DOCKET NO.: X06-UWY-CV-236072307-S RETURN DATE:

STATE OF CONNECTICUT

SUPERIOR COURT

Plaintiff,

**COMPLEX LITIGATION** 

v.

AT WATERBURY

September

DATE: AUGUST 3, 2024

INDIE GUNS, et al.

Defendant.

## STIPULATED JUDGMENT IN THE MATTER OF STATE OF CONNECTICUT v. HELL FIRE ARMORY, LLC

WHEREAS, the Plaintiff, State of Connecticut (the "State"), represented by William Tong, Attorney General, acting at the request of the Commissioner of Consumer Protection, brought this action pursuant to Chapter 735a of the General Statutes, alleging that the Defendant, Hell Fire Armory, LLC (referred to herein as Hell Fire or Defendant), violated the Connecticut Unfair Trade Practices Act ("CUTPA"), General Statutes § 42-110a, et seq., and particularly General Statutes § 42-110b; and

WHEREAS, Defendant has not shipped any Affected Products as defined in Paragraph 4.1 to Connecticut addresses or sold any Affected Products to individuals with billing addresses in Connecticut after March 7, 2023; and

WHEREAS, at this time, Defendant no longer sells Affected Products to individuals; and WHEREAS, at this time, Defendant sells Affected Products only to licensed Federal Firearms Dealers; and

WHEREAS, the State and Hell Fire, by their counsel, have agreed to the entry of this Stipulated Judgment without trial or adjudication of any issue of fact or law and without admission

by Hell Fire of any wrongdoing, or admission of any violations of CUTPA or any other law as alleged by the State, and

WHEREAS, the State and Hell Fire agree that there is no reason for delay and consent to the entry of this Stipulated Judgment;

NOW THEREFORE, upon the consent of the Parties hereto, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED AS FOLLOWS

#### 1 PRELIMINARY STATEMENT

- 1 1 At all relevant times, Hell Fire was engaged in the trade or commerce of selling firearms and Affected Products to Connecticut Consumers
- 12 Hell Fire has been selling firearms and Affected Products to Connecticut Consumers since approximately 2021
  - On March 7, 2023, the State filed a Complaint against Hell Fire
- 1 4 The Parties agree that this Stipulated Judgment resolves the State's claims under General Statutes § 42-110a, et seq and potential claims under and as set forth in Paragraph 9 1 of this Stipulated Judgment

#### 2 PARTIES

- 2.1 Plaintiff is the State of Connecticut or the "State"
- 2 2 The Defendant is Hell Fire Armory, LLC

#### 3 JURISDICTION

Pursuant to General Statutes §§ 42-110b and 42-110m, jurisdiction of this Court over the subject matter and over the Defendant for the purpose of entering and enforcing this Stipulated Judgment is admitted. Jurisdiction is retained by this Court for the purpose of enabling the Attorney General or the Defendant to apply for such further orders and directions as may be

necessary or appropriate for the construction and modification of the injunctive provisions herein, or execution of this Stipulated Judgment, including enforcement of this Stipulated Judgment and punishment for any violation of this Stipulated Judgment. The Defendant waives any defect associated with service of Plaintiff's Complaint and this Stipulated Judgment and does not require issuance or service of a Summons

#### 4 DEFINITIONS

In this Stipulated Judgment, the following words or terms shall have these meanings

- 41 "Affected Products" means (1) unserialized, unfinished frames or receivers as defined by Conn. Gen. Stat. § 53-206j, as a "blank, casting or machined body intended to be turned into the frame or lower receiver of a firearm, as defined in section 53a-3, with additional machining, and which has been formed or machined to the point where most major machining operations have been completed to turn the blank, casting or machined body into a frame or lower receiver of a firearm, even if the fire-control cavity area of such blank, casting or machined body is still completely solid and unmachined" and includes unserialized products known as "80 percent lowers," whether sold individually, or as part of a kit or other package, or (2) a "frame or receiver" as defined by Federal law or regulation
- 4 2 "Attorney General" means the Attorney General of the State of Connecticut and/or the Office of the Attorney General of the State of Connecticut.
- 43 "Consumer" shall mean and include any person, a natural person, individual, and any other legal entity however organized with a Connecticut billing or shipping address, except that "Consumer" does not include licensed Federal Firearms Dealers
- 4 4 "CUTPA" means the Connecticut Unfair Trade Practices Act, Chapter 735a of the Connecticut General Statutes

