

PRO-FOOTBALL, INC.
trading as the
WASHINGTON COMMANDERS
7 St. Paul Street
Suite 820
Baltimore, MD 21202

* IN THE CONSUMER PROTECTION
* DIVISION OF THE OFFICE OF
* THE ATTORNEY GENERAL
* OF MARYLAND

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ASSURANCE OF DISCONTINUANCE

This Assurance of Discontinuance (“Assurance”) is being entered into between the Consumer Protection Division of the Office of the Attorney General of Maryland (the “Division”) and Pro-Football, Inc. trading as the Washington Commanders (the “Respondent”). The Division and the Respondent agree as follows:

PARTIES

1. The Division is responsible for enforcement of Maryland consumer protection laws, including the Maryland Consumer Protection Act, Md. Code Ann., Com. Law §§ 13-101 through 13-501 (2021 Repl. Vol.).

2. The Washington Commanders are a professional football team owned by Respondent Pro-Football, Inc. a Maryland corporation located in Baltimore, Maryland (hereafter the “Washington Commanders”). The Washington Commanders offer and sell tickets and suites to Maryland consumers to attend their professional football games.

THE DIVISION'S ALLEGATIONS

3. The Division alleges as follows. The Respondent does not admit, agree with, or concede any allegations in the Division's Allegations section.

4. Daniel Snyder purchased and became majority owner of the Washington Commanders (formerly known as the Washington Redskins) in 1999. When Mr. Snyder became majority owner of the Washington Commanders, the Washington Commanders held security deposits that ticket holders had placed with the team prior to 1999.

5. Beginning in 1999, the Respondent, when offering and selling premium seat tickets or luxury suites, required consumers to enter into contracts that required consumers to pay licensing fees, applicable taxes, and in some instances, security deposits. The security deposits that the Respondent charged consumers totaled hundreds to thousands of dollars. Respondent discontinued this practice in 2000 with respect to premium seats, and in 2012 with respect to luxury suites.

6. In order to maintain their premium seat tickets or luxury suites, consumers were offered the opportunity to renew their contracts for an upcoming professional football season.

7. The Respondent's contracts for premium seats and luxury suites provided that the Respondent could deduct sums from the security deposits for any nonpayment of any licensing fee or other amount owed to the Respondent or for damages due to breach of the agreement, but that the security deposit or any amount that remained following such deductions, was refundable to the consumer either, depending on the contract, (i) within thirty days of the expiration of the contract or any renewal term, or (ii) at the later of the expiration of the contract or any renewal term.

8. Respondent's practice, however, was not to return security deposits to consumers unless consumers requested the return of their deposits, and such request had to be made in writing. This policy was not disclosed to consumers at the time they entered into or renewed their contracts.

9. After consumers either terminated their contracts for tickets or allowed their contracts to expire, the Respondent did not return consumers' security deposits unless consumers specifically inquired about the refund of their security deposits.

10. In 2009, one of the former employees for the Washington Commanders warned its former management that the practice of retaining security deposits unless their return was requested in writing was illegal. At that time, the Respondent was holding more than \$500,000 in security deposits that were owed to Maryland consumers whose contracts for tickets had expired.

11. The Respondent's express and implicit representation to consumers that it would return their security deposits when, in fact, the Respondent did not return consumers' security deposits, was a misrepresentation that had the capacity to mislead and, in fact, misled consumers, and constituted an unfair or deceptive trade practice under Md. Code Ann., Com. Law § 13-301(1).

12. The Respondent's failure to inform consumers that it would not refund their security deposits unless consumers requested the return of their security deposits in writing was a material fact the omission of which and tended to deceive and deceived consumers, and constituted an unfair or deceptive trade practice under Md. Code Ann., Com. Law § 13-301(3).

13. The Respondent's failure to return deposits also harmed consumers; consumers

could not reasonably avoid the harm; and the practice did not benefit consumers or competition. The failure to return deposits thus constitutes an unfair practice.

PRO-FOOTBALL, INC.'S DENIALS

14. The Respondent denies that it has violated the Maryland Consumer Protection Act or any other Maryland law. The Respondent asserts that it made, and continues to make, good-faith efforts to return security deposits to consumers. Those include an effort in 2014 during which the Washington Commanders' management was instructed to inform over 1,400 customers with outstanding deposits, including approximately 419 Maryland residents, that they may be entitled to a return of their deposit. Those notices also communicated the procedure for obtaining those deposits.

15. The Respondent represents that it is currently undertaking a similar large-scale effort to send notices to more than 1,800 accountholders with an outstanding security deposit balance in order to return these deposits to the appropriate owner. These personalized notices alert the recipient to the value of the outstanding deposit and enclose a form to complete and return. While this effort is still underway, the Respondent has already returned tens of thousands of dollars of deposits to accountholders.

16. For purposes of resolving disputes concerning the Division's allegations, the Respondent agrees to the relief set forth in this Assurance. Nothing in this Assurance shall constitute an admission of liability.

