

STATE OF NORTH DAKOTA

IN DISTRICT COURT

COUNTY OF BURLEIGH

SOUTH CENTRAL JUDICIAL DISTRICT

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

Civil No. 08-2018-CV-01176

Petitioner,

ASSURANCE OF
VOLUNTARY COMPLIANCE

-vs-

NORTH DAKOTA STEM CELL, INC. DBA
WEST2NORTH MEDICAL SOLUTIONS,
DEAN JONES INDIVIDUALLY and TERRY
L. GUTHMILLER INDIVIDUALLY

Respondents.

CPAT 170202.001

TO: NORTH DAKOTA STEM CELL, INC
dba WEST2NORTH MEDICAL SOLUTIONS
DEAN JONES
TERRY L. GUTHMILLER
4207 BOULDER RIDGE ROAD #175
BISMARCK, ND 58503

[11] WHEREAS Wayne Stenehjem, Attorney General of the State of North Dakota (Attorney General), acts in the public interest pursuant to North Dakota Century Code (N.D.C.C.) ch. N.D.C.C. ch. 51-15, (commonly known as the Consumer Fraud Law);

[12] WHEREAS NORTH DAKOTA STEM CELL, INC. doing business as WEST2NORTH MEDICAL SOLUTIONS, ("Respondent"), is a North Dakota corporation with its principal place of business located at 4207 Boulder Ridge Road, Bismarck, North Dakota 58503;

[¶3] WHEREAS Respondent Dean Jones is an owner and principal of North Dakota Stem Cell, Inc. dba West2North Medical Solutions and is a resident of Colorado and resides at 3101 Meade Street, Denver, Colorado 80211-3637

[¶4] WHEREAS Respondent Terry L. Guthmiller is an owner and principal of North Dakota Stem Cell, Inc. dba West2North Medical Solutions and resides at 10714 Lily Drive, Bismarck, North Dakota 58503-9754.

[¶5] WHEREAS Respondents at all relevant times hereto operate or have operated a medical clinic engaged in, among other activities, stem cell injections in patients in the state of North Dakota.

[¶6] WHEREAS Respondents, conducted multiple sales presentations at hotel meeting room venues or other location for the purposes of advertising and soliciting the sales of stem cell injections;

[¶7] WHEREAS Respondents, at all relevant times hereto, have engaged in the state of North Dakota in the advertising and sale of "merchandise," as that term is defined in N.D.C.C. § 51-15-01;

[¶8] WHEREAS Petitioner, State of North Dakota, alleges Respondents, at the time of advertising, solicitation, and sales of stem cell product or injections, engaged in misrepresentations in violation of N.D.C.C. § 51-15-02, including the following statements relating to the stem cell injections, which the State of North Dakota alleges are untrue, misleading, or unsubstantiated:

- A. "We can literally regenerate any cell in the body..."
- B. End your pain now
- C. Miracle of stem cells
- D. Get your life back

- E. Your opportunity to change your life
- F. Stem cells can become any organ cell your body may need
- G. Stem Cells heal the underlying cause of your problem. They get to the root of it, regenerate it, and bring NEW LIFE to it!
- H. You can possibly regenerate every area in your body
 - I. Regenerate cartilage
 - J. Turn back the clock of time

[¶9] WHEREAS the Respondents deny they engaged in any violations of North Dakota law and the parties desire to settle this matter without further litigation, investigation, or adjudication.

[¶10] NOW, THEREFORE, it is hereby agreed as follows:

[¶11] This Assurance of Voluntary Compliance shall constitute the statutory Assurance of Voluntary Compliance as provided in N.D.C.C. § 51-15-06.1. Respondents acknowledge *in personam* jurisdiction in North Dakota. Nothing in this Assurance of Voluntary Compliance is intended to waive any rights or private remedies available to consumers. Nothing in the Assurance of Compliance is, or may be represented as, an approval or endorsement of Respondents or their business practices, nor a grant of any affirmative rights to Respondents.

[¶12] Respondents, their directors, officers, principals, employees, agents, contractors, servants, and all other persons in active concert or participation with them, whether directly or indirectly, voluntarily agree to be and are permanently enjoined from engaging in the advertising or solicitation of any medical services, including stem cell injections, in violation of N.D.C.C. § 51-15-02, while acting, using, or employing any deceptive acts or practices, fraud, false pretense, false promise, or misrepresentation, with

the intent that others rely thereon in connection with the sale or advertisement of any merchandise, whether or not any person has in fact been misled, deceived, or damaged thereby.

[¶13] Respondents voluntarily agree to be and are permanently enjoined from engaging in any stem cell injections in the state of North Dakota unless the stem cells or stem cell products are compliant with any Food and Drug Administration requirements for use or patient injections and are otherwise in compliance with North Dakota law.

