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IN THE DISTRICT COURT OF BROWN COUNTY, KANSAS
DIVISION _____

STATE OF KANSAS, ex rel.,
ROBERT T. STEPHAN, Attorney General,

Plaintiff,

vs.

Case No. 90 C 48

AMERICAN INTERNATIONAL MARKETING, INC.
d/b/a SUN SPRINGS RESORT, INC. AND
SUN SPRINGS RESORT AND SUN SPRINGS;

SUN SPRINGS RESORT, INC. d/b/a
AMERICAN INTERNATIONAL MARKETING, INC.
AND SUN SPRINGS RESORT AND SUN SPRINGS;

STEVE HAYNIE,

Defendants.

COPY

FILED
BROWN COUNTY
DISTRICT COURT
1992 MAY 21 PM 12:42
LELA W. WELLS
CLERK OF DISTRICT COURT

43... D02

JOURNAL ENTRY OF CONSENT JUDGMENT

NOW on this 21st day of May 1992, the motion for approval of consent judgment filed by the State of Kansas comes on for hearing. The State of Kansas, ex rel. Robert T. Stephan Attorney General, appears by and through David C. Wetzler, Assistant Attorney General. The defendants appear by their attorneys, Darren R. Carlson, 11301 Davenport Street, Omaha, Nebraska after being admitted pro hac vice by this court and Robert A. Thornburgh, a Kansas-licensed attorney.

Whereupon, the parties advise the court they have stipulated and agreed to the following matters:

1) Robert T. Stephan is the Attorney General of the State of Kansas and brings this action under authority of the Kansas consumer protection act, K.S.A. 50-623 et seq.

2) Defendants American International Marketing, Inc., Sun Springs Resort, Inc. and Steve Haynie enter their voluntary appearances and admit the court has jurisdiction over the parties and the subject matter.

3) Plaintiff's First Amended Petition is incorporated by reference. The Attorney General of Kansas alleges the defendants' acts and practices in counts one (1) through thirty-one (31) of Plaintiff's First Amended Petition were deceptive and unconscionable respectively and violated the Kansas consumer protection act.

4) By signing this consent judgment, defendants dispute and deny any liability for, as well as the truthfulness of the allegations described in counts one (1) through thirty-one (31) of Plaintiff's First Amended Petition, but in order to avoid the expense and uncertainty of litigation, the defendants voluntarily agree to this consent judgment without trial or adjudication of any issue of fact or law.

5) The provisions of this consent judgment will be applicable to the defendants, and every employee, agent, assign or representative of the defendants.

6) Upon reasonable notice, the defendants agree to allow the Attorney General of the State of Kansas to inspect relevant

business records, including but not limited to balance sheets, profits and loss statements, income and expense statements, general ledgers and financial statements of each defendant.

7) The defendants, their assigns or assignees, representatives, agents and any other entity or person who has notice and to whom these provisions apply, agree to refrain from and to be enjoined from engaging in all acts and practices alleged to be deceptive and unconscionable in counts one (1) through thirty-one (31) of Plaintiff's First Amended Petition.

8) The defendants agree to immediately rescind all contracts signed by the consumers who were aggrieved by defendants' deceptive and unconscionable acts and agree to cease all efforts to collect on such contracts.

9) The defendants agree to immediately rescind all contracts signed by any other consumer who notifies the defendants in writing of his/her desire to terminate his/her contractual relationship with the defendants and agree to cease all efforts to collect on such contracts.

10) The defendants agree to immediately notify any collection agency, credit reporting agency, or creditor to which any contract or account was referred that the underlying contract has been rescinded and that the debt is no longer owing and due.

11) The defendants agree to pay actual damages to the Attorney General of Kansas on behalf of all consumers who were harmed by defendants' deceptive and unconscionable acts as follows:

- a) Defendants American International Marketing, Inc. and Sun Springs Resort, Inc. agree to pay \$510,178.87 and are jointly and severally liable for such amount. Payment is to be made to plaintiff for disbursement to consumers who have filed a complaint with the Attorney General.
- b) Defendants American International Marketing, Inc. and Sun Springs Resort, Inc. also agree to pay actual damages to the plaintiff on behalf of any additional consumers who were harmed by defendants' deceptive and unconscionable acts and who file a valid complaint with the Attorney General.
- c) Defendant Steve Haynie agrees to pay \$36,392.80 to the Attorney General of Kansas on behalf of all consumers who were harmed by defendant Haynie's deceptive, unconscionable and fraudulent acts. The parties agree that if defendant Steve Haynie pays the amount of \$36,392.80 in full within eighteen months of the filing of this consent judgment, the plaintiff shall waive its statutory right to interest on the judgment.

12) Defendants American International Marketing, Inc. and Sun Springs Resort, Inc. agree to pay \$8,800.00 to the Attorney General of Kansas for reasonable investigation fees and expenses and agree they are jointly and severally liable for such amount.

13) Defendants American International Marketing, Inc. and Sun Springs Resort, Inc. agree to pay a civil penalty of \$2,000.00

for each of the one-hundred seventy-eight (178) violations of the Kansas consumer protection act for a total of \$356,000.00 in civil penalties and agree they are jointly and severally liable for such amount.

14) The defendants agree to pay all court costs and filing fees.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that the stipulation and agreement of the parties contained herein is adopted and approved as the finding of the court.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that pursuant to the Kansas consumer protection act, K.S.A. 50-632(b), the court hereby approves the terms of the consent judgment and adopts the same as the order of the court.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that the defendants will pay all court costs and filing fees.

IT IS SO ORDERED.



JUDGE OF THE DISTRICT COURT

Approved by:

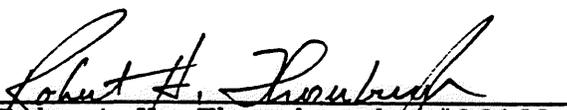

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