



OFFICE OF ATTORNEY GENERAL
CONSUMER PROTECTION AND ANTITRUST DIVISION
GATEWAY PROFESSIONAL CENTER
1050 E INTERSTATE AVENUE, STE 200
BISMARCK, NORTH DAKOTA 58503-5574



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STATE OF NORTH DAKOTA
OFFICE OF ATTORNEY GENERAL

STATE OF NORTH DAKOTA EX REL.
WAYNE STENEHJEM,
ATTORNEY GENERAL,

Petitioner,

-vs-

**THE MEDIA HOOK, INC.,
CHRISTOPHER CLARKE, Individually, and
CARLOS RIVAS, Individually**

Respondents.

**CEASE AND DESIST ORDER,
NOTICE OF CIVIL PENALTY
AND NOTICE OF RIGHT
TO REQUEST A HEARING**

CPAT 110222.003

To the individual and entity identified below hereinafter "Respondents"):

The Media Hook, Inc.
1440 Coral Ridge Dr #298
Coral Springs, FL 33071-5433

4846 N University Dr. #106
Lauderhill, FL 33351

AND

Christopher Clarke
1440 Coral Ridge Dr #298
Coral Springs, FL 33071-5433

AND

Carlos Rivas
1440 Coral Ridge Dr #298
Coral Springs, FL 33071-5433

(including all of those entities' officers, directors, owners, agents, servants, employees and representatives as well as all other persons in active concert or participation with them, extending to all "doing business as" names, formal corporate names, fictitious names of any kind or any variations of the same)

BACKGROUND

1. The Attorney General of North Dakota has a reasonable basis to believe Respondents have engaged in and are engaging in acts or practices declared unlawful by N.D.C.C. ch. 51-18, commonly referred to as the "Home Solicitation Sales Statute," ch. 51-15, commonly referred to as the "Consumer Fraud Law," and N.D.C.C. ch. 51-28, commonly referred to as the "Do-Not-Call Law." It is necessary and appropriate in the public interest and for the protection of consumers to restrain the Respondents' unlawful acts or practices.

2. Respondent The Media Hook, Inc. is a Florida Profit Corporation engaged in the advertising and direct marketing solicitation and sale of merchandise, including business opportunity products and services such as customer acquisition programs, and creation and design of websites and other marketing or advertising products.

3. Respondent, Christopher Clarke, is a Florida resident, and is the Chief Executive Officer and the registered agent of The Media Hook, Inc.

4. Respondent, Carlos Rivas, is a Florida resident, and is the Chief Financial Officer of The Media Hook, Inc.

5. The Attorney General has received a consumer complaint against Respondents alleging misrepresentations, false promises, and refusal to cancel and refund, together with other deceptive advertisement and sales practices.

6. N.D.C.C. ch. 51-15 prohibits a person from engaging in any deceptive act or practice, fraud, false pretense, false promise, or misrepresentation, with the intent that others rely thereon in connection with the sale or advertisement of any merchandise.

7. The consumer complaint filed with the Attorney General's Consumer Protection Division alleges that Respondents solicited and accepted a payment of \$3,500 and, in connection with the sale of products and services to consumers, made representations and promises that Respondents products would generate the consumer income at little or no risk. The complaint alleges that Respondents made representations that they had already generated income for the consumer, and that there was no risk of losing anything. The complaint also alleges that Respondents made promises of customer support and service that were not kept, and that Respondents were not available by phone to provide services as represented.

8. N.D.C.C. ch. 51-18 regulates home solicitation sales and requires, among other things, that sellers, in a home solicitation sale, provide North Dakota consumers with both oral and written notice of cancellation rights. N.D.C.C. ch. 51-18 also prohibits Respondents from soliciting or accepting any payment from a North Dakota consumer until Respondents have received an original copy of a sales contract that complies with the requirements of N.D.C.C. ch 51-18 and that is signed by the consumer. A violation of N.D.C.C. ch. 51-18 constitutes a violation of N.D.C.C. ch. 51-15.

9. Respondents do not provide consumers with the required notice of right to cancel. Respondents operates with a refund policy that states; "all sales are final and non-refundable." This policy demonstrates that Respondents do not provide consumers with a verbal and written notice of right to cancel, as required by N.D.C.C. ch. 51-18, and do not allow consumers to cancel, as required by law.