[¶14] Respondents agree that they shall make consumer or patient refunds in the total amount of \$19,733 to the following individuals in the following amounts within 30 days of execution of this Agreement.

1. Normand Graff-\$5,400
2. Virginia Dolajak-\$8,000
3. Doug Olschager-\$2,333
4. Nancy Lantz-\$4,000

In addition, Respondents agree, within 30 days of execution of this Agreement to fully refund to consumers/patients all advance payment or deposits for stem cell injections or other services that were not provided at the time of this Agreement.

If Respondents fail to make all refunds as provided in this paragraph, the Petitioner may declare this Agreement null and void and cancel this Agreement and proceed with legal action for all permissible relief or claims under North Dakota law.

[¶15] Within 30 days of execution of this agreement, Respondents shall pay the Attorney General the sum of Four Thousand and No/100 Dollars '(\$4,000.00)' for civil penalties, attorney's fees, investigation costs, and expenses. This Assurance of Voluntary Compliance is null and void if valid payment is not timely paid as provided

herein. Respondents' payment shall be in the form of a check or money order payable to:

Office of Attorney General – North Dakota, and delivered to:

Parrell D. Grossman, Director
Assistant Attorney General
Consumer Protection & Antitrust Division
Office of Attorney General
Gateway Professional Center
1050 E. Interstate Ave., Suite 200
Bismarck, ND 58503-5574

[[16]] Respondents agree they will comply with this Assurance of Voluntary Compliance and further acknowledge and agree any violations of this Assurance of Voluntary Compliance shall be punishable as contempt of court pursuant to N.D.C.C. ch. 27-10. Further Respondent may be subject to all other civil penalties and sanctions provided by law, including attorney's fees.

[[17]] If Respondents are adjudged in contempt of court for violation of this Assurance of Voluntary Compliance, adjudged in violation of this Assurance of Voluntary Compliance, or adjudged in violation of N.D.C.C. ch. 51-15, Respondents also shall be responsible for payment to the Attorney General for reasonable investigation costs, expenses, and attorney's fees.

[[18]] Respondents represent the signers below are competent and fully authorized to act with respect to this matter. Respondents acknowledge they have been provided the opportunity to review with an attorney this Assurance of Voluntary Compliance, understand the implications and obligations imposed by it, and have freely and willingly entered into this Assurance of Voluntary Compliance. Respondents further agree this Assurance of Voluntary Compliance may be approved by and filed with the District Court without any further notice or hearing. Respondents agree to and acknowledge the

sufficiency of service by facsimile, and/or first-class mail at their last-known address, with respect to any and all actions taken with regard to this Assurance of Voluntary Compliance. Signatures transmitted electronically or via facsimile by Respondent shall be deemed the equivalent of original signatures; this document may be executed in counterpart, with each counterpart deemed an original.

Dated this 24 day of April, 2018.

**NORTH DAKOTA STEM CELL, INC.
DBA WEST2NORTH MEDICAL SOLUTIONS**

By: [Signature]

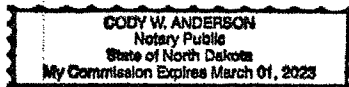
Terry Guthrie III
(print name)

Its: Owner / Director
(title)

STATE OF North Dakota)
COUNTY OF Cass) ss

Subscribed and sworn to before me this
24th day of April, 2018.

[Signature]
Notary Public



Dated this 25th day of April, 2018.

DEAN JONES, INDIVIDUALLY

[Signature]

STATE OF CO)
COUNTY OF Jefferson) ss

Subscribed and sworn to before me this
25 day of April, 2018.

[Signature]
Notary Public

TRAVIS PITT
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20134078238
MY COMMISSION EXPIRES DECEMBER 4, 2021

TERRY L. GUTHMILLER, INDIVIDUALLY

[Signature]

STATE OF North Dakota)
COUNTY OF Cass) ss

Subscribed and sworn to before me this
24th day of April, 2018.

[Signature]
Notary Public

CODY W. ANDERSON
Notary Public
State of North Dakota
My Commission Expires March 01, 2023

This Assurance of Voluntary Compliance is hereby received and accepted.

Dated this 30 day of APRIL, 2018.

STATE OF NORTH DAKOTA
Wayne Stenehjem
Attorney General

By:



Parrell D. Grossman
State ID No. 04684
Assistant Attorney General
Director
Consumer Protection & Antitrust Division
Office of Attorney General
Gateway Professional Center
1050 E. Interstate Ave., Suite 200
Bismarck, ND 58503-5574
Telephone (701) 328-5570
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pgrossman@nd.gov
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