

ATTORNEY GENERAL FOR THE STATE OF COLORADO

ASSURANCE OF DISCONTINUANCE

IN THE MATTER OF ECOM AUTOMATION GURUS

This Assurance of Discontinuance (“Assurance”) is entered into between Philip J. Weiser, Attorney General for the State of Colorado (“Attorney General”) in his official law enforcement capacity, and Ecom Automation Gurus, (“EAG”) pursuant to the Attorney General’s powers under Colo. Rev. Stat. § 6-1-110(2) and constitutes a complete settlement between the Attorney General and EAG (the “Parties”) regarding allegations by the Attorney General that EAG has violated the Colorado Consumer Protection Act (“CCPA”) due to deceptive contract provisions and misrepresentations regarding earnings potential.

I. PARTIES

1. Philip J. Weiser is the duly elected Attorney General for the State of Colorado and has jurisdiction to investigate and prosecute violations of the Colorado Consumer Protection Act, C.R.S. §§ 6-1-101 through 6-1-1121.

2. Ecom Automation Gurus, LLC (“EAG”) is a Colorado limited liability company with its principal place of business at 6105 S. Main Street, Suite 200, Aurora, CO 80016. As used in this Assurance, EAG includes all officers, directors, managers, members, agents, and employees of EAG, including but not limited to Kirk Cooper.

II. DEFINITIONS

3. Unless otherwise specified, all definitions found in C.R.S. § 6-1-105(1) are incorporated herein, and any term defined in those Sections shall have the same meaning as when used in this Assurance.

4. As used in this Assurance, the term “Business Opportunity” has the same meaning as set forth in 16 C.F.R. § 437.1(c).

III. ATTORNEY GENERAL’S ALLEGATIONS

5. EAG purported to offer a passive income opportunity to consumers looking to supplement their income through e-commerce. EAG claimed that it would operate a virtual store for consumers on an e-commerce platform, like a storefront in a virtual mall.

6. At different points in its existence, EAG offered e-commerce management services on the Amazon, Walmart, and Shopify platforms.

7. Consumers were told that EAG would take care of all aspects of running the virtual store on behalf of the consumer.

8. During EAG’s sales pitches to consumers, EAG personnel would make income projections. Consumers were led to believe that they would likely make a significant amount of money every month, getting their initial investment back within a few months.

9. EAG’s website contained similar representations about consumers’ likely income projections. EAG’s owner and CEO, Kirk Cooper made similar representations in media presentations.

10. The Attorney General alleges that these representations were false and misleading, and that they omitted critical information regarding the actual likelihood of consumers seeing the income returns that EAG represented to consumers.

11. Nearly all of the consumers who engaged EAG's services did not see the returns that EAG represented they were likely to see. There were several reasons for why this was so, including that, for a period of time, EAG operated consumers' virtual stores in a way that violated the Amazon, Walmart, and Shopify platforms' terms of service, which led to the virtual stores being shut down.

12. For example, EAG's contract with consumers contained a provision that misrepresented Amazon's policy regarding dropshipping, falsely indicating that dropshipping was generally accepted when it was not—and in fact violated Amazon's terms of service.

13. EAG's contract also contained a non-disparagement portion that impeded consumers' ability to leave honest (if negative) reviews, preventing other potential EAG consumers from learning about EAG's business practices.

LEGAL ALLEGATIONS

14. The CCPA prohibits a person in the course of that person's business, vocation, or occupation from "[k]nowingly or recklessly mak[ing] a false representation as to the characteristics or benefits of services." C.R.S. § 6-1-105(1)(e).

15. The CCPA also makes it unlawful to "fail[] to disclose material information concerning goods, services, or property which information was known at

the time of an advertisement or sale if such failure to disclose such information was intended to induce the consumer to enter into a transaction.” C.R.S. § 6-1-105(1)(u).

16. Finally, the CCPA prohibits a person from “knowingly or recklessly engages in any unfair, unconscionable, deceptive, deliberately misleading, false, or fraudulent act or practice.” C.R.S. § 6-1-105(1)(rrr).

