FILED BY OLERK

James J. Welch, #09546 Assistant Attorney General Office of the Attorney General 301 SW 10th Topeka, Kansas 6612-1597 (913) 296-3751

TOPEKA, KANSAS

IN THE DISTRICT COURT OF SHAWNEE COUNTY, KANSAS Division /2

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

Plaintiff,

VS.

Case No. 97CV1039

JOE C. HOLLOWAY, D/B/A HILLVIEW STUDIOS,

Defendant.

Petition Pursuant to K.S.A. Chapter 60

## JOURNAL ENTRY OF CONSENT JUDGEMENT

1911 WOM this the day of Plaintiff's Petition for Approval of Consent Judgement 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. Defendant Joe Holloway, d/b/a Hillview Studios, appears 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.
- 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 Hillview Studios is a sole proprietorship organized under the laws of the state of Kentucky. The principal office of the business is located at 601 Broadway, Paducah, Kentucky 42001-6869.
- 4. Defendant Joe Holloway is an individual and the owner of Hillview Studios, who resides at 1547 State Route 303, Mayfield, Kentucky 42066.
- 5. Defendant is a supplier within the definition of K.S.A. \$50-624(i)\$ and has been engaged in consumer transaction in Kansas within the definition of K.S.A. \$50-624(c)\$ and (h).
- 6. Defendant admits that the court has personal and subject matter jurisdiction over the parties.
- 7. Defendant stipulates and waives any objection to venue in Shawnee County.
- 8. Defendant is a photography studio which has advertised and sold photography services within the State of Kansas.
- 9. The Attorney General alleges Defendant engaged in the following acts and practices which are deceptive and/or unconscionable and violate the Kansas Consumer Protection Act:
- a. Although Defendant's sales to consumers constituted door-to-door sales, Defendant failed to furnish consumers with printed notices of cancellation, in violation of K.S.A. §50-640(b)(1) and §50-640(b)(2).
- b. Although Defendant's sales to consumers constituted door-to-door sales, Defendant failed to inform consumers orally, at the time of purchase, of such consumers' rights to cancel, in

violation of K.S.A. §50-640(b)(5).

- c. Defendant misrepresented, to at least one consumer, such consumer's right to cancel, in violation of K.S.A. §50-640(b)(6).
- d. Although Defendant's solicitations to consumers constituted unsolicited telephone calls, as defined by K.S.A. §50-670, defendant failed to, within 30 seconds after beginning the conversation, inquire whether the person being solicited was interested in listening to a sales presentation, in violation of K.S.A. §50-670(b).
- e. Although Defendant's solicitations to consumers were initiated by telemarketer, as defined by K.S.A. §50-671(b), Defendant failed to obtain from consumers a signed confirmation that discloses in full the terms of the sale agreed upon prior to accepting payment for such services, in violation of K.S.A. §50-672.
- 10. Defendant voluntarily agrees to this Consent Judgement without trial or adjudication of any issue of fact or law.
- 11. Defendant agrees to refrain from and to be permanently enjoined from engaging in those acts and practices alleged to be deceptive or unconscionable in paragraph nine (9) of this Consent Judgement, and Defendant agrees that engaging in such acts or similar acts, in the State of Kansas, after the date of this Consent Judgement, shall constitute a violation of this order.
- 12. Defendant agrees 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., and Defendant agrees that engaging in such acts or practices after the date of this consent judgement shall constitute a violation of this Order.

- 13. The provisions of this Consent Judgement will be applicable to Defendant, and every employee, agent or representative of Defendant.
- 14. Defendant agrees to make available and/or disclose the provisions of this Consent Judgement to its employees, agents, and representatives within five days of signing the Consent Judgement.
- 15. Defendant agrees to resolve any future complaints filed with the Office of the Attorney General regarding Defendant after the date of this Consent Judgement to the satisfaction of the Attorney General within 30 days of the date such complaint is forwarded to the Defendant for resolution.
- 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 Judgement.
- 17. Regarding allegation set forth in paragraph 9 (subsections a through e) from July, 1996 through May, 1997, defendant agrees to pay \$2,500.00 in investigation fees and expenses to the "Office of the Attorney General" of the State of Kansas. In addition, Defendant agrees to pay \$2,500.00 in civil penalties to the "State of Kansas". Payment shall be made by

cashier checks and shall be delivered and made payable to the Attorney General of the State of Kansas at the time of Defendant's signing this Consent Judgement.

- 18. The Attorney General agrees not to pursue any claims, demands, or civil causes of action under the Kansas Consumer Protection Act against Hillview Studios with respect to the acts and practices alleged to be deceptive in paragraph nine (9) of this Consent Judgement which arise or relate to its portrait sales practices, during approximately July, 1996 through May, 1997.
- 19. Defendant agrees to maintain all business records for a period of five years and to allow the Attorney General to inspect, at Defendant's place of business, all of Defendant's business records, in reference to the State of Kansas, which are located at 601 Broadway, Paducah, Kentucky, in the future.
- 20. Jurisdiction is retained by this Court for the purpose of enabling any of the parties to this Consent Judgement 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 Judgement is held to be invalid, unenforceable, or void for any reason whatsoever, that portion shall be severed from the remainder and shall not effect the validity or enforceability of the remaining provisions, portions or parts.
  - 22. Compliance with this Consent Judgement 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 her jurisdiction.

23. The parties understand that this Consent Judgement 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 submitted pursuant to the Consent Judgement 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 judgement upon filing.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the judgement is entered against Defendant in favor Plaintiff in the amount of \$5,000.00.

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 this Consent Judgement and adopts the same as the order of the Court.

## IT IS SO ORDERED

Approved by:

Attorney General

Times J. Welch, #09546 Assistant Attorney General

Kansas Judicial Center

Topeka, Kansas 66612-1597

(913) 296-3751

Attorney for Plaint ff

oe C. Holloway, individually nd as owner of

Hillview Studios

601 Broadway

Paducah, Kentucky 42001-6869

Defendant

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