- 45 "Effective Date" means the date on which this Stipulated Judgment has been entered as an order by the Court.
- "Hell Fire" means Hell Fire Armory, LLC together with its affiliates, subsidiaries, successors, and any other related entity that is formed, organized, or structured through any bankruptcy proceeding (regardless of organizational identity, form of doing business, affiliations, management composition, organizational structure, or ownership) that acts in concert or participation with Hell Fire in the promotion, advertisement, billing, provision and sales of Affected Products by Hell Fire
- 47 "Represent," "Representation," or "Representations" shall mean to communicate through certifications, claims, statements, questions, conduct, graphics, symbols, lettering, formats, devices, language, documents, messages, or any other manner or means by which meaning might be conveyed.
  - 4 8 "State" shall mean the State of Connecticut.
- 49 "Stipulated Judgment" refers to this document entitled Stipulated Judgment in the matter of State of Connecticut v Hell Fire Armory, LLC

#### 5 FINDINGS

- 5 1 The State alleges that the following practices of Defendant may have constituted unfair or deceptive practices in violation of CUTPA
  - Misrepresenting the legality of Affected Products by falsely claiming that the Affected Products need not be sold to an FFL or with a background check,
  - 5 1 2 Misrepresenting the legality of Affected Products with confusing disclaimers,

- 5 1 3 Misrepresenting the legality of Affected Products by completing the sale of Affected Products and shipping Affected Products to Consumers
- 5 2 Hell Fire denies the State's allegations and is entering into this Stipulated Judgment for the purpose of settlement, and nothing contained herein may be taken as, or construed to be, an admission or confession of any violation of law, or any other matter of fact or law, of any liability or wrongdoing

#### **6 INJUNCTIVE RELIEF**

- 6 1 Within thirty (30) days of the Effective Date, Defendant will configure its website, <a href="www.hellfirearmory.com">www.hellfirearmory.com</a>, and any other websites that it owns or controls (collectively "Website"), social media accounts, and other internet advertising media, to reject and/or prohibit sales of Affected Products to Consumers
- Website, social media accounts, and other internet advertising media, which notifies visitors that the sale, distribution, and ownership of unserialized, unfinished firearm frames or receivers is illegal in Connecticut, and, accordingly, Hell Fire does not permit these products to be sold to or distributed into Connecticut.
- 6 3 For the duration of this Stipulated Judgment, Hell Fire will inform all current and newly hired employees that the sale or distribution of Affected Products to Consumers is prohibited
- 6 4 For a period of six years beginning on the Effective Date and ending on or about June 2030, Defendant's principal, Jacob Clark shall certify annually by notarized affidavit, to be sent by electronic mail to the attention of Assistant Attorney General Rebecca G Quinn at AG-ConsumerProtectionDepartment@ct.gov (1) That neither Hell Fire, he, nor any other current or

former principal of Hell Fire, or agents, successors or assigns acting on behalf of Hell Fire have sold Affected Products to Consumers, and (2) that both he and Hell Fire are conducting business in compliance with the General Statutes of the State of Connecticut, including but not limited to Conn. Gen. Stat. § 42-110b and Conn. Gen. Stat. § 53-206j(a)-(c)

- Defendant shall be prohibited from stating, implying or causing to be stated or implied that the Attorney General or the Department of Consumer Protection, or any other governmental unit of the State of Connecticut approved, sanctioned or authorized any practice, act or conduct of the Defendant
- 6 6 Defendant shall be prohibited from representing or implying that any procedures or other acts of practices hereafter used or engaged in by Defendant have been approved in whole or in part by the State

#### 7 MONETARY PROVISIONS

#### Civil Penalty

Hundred Twenty-Five Thousand dollars (\$425,000 00) in civil penalties. Such amount shall be suspended, with Two Thousand Six Hundred Sixty Nine dollars (\$2,669 00) payable by certified check or money order within thirty (30) days of execution of the Stipulated Judgment and Two Thousand Six Hundred Sixty Six dollars and 20 cents (\$2,666 20) payable by certified check or money order annually for the next five (5) years, by September 1. Provided Defendant complies with each and every term of this Stipulated Judgment entered by the Court, the total amount due from Defendant shall equal Sixteen Thousand Dollars (\$16,000) payable over six (6) years. In the event Defendant breaches or violates any provision of this Stipulated Judgment, including the payment terms described herein, the State may file a motion seeking enforcement of the full

penalty of Four Hundred Twenty-Five Thousand dollars (\$425,000 00) against Defendant in accordance with Paragraph 8 1

