

IN THE DISTRICT COURT OF SHAWNEE COUNTY, KANSAS
Division 6

FILED BY CLERK
KS. DISTRICT COURT
THIRD JUDICIAL DIST.
TOPEKA, KS.
2015 NOV 20 P 1:28

STATE OF KANSAS, *ex rel.*,)
DEREK SCHMIDT, Attorney General,)
)
Plaintiff,)
)
v.)
)
Abdul-Kareem Ali, an individual)
a/k/a Kareem Ali, formerly d/b/a)
AQ Square Consulting, LLC,)
)
Defendant.)

Case No. 2015-CV-001032

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

JOURNAL ENTRY OF CONSENT JUDGMENT

NOW on this 20th day of November, 2015, 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.* Derek Schmidt, Attorney General, appears by and through Lynette R. Bakker, Assistant Attorney General. Defendant appears pro se.

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

**STIPULATED FINDINGS OF FACT
AND CONCLUSIONS OF LAW**

1. Derek Schmidt is the Attorney General of the State of Kansas.
2. The Attorney General's authority to enter this Consent Judgment 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 Abdul-Kareem Ali, also known as Kareem Ali, is an individual, formerly doing business as AQ Square Consulting, LLC in the position of Co-Founder/Consultant. In this position, Mr. Ali possessed the authority to control AQ Square Consulting, LLC's acts and practices. Mr. Ali currently lives at 1118 Canyon Village Circle, San Ramon, CA 94583.

4. Defendant is not currently registered with the Secretary of State to do business in the State of Kansas.

5. All references to Defendant herein include acts individually, in concert with, or by or through employees, agents, representatives, affiliates, assignees and successors of AQ Square Consulting, LLC.

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

7. Defendant stipulates and admits that venue is proper in the 3rd Judicial District of Kansas (Shawnee County) under K.S.A. 50-638(b).

8. Defendant stipulates and admits that he is not licensed to practice law in Kansas, nor is he employed by a licensed attorney.

9. At all times relevant hereto, and in the ordinary course of business, Defendant has acted as a "supplier" as defined by K.S.A. 50-624(l).

10. At all times relevant hereto, and in the ordinary course of business, Defendant has engaged in "consumer transactions" in Kansas, as defined by K.S.A. 50-624(c).

ALLEGATIONS

11. Defendant, knowingly represented, in oral and written representations, that he has advanced legal knowledge and experience in the insurance claims process, with reason to know those representations differ materially from his actual knowledge and experience, in violation of K.S.A. 50-626(b)(1)(D).

12. Defendant willfully stated in oral and written representations that he has advanced legal knowledge and experience in the insurance claims process, an exaggeration, falsehood, innuendo or ambiguity as to material fact, in violation of K.S.A. 50-626(b)(2).

13. Defendant willfully stated that he has a lien on consumer's property or settlement recovery, an exaggeration, falsehood, innuendo or ambiguity as to a material fact, in violation of K.S.A. 50-626(b)(2).

14. Defendant represented and negotiated claims for individuals not knowledgeable in the insurance claims process and entered into contingency fee agreements for representation, taking advantage of the inability of consumers to protect their interests due to ignorance, illiteracy or inability to understand the language of an agreement or similar factor, in violation of K.S.A. 50-627(b)(1).

15. Defendant offered his opinion to consumers concerning their legal rights and claims, making misleading statements of opinion on which the consumer was likely to rely to consumer's detriment, in violation of K.S.A. 50-627(b)(6).

RELIEF

16. Defendant agrees to refrain, and to be permanently enjoined, from engaging in those acts and practices set forth in paragraphs eleven (11) through fourteen (14), 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.

17. 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.*

18. Defendant agrees to be 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 or this Consent Judgment.

19. Defendant agrees to pay to the Office of the Kansas Attorney General four thousand five hundred dollars (\$4,500.00) for civil penalties and fifteen hundred dollars (\$1,500.00) for reasonable investigative fees and expenses, as provided by K.S.A. 50-632(a)(4) and K.S.A. 50-636, for a total amount of six thousand dollars (\$6,000.00).