10. Based on the consumer complaint received, Respondents charge consumers credit cards without first obtaining a signed agreement that meet the requirements of N.D.C.C. ch. 51-18.

11. N.D.C.C. ch. 51-28 prohibits telephone solicitations to the telephone line of any subscriber in North Dakota who, for at least 31 days before the date the call is made, has been on the North Dakota or Federal Trade Commission do-not-call list. A violation of N.D.C.C. ch. 51-28 constitutes a violation of N.D.C.C. ch. 51-15.

12. Respondents have made phone calls to consumers in violation of the Do-Not-Call Law. The consumer complaint received by the Attorney General shows that Respondents placed a solicitation call to the consumer despite the fact that the consumer had been registered on the do-not-call list since July of 2008.

13. After receiving a consumer complaint and other information regarding Respondents' business activities, the Attorney General's Consumer Protection Division forwarded the complaint to Respondents on September 16, 2011, requesting a response, pursuant to N.D.C.C. § 51-15-04. Respondents did not respond to the consumer complaint. Additional requests were made to Respondents for a response to the consumer complaint. Having received no response, the Attorney General commenced an investigation into Respondents' business practices. On January 18,

2012, a formal request for information was mailed to Respondents pursuant to N.D.C.C. § 51-15-04.

14. Rather than responding to the consumer complaint and the request for information, Respondent Christopher Clarke responded with a letter received on March 1, 2012, simply stating that The Media Hook, Inc. is out of business and no longer operational.

15. Respondents did not comply with the requests for information, and pursuant to N.D.C.C. § 51-15-07, the Attorney General may issue a cease and desist order for the Respondents' failure or refusal to file a statement or report under N.D.C.C. ch. 51-15.

16. Respondents operate a website at www.themediahook.com. This website is still operational.

17. Respondent The Media Hook, Inc. is still in active status pursuant to the Florida Department of State Division of Corporations.

18. Respondent Christopher Clarke has operated multiple other businesses at the same address, including Bluegrass Delivery, Inc. Dinar2millions, Inc., C & K Express, Inc., Fish Depot, Inc., Halo Express, Inc., Halo Logistics, Inc., Image Express, Inc., Big Foot Express, Inc., Bigfoot Roofing, Inc., Bigfoot Disaster Relief, Inc., Air Team USA, Inc., Texas Foods, Inc., and Freedom Services Group, Inc.

19. It is believed that if The Media Hook, Inc. is truly no longer operating, Respondent Christopher Clarke is operating a new business with the same address and telephone number as The Media Hook, Inc. Respondent Christopher Clarke has several companies that are still listed as active with the Florida Department of State Division of Corporations., including Fresh Fish America Corp., Extreme Business

Consultants, Inc., Blue Roof Team, Inc., National Arcnet Corporation, and Smart Family Guide.com, Inc.

20. Respondent Carlos Rivas was also involved in the company Freedom Services Group, Inc., and is currently an officer of Smart Family Guide.com, Inc.

21. Each of the Respondents are engaged in a combination of two or more persons who have agreed to act together to inflict a wrong or an injury upon another, or who have agreed to act together to commit a lawful act using unlawful means to inflict a wrong or injury upon another, namely violation of Home Solicitation Sales Statute, Do-Not-Call Law, and North Dakota's Consumer Fraud Law. In doing so, Respondents have committed acts in pursuit of the agreement and the agreement has proximately caused damage to North Dakota consumers.

22. Respondents are liable for their own misconduct and/or for directing others to engage in misconduct. See e.g. *Zimprich v. North Dakota Harvestore Sys., Inc.*, 419 N.W.2d 912, 914 (N.D. 1988); *Rickbeil v. Grafton Deaconess Hosp.*, 23 N.W.2d 247, 257 (N.D. 1946) ("The general rule with reference to this feature is considered and set out in the great series of volumes of jurisprudence familiar to the courts. In 52 Am. Jur. 440, this rule is stated, 'It is a conceded general rule that all persons or entities are liable for torts committed by them, or by their agents while acting within the scope of their duties.'").