17. The Attorney General alleges that EAG’s conduct violated at least these subsections of the CCPA.

IV. EAG’S DENIALS

18. EAG denies the allegations above that it has engaged in violations of the CCPA as alleged by the Attorney General. All parties are entering into this Assurance for the purpose of compromising and resolving all the disputed claims and to avoid the expense of litigation, without adjudication of any issue of fact or law or finding of liability of any kind, to settle and resolve all matters in dispute arising from the conduct alleged by the Attorney General. Nothing in this Assurance shall be construed or deemed an admission by EAG of any wrongdoing or any violation of state or federal law or regulation.

V. LEGAL AUTHORITY

19. C.R.S. § 6-1-110(2) authorizes the Attorney General to accept an assurance of discontinuance for any deceptive trade practice listed in the CCPA. Section 6-1-110(2) also allows the Attorney General to accept a voluntary payment from EAG of any amount necessary to restore to any person money acquired by such alleged violator by means of an alleged deceptive trade practice.

VI. INJUNCTIVE RELIEF

20. Within 30 days of the Effective Date of this Assurance, EAG shall:

- (i) Remove all EAG internet media including its website, social media accounts, videos, and media appearances that EAG owns and controls, which excludes third-party sites over which EAG has no control.
- (ii) Permanently take down all websites operated by EAG and its owner advertising online business opportunities relating to EAG.
- (iii) Remove all social media posts concerning EAG that EAG owns and controls.
- (iv) For all media appearances on platforms not controlled by EAG, EAG shall make reasonable efforts for those appearances to be removed but if such appearances are not removed it is not a violation of this Assurance. Reasonable efforts shall include contacting the owner of the media channel, show, or production and requesting that the media be taken down within 30 days of the Effective Date. Nothing in Paragraph 20(iv) shall prevent the Attorney General from contacting the owners of the media channel, show, or production and requesting that the media be taken down

21. Effective immediately, EAG and its owner are permanently enjoined from establishing, directing, facilitating, overseeing, funding, consulting on or otherwise engaging in any managerial or oversight activities relating to any Amazon, Walmart, or Shopify ecommerce stores or dropshipping on any other ecommerce site for which EAG or its owner charges a client a fee for that client's use of any Amazon, Walmart, or Shopify ecommerce platforms or dropshipping.

22. Effective immediately, EAG and its owner are permanently enjoined from advertising, marketing, promoting, offering for sale, selling, or otherwise participating in any Business Opportunity to any consumer in the United States, and from assisting or advising any other person or entity in engaging in any such activities. Under this paragraph, EAG and its owner cannot solicit prospective purchaser to enter a new business where EAG or its owner expressly or by implication, orally or in writing, represent that they will provide outlets, accounts, or customers, including, but not limited to, Internet outlets, accounts, or customers, for the purchaser's goods or service.

23. Nothing in this Assurance shall prohibit EAG and its owner from:

- (a) owning, operating, managing, or working for a legitimate business that sells bona fide goods or services directly to consumers or other businesses, provided that such business does not involve the sale of a "Business Opportunity" as defined above;
- (b) engaging in lawful employment as an employee, independent contractor, or consultant for any business that does not offer a Business Opportunity to consumers;
- (c) forming, acquiring, or investing in any business that offers goods or services to the

public, so long as such business does not engage in conduct constituting a Business Opportunity under applicable law.

VIII. PAYMENT TO THE ATTORNEY GENERAL

24. In exchange for the release provided in this Consent Judgment, Parties agree to a final settlement in the amount of \$800,000. Interest on this judgment shall accrue at the statutory rate from the Effective Date of this Assurance. The Attorney General agrees to suspend EAG's payment of \$600,000 of this amount pending full compliance with all injunctive terms and full payment.

25. EAG shall pay the Attorney General \$150,000 within thirty (30) days of the Effective Date of this Assurance.

26. EAG shall pay the Attorney General an additional \$50,000 within 1 year of the Effective Date of this Assurance.

27. All payments shall be in the form of a wire transfer, with wire payment instructions to be provided by the Attorney General to EAG.

