

**IN THE DISTRICT COURT OF JOHNSON COUNTY, KANSAS
CIVIL COURT DEPARTMENT**

STATE OF KANSAS, ex rel.)	
DEREK SCHMIDT, Attorney General)	
)	
Plaintiff,)	
)	
v.)	Case No. 19-CV-03811
)	Division 2
KOCH MEMBRANE SYSTEMS INC.,)	
)	
Defendant.)	
)	

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

JOURNAL ENTRY AND ORDER OF DEFAULT JUDGMENT

The Motion for Default Judgment filed by the State of Kansas ex rel. Derek Schmidt, Attorney General (the “State”) against Defendant Koch Membrane Systems Inc. (“KMS”), pursuant to K.S.A. 60-255(a), comes before the Court for consideration. The Court will grant the motion on the following findings based on the State’s submissions:

1. The State filed its Petition against KMS on July 18, 2019, seeking to revoke or forfeit the articles of incorporation of KMS pursuant to K.S.A. 17-6812(a), for abuse and misuse of its corporate powers, privileges, or franchise.
2. After an unsuccessful attempt to serve KMS by certified mail to its registered agent, the State obtained service on KMS by serving the Kansas Secretary of State pursuant to K.S.A. 60-304(f) on October 16, 2019.
3. As of the date of this motion, KMS has failed to answer or otherwise respond to the State’s Petition as required by K.S.A. 60-212.

4. As more fully set forth in the State's Petition, KMS was formed in 2018 as a Kansas corporation with a name similar to a well-known Kansas business and one of its indirect subsidiary corporations. KMS uses its name and its Kansas registered corporate status to masquerade as part of that Kansas business, in connection with counterfeiting activities in China. Thus, KMS is using its Kansas corporate status to impute false credibility to the counterfeiting activities of its affiliate in China.

5. On behalf of the State of Kansas, the Attorney General has the authority to seek to revoke or forfeit articles of incorporation for abuse or misuse of corporate powers, privileges, or franchises, pursuant to K.S.A. 17-6812(a).

Accordingly, it is hereby **ORDERED** that the State's Motion for Default Judgment is granted, and it is further **ORDERED** that the articles of incorporation of KMS shall be revoked and forfeited pursuant to K.S.A. 17-6812(a).

/s/ JAMES F VANO
Dated: 01/06/20

District Judge

Dated: _____

Submitted by:

OFFICE OF ATTORNEY GENERAL
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