

MICHAEL K. JEANES
 Clerk of the Superior Court
 By Clarissa Cruz, Deputy
 Date 11/08/2017 Time 16:52:55

Description	Amount
CASE# CV2017-013523	
CIVIL NEW COMPLAINT	322.00 W
TOTAL AMOUNT	0.00

Receipt# 26253417

1 **MARK BRNOVICH**
 2 **ATTORNEY GENERAL**
 Firm State Bar No. 14000
 3 **TAREN ELLIS LANGFORD**
 State Bar No. 022431
 4 **ASSISTANT ATTORNEY GENERAL**
 5 **OFFICE OF THE ATTORNEY GENERAL**
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 9

10 **IN THE SUPERIOR COURT OF THE STATE OF ARIZONA**
 11 **IN AND FOR THE COUNTY OF MARICOPA**

12 In the Matter of

No: CV 2017-013523

13 Tucson Tech College LTD; Sharon Kaye
 14 Shalosky Pichotta, individually; Jeffrey T.
 15 Phichotta, individually; and Sharon Kaye
 Shalosky and Jeffrey T. Pichotta, as a marital
 16 community;

ASSURANCE OF DISCONTINUANCE

17 Respondents.

18 The Attorney General of the State of Arizona (or the "State") and Respondents, Tucson
 19 Tech College LTD; Sharon Kaye Shalosky Pichotta, individually; Jeffrey T. Pichotta,
 20 individually; and Sharon Kaye Shalosky Pichotta and Jeffrey T. Pichotta, as a marital
 21 community, agree to the entry of the following Assurance of Discontinuance (the "Assurance").
 22 Respondents have consented and stipulated to entry of the Assurance to compromise and settle
 23 allegations by the State of violations of the Arizona Consumer Fraud Act, Arizona Revised
 24 Statutes ("A.R.S.") §§ 44-1521 – 44-1534.

25 1. Respondent Tucson Tech College LTD ("Tucson Tech"), formerly known as
 26 Arizona Prep Sports Academy, was an Arizona, non-profit corporation.

2. Respondent Tucson Tech offered a program for high school graduates who were

1 not selected to play football at NCAA Division I or Division II schools. Tucson Tech operated
2 in Pima County, Arizona.

3 3. Respondent Sharon Kaye Shalosky Pichotta was the owner, Athletic Director,
4 Admissions Person, Athletic Secretary, and Web Designer for Tucson Tech. She was
5 responsible for the everyday running of the business, oversight of the athletic program,
6 operations, marketing, strategy, financing, creation of Tucson Tech's culture, and compliance
7 with safety regulations.

8 4. Respondent Jeffrey T. Pichotta was the Recruiter for Tucson Tech. He was
9 responsible for planning and directing athlete recruitment, football team operations, and
10 oversight of player training, player performance and assistant coaches.

11 5. Respondents Jeffrey T. Pichotta and Sharon Kaye Shalosky Pichotta are a marital
12 community.

13 6. This Assurance does not represent a finding of law or fact, or any evidence
14 supporting any such finding of law or fact by any court or agency that Respondents have
15 engaged in any act or practice declared unlawful by any laws, rules, or regulations of Arizona.

16 7. Respondents deny the Factual Allegations in this Assurance.

17 I. FACTUAL ALLEGATIONS

18 1. The Arizona Attorney General has conducted an investigation, pursuant to A.R.S.
19 section 18-545.

20 2. The State has reason to believe:

21 a. Respondents arranged for consumers to lease apartments from The View at
22 Catalina, in Tucson, Arizona, and consumers signed the leases as "a
23 formality."

24 b. Respondents represented to consumers that Defendants would pay the rent
25 required as part of the apartment leases in exchange for the consumers
26

1 participating in Defendants' program, but failed to pay the rent in a timely
2 fashion which resulted in consumers receiving demand notices for
3 delinquent rent payments.

4 3. Respondents' actions described in paragraph 2 violate the Arizona Consumer
5 Fraud Act, A.R.S. §§ 44-1521 – 44-1534.

6 II. AGREEMENT BETWEEN THE PARTIES

7 NOW, THEREFORE, it is hereby agreed as follows:

8 4. Respondents, and their officers, agents, servants and employees and all persons in
9 active concert or participation with them, shall not engage in the following activities without
10 approval of their program from the Arizona State Board of Private Postsecondary Education:

- 11 a. Operate a program for high school graduates who were not selected to play
12 a sport at NCAA Division I or Division II schools;
- 13 b. Manage a program for high school graduates who were not selected to play
14 a sport at NCAA Division I or Division II schools;
- 15 c. Recruit high school graduates who were not selected to play a sport at
16 NCAA Division I or Division II schools; and
- 17 d. Arrange housing for high school graduates.

