

IN THE DISTRICT COURT OF JOHNSON COUNTY, KANSAS
Division 14

STATE OF KANSAS, *ex rel.*)
STEVE SIX, Attorney General,)
)
Plaintiff,)
)
v.) Case No. 09 CV 05482
)
CHRIS DHOOGHE d/b/a)
Sweepstakes Publishers of America)
)
Defendant.)
_____)
(Pursuant to K.S.A. Chapter 60)

JOURNAL ENTRY OF CONSENT JUDGMENT

NOW on this 7 day of Oct, 2009, Plaintiff's Journal Entry of Consent Judgment comes before the Court pursuant to K.S.A. 50-632(b). The Plaintiff, state of Kansas, *ex rel.* Steve Six, Attorney General, appears by and through Meghan E. Barnds, Assistant Attorney General. Defendant Chris Dhooghe d/b/a Sweepstakes Publishers of America appears through Hugh L. Marshall of McDowell, Rice, Smith & Buchanan.

WHEREUPON the parties advise the Court that they have stipulated and agreed to the following:

PARTIES, JURISDICTION AND VENUE

1. Steve Six is the Attorney General of the State of Kansas.

CLERK OF DISTRICT COURT
JOHNSON COUNTY, KS
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2. The Attorney General's authority to bring this action is derived from the statutory and common law of the State of Kansas, specifically the Kansas Consumer Protection Act, ("KCPA") K.S.A. 50-623 *et seq.*

3. Defendant Chris Dhooghe d/b/a Sweepstakes Publishers of America (hereinafter "Defendant") is not registered with the Kansas Secretary of State.

4. Defendant has a principal place of business at 12548 Alcan Cir., Olathe, KS.

5. All references to Defendant herein include acts performed individually, in concert, or by or through employees, agents, representatives, affiliates, assignees and successors.

6. Defendant stipulates and admits that the Court has subject matter jurisdiction over this case and *in personam* jurisdiction over the parties, pursuant to K.S.A. 50-623 *et seq.*

7. Defendant stipulates and admits that venue is proper in this Court.

ALLEGATIONS

8. Defendant is a supplier within the definition of K.S.A. 50-624(j).

9. Defendant is engaged in consumer transactions in Kansas within the definition of K.S.A. 50-624(c).

10. Defendant is engaged in the advertisement, solicitation and sale of prize notifications through Sweepstakes Publishers of America.

11. The aforementioned advertisements, solicitations and sales are made to consumers across the United States, including consumers in Kansas.

12. The Plaintiff alleges that Defendant, while advertising such prize notifications, engaged in deceptive and unconscionable acts and practices in violation of the KCPA, specifically, but not limited to, K.S.A. 50-626, and 50-627. The Plaintiff alleges the following:

a. Defendant willfully used exaggeration, falsehood, innuendo and ambiguity as to a material fact in mailings distributed with the intent to sell a newsletter called the "Prize Notification," in violation of K.S.A. 50-626(b)(2);

b. Defendant accepted twelve dollars (\$12.00) from each consumer without providing anything in return, thereby depriving consumers of a material benefit of their transactions with Defendant, in violation of K.S.A. 50-627(b)(3);

c. Defendant misrepresented that consumers had been selected to receive a particular prize, namely one-hundred thousand dollars (\$100,000.00) or more, in violation of K.S.A. 50-692(c)(6)(C).

13. Defendant does not admit the allegations but agrees to this Consent Judgment without trial or adjudication of any issue of fact or law solely for the purposes of settlement.

INJUNCTIVE RELIEF

14. Defendant agrees to refrain, and to be permanently enjoined, from engaging in those acts and practices set forth in paragraph twelve (12) herein and Defendant agrees that engaging in any such acts or similar acts, after the date of this Consent Judgment, shall constitute a violation of this Consent Judgment.

15. Defendant agrees to comply with all Kansas laws, statutes, rules and regulations, relating to consumer transactions in Kansas, specifically, but not limited to, the Kansas Consumer Protection Act, K.S.A. 50-623, *et seq.*

16. Defendant agrees to cooperate with the Office of the Kansas Attorney General in investigating and remedying any complaints filed with the Consumer Protection Division pertaining to the KCPA violations alleged herein.

17. Defendant agrees to refrain, and to be permanently enjoined, from billing or charging consumers for products and services that Defendant neither provides nor performs.

CONSUMER RESTITUTION

18. Defendant agrees to provide a refund to any consumer who claims to have been misled by Defendant's solicitations and requests a refund from Defendant within ninety (90) days after execution of the Consent Judgment.

