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RECORDED BY CLERK
U.S. DISTRICT COURT
THIRD JUDICIAL DIST.
TOPEKA, KS
2001 AUG 15 P 4: 26

IN THE DISTRICT COURT OF SHAWNEE COUNTY, KANSAS
Division 4

STATE OF KANSAS, *ex rel.*)
CARLA J. STOVALL, Attorney General)

Plaintiff,)

vs.)

ZEYAD MOUSA ABU-NAIM and)
GLADYS GOMEZ, d/b/a G & Z Toys and)
d/b/a Z & G Toys,)

Defendants.)

Case No. 01 C 952

Petition Pursuant to K.S.A. Chapter 60

JOURNAL ENTRY OF CONSENT JUDGMENT

NOW on this 15 day of Aug., 2001, Plaintiff's Petition for Approval of Consent Judgment comes before the Court pursuant to K.S.A. §50-632(b). Plaintiff, the State of Kansas, *ex rel.* Carla J. Stovall, Attorney General, appears by and through James J. Welch, Assistant Attorney General. Defendants Zeyad Mousa Abu-Naim and Gladys Gomez, d/b/a G & Z Toys and d/b/a Z & G Toys, appear pro se.

Whereupon, the parties advise the Court that they have stipulated and agree to the following matters:

1. Carla J. Stovall is the Attorney General of 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. Defendants Zeyad Mousa Abu-Naim and Gladys Gomez, d/b/a G & Z Toys and d/b/a Z & G Toys, operate as a sole proprietorship organized under the laws of the state of Texas. The principal office and residence of the Defendants is located at 7319 Crystal Glen Lane, Houston, Texas 77095.

4. Defendants are suppliers within the definition of K.S.A. §50-624(i) and have engaged in consumer transactions in Kansas within the definition of K.S.A. §50-624(c) and (h).

5. Defendants admit the Court has personal and subject matter jurisdiction over the parties.

6. Defendants stipulate and waive any objection to venue in Shawnee County.

7. Defendants sell shoes and/or toys to consumers. Defendants' sales constitute door-to-door sales, as defined by K.S.A. §50-640.

8. The Attorney General alleges and Defendants admit Defendants engaged in the following acts and practices which are deceptive and/or unconscionable and violate the Kansas Consumer Protection Act:

a. Defendants failed to furnish consumers with a fully completed receipts which contained in immediate proximity to the space reserved for the consumers' signature a notice of consumers' rights to cancel, in violation of K.S.A. §50-640(b)(1).

b. Defendants failed to furnish consumers with a completed "Notice of Cancellation" form in duplicate, attached to consumers' receipts which was easily detachable and which contained the consumers' right to cancellation form in 10-point boldface type, in violation of K.S.A. §50-640(b)(2).

- c. Defendants failed, before furnishing copies of the “notice of cancellation” to consumers, to complete both copies by entering the dates of the transactions and the dates, not earlier than the third business days following the dates of the transactions, by which consumers may have given notices of cancellation, in violation of K.S.A. §50-640(b)(3).
 - d. Defendants failed to inform consumers orally of such consumers’ rights to cancel, at the time such consumers signed the contracts and purchased shoes from Defendants, in violation of K.S.A. §50-640(b)(5).
 - e. Defendants represented to consumers that all shoe prices included applicable tax; however, Defendants, in fact, neither collected nor remitted sales tax to the Kansas Department of Revenue. This is in violation of K.S.A. §50-626(b)(1)(B) in that it is the representation made knowingly and with reason to know that defendants had a sponsorship, approval, status, affiliation and connection that the defendant did not have (namely, a Kansas Department of Revenue-issued sales tax license).
 - f. Defendants made solicitations and sales described above to consumers who are elder persons (60 years of age or older), as defined by K.S.A. §50-676(a). Defendants' violations committed against elderly consumers subject Defendants to enhanced penalties, pursuant to K.S.A. §50-677.
9. Defendants voluntarily admit liability and agrees to this Consent Judgment without trial or adjudication of any issue of fact or law.
10. Defendants agree to refrain from and to be permanently enjoined from engaging in those acts and practices alleged to be deceptive or unconscionable in paragraph eight (8) of this Consent Judgment, and Defendants agree that engaging in such acts or similar acts, after the date of this Consent Judgment, shall constitute a violation of this Order.

11. Defendants agree to refrain from and to be permanently enjoined from engaging in any and all deceptive and/or unconscionable acts and practices in violation of the Kansas Consumer Protection Act, K.S.A. §50-623 *et seq.*, as it now exists or as amended in the future and Defendants agree that engaging in such acts or practices after the date of this consent judgment shall constitute a violation of this Order.

12. The provisions of this Consent Judgment will be applicable to Defendants, and every employee, agent or representative of Defendants.

13. Defendants agree to make available and/or disclose the provisions of this Consent Judgment to its employees, agents and representatives within five days of signing the Consent Judgment.

14. Defendants agree to resolve any future complaints filed with the Office of the Attorney General regarding Defendants by paying full refunds after the date of this Consent Judgment to the satisfaction of the Attorney General within 30 days of the date such complaint is forwarded to Defendants for resolution.

15. Defendants agree 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 of this Consent Judgment.

16. Defendants agree to pay \$500.00 in civil penalties and \$500.00 in investigative fees, pursuant to K.S.A. §50-632, to "Office of the Attorney General" of the State of Kansas. Payment shall be made in cash at the time of signing this Consent Judgment.

17. Defendants agree to pay all expenses and reasonable attorney's fees in connection with the collection of any amounts in this judgment, provided Defendants do not pay the amounts as agreed herein within the time frame stated.

18. Defendants agree to maintain all business records for a period of five years and to allow the Attorney General to inspect all of Defendants' business records in the future.

19. 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.

20. 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.

21. Compliance with this Consent Judgment does not relieve Defendants 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 her jurisdiction.

22. 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 Defendants nor shall Defendants 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.

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.

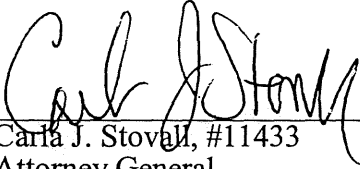
IT IS FURTHER ORDERED, ADJUDGED AND DECREED that judgment is entered against Defendants in favor Plaintiff in the amount of \$1,000.

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.

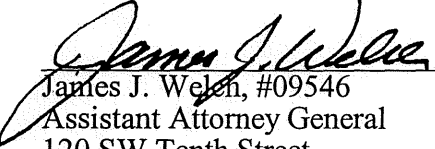
IT IS SO ORDERED.

15/ Hon. Charles Andrews
DISTRICT COURT JUDGE
Div 9 for Div 4

Approved by:




Carla J. Stovall, #11433
Attorney General



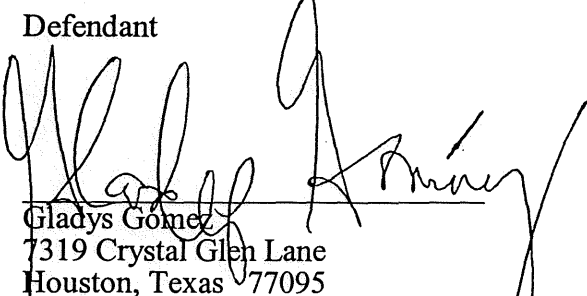
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Attorney for Plaintiff



Zeyad Mousa Abu-Naim
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Defendant



Gladys Gomez
7319 Crystal Glen Lane
Houston, Texas 77095

Defendant