18 5. Respondents shall dispose of all records that contain personally identifiable
19 information in a manner that complies with all federal and state laws and that renders all
20 personally identifiable information unreadable.

21 6. Respondents shall comply with the Arizona Consumer Fraud Act, A.R.S. §§ 44-
22 1521 - 44-1534, as it is currently written, and as it may be amended.

23 7. Respondents shall pay to the Arizona Attorney General the amount of \$2,000 in
24 consumer restitution, with interest thereon at 5.25 percent per annum until paid, to be deposited
25 into an interest-bearing consumer restitution subaccount of the Consumer Restitution and
26 Remediation Revolving Fund, pursuant to A.R.S. § 44-1531.02(B). Defendants shall pay

1 consumer restitution by delivering a check in the amount of \$2,000 backed by sufficient funds,
2 payable to the Arizona Attorney General's Office, to: Office of the Arizona Attorney General,
3 Stephanie Paine, 1275 West Washington Street, Phoenix, Arizona 85007, due at the time of
4 entry of this Judgment. The Arizona Attorney General shall disburse said funds to eligible
5 consumers as solely determined by the State and distributed on a pro rata basis. In the event
6 that any portion of the restitution ordered herein cannot be distributed to eligible consumers,
7 such portion shall be distributed to the Consumer Protection – Consumer Fraud Revolving
8 Fund pursuant to A.R.S. § 44-1531.02(B) and used in the sole discretion of the Attorney
9 General for consumer protection investigative and enforcement operations and/or consumer
10 fraud education.

11 8. Respondents shall pay to the Arizona Attorney General the amount of \$3,600 in
12 attorneys' fees and costs, with interest thereon at 5.25 percent to be deposited into the
13 Consumer Protection – Consumer Fraud Revolving Fund pursuant to A.R.S. § 44-1531.01 and
14 used in the sole discretion of the Attorney General for consumer protection investigative and
15 enforcement operations and/or consumer fraud education. The attorneys' fees and costs are
16 suspended until such time as Defendants (1) violate paragraphs 4 or 5 of this Assurance, or (2)
17 default on any payment pursuant to paragraph 7 of this Assurance.

18 9. The State acknowledges by its execution hereof that this Assurance constitutes a
19 complete settlement of the claims against Respondents arising from the allegations set forth in
20 paragraph 2, and the State agrees not to institute any civil action against Respondents or their
21 employees or agents for the violations of the Arizona Consumer Fraud Act, A.R.S. §§ 44-1521
22 – 44-1534, described herein, so long as Respondents comply with the provisions of this
23 Assurance.

24 10. Notwithstanding the foregoing, the State may institute an action or proceeding to
25 enforce the terms and provisions of this Assurance. Furthermore, nothing in this Assurance
26 may be construed to prevent the State from instituting an action or proceeding based on future

1 conduct by Respondents.

2 11. This Assurance shall not be construed as an approval of or sanction by the
3 Attorney General of Respondents' past, present, or future operations or business practices, and
4 Respondents are prohibited from making any representations to the contrary.

5 12. If any portion of this Assurance is held invalid by operation of law, the remaining
6 terms thereof shall not be affected and shall remain in full force and effect.

7 13. This Assurance represents the entire agreement between the parties, and there are
8 no representations, agreements, arrangements, or understandings, oral or written, between the
9 parties relating to the subject matter of the Assurance which are not fully expressed herein or
10 attached hereto.

11 14. Respondents represent and warrant that the person signing below on its behalf is
12 duly appointed and authorized to do so.

13 15. Respondents agree that this Assurance may be approved by and filed with the
14 Superior Court of the State of Arizona without any further notice or hearing.

15 16. Respondents state that no promise of any kind or nature whatsoever was made to
16 induce them to enter into this Assurance and declare that they have entered into this Assurance
17 voluntarily.

18 17. Jurisdiction is retained by this Court for purposes of enabling enforcement of and
19 determining Respondents' compliance with the Assurance.

20 Dated this 27th day of October, 2017.

21
22 MARK BRNOVICH
23 ATTORNEY GENERAL

Tucson Tech College LTD; Sharon Kaye
Shalosky Pichotta; Jeffrey T. Phichotta

24 By: /s/ Taren Ellis Langford
25 Taren Ellis Langford
Assistant Attorney General
26 *Attorneys for State of Arizona*

By: /s/ Ruth Carter
Ruth Carter, Esq.
VENJURIS | Innovation Counsel
Attorney for Defendants

1 **APPROVED AS TO FORM AND CONTENT:**

2 Tucson Tech College LTD

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4
5 By: *Sharon K Shalosky Pichotta*
6 Sharon Kaye Shalosky Pichotta, Owner

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