19. Defendant agrees to provide a refund to the following consumer(s), in the amount(s) set forth below, to the extent such refund has not already been received:

Herbert Rogers \$12.00

20. Restitution to the above-named consumer(s) shall be delivered to the Office of the Kansas Attorney General at the time of signing the Consent Judgment. Payment shall be made by check(s) payable directly to the named consumer(s).

21. Such check(s) shall be delivered by the Office of the Kansas Attorney General to the appropriate consumers within ten (10) days of signing the Consent Judgment.

INVESTIGATIVE FEES

22. Defendant agrees to pay to the Office of the Kansas Attorney General seven thousand dollars (\$7,000.00) in investigative fees, pursuant to K.S.A. 50-632.

23. Payment of investigative fees shall be made by check in three installments. The first installment of two thousand dollars (\$2,000.00) shall be delivered to the Office of the Kansas Attorney General at the time of signing the Consent Judgment.

24. The remaining installments, each in the amount of two thousand, five hundred dollars (\$2,500.00), shall be due on October 30, 2009, and November 30, 2009. Payment shall be made payable to the Office of the Kansas Attorney General.

25. Defendant agrees that all restitution, fees, and/or penalties shall be non-dischargeable in any filing for bankruptcy.

26. All unpaid restitution, fees, and/or penalties shall be immediately due and owing upon the sale of Sweepstakes Publishers of America, or on the sale of the majority of its assets, or on a merger with another entity.

OTHER PROVISIONS

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

28. Jurisdiction is retained by this Court for the purpose of enabling any of the parties to this Consent Judgment to apply to this Court at any time for such further orders and directions as may be necessary or appropriate for the modification of any of the provisions hereof, for the enforcement of compliance herewith, and for the punishment of violations thereof.

29. If any portion, provision, or part of this Consent Judgment is held to be invalid, unenforceable, or void for any reason whatsoever, that portion shall be severed from the remainder and shall not affect the validity or enforceability of the remaining provisions, portions or parts.

30. Compliance with this Consent Judgment does not relieve the Defendant of any obligation imposed by applicable federal, state, or local law, nor shall the Attorney General be precluded from taking appropriate legal action to enforce civil or criminal statutes under his jurisdiction.

31. The parties understand that this Consent Judgment shall not be construed as an approval of or sanction by the Attorney General of the business practices of the Defendant nor shall the Defendant represent the decree as such an approval. The parties further understand that any failure by the State of Kansas or by the Attorney General to take any action in response to any information submitted pursuant to the Consent Judgment shall not be construed as an approval of or sanction of any representations, acts or practices indicated by such information, nor shall it preclude action thereon at a later date.

32. Defendant agrees to this Consent Judgment to avoid the expense and uncertainty of litigation and to buy his peace, and the parties understand that nothing in this Consent Judgment shall be construed as an admission of wrongdoing by Defendant.

33. Each of the Defendant's representatives, signing this Journal Entry of Consent Judgment, warrants that the representative has been duly authorized by the Defendant for whom the representative appears to be acting to enter and execute this Journal Entry of Consent Judgment on behalf of the Defendant. Defendant further represents that they have had an opportunity to consult with and obtain the advice of private legal counsel prior to entering into this Consent Judgment.

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 fact and conclusions of law of the Court and any monies owed hereunder by Defendant immediately become a judgment upon filing.

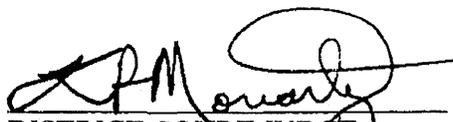
IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant will make full restitution to the consumer(s) named in paragraph nineteen (19).

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that judgment is entered against Defendant and in favor of Plaintiff in the amount of \$7,000.00 in investigative fees.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant pay all costs associated with this action.

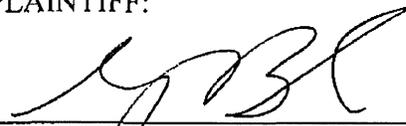
IT IS FURTHER ORDERED, ADJUDGED AND DECREED that pursuant to the Kansas Consumer Protection Act, and the provisions of K.S.A. 50-632(b), the court hereby approves the terms of the Consent Judgment and adopts the same as the Order of the Court.

IT IS SO ORDERED.


DISTRICT COURT JUDGE
Judge Kevin P. Moriarty

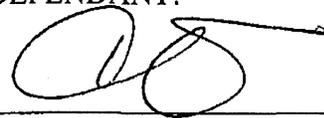
Prepared and approved by:

PLAINTIFF:


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Office of Kansas Attorney General Steve Six
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Attorney for Plaintiff

DEFENDANT:


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