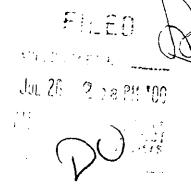
47-00

James J. Welch, #09546 Assistant Attorney General Office of the Attorney General 120 SW 10th, 2nd Floor Topeka, Kansas 66612 (785) 296-3751



IN THE EIGHTEENTH JUDICIAL DISTRICT DISTRICT COURT SEDGWICK COUNTY, KANSAS CIVIL DIVISION

STATE OF KANSAS, <i>ex rel</i> . CARLA J. STOVALL, Attorney General,)
Plaintiff,)
v.) Case No. 97 C 1004
WALTER ZITLOW, Individually, COMPLETE HOME SECURITY, INC., and GARY RICHARDSON, Individually, d/b/a)))
ALARM PROFESSIONAL SERVICES, Defendants.)))
(Pursuant to K.S.A. Chapter 60)	

JOURNAL ENTRY OF JUDGMENT

NOW on this the day of July, 2000, the Court hereby enters judgment in favor of Plaintiff State of Kansas and against Defendant Walter Zitlow, Defendant Gary Richardson, d/b/a Alarm Professional Services, and Defendant Complete Home Security, Inc. in regard to the above-captioned matter.

Plaintiff, State of Kansas, ex rel., Carla J. Stovall, Attorney General, appears by and through counsel, James J. Welch, Assistant Attorney General. Defendant Walter Zitlow appeared by and through Counsel LJ Leatherman of Palmer, Lowry, Leatherman & White, L.L.P until his withdrawl

on May 12, 2000. Defendant Walter Zitlow now appears pro se. Defendant Gary Richardson, d/b/a Alarm Professional Services, appears by and through counsel Kiehl Rathbun, Attorney at Law. There are no other appearances.

A trial to the Court was held in this matter from September 22, 1998 to October 9, 1998.

Both Plaintiff State of Kansas and Defendant Walter Zitlow and Defendant Gary Richardson d/b/a

Alarm Professional Services, presented testimony and evidence.

WHEREUPON, the Court, having heard the testimony and the arguments of counsel, and having examined the proof offered by the respective parties, makes the following findings:

- 1. Defendant Walter Zitlow, Defendant Gary Richardson, d/b/a Alarm Professional Services, and Defendant Complete Home Security, Inc. have committed deceptive and unconscionable acts and practices against elderly and disabled Kansas consumers as set forth in the Court's Findings of Fact and Conclusions of Law, in violation of the Kansas Consumer Protection Act, K.S.A. 50-623, et seq.
- 2. With respect to every factual finding of violation by Defendant Walter Zitlow, as set forth in the Court's Findings of Fact and Conclusions of Law, the Court finds Defendant Walter Zitlow committed deliberate and intentional misconduct, in violation of the Kansas Consumer Protection Act, K.S.A. 50-623, et seq.
- 3. Defendant Walter Zitlow and Defendant Gary Richardson, d/b/a Alarm Professional Services, committed 56 violations of the Kansas Consumer Protection Act, K.S.A. 50-623, et seq.
- 4. As a result of such violations committed by Defendant Walter Zitlow and Defendant Gary Richardson, d/b/a Alarm Professional Services, the total amount of damages sustained by consumers is \$41,258.68.

- 5. Defendant Gary Richardson is responsible for the deceptive and unconscionable acts and practices of Defendant Walter Zitlow under the legal doctrine of respondeat superior.
- 6. Defendant Walter Zitlow and Defendant Gary Richardson, d/b/a Alarm Professional Services, are jointly and severally liable for the acts and practices committed by Defendant Walter Zitlow.
- 7. Defendant Walter Zitlow and Defendant Complete Home Security, Inc. committed 94 violations of the Kansas Consumer Protection Act, K.S.A. 50-623, et seq.
- 8. As a result of such violations committed by Defendant Walter Zitlow and Defendant Complete Home Security, Inc. the total amount of damages sustained by consumers is \$69,718.56.
- 9. Defendant Complete Home Security, Inc. is responsible for the deceptive and unconscionable acts and practices of Defendant Walter Zitlow under the legal doctrine of respondent superior.
- 10. Defendant Walter Zitlow and Defendant Complete Home Security, Inc., are jointly and severally liable for the acts and practices committed by Defendant Walter Zitlow.
- 11. Defendant Walter Zitlow is individually liable for his deceptive and unconscionable acts and practices.
- 12. As a result of such violations committed by Defendant Complete Home Security, Inc. the total amount of additional damages sustained by consumers is \$17,652.15.
- 13. Defendant Walter Zitlow committed 12 separate and willful violations of the Temporary Injunction of April 14, 1997, which are set forth in the Court's Findings of Fact and Conclusions of Law.