#### **8 ENFORCEMENT**

- If the State believes that Defendant has violated the terms of this Stipulated Judgment, the State shall notify the Defendant in writing of the nature and specifics of the alleged breach at least five (5) business days before any motion or action to enforce the terms of the Stipulated Judgment is commenced or filed. Such written notice shall be accompanied by copies of any documents or data relied upon for the claimed breach. Unless otherwise resolved, the Parties shall meet and confer within the 5-business-day period following such notice to discuss the claimed breach and possible solutions. If no resolution is reached, the State may file a motion or action seeing enforcement of the terms of the Stipulated Judgment, including, without limitation, the collection of penalties set forth in Paragraph 7.1 for violations by Hell Fire
- Breach of the terms of this Stipulated Judgment shall constitute contempt of Court and the State may move the Court for an order finding the Defendant to be in contempt and requesting any penalties available at law, or the Court sees fit to impose for such contempt. If a Court finds Defendant to have violated the Stipulated Judgment and/or to be in contempt pursuant to the State's motion or action, Defendant agrees to pay the State all reasonable costs and fees of obtaining such findings and enforcing the Stipulated Judgment. The State reserves all rights to pursue any and all available remedies for violation of the Stipulated Judgment. Nothing herein shall limit the State's remedies in the event of breach of the Stipulated Judgment by Defendant. Any remedies specified herein are in addition to any and all remedies available at law or equity

8 3 Defendant waives the right to challenge the enforcement of this agreement under federal or state constitutional or statutory grounds

#### 9 RELEASE

- In consideration of, and contingent upon, the Defendant's full and continuing compliance with all obligations set forth in this Stipulated Judgment, and except as otherwise set forth herein, the State of Connecticut releases and forever discharges to the fullest extent of the law, the Defendant from the following all civil claims, causes of action, damages, restitution, fines, costs, and penalties that the State asserted or could have asserted against the Defendant related to Defendant's promotion, advertisement, offer, sale, or provision of Affected Products by Hell Fire to Consumers pursuant to CUTPA, Conn. Gen. Stat § 42-110a, et seq, and the regulations promulgated thereunder, up to and including the Effective Date
- Notwithstanding any term of this Stipulated Judgment, all the following forms of liability are specifically reserved and excluded from the release set forth in Paragraph 9 1 as to any entity or person, including the Defendant
  - 921 Any criminal liability that any person or entity, including the Defendant, has or may have to the State of Connecticut; and
  - 9 2 2 Any civil or administrative liability that any person or entity, including the Defendant, has or may have to the State of Connecticut under any statute, regulation or rule not covered by the release in Paragraph 9 1 above, including but not limited to, all the following claims
  - 9 2 3 State or federal antitrust violations, or
  - 9 2 4 State or federal tax claims

#### 10 GENERAL PROVISIONS

- 10.1 Except as otherwise specifically stated herein, all provisions in the Stipulated Judgment shall remain in effect for six (6) years
- Nothing in this Stipulated Judgment shall be construed as relieving the Defendant of its obligations to comply with all state and federal laws, regulations, and rules, or as granting permission to engage in any acts or practices prohibited by such law, regulation, or rule
- Any notices required to be sent to the State or to the Defendant by this Stipulated Judgment, except for the annual certification described in Paragraph 6 4, shall be sent by electronic mail and first-class mail. The documents shall be sent to the following addresses

For the State

Rebecca Quinn
Assistant Attorney General
Office of the Attorney General
165 Capitol Avenue
Hartford, Connecticut 06106
Email Rebecca.Quinn@ct.gov

For the Defendant Jacob Clark

Email sales@hellfirearmory com

- 10.4 Titles or captions in this Stipulated Judgment are inserted as a matter of convenience and for reference only and in no way define, limit, extend, or describe the scope of this Stipulated Judgment or any provision thereof
- The Parties have negotiated, jointly drafted, and fully reviewed the terms of this Stipulated Judgment, and therefore the rule that uncertainty or ambiguity is to be construed against the drafter shall not apply to the construction or interpretation of this Stipulated Judgment

- 10 6 If any portion of this Stipulated Judgment is held invalid by operation of law, the remaining terms of this Stipulated Judgment shall not be affected
- 10.7 The Defendant and Jacob Clark enter this Stipulated Judgment of their own free and voluntary act and with full knowledge and understanding of the nature of the proceedings and the obligations and duties imposed by this Stipulated Judgment.
- Any failure by the State to insist upon the strict performance by the Defendant and/or Jacob Clark of any of the provisions of this Stipulated Judgment shall not be deemed a waiver of any of the provisions of this Stipulated Judgment, and the State, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any of the provisions of this Stipulated Judgment and the imposition of any penalties provided for by the laws of the State of Connecticut.
- Nothing in this Stipulated Judgment shall be interpreted to affect any private claim, right, debt, or cause of action that any Consumer may have against the Defendant based on the acts and practices of the Defendant
- 10 10 Any signature required to affect any part of this Stipulated Judgment may be executed by the Parties in counterparts, each of which signatures shall be deemed an original, and any such document executed in counterparts shall have the same effect and authority
- 10 11 This Stipulated Judgment shall be binding on the Defendant and its subsequent purchasers, merged parties, inheritors, or other successors in interest and the Defendant shall take no direct or indirect action to circumvent the terms of this Stipulated Judgment. In no event shall assignment of any right, power, or authority under this Stipulated Judgment avoid the Defendant's compliance with this Stipulated Judgment

