Joseph N. Molina, #20934 Assistant Attorney General Office of the Attorney General 120 SW 10th Street, 2nd Floor Topeka, KS 66612-1597 (785) 296-3751

IN THE DISTRICT COURT OF JOHNSON COUNTY, KANSAS Division 3

STATE OF KANSAS, ex rel. Paul Morrison, Attorney General	
Plaintiff	(
ν.) Case No. 06-C-04334
St. Clair Corporation, a corporation	\ .
Defendant,	,
(Pursuant to K.S.A. Chapter 60)	

Journal Entry of Consent Judgment

NOW ON THIS 5711-DAY of March, 2007, there comes before the Court the Petition to Approve Consent Judgment filed in this matter. Plaintiff, the State of Kansas, ex rel. Paul Morrison, Attorney General, appears by and through counsel, Joseph N. Molina, Assistant Attorney General. Defendant St. Clair Corporation, Inc., appears pro se. There are no other appearances.

WHEREUPON, the Parties advise the Court they have stipulated and agree to the following matters:

- 1. Paul Morrison is the Attorney General of the State of Kansas.
- 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. K.S.A. 50-632(b) authorizes the parties to resolve matters pursuant to a

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Consent Judgment and the parties have agreed to do so in this instance.

- 3. Defendant is a corporation organized under the laws of the State of Missouri and is in good standing in the State of Missouri with principal place of business located at 10845 Baur Boulevard, St. Louis, MO 63132. The nature of Defendant St. Clair's business is home and residential remodeling and repair.
- 4. Defendant admits that this Court has personal and subject matter jurisdiction over all matters and parties hereto.
- 5. The Attorney General alleges that, were this matter to be litigated, the following facts could be proven:
 - A. Defendant St. Clair is a "supplier" for all purposes relevant hereto, as defined by K.S.A. 50-624(j).
 - B. Evelyn and Kenneth Kimura are residents of Kansas and reside at 3504 W. 85th Street, Leawood, Kansas. For all purposes herein the Kimuras are "consumers" as defined by K.S.A. 50-624(b).
 - C. On or about December 23, 2003, Defendant St. Clair entered into a consumer transaction with the Kimuras.
 - D. The transaction between Defendant St. Clair and the Kimuras was for the furnishing and installation of vinyl siding to the Kimura residence. The contract price for the transaction was \$16,750.00 and the Kimuras paid \$5,500.00 at the time of signing the contract.
 - E. The City of Leawood Municipal Code 16-2-10.3(B) prohibits the installation or use of, inter alia, vinyl siding to a residential structure within the city limits. At no time prior to the installation did Defendant St. Claire advise the Kimuras of this restriction nor take any other steps to put the Kimuras on notice that this restriction existed.
 - F. At no time prior to the installation, Defendant St. Clair made no attempt to obtain a building permit for the installation of the siding at the Kimura residence. Had such application been timely submitted indicating an intent to install such siding, it is the practice of the City of Leawood to advise that the application will be denied due to the use of a prohibited material. Thus, Defendant St. Clair knew or should have known of such restriction and failed to disclose the same to the Kimuras until after the service had been performed.

- G. As a consequence of Defendant St. Clair's actions, the Kimuras have been forced to remove the siding and incur expense in the amount of \$3,800 of having the damages to their residence caused by the installation and removal of the siding, as well as other incidental and consequential damages.
- H. The Defendant St. Clair's failure to disclose to the Kimuras that the subject of the consumer transaction they solicited would be in violation of the City of Leawood's zoning regulations, would subject them to potential criminal prosecution and would not be permitted to remain on the structure constitutes a deceptive act as prohibited by K.S.A. 50-626(a) for which civil penalties should be imposed and for which damages on behalf of the Kimuras should be awarded.
- 6. Defendant voluntarily agrees to this Consent Judgment without trial or adjudication of any issue of fact or law and specifically denies that any of the Attorney General's allegations of fact or law accurately reflect the full circumstances of the Kimura transaction.
- Pefendant agrees to refrain from and to be permanently enjoined from engaging in the acts and practices described in Paragraphs 6(F) and 6(H) hereof which are alleged to be violations of the KCPA in any future consumer transactions in the State of Kansas which implicate the application of zoning codes. In any such future transactions wherein Defendant solicits or intends to solicit consumers to purchase goods and/or services (as opposed to those instances where the consumer has initiated the purchase of specific goods and/or services), Defendant shall first take such steps as are reasonable to determine that the goods or services being solicited or sold to the consumer do not or will not violate applicable zoning codes or ordinances, or will otherwise subject the consumer to the penalty of any such codes or ordinances by virtue of Defendants sale or installation of such goods or services. This provision shall be construed to apply only in those situations in which Defendant initiates the sale of the good or service, regardless of whether there was a transaction otherwise initiated by the consumer which does not implicate the provisions of this settlement.

- 8. Defendant agrees that engaging in acts or similar acts to those described in Paragraph Six and Seven hereof may constitute a violation of this Order and hereby stipulates, in that event, to civil penalties of \$10,000.00 per violation.
- 9. Defendants agree to pay \$3,000.00 in investigative fees, expenses and civil penalties to the "Office of the Attorney General" of the State of Kansas. Payment shall be made in the form of a cashier's check or other certified funds made payable to the Office of the Attorney General and shall be delivered at the time of the entry of this Consent Judgment.
- 10. Defendants further agree to pay \$5,142.00 in restitution to the Kimuras as payment of damages as authorized by K.S.A. 50-632(b)(3). Such payment shall be in the form of a cashier's check or other certified funds made payable to Evelyn or Kenneth Kimura and shall be delivered to the Attorney General at the time of the entry of this Consent Judgment.

Defendant and Plaintiff agree that nothing herein shall be construed to prevent any individual consumer not named herein from pursuing their own claim for relief under the KCPA, or any other theory of law, nor shall the Attorney General be prevented from taking such actions on behalf of any such consumer from and after the date of this Consent Judgment, except that the Attorney General shall not have authority to pursue additional civil penalties in any such action for violations based upon facts and circumstances similar to those alleged to give rise to the violations herein. The Kimuras will execute a general release in the form attached hereto as Exhibit A and will agree to withdraw their complaint with the Missouri Attorney General concerning these same allegations.

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

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- 12. Defendant agrees to be permanently enjoined from entering into, forming, organizing or reorganizing into any partnership, corporation, sole proprietorship or any other legal structures, where such restructuring is done for the purpose or object of avoiding compliance with the terms of this Consent Judgment.
- 13. 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 hereof.
- 14. 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.
- 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. Notwithstanding anything to the contrary hereing, provided that Defendant complies with its obligation herein, the Attorney General will take no further action on the underlying complaint. Defendant further understands that nothing in this Consent Judgment shall preclude the Attorney General from taking further action against Defendant in operating its business upon belief that such operations are being promoted or conducted in a fashion that otherwise violates the law.
- 16. 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.

ITIS FURTHER ORDERED, ADJUDGED AND DECREED that judgment is entered against the Defendant and in favor of Plaintiff in the amount of \$8,142.00.

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, subject to such further proceedings as may be necessary and allowed hereunder

or by law.

IT IS SO ORDERED.

PREPARED AND APPROVED BY:

lames R. McCabria, #16663 **Assistant Attorney General** 120 SW 10th Avenue, 2nd Floor

Topeka, Kansas 66612-1597

(785) 296-3751

APPROVED BY:

Judge of the District

Doug Simon Vice President St. Clair Corporation