- 14. The Court finds Defendant Walter Zitlow, Defendant Gary Richardson, d/b/a Alarm Professional Services, and Defendant Complete Home Security, Inc. liable for all money obtained from consumers since it was derived by deceptive and unconscionable acts and practices.
- 15. The findings of fact as set forth in the Court's Findings of Fact and Conclusions of Law are adopted as the Court's findings of fact as though fully set forth herein.
- 16. The conclusions of law as set forth in the Court's Findings of Fact and Conclusions of Law are adopted as the Court's conclusions of law as though fully set forth herein.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED that judgment is hereby entered in favor of Plaintiff State of Kansas and against Defendant Walter Zitlow, Defendant Gary Richardson, d/b/a Alarm Professional Services, and Defendant Complete Home Security, Inc.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED, that pursuant to K.S.A. 50-632(a)(1), the Court hereby declares those acts and practices set forth in its Findings of Fact and Conclusions of Law are deceptive and unconscionable, and in violation of the Kansas Consumer Protection Act, K.S.A. 52-623, et seq.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that pursuant to K.S.A. 50-632(a)(3), the Court hereby enters judgment against the Defendants for consumer damages as follows:

a. Defendant Walter Zitlow and Defendant Gary Richardson, d/b/a Alarm Professional Services, are jointly and severally liable for \$41,258.68 in consumer damages, as set forth in the Courts Findings of Fact and Conclusions of Law;

- b. Defendant Walter Zitlow and Defendant Complete Home Security, Inc. are jointly and severally liable for \$69,718.56 in consumer damages, as set forth in the Court's Findings of Fact and Conclusions of Law; and
- c. In addition to those damages set forth above, Defendant Complete Home Security, Inc. is also liable for \$17,652.15 in consumer damages, as set forth in the Court's Findings of Fact and Conclusions of Law.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that pursuant to K.S.A. 50-636(a) and K.S.A. 50-677, the Court hereby enters judgments against Defendants for civil penalties as follows:

- a. Defendant Walter Zitlow and Defendant Gary Richardson d/b/a Alarm Professional Services, are jointly and severally liable for \$700,000.00 in civil penalties, as set forth in the Court's Findings of Fact and Conclusions of Law; and
- b. That Defendant Walter Zitlow and Defendant Complete Home Security, Inc. are jointly and severally liable for \$545,000.00 in civil penalties, as set forth in the Court's Findings of Fact and Conclusions of Law.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that pursuant to K.S.A. 20-1204a(b), Defendant Walter Zitlow is hereby held in indirect civil contempt of this Court for committing 12 separate and willful violations of the Temporary Injunction of April 14, 1997 and pursuant to K.S.A. 50-636(b), the Court hereby enters judgment against Defendant Walter Zitlow for an additional \$120,000.00 in civil penalties.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that pursuant to K.S.A. 50-632(a)(2), the Court permanently enjoins the Defendants from engaging in those acts and practices set forth in its Findings of Fact and Conclusions of Law to be deceptive and unconscionable acts and practices, and from engaging in any similar acts or practices in the State of Kansas. Engaging in any such acts or practices shall constitute constitute a willful violation of this Court's order.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants are permanently enjoined from entering into, forming, organizing or reorganizing into any partnership, corporation, sole proprietorship or any other legal structures, for the purpose of avoiding compliance with the terms of this Court's order.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that pursuant to K.S.A. 50-632(c)(6), Defendant Walter Zitlow is permanently enjoined from conducting any door-to-door sales in the State of Kansas, as defined by K.S.A. 50-640, and amendments thereto.

IT IS SO ORDERED

Prepared and Approved by:

James J. Welck, #09546 Assistant Attorney General Office of the Attorney General 120 SW 10th, 2nd Floor Topeka, Kansas 66612 (785) 296-3751

Attorney for Plaintiff State of Kansas

HE HONORABLE D. KEITH ANDERSON

Certificate of Clerk of the District Court. The above is a true and correct copy of the original instrument which is on file or of record in this court.

Dated this 5 day of 1040 Min.

CLERK OF THE DISTRICT COURT 18th JUDIGIAL DISTRICT SEDGWICK COUNTY, KANSAS

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Approved By:

Kiehl Rathbun, #08675 ATTORNEY AT LAW 727 North Waco Street, Suite 275 Wichita, Kansas 67203 (316) 265-3390

Attorney for Defendant Gary Richardson, d/b/a Alarm Professional Services

Approved By:

Walter Zitlow 136 N. Forestview Ct. Wichita, Kansas 67235

Defendant