20. Defendant agree to pay the aforementioned fees and penalties in twenty (20) installments as follows:

- a. Defendants shall pay \$300.00 to the Office of the Kansas Attorney General at the time of signing this Consent Judgment.
- b. The remaining \$5,700.00 shall be paid in nineteen (19) equal installments of \$300.00 due on or before the tenth day of each month thereafter, beginning on December 10, 2015.

21. Defendant agrees that time is of the essence for each of the aforementioned payments, and Defendant shall be responsible for the timely submission of each payment.

22. Payment shall be made in the form of a cashier's check, money order or other certified funds payable to the Office of the Kansas Attorney General, mailed to:

Office of the Kansas Attorney General
Attn: Lynette R. Bakker, Assistant Attorney General
120 SW 10th Ave, 2nd Floor
Topeka, Kansas 66612-1597

OTHER PROVISIONS

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

24. The parties understand that this Consent Judgment shall not be construed as an approval of, or sanction by, the Attorney General of any representations, acts, or 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.

25. The Defendant agrees that the Attorney General may take appropriate legal action against the Defendant for violation of this Consent Judgment and/or for future violations of the

Kansas Consumer Protection Act and any other law which the Attorney General is authorized to pursue and/or enforce.

26. The Defendant hereby represents and warrants that he has had the opportunity to consult with, and receive the advice of, legal counsel regarding all matters relative to this Consent Judgment, including the rights and obligations of the Defendant under this Consent Judgment and the consequences of a breach of this Consent Judgment. The Defendant represents that he has read the foregoing Consent Judgment and therefore knows and understands the contents thereof. The Defendant further represents and warrants that he is signing this Consent Judgment as the result of his own free act, and that he has not relied on any statement(s) or representation(s) of the Attorney General or anyone acting on his behalf, except for those contained in this Consent Judgment. By executing this Consent Judgment, each of the undersigned covenants and represents that he or she has the power and authority to execute this Consent Judgment.

27. Defendant agrees to this Consent Judgment without trial or adjudication of any issue of fact or law solely for the purposes of settlement. Defendant acknowledges that this Consent Judgment constitutes a stipulation to the allegations set forth herein and that nothing about this Consent Judgment shall operate as a bar to any private action that any consumer may bring or has brought against the Defendant.

28. The Defendant or Defendant's representative, signing this Journal Entry of Consent Judgment, warrants that they are duly authorized to enter into and execute this Journal Entry of Consent Judgment on behalf of Defendant.

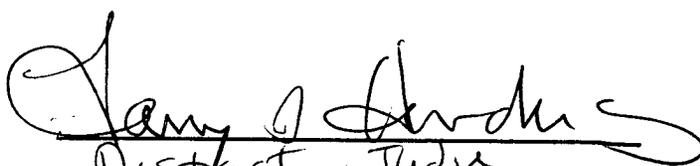
IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that the stipulation and agreement of the parties contained herein are adopted and approved as the findings of fact and conclusions of law of the Court and any monies owed hereunder by Defendant immediately become a judgment upon filing.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that judgment is entered against Defendant and in favor of Plaintiff in the amount of six thousand dollars (\$6,000.00).

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant pays 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.

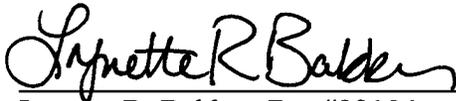

District Judge
District 6

Prepared and approved by:

PLAINTIFF



Derek Schmidt, #17781
Attorney General of the State of Kansas



Lynette R. Bakker, Bar #22104
Assistant Attorney General
Office of the Attorney General
Consumer Protection Division
120 SW 10th Ave., 2nd Floor
Topeka, Kansas 66612-1597
Tel: 785-296-3751
Attorneys for Plaintiff

DEFENDANT



Abdul-Kareem Ali, an individual
a/k/a Kareem Ali
f/d/b/a AQ Square Consulting, LLC