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U.S. DISTRICT COURT
THIRD JUDICIAL DIST.
TOPEKA, KS

2006 FEB 10 P 1:38

IN THE DISTRICT COURT OF SHAWNEE COUNTY, KANSAS
THIRD JUDICIAL DISTRICT

STATE OF KANSAS, *ex rel.*)
PHILL KLINE, Attorney General)

Plaintiff)

v.)

Randall L. Paulson, individually and)
dba Paulson Roofing and/or Advantage Roofing)
and)
Teresa L. Pagenkopf, individually and)
dba Paulson Roofing and/or Advantage Roofing)
and)
Paulson Roofing, Inc., a corporation)
and)
Advantage Roofing, an unincorporated concern)
Defendants.)

Case No. 05-C-601
Div. 12

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

Journal Entry of Consent Judgment

NOW on this 9th day of February, 2006, comes before the Court the Journal Entry of Consent Judgment entered into between the parties, pursuant to K.S.A. 50-632(b). Plaintiff, State of Kansas, *ex rel.* Phill Kline, Attorney General, appears by and through James R. McCabria, Assistant Attorney General. Defendant appears pro se. There are no other appearances.

Snds that the parties

WHEREUPON, ~~the Parties advise~~ the Court ~~they~~ have stipulated and agree to the following matters *on the record at the hearing held on January 24, 2006: -B*

1. Phill Kline is the Attorney General of the State of Kansas.

2. The Attorney General's authority to bring this action is derived from statutory and common law of Kansas, specifically, the Kansas Consumer Protection Act, K.S.A. 50-623, *et seq.*

3. Defendant Teresa Pagenkopf ("Defendant") is an individual who, at all times relevant herein, was acting in the capacity of a "supplier" pursuant to K.S.A. 50-624(j). The nature of Defendant's business was selling and soliciting consumers to enter into contracts to permit the business or businesses that Pagenkopf was affiliated with to perform roofing services to consumer residences.

The parties further agree that this Consent Judgment is between Plaintiff and Defendant Teresa Pagenkopf. Defendant Randall L. Paulson has, since the filing of the Petition in this matter, filed for bankruptcy protection and, as to Defendant Paulson, the State is dismissing its claims without prejudice.

No service was ever made upon any of the corporate or business entities named in this action and have not been made parties to this action.

4. The Attorney General alleges that, were this matter to be litigated, the following facts could be proven:

a) That the business Defendant helped operate under the name Paulson Roofing and/or Advantage Roofing solicited and accepted contracts to perform services for installation of roofs on the residences of consumers. The habit and practice of the business was to request that consumers pay one-half down at the time of executing the contract and that all consumers identified in Plaintiff's petition did, in fact, make such payment to Defendant or the business.

b) That she was the person who was in charge of scheduling the contracts for which the business accepted payment and is the person the consumers dealt with on this issue.

c) That the business did not have the ability to provide reasonable, expectable public demand for the services and that there was no disclosure to the consumers of this limitation in violation of K.S.A. 50-626(b)(6).

d) That the business represented, knowingly or with reason to know, that services would be provided in a shorter time frame than was reasonably possible for the business in violation of K.S.A. 50-626(b)(1)(B).

e) That the business, and Defendant Pagenkopf in particular, made statements to consumers regarding scheduling of the contracts, that were misleading as to the timing and scheduling of the services which consumers relied on in violation of K.S.A. 50-627(a).

f) That the following consumers paid the amounts indicated and received no material benefit or services and are entitled to damages in the amounts indicated:

- i) Michael Larkin - \$3,000;
- ii) Jeff Fouquet - \$ 1,750.00;
- iii) Mark Peterson - \$2,640.50;
- iv) Bob Carlson - \$3,500;
- v) Joyce Sawas - \$1,500;
- vi) Robert Oswald - \$1,650;

5. Defendant agrees to this Consent Judgement without trial or adjudication of any issue of fact or law.

6. Defendant agrees to refrain from and to be permanently enjoined from

engaging in the acts and practices described in Paragraph Four hereof in any future consumer transactions. Further, in consideration of the parties settling this matter, Defendant Pagenkopf agrees to be enjoined, directly and indirectly, from accepting or soliciting payment from any consumer for any services or products of any kind (and not just limited to roofing contracts or services) wherein monies are paid prior to full completion of the underlying contract for services or products. The injunction shall be in effect for a period of ten years from the date of this Consent Judgment. The injunction shall not be construed to apply to those situations where Defendant is a mere employee of another established business in which she maintains no ownership interest or operational control, direct or indirect, and where other persons employed in positions similar to that of Defendant are engaged in conduct that might otherwise be within the scope of the injunction herein agreed to on behalf of the business.

7. Defendant agrees that engaging in acts or similar acts to those described in Paragraphs Four or Six hereof shall constitute a violation of this order.

8. In consideration of the parties settling, Plaintiff has agreed to waive any demand for civil penalties or investigative fees and none are awarded by the Court.

9. Defendant consents to judgment in the amount of \$14,040.50 as damages to consumers, such amount being the total of the sums indicated next to each consumer identified in paragraph 4(g) hereof.

10. The provisions of this Consent Judgment will be applicable to Defendant, and every employee, agent, or representative of Defendant insofar as the prohibitions of paragraphs Four and Six.

11. Defendant agrees to be permanently enjoined from entering into, forming,

organizing or reorganizing into any partnership, corporation, sole proprietorship or any other legal structure, where such restructuring is done for the purpose or object of avoiding compliance with the terms of this Consent Judgment.

12. 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 or compliance herewith, and for the punishment of violations hereof.

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

14. Compliance with this Consent Judgment does not relieve 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 civil or criminal statutes under his jurisdiction. Defendant further understands that nothing in this Consent Judgment shall preclude the Attorney General from taking further action against Defendant in operating this or any other program or business upon belief that the program or business is being promoted or operated in a fashion that otherwise violates the law.

15. The parties understand this Consent Judgment shall not be construed as an approval of or sanction by the Attorney General of the business practices of Defendant nor shall Defendant represent the decree as such an approval. The parties further understand

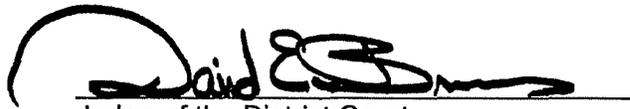
that any failure by the State of Kansas or by the Attorney General to take any action in response to any information which the Attorney General now has in his possession and believes forms the basis for a violation of any law within his jurisdiction to enforce shall not be construed as an approval of or sanction of any representations, acts or practices indicated by such information, nor shall it preclude action thereon at a later date.

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 shall immediately become a judgment upon filing.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that judgment is entered against the Defendant and in favor of Plaintiff in the amount of \$14,040.50.

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.



Judge of the District Court

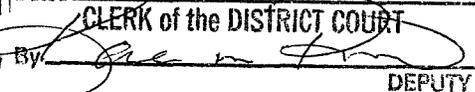
SUBMITTED PURSUANT TO RULE 170



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Attorney for Plaintiff



STATE OF KANSAS, COUNTY OF SHAWNEE, S.S.
I hereby certify the above and foregoing to be a true and correct copy, the original of which is filed and entered of record in the court
Dated 2-21-06

CLERK of the DISTRICT COURT
By 
DEPUTY