CEASE AND DESIST PROVISIONS

17. The provisions of this Assurance shall apply to the Washington Commanders, and its officers, employees, agents, successors, assignees, affiliates, merged or acquired entities,

parent or controlling entities, wholly owned subsidiaries, and all other persons acting in concert or in participation with the Washington Commanders.

18. The provisions of this Assurance shall apply to the Respondent's practice of collecting, maintaining and refunding security deposits to consumers who reside in Maryland or were collected by the Respondent in Maryland from consumers residing in other states.

19. The Respondent shall not make any oral or written statements that have the capacity, tendency, or effect of deceiving or misleading consumers.

20. The Respondent shall not fail to state a material fact, the omission of which deceives or tends to deceive consumers.

21. The Respondent shall not collect security deposits from consumers unless it refunds such deposits within thirty days of the expiration of the conditions under which the Respondent is holding the deposits.

22. The Respondent shall clearly and conspicuously disclose all material terms to consumers concerning any security deposit that it collects at the time it collects the security deposit.

23. The Respondent shall not condition the return of a security deposit on a requirement that consumers affirmatively request the return of any refundable security deposit following the expiration of all terms under which the Respondent is holding the security deposit.

RESTITUTION

24. The Respondent agrees to pay restitution to the Division by making refunds to consumers equal to the amount of all security deposits or portions thereof that were withheld from consumers following the termination or expiration of the contracts pursuant to which the

security deposit was collected (the “Restitution Amount”).

25. The Respondent shall pay the Restitution Amount consistent with the claims procedure set forth herein.

26. Within thirty (30) days of the date of this Assurance, the Respondent, to the extent it has not already done so, shall attempt to pay the restitution owed under this Assurance by refunding to each consumer all amounts that were collected from the consumer as a security deposit, less amounts already lawfully deducted from the security deposit by the Respondent.

27. Within sixty (60) days of the date of this Assurance, the Respondent shall provide the Division with a list of all Maryland consumers from whom it was holding security deposits since January 1, 2019 (the “Consumer List”). For each consumer whose name is contained on the Consumer List, the Respondent shall provide the following information in the form of a spreadsheet, with each item below contained in a separate field:

- (i) the consumer’s name;
 - (ii) the consumer’s last known street address;
 - (iii) the consumer’s last known city, state and zip code;
 - (iv) the amount of the security deposit paid by the consumer;
 - (v) any amount deducted from the consumer’s security deposit;
 - (vi) a description of the purpose for the deduction made from the security deposit;
 - (vii) the amount of the security deposit that has been refunded to the consumer;
- and
- (viii) the date on which the security deposit was refunded to the consumer.

The Respondent shall provide the Consumer List required under this paragraph to the Division in both electronic and paper form. The electronic document shall be in an Excel or ASCII, tab-delimited format, or another format to which the Division agrees.

28. Within one hundred and fifty (150) days from the date of this Assurance, Respondent shall report and remit to the Office of the Comptroller of Maryland (the "Office of the Comptroller") as unpaid funds any restitution amount that it is required to pay to consumers who reside in Maryland pursuant to this Assurance that remains unpaid to the consumer, consistent with the requirements of the Office of the Comptroller. For consumers who reside in other states, Respondent will comply with the other states' unclaimed property laws.

29. Within one hundred and eighty (180) days from the date of this Assurance, the Respondent shall provide the Division with the Consumer List required under paragraph 28, but with the following additional information for each consumer:

- (i) the amount that was paid to the consumer; and
- (ii) the amount that was remitted to the Office of the Comptroller in the name of the consumer as an unclaimed fund.

PENALTY

30. Within thirty (30) days of the date of this Assurance, the Respondent shall pay the Division a penalty in the amount of Two Hundred and Fifty Thousand Dollars (\$250,000.00).

DISPUTES

31. The Chief of the Division or his designee shall resolve any disputes that arise concerning this Assurance of Discontinuance and may enter any supplemental orders needed to effectuate its purpose.

ENFORCEMENT


32. The Respondent understands that this Assurance of Discontinuance is enforceable by the Consumer Protection Division pursuant to the Consumer Protection Act and that any violation of this Assurance of Discontinuance is a violation of the Consumer Protection Act.

33. The Respondent agrees that any future violations of this Assurance of Discontinuance shall constitute a subsequent violation of the Consumer Protection Act for the purposes of Md. Code Ann., Com. Law §13-410(b).

BRIAN FROSH
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PRO-FOOTBALL, INC. t/a
the WASHINGTON COMMANDERS

By:

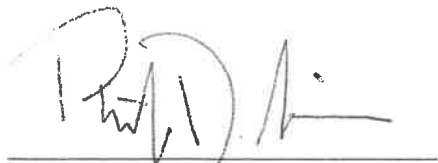


William D. Gruhn

By:



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Chief Legal Officer and Senior Vice President



Philip D. Ziperman
Assistant Attorneys General

Date: 11/18/22

Date: _____