23. Respondents who are natural persons will additionally be subject to personal liability for corporate misconduct. *Hilzendager v. Skwarok*, 335 N.W.2d 768 (N.D. 1983)(quoting *Schriock v. Schriock*, 128 N.W.2d 852, 866 (N.D. 1964)("... but, when the notion of legal entity is used to defeat public convenience, justify wrong, protect fraud, or defend crime, the law will regard the corporation as an association of persons.' Fletcher, Private Corporations Sec. 41 (1963 rev. vol.)."). The crime/fraud

exception to the protections of corporate form has long been recognized in North Dakota, "neither law nor equity will ever recognize the right of a corporate entity to become the receptacle or cover for fraud or wrong based on deception for the purpose of defeating the right of innocent parties." *McFadden v. Jenkins*, 169 N.W. 151, 163 (N.D. 1918). *See also Danks v. Holland*, 246 N.W.2d 86 (N.D. 1976); *Family Center Drug v. North Dakota St. Bd. of Pharm.*, 181 N.W.2d 738, 745 (N.D. 1970).

ORDER

Respondents having engaged in violations of N.D.C.C. ch. 51-15, 51-18 an 51-28, and Respondents having failed or refused to respond to a consumer complaint and to a request for information, as required by N.D.C.C. §51-15-04; **NOW, THEREFORE, IT IS ORDERED** pursuant to N.D.C.C. § 51-15-07 that Respondents, individually, and where applicable their officers, directors, owners, agents, servants, employees, contractors, representatives (extending to all "doing business as" names, formal corporate names, aliases, fictitious names of any kind or any variations of the same) as well as all other persons in active concert or participation with them, whether directly or indirectly, immediately **CEASE AND DESIST** from: 1) advertising, soliciting or selling merchandise to North Dakota residents; 2) advertising, soliciting or selling merchandise in North Dakota through telemarketing or other personal solicitation sales, as defined by N.D.C.C. § 51-18-01(3); 3) making or causing to be made any telephone solicitations to North Dakota residents who are registered on the Do-Not-Call list, in violation of N.D.C.C. ch. 51-28; (4) advertising, soliciting, or selling merchandise to North Dakota residents without complying with the requirements of N.D.C.C. ch. 51-18; and 5) engaging in any deceptive act or practice, fraud, false pretense, false promise, or misrepresentation, with the intent that others rely thereon in connection with the sale or

advertisement of any merchandise, in violation of N.D.C.C. ch. 51-15. Respondents also shall immediately **CEASE AND DESIST** from taking, collecting, charging, billing or accepting any payment from any North Dakota consumers, including, but not limited to, cash, check, direct credit, debits or withdrawals from North Dakota consumers' credit cards, debit cards or bank accounts for any past or future sale of merchandise or other services related to the sale of merchandise.

YOU ARE NOTIFIED that pursuant to N.D.C.C. § 12.1-09-03 a person is guilty of a criminal offense if he or she intentionally "alters, destroys, mutilates, conceals, or removes a record, document, or thing with intent to impair its verity or availability" in an official proceeding. As such, intentional destruction of any documents related to this matter may result in criminal prosecution.

NOTICE OF CIVIL PENALTIES

YOU ARE FURTHER NOTIFIED that pursuant to N.D.C.C. § 51-15-07 any violation of this Cease and Desist Order is subject to civil penalties not to exceed \$1,000 per violation. Any violation of this Order that also is a violation of N.D.C.C. ch. 51-15 may result in additional civil penalties of not more than \$5,000 per violation. Any violation of this Order that also is a violation of N.D.C.C. ch. 51-18 may result in additional civil penalties of not more than \$5,000 per violation and is a Class B misdemeanor. Any violation of this Order that also is a violation of N.D.C.C. ch. 51-28 may result in additional civil penalties of not more than \$2,000 per violation and additional civil penalties of not more than \$5,000 per violation as a separate violation of N.D.C.C. ch. 51-15. Nothing in this Order is intended to limit or waive any rights and remedies available to the State of North Dakota or consumers.