28. All payments under this section are to be held, along with any interest thereon, in trust by the Attorney General to be used in the Attorney General's sole discretion for reimbursement of the Attorney General's actual costs and attorneys' fees, the payment of restitution, if any, and for future consumer fraud or antitrust enforcement, consumer education, or public welfare purposes.

IX. ENFORCEMENT

29. EAG expressly agrees and acknowledges that the Attorney General may initiate a subsequent investigation, civil action, or proceeding to enforce this

Assurance, for violations of the Assurance, or if the Assurance is voided pursuant to paragraph 31, and agrees and acknowledges that in such event:

- a. any statute of limitations or other time-related defenses are tolled from and after the Effective Date of this Assurance; and
- b. the Attorney General may use statements, documents or other materials produced or provided by EAG prior to or after the Effective Date of this Assurance.

30. A violation of any of the terms of this Assurance shall constitute a prima facie violation of the CCPA under C.R.S. § 6-1-110(2). If the Attorney General believes that EAG has violated any term of this Assurance, the Attorney General shall be entitled to file a civil action under the CCPA and to seek an injunction or other appropriate order from such court to enforce the provisions of this Assurance. In any such action, EAG agrees to waive any counterclaims that it may have had with respect to the subject matter of this Assurance, and agrees to waive any challenge to the enforceability of this agreement. Provided, however, the Attorney General shall notify EAG at least 30 days in advance of any such filing and the Parties agree to meet and confer and engage in good faith negotiations to attempt to address the Attorney General's concerns. The Parties consent to venue and jurisdiction for any proceeding necessary to enforce the terms of this Assurance within the District Court, Denver County, Colorado.

X. NOTICE

31. All notices regarding this Assurance shall be sent by email unless any Party notifies the other Parties in writing of another address to which notices should be provided:

If to EAG, to:

Erik Neusch
Neusch Law
4500 Cherry Creek South Drive, Suite 404,
Denver, Colorado 80246
erik@neuschlaw.com

If to the Attorney General, to:

Conor A. Kruger
Assistant Attorney General
Consumer Fraud Unit
Colorado Department of Law
1300 Broadway, 9th Floor
Denver, CO 80203
conor.kruger@coag.gov

XI. RELEASE

32. By signing this Assurance, the Attorney General acknowledges that it constitutes a full and final settlement and release of all claims under the CCPA against EAG and its subsidiaries, successors, officers, owners, members, directors, managers, agents, and employees. This release covers any claims, causes of action, damages, fines, costs, or penalties that were or could have been asserted under the CCPA for the conduct described in this Assurance, arising before the Effective Date. The terms of this Assurance also apply to all successors of EAG. Except as otherwise provided in this Assurance, the Attorney General agrees not to initiate or pursue any civil action or proceeding under the CCPA against EAG or its members, officers,

owners, agents, or employees for any conduct occurring before the Effective Date that relates to the subject matter of this Assurance. This release does not limit the Attorney General's authority to investigate or take action against EAG or its officers for conduct falling outside of this Assurance, including but not limited to any non-EAG business ventures, that may violate the CCPA.

33. The Attorney General acknowledges by its execution hereof that this Assurance constitutes a complete settlement and release of all claims under the CCPA on behalf of the Attorney General against EAG or any of EAG's subsidiaries, successors, officers, members, owners, directors, managers, agents, and employees with respect to all claims, causes of action, damages, fines, costs, and penalties which were asserted or could have been asserted under the CCPA for the particular conduct described in this Assurance, that arose prior to the Effective Date and that relates to or is based upon the acts or practices which are the subject of this Assurance. The terms of this Assurance apply to any and all successors of EAG. The Attorney General agrees that, except as provided in this Assurance, it shall not proceed with or institute any civil action or proceeding under the CCPA against EAG or any of EAG's subsidiaries, successors, officers, members, owners, directors, managers, agents, and employees for any conduct or practice prior to the Effective Date which relates to the subject matter of this Assurance. This release applies only to the conduct described herein at issue in this investigation, and does not foreclose the Attorney General's ability to investigate or take action against EAG, or its members, officers, owners, agents, or employees for other conduct that may violate the CCPA that is not the

subject of this Assurance or that is alleged to have occurred prior to the Effective Date of this Assurance.