- 10 12 No duty or obligation imposed by this Stipulated Judgment on the Defendant and Jacob Clark shall be assigned or delegated by the Defendant without the express written consent of the State. Any purported assignment or delegation in violation of the preceding sentence shall be voidable at the sole discretion of the State.
- 10 13 As used herein, the plural shall refer to the singular and the singular shall refer to the plural, and the masculine and the feminine and the neuter shall refer to the other, as the context requires
- 10 14 Except as otherwise set forth herein, this Stipulated Judgment is not intended by the Parties to amend or supersede any existing or future contract or agreement between the Defendant and any Consumer
- 10 15 Except as otherwise set forth herein, it is not the intention of the parties to establish or create a third-party beneficiary interest on behalf of any Consumer that does not otherwise exist at law
- 10 16 This Stipulated Judgment shall not be deemed as having any res judicata, collateral estoppel or issue preclusion effect on any future actions, matters, allegations, complaints, prosecutions, liabilities, issues, delinquencies, taxes arising from the Defendant's collective individual conduct—whether known or unknown, whether civil, criminal, administrative or regulatory, whether inuring to the State or any of its agencies, to any Consumers, to any putative class plaintiffs, third party beneficiaries, or any other person or entity, except as provided herein.

#### 11 REPRESENTATIONS AND WARRANTIES

11.1 Defendant and Jacob Clark Represent that they are represented by legal counsel, and that they were fully advised of their legal rights in this matter

- Defendant Represents that the person signing below on behalf of Hell Fire is fully authorized to act on its behalf and legally bind the company to perform all the obligations set forth herein.
- 11 3 The undersigned counsel for the State warrants and Represents that they are fully authorized to execute this Stipulated Judgment on behalf of the Attorney General
- 11.4 Each of the Parties warrants and Represents that it negotiated the terms of this Stipulated Judgment in good faith
- 115 Each of the Parties and signatories to this Stipulated Judgment warrants and Represents that it freely and voluntarily enters into this Stipulated Judgment without any degree of duress or compulsion.
- 11 6 Defendant shall not Represent or imply that the Attorney General acquiesces in or approves of Hell Fire's past or current business practices, efforts to improve its practices, or any future practices that Hell Fire may adopt or consider adopting
- 11 7 All Parties consent to the disclosure to the public of this Stipulated Judgment by Defendant and the Attorney General
- 11.8 The Parties Represent that no promise of any kind or nature whatsoever (other than the written terms of this Stipulated Judgment) was made to them to induce them to enter into this Stipulated Judgment, and that they have entered into this Stipulated Judgment voluntarily
- This Stipulated Judgment constitutes the entire, complete, and integrated agreement between the Parties pertaining to the settlement and supersedes all prior and contemporaneous undertakings of the Parties in connection herewith. This Stipulated Judgment may not be modified or amended except by written consent of all the Parties.

# IT IS SO ORDERED, ADJUDGED AND DECREED. This \_\_\_\_\_\_ day of \_\_\_\_\_\_, 2024. **JUDGE** JOINTLY APPROVED BY: FOR PLAINTIFF: STATE OF CONNECTICUT, DEPARTMENT OF CONSUMER PROTECTION WILLIAM TONG ATTORNEY GENERAL Katherine Hagmann-Borenstein Juris No. 444376

Deputy Associate Attorney General

Assistant Attorney General
Office of the Attorney General

Hartford, Connecticut 06106

165 Capitol Avenue

Phone: 860-808-5400 Fax: 860-808-5593

### FOR DEFENDANT, Hell Fire, LLC:

Jacob Clark	DATE: 9/3/2024
Jacob Clark 4716 Carolina Beach Rd Wilmington, NC 28412	
FOR Jacob Clark, INDIVIDUALLY:	
Jacob Clark Jacob Clark	DATE:
APPROVED AS TO FORM FOR ENTRY:	
Cameron L. Atkinson Counsel for Hell Fire Inc	DATE: 9/3/2024
Cameron Atkınson	

Harwinton, CT 06791

Atkinson Law LLC 122 Litchfield Road

Suite 2 PO Box 340