile or electronic transmission with the intent that it or they shall constitute an original counterpart hereof.
- G. This Assurance of Voluntary Compliance sets forth all of the promises, covenants, agreements, conditions and understandings between the parties, and supersedes all prior and contemporaneous agreements, understandings, inducements or conditions, expressed or implied. There are no representations, arrangements, or understandings, oral or written, between the Parties relating to the subject matter of this Assurance of Voluntary Compliance that are not fully expressed herein or attached hereto. Each party specifically warrants that this Assurance of Voluntary Compliance is executed without reliance upon any statement or representation by any other party hereto, except as expressly stated herein.

- H. Respondent understands and agrees that if any false statement in or related to this Assurance of Voluntary Compliance has been made on its behalf, such statement is made pursuant to and under penalty of 18 Pa.C.S. § 4904, relating to unsworn falsifications to authorities.
- I. Respondent agrees by the signing of this Assurance of Voluntary Compliance that it shall abide by each of the aforementioned provisions and that the breach of any one of these terms shall be sufficient warrant for the Commonwealth of Pennsylvania to petition the Court of Common Pleas of Allegheny County, or any court of competent jurisdiction, to seek the penalties provided for under Section 201-8(a) of the *CPL*, 73 P.S. § 201-8(a), and to seek any other equitable relief which the Court deems necessary or proper, up to and including forfeiture of the right to engage in trade or commerce within the Commonwealth of Pennsylvania.
- J. The "Effective Date" of this Assurance of Voluntary Compliance shall be the day it is filed with the Court.
- K. If any clause, provision or section of this Assurance of Voluntary Compliance 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 of Voluntary Compliance and the Assurance of Voluntary Compliance shall be construed and enforced as if such illegal, invalid or unenforceable clause, section or other provision had not been contained herein.
- L. The parties understand and agree that this Assurance of Voluntary Compliance shall not be construed as an approval or sanction of the business practices of Respondent. The parties further understand that any failure by the Attorney General to take any action in response to any information submitted pursuant to this Assurance of Voluntary Compliance shall not be

construed as an approval or a sanction of any representation, act or practice indicated by such information.

- M. Respondent hereby represents, warrants and agrees that Respondent will not enter into any agreement relating to the sale, acquisition, lease, exchange or transfer (in one or a series of transactions) of all or any material part of the assets of Respondent, or any merger, consolidation, restructuring or other extraordinary transaction involving Respondent, or any equity of Respondent, or consummate any of the foregoing transactions, with any Affiliate or agent of Respondent, without making the other parties to any such transaction aware of the terms of this Assurance of Voluntary Compliance,
- N. For purposes of this Assurance of Voluntary Compliance, "Affiliate" shall mean any individual, entity or organization directly or indirectly controlling, controlled by, or under common control with Load Up Technologies, LLC, where control may be by management authority, contract, or equity interest.

WHEREFORE, intending to be legally bound hereby, the parties hereto have executed this Assurance of Voluntary Compliance as set forth below.

#### FOR THE PETITIONER:

COMMONWEALTH OF PENNSYLVANIA OFFICE OF ATTORNEY GENERAL

JOSH SHAPIRO ATTORNEY GENERAL

Date: 10 17 20 By:

Susan A. Apel

Senior Deputy Attorney General PA Attorney I.D. No. 50597 Bureau of Consumer Protection

1251 Waterfront Place

Mezzanine Level

Pittsburgh, Pennsylvania 15222

Telephone: 412-334-6108 sapel@attorneygeneral.gov

FOR THE RESPONDENT:

LOAD UP TECHNOLOGIES, LLC

Date: 10/07/2020 By:

Gregory Workmon, CEO

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d/b/a MATTRESS DISPOSAL PLUS,		
a Georgia limited liability company,	:	
Respondent.		

#### **CERTIFICATE OF SERVICE**

I, Susan A. Apel, hereby certify that a true and correct copy of the foregoing Assurance of Voluntary Compliance was served by email on October 28, 2020 upon the below:

Katherine E. Gavett, Esq. Ferrara Fiorenza PC 5010 Campuswood Drive East Syracuse, NY 13057 kegavett@ferrarafirm.com

Gregory Workmon CEO LoadUp Technologies, LLC gworkmon@goloadup.com

Susan A. Apel