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 CLERK OF DIST COURT  
 18<sup>TH</sup> JUDICIAL DISTRICT  
 SEDGWICK COUNTY, KS  
 BY \_\_\_\_\_

**IN THE EIGHTEENTH JUDICIAL DISTRICT  
 DISTRICT COURT OF SEDGWICK COUNTY, KANSAS  
 CIVIL DEPARTMENT**

STATE OF KANSAS )  
 ex rel. )  
 DEREK SCHMIDT, Attorney General )  
 Plaintiff, )  
 )  
 v. )  
 )  
 BRAND INVESTMENTS, LLC and )  
 MICHAEL BRAND )  
 )  
 )

Case No. 2010 CV 1398

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

**JOURNAL ENTRY OF CONSENT JUDGMENT**

COPY

NOW on this 9<sup>th</sup> day of May 2011, 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 Robert E. Hiatt and Meghan E. Stoppel, Assistant Attorney Generals. Defendants appear by and through their attorney, Keith E. Martin.

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

**FINDINGS OF FACT  
AND CONCLUSIONS OF LAW**

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

2. The Attorney General's authority to enter this consent judgment is derived from the Kansas Consumer Protection Act ("KCPA"), K.S.A. 50-623, *et seq.*

3. Defendant Michael Brand is a member of Brand Investments, LLC, a limited liability company duly organized and existing under the laws of the State of Kansas.

4. Defendant Michael Brand and Brand Investments, LLC has a principal place of business at 2418 S. Hoover, Wichita, Kansas 67215.

5. All references to Defendant herein include acts individually, in concert, or by or through employees, agents, representatives, members, affiliates, assignees and successors of Michael Brand or Brand Investments, LLC.

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 se.*

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

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. The Plaintiff alleged the following:

- a. Defendant engaged in a deceptive act in connection with a consumer transaction, in violation of K.S.A. 50-626;

- b. Defendant engaged in unconscionable acts or practices in connection with consumer transactions, in violation of K.S.A. 50-627.

11. Defendant has denied the allegations made by the Plaintiff and the entry of this Consent Judgment shall not be deemed to be an admission by the Defendant of the violations alleged.

12. Defendant agrees to refrain from making any mortgage loan(s) or refinancing any mortgage loan(s) contrary to the requirements of the Kansas Mortgage Business Act, K.S.A. 9-2201, et seq, without a Mortgage Business license and to be permanently enjoined from, engaging in any act or practice which is contrary to the Kansas Mortgage Business Act or the Kansas Consumer Protection Act. Further, the Defendant agrees that engaging in any such acts or similar acts, after the entry of this Consent Judgment, shall constitute a violation of this Consent Judgment.

13. Defendant agrees to be permanently enjoined from entering into, forming, organizing, or reorganizing into any partnership, corporation, sole proprietorship or any other legal structure(s), for the purpose of avoiding compliance with the terms of this Consent Judgment.

14. Defendant agrees to cooperate with the Office of the Kansas Attorney General in investigating and remedying any future complaints filed with the Consumer Protection Division of the Kansas Attorney General against the Defendant.

15. Defendant agrees to make available and/or disclose the provisions of this Consent Judgment to all of Defendant's employees, agents, and representatives within five days of signing the Consent Judgment.

18. Defendant has paid Nine Thousand Five Hundred dollars (\$9,500.00) to the Office of the Kansas Attorney General for investigative fees, expenses, and costs, pursuant to K.S.A. §50-632

and the payment of those funds is hereby acknowledged.

19. The provisions of this Consent Judgment will be applicable to Defendant, and every member of the Defendant.

20. 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.

21. 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.

22. Compliance with this Consent Judgment does not relieve 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.

23. Defendant is not precluded from taking appropriate legal action to seek redress of any claims they may wish to assert against any person(s) not a party to this action.

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 Defendant represent the same 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 and their representatives, signing this Journal Entry of Consent Judgment for the defendant warrants that he or she is the duly authorized representative of the Defendant and has the authority to enter and execute this Journal Entry of Consent Judgment on behalf of the Defendant(s).

26. Defendant further represents and agree that they have had ample opportunity to consult with and obtain the advice of private legal counsel prior to entering into this Consent Judgment and that they understand and agree to the entry of the same.

27. The Defendant stipulates that the investigative fees and expenses paid to the Attorney General are just, fair and reasonable.

**IT IS THEREFORE ORDERED ADJUDGED AND DECREED that judgment is entered as follows:**

- A. The stipulation and agreement of the parties contained in paragraphs 1 through 26 above are adopted and approved as the findings of fact and conclusions of law of this Court.
- B. Judgment is hereby entered against Defendant, in favor of Plaintiff in total amount, of Nine Thousand Five Hundred dollars (\$9,500.00).
- C. The monetary portion of the judgment has been paid and no further filing shall be required to evidence satisfaction of the monetary portion of the judgment.
- D. Defendant is enjoined from engaging in those acts and practices set forth above and should defendant engage in such acts or similar acts the same shall constitute a violation of this Consent Judgment.

E. 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 and enter this Consent Judgment as the Order of the Court.

**IT IS SO ORDERED**

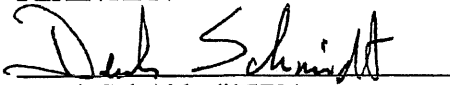
**JEFFREY E. GOERING**

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DISTRICT COURT JUDGE

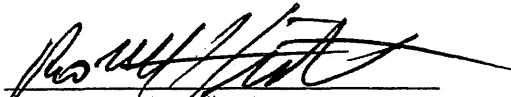
Prepared and approved by:

PLAINTIFF:



Derek Schmidt, #17781  
Attorney General of the State of Kansas  
Office of Kansas Attorney General, Derek Schmidt  
120 Southwest 10<sup>th</sup> Ave., 2<sup>nd</sup> Floor  
Topeka, Kansas 66612

*Attorneys for Plaintiff*




Robert E. Hiatt, #13810  
Assistant Attorney General  
Office of Kansas Attorney General



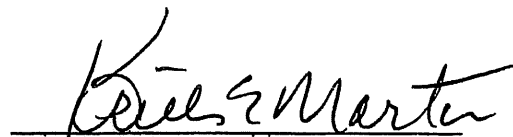
Meghan E. Stoppel, #23685  
Assistant Attorney General  
Office of Kansas Attorney General

DEFENDANT(S):

  
Michael Brand Individually

  
Michael Brand as duly authorized Member of  
Brand Investments, LLC for the LLC

Attorney for Defendant(s)

  
Keith E. Martin, SC#9341  
Smith, Shay, Farmer & Wetta  
Attorneys at Law  
200 West Douglas, Suite 350  
Wichita, Kansas 67202