NOTICE OF RIGHT TO REQUEST HEARING

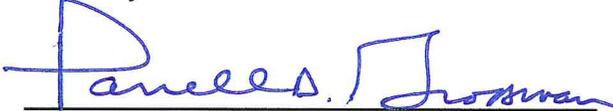
YOU ARE NOTIFIED that pursuant to N.D.C.C. § 51-15-07 you may request a hearing before the Attorney General if such a request is made in writing WITHIN TEN (10) DAYS AFTER THE RECEIPT OF THIS ORDER. Respondents have the right to be represented by legal counsel at the hearing.

Dated this 21st day of June, 2012.

STATE OF NORTH DAKOTA

Wayne Stenehjem

Attorney General

BY: 

Parrell D. Grossman, ID No. 04684

Assistant Attorney General

Director, Consumer Protection and
Antitrust Division

Office of Attorney General

Gateway Professional Center

1050 East Interstate Avenue Ste. 200

Bismarck, ND 58503-5574

(701) 328-3404

STATE OF NORTH DAKOTA
OFFICE OF ATTORNEY GENERAL

STATE OF NORTH DAKOTA EX REL.
WAYNE STENEHJEM,
ATTORNEY GENERAL,

Petitioner,

**AFFIDAVIT OF SERVICE
BY MAIL, CERTIFIED MAIL,
EMAIL AND FACSIMILE**

-vs-

**THE MEDIA HOOK, INC.,
CHRISTOPHER CLARKE, Individually, and
CARLOS RIVAS, Individually**

Respondents.

CPAT 110222.003

STATE OF NORTH DAKOTA)
) ss
COUNTY OF BURLEIGH)

Alexis Bieber states under oath as follows:

1. I swear and affirm upon penalty of perjury that the statements made in this affidavit are true and correct.

2. I am of legal age and on the 21st day of June, 2012, I served CEASE AND DESIST ORDER upon the following by placing true and correct copies thereof in envelopes addressed as follows:

FIRST CLASS MAIL

THE MEDIA HOOK, INC.
1440 CORAL RIDGE DR #298
CORAL SPRINGS, FL 33071-5433

CERTIFIED MAIL RECEIPT # 7011 2000 0001 3047 7627

THE MEDIA HOOK, INC.
1440 CORAL RIDGE DR #298
CORAL SPRINGS, FL 33071-5433

FIRST CLASS MAIL

CHRISTOPHER CLARKE
1440 CORAL RIDGE DR #298
CORAL SPRINGS, FL 33071-5433

CERTIFIED MAIL RECEIPT # 7011 2000 0001 3047 7610

CHRISTOPHER CLARKE
1440 CORAL RIDGE DR #298
CORAL SPRINGS, FL 33071-5433

FIRST CLASS MAIL

CERTIFIED MAIL RECEIPT # 7011 2000 0001 3047 7566

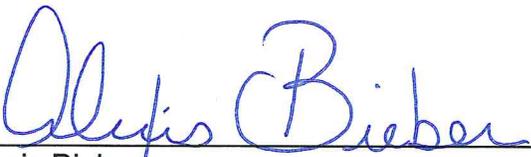
CARLOS RIVAS
1440 CORAL RIDGE DR #298
CORAL SPRINGS, FL 33071-5433

CARLOS RIVAS
1440 CORAL RIDGE DR #298
CORAL SPRINGS, FL 33071-5433

and depositing the same, return-receipt requested, with postage prepaid, in the United States mail at Bismarck, North Dakota.

3. On the 21st day of June, 2012, I also served Cease and Desist Order upon Christopher Clarke via email, by emailing a PDF file of the Cease and Desist Order to the attention of Christopher Clarke at the following e-mail address: bigfoot4chris@aol.com.

4. Also on the 21st day of June, 2012, I served Cease and Desist Order upon The Media Hook, Inc. and by faxing the document to Facsimile No. (623) 283-4230.



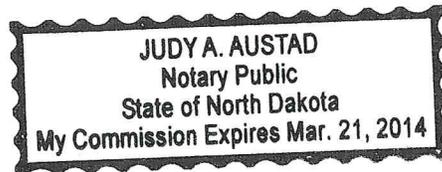
Alexis Bieber

Subscribed and sworn to before me
this 21st day of June, 2012.



NOTARY PUBLIC

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News Release