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Supreme Court #12896
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IN THE DISTRICT COURT OF SHAWNEE COUNTY, KANSAS
DIVISION 4

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

Plaintiff,

vs.

CHARLES R. WOOD OIL CO., INC.

Defendant.

Case No. 91CV487

(Pursuant to K.S.A. Chapter 60)

JOURNAL ENTRY OF CONSENT JUDGMENT

NOW on this 26th day of February, 1991, the Petition for approval of Consent Judgment filed by the State of Kansas comes on for hearing. The State of Kansas appears on the relation of Robert T. Stephan, Attorney General, by and through Shelly Gasper, Assistant Attorney General. The Defendant corporation appears by its president, Charles M. Wood.

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.

2. Defendant is a Kansas corporation. Defendant's corporate headquarters is located at 711 South Third Street, Leavenworth, Kansas. The Defendant operates gas stations in Leavenworth, Topeka, Fort Scott and other cities and towns in Kansas.

3. The Defendant enters its voluntary general appearance. The Defendant admits the Court has jurisdiction over the parties and the subject matter. The Defendant stipulates to venue in Shawnee County, Kansas.

4. The Attorney General has investigated the Defendant and found the following acts and practices:

a) The Defendant operates a gasoline station at 788 Spruce Street, Leavenworth, Kansas. The Defendant sells gasoline to Kansas consumers from pumps at that station. Defendant sells gasoline from a pump labeled regular leaded gasoline. On December 14, 1990, gasoline taken from that pump had an insufficient amount of lead to be considered regular leaded gasoline.

b) The Defendant operates a gasoline station at 1705 South National, Fort Scott, Kansas. The Defendant sells gasoline to Kansas consumers from gasoline pumps at that station. The Defendant's

gasoline pumps on November 29, 1990, distributed gasoline which contained alcohol. The presence of alcohol in the gasoline was not disclosed.

c) On December 10, 1990, the Defendant's gasoline pumps at the Fort Scott, Kansas station represented that the gasoline contained 10% alcohol. The amount of alcohol in the gasoline was significantly less than 10% in two pumps and was greater than the 10% in the third pump.

d) A sample of the gasoline taken on December 10, 1990, at the Fort Scott, Kansas station revealed an octane level significantly lower than that represented on the pumps.

e) A sample of gasoline taken on December 12, 1990, at the Fort Scott location revealed the amount of alcohol in the gasoline was significantly less than that represented on two pumps, and more than that represented on the third pump. The octane level of the gasoline was significantly lower than was represented on two of the pumps.

f) The Defendant operates a gasoline station at 101 NE Highway 24, Topeka, Kansas. The Defendant sells gasoline to Kansas consumers from pumps located at this location. The Defendant's gasoline pumps represented that they distribute

regular leaded gasoline. On December 17, 1990, the gasoline contained an insufficient amount of lead to be considered regular leaded gasoline.

g) One of the pumps at the Topeka location represented that the gasoline had an octane level of 91. A sample taken from this pump indicated an octane level of 89.3, which is significantly lower.

5. The Attorney General finds the above acts and practices violate the Kansas Consumer Protection Act's proscription against making representations knowingly or with reason to know that:

a) Property or services have characteristics, ingredients, uses, benefits or quantities that they do not have. K.S.A. 50-626(b)(1)(A);

b) Property or services are of particular standard, quality, grade, if they are of another which differs materially from the representation. K.S.A. 50-626(b)(1)(D).

6. The Attorney General finds the above acts and practices violate Kansas Consumer Protection Act's proscription against the intentional failure to state a material fact, or the intentional concealment, suppression or omission of a material fact, whether or not any person has in fact been misled. K.S.A. 50-626(b)(3).

7. The Defendant denies the allegations set forth above but voluntarily agrees to this Consent Judgment without trial or

adjudication of any issue of fact or law in the interest of settlement.

8. The provisions of this Consent Judgment will be applicable to the Defendant, and every employee, agent or representative of the Defendant.

9. The Defendant agrees to refrain from and to be enjoined from engaging in all acts and practices alleged by the State of Kansas to be deceptive and unconscionable, in paragraph number four.

10. The Defendant agrees to resolve all consumer complaints received within thirty (30) days of the date of this consent judgment to the satisfaction of the Office of the Attorney General, whether brought to Defendant's attention by the State of Kansas or by consumers complaining directly to the Defendant. Defendant shall apprise the State of Kansas, through the Plaintiff, in a simple and concise manner, of the disposition of those complaints and disputes within thirty (30) days after their resolution.

11. The Defendant shall not enter into, form, organize or reorganize into any partnership, corporation, sole proprietorship or any other legal structures, for the purpose of avoiding compliance with the terms of this Consent Judgment.

12. The Defendant agrees to pay \$10,000 in investigation fees and expenses to the Attorney General of the State of Kansas at the time of filing this Consent Judgment. Payment will be by certified check.

13. The Defendant agrees to allow the Attorney General or his designee to inspect relevant business records of fuel deliveries and sales in the future. The Attorney General will give reasonable notice for these inspections.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that the stipulation and agreement of the parties contained herein are adopted and approved as the findings of the Court.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that pursuant to the Kansas Consumer Protection Act, and the provisions of 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 FURTHER ORDERED, ADJUDGED AND DECREED that the Defendant pay the costs of this action.

IT IS SO ORDERED.



JUDGE OF THE DISTRICT COURT

Approved by:

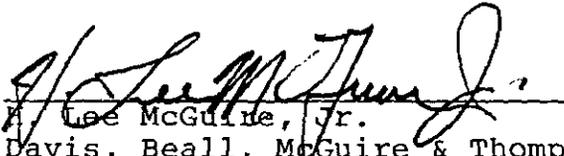


ROBERT T. STEPHAN
Attorney General



Shelly Gasper
Assistant Attorney General

Attorneys for Plaintiff.

A handwritten signature in cursive script, appearing to read "Lee McGuire, Jr.", written over a horizontal line.

Lee McGuire, Jr.
Davis, Beall, McGuire & Thompson, Chtd.

Attorney for Defendant.