XII. MISCELLANEOUS PROVISIONS

34. The Attorney General has agreed to the terms of this Assurance based on, among other things, the representations made to the Attorney General by EAG, and its owner and the Attorney General's own factual investigation as set forth in the allegations above. EAG represents and warrants that neither it nor its owner have made any intentional material representations to the Attorney General that are inaccurate or misleading. If any material representations by EAG or its owner were made to the Attorney General are later found to be knowingly or recklessly inaccurate or misleading, this Assurance is voidable by the Attorney General in his sole discretion.

35. All terms and conditions of this Assurance shall continue in full force and effect on any successor, assignee, or transferee of EAG. EAG shall include any such successor, assignment or transfer agreement a provision that binds the successor, assignee or transferee to the terms of the Assurance. No party may assign, delegate, or otherwise transfer any of its rights or obligations under this Assurance without the prior written consent of the Attorney General.

36. This Assurance shall neither create nor waive any private rights or remedies in any third parties nor waive any rights, remedies, or defenses of the Parties in respect to any third parties. Under no circumstances shall this Assurance or the name of the Attorney General or any of the Attorney General's employees or

representatives be used by EAG or any person under its direction or control to suggest the Attorney General's endorsement of EAG's past, present, or future conduct.

37. Any failure by the Attorney General to insist upon the strict performance by EAG of any of the provisions of this Assurance shall not be deemed a waiver of any of the provisions hereof, and the Attorney General, notwithstanding that failure, shall have the right thereafter to insist upon the strict performance of any and all of the provisions of this Assurance to be performed by EAG.

38. This Assurance is the final, complete, and exclusive statement of the Parties' agreement on the matters contained herein, and it supersedes, terminates, and replaces any and all previous negotiations, agreements, and instruments as may exist between the Parties. Other than any representation expressly stated in this Assurance, the Parties have not made any representations or warranties to each other, and no Party's decision to enter into this Assurance is based upon any statements by any other Party outside of those in this Assurance. No change or modification of this Assurance shall be valid unless in writing and signed by all Parties. If any provision(s) of this Assurance is held to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

39. Nothing in this Agreement shall relieve EAG of other obligations imposed by any applicable state or federal law or regulation or other applicable law.

40. The terms and provisions of this Assurance may be enforced by the current Colorado Attorney General, and by any of his duly authorized agents or

representatives, as well as by any of his successors in interest, and by any of his successors in interest's agents or representatives.

41. Pursuant to C.R.S. § 6-1-110(2), this Assurance shall be a matter of public record.

42. The Attorney General and EAG acknowledge that they had a full opportunity to review this Assurance and consult with legal counsel regarding it. The undersigned representatives of the Attorney General and EAG agree and represent that they have read and understood this Assurance, accept the legal consequences involved in signing it, and that there are no other representations, agreements, or understandings between the Attorney General and EAG that are not stated in writing herein.

43. This Assurance may be signed in one or more counterparts, each of which shall be deemed an original, but which together shall constitute the Assurance. Electronic copies of this Assurance and the signatures hereto may be used with the same force and effect as an original.

44. Nothing in this Agreement affects EAG's right to take legal or factual positions in defense of litigation or other legal proceedings to which the Attorney General is not a party.

45. Nothing contained herein shall be construed to limit the remedies available to State in the event that EAG violates the Assurance after its Effective Date.

46. This Assurance shall be governed by the laws of Colorado without regard

to any conflict of laws principles.

47. The Assurance and all its terms shall be construed as if mutually drafted with no presumption of any type against any party that may be found to have been the drafter.

48. EAG represents and warrants, through the signature below, that the terms and conditions of this Assurance are duly approved.

49. The Effective Date of this Assurance shall be the date upon which both Parties have executed this Assurance.

STATE OF COLORADO

Ecom Automation Gurus

**PHILIP J. WEISER
ATTORNEY GENERAL**

By:



Conor A. Kruger
Assistant Attorney General
Attorney Reg. No. 54111

Date: 10/6/2025



Name: Kirk Cooper
Title: Owner

Date: 10 / 06 / 2025