MC

Meghan E. Stoppel, #23685 Assistant Attorney General Office of the Kansas Attorney General 120 SW 10<sup>th</sup> Avenue, 2<sup>nd</sup> Floor Topeka, Kansas 66612 (785) 296-3751 Fax: (785) 291-3699 meghan.stoppel@ksag.org KS. DISTRICT COURT
THIRD JUDICIAL DIST.
TOPEKA, KS

2013 APR 18 P 3: 09

# IN THE DISTRICT COURT OF SHAWNEE COUNTY, KANSAS Division 1

STATE OF KANSAS, ex rel. DEREK SCHMIDT, Attorney General,		)	
	Plaintiff,	)	
<b>v.</b>		)	Case No. 12 C 1399
THE PISA GROUP, INC.		)	
	Defendant.	)	
(Pursuant to K.S.A. Chap	ter 60)		

# JOURNAL ENTRY CONSENT JUDGMENT

NOW on this day of \_\_\_\_\_\_\_, 2013, 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 Meghan E. Stoppel, Assistant Attorney General. Defendant appears by and through the undersigned counsel.

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

# PARTIES, JURISDICTION AND VENUE

1. Derek Schmidt is the duly elected, qualified and acting Attorney General for the State of Kansas.

- 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, K.S.A. 50-623, et seq.
- 3. Defendant The Pisa Group, Inc. ("Defendant") has a principal place of business at 2120 Collier Corporate Parkway, St. Charles, Missouri 63303.
- 4. All references to Defendant herein include acts performed individually, in concert, or by or through employees, agents, representatives, affiliates, assignees and successors.
- 5. Defendant stipulates and admits that the Court has subject matter jurisdiction over this case and *in personam* jurisdiction over the parties.
  - 6. Defendant stipulates and admits that venue is proper in this Court.
- 7. Defendant acts as a "telephone solicitor" in Kansas, as that term is defined by K.S.A. 50-670(a)(3).
- 8. Defendant engages in "consumer telephone calls" in Kansas, as that term is defined by K.S.A. 50-670(a)(1).

#### **ALLEGATIONS**

- 9. Defendant engages in the advertising, solicitation, and sale of newspaper subscriptions to Kansas consumers.
- 10. Defendant contacts Kansas consumers over the phone to solicit the distribution of the aforementioned products.
- 11. Plaintiff alleges that Defendant, while conducting the aforementioned solicitations in Kansas, engaged in acts and practices in violation of the Kansas No Call Act, K.S.A. 50-670 *et seq.*, which acts and practices include, but are not limited to:
  - a. making unsolicited consumer telephone calls to Kansas consumers and failing to correctly identify itself to those consumers, in violation of K.S.A. 50-670(b)(1);

- b. making unsolicited consumer telephone calls to Kansas consumers and failing to identify the business on whose behalf it was soliciting, in violation of K.S.A. 50-670(b)(2);
- c. making unsolicited consumer telephone calls to Kansas consumers and failing to identify the purpose of the call to those consumers, in violation of K.S.A. 50-670(b)(3);
- d. making unsolicited consumer telephone calls to Kansas consumers and failing to answer the line, with either a live operator or an automated dialing-announcing device within five seconds of the beginning of the call, in violation of K.S.A. 50-670(b)(6);
- e. making, or causing to be made, unsolicited consumer telephone calls to Kansas consumers whose telephone numbers are listed on the National Do-Not-Call Registry, in violation of K.S.A. 50-670a(e); and
- f. failing to consult the National Do-Not-Call Registry prior to making unsolicited consumer telephone calls to Kansas consumers, in violation of K.S.A. 50-670a(b).
- 12. Defendant agrees to this Consent Judgment without trial or adjudication of any issue of fact or law solely for the purpose of settlement. Defendant neither admits nor denies the foregoing allegations. Notwithstanding, Plaintiff and Defendant stipulate and agree that this Consent Judgment resolves the alleged violations set forth in Plaintiff's Petition.

#### INJUNCTIVE RELIEF

- 13. Defendant agrees to refrain, and to be permanently enjoined, from engaging in those acts and practices set forth in paragraph eleven (11), 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.
- 14. 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.* and the Kansas No Call Act, K.S.A. 50-670, *et seq.*

- 15. Defendant agrees to cooperate with Plaintiff in investigating and remedying all complaints filed with the Attorney General's Consumer Protection Division relating to Defendant.
- 16. 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.
- 17. Defendant agrees to make available and/or disclose the provisions of this Consent Judgment to each officer, director, member, manager, employee, agent, independent contractor and representative having responsibilities with respect to the subject matter of this Consent Judgment within ten (10) days of signing the Consent Judgment, or within fifteen (15) days after any person assumes such position or responsibilities.

### INVESTIGATIVE FEES AND CIVIL PENALTIES

- 18. Defendant agrees to pay to the Office of the Kansas Attorney General fifteen thousand dollars (\$15,000.00) in investigative fees and civil penalties for violations of the Kansas No Call Act, pursuant to K.S.A. 50-632 and 50-670a(m).
- 19. Payment shall be made at the time of signing this Consent Judgment and shall be made payable to the Office of the Kansas Attorney General, mailed to:

Meghan E. Stoppel, Assistant Attorney General Consumer Protection & Antitrust Division Office of the Kansas Attorney General 120 SW 10<sup>th</sup> Ave, 2<sup>nd</sup> Floor Topeka, Kansas 66612

## OTHER PROVISIONS

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

- 21. 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.
- 22. 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.
- 23. 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.
- 24. 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.
- 25. 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 it has 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 judgment is entered against Defendant and in favor of Plaintiff in the amount of \$15,000.00

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.

Hon. Rebecca W. Crotty

District Judge

Prepared and approved by:

PLAINTIFF:

Derek Schmidt, KS #17781

Attorney General

Office of the Kansas Attorney General

120 SW 10<sup>th</sup> Ave., 2<sup>nd</sup> Floor

Topeka, Kansas 66612-1597

(785) 296-2215

Signatures continue...

Meghan E. Stoppel, #23685

Assistant Attorney General

Office of the Kansas Attorney General 120 SW 10<sup>th</sup> Avenue, 2<sup>nd</sup> Floor

Topeka, Kansas 66612

(785) 296-3751

Fax: (785) 291-3699

meghan.stoppel@ksag.org

Attorneys for Plaintiff

**DEFENDANT:** 

John Pisa, President The Pisa Group, Inc.

Vincent L. Johnson

The Johnson Law Firm, LLC

220 Salt Lick Road

St. Peters, Missouri 63376

(636) 970-3700

Attorney for Defendant