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IN THE DISTRICT COURT OF SHAWNEE COUNTY, KANSAS
Division 3

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

Plaintiff,

vs.

MARCUS DAHN, Individually, and A-1
ALARMS, INC.,

Defendant.

Case No. 97 CV 644

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

JOURNAL ENTRY OF CONSENT JUDGMENT

NOW on this 30th day of December, 1997, 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 Terry A. Iles, Assistant Attorney General. Defendant, Marcus Dahn, Individually, and A-1 Alarm, Inc., appear by and through Gregory J. Bien, Sloan, Listrom, Eisenbarth, Sloan & Glassman, L.L.C.

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. Defendant Marcus Dahn is a sales representative and President of A-1 Alarms, Inc., and may be served with process at 55 Z Street, Lake Lotawana, Missouri 64086-9742.

4. Defendant A-1 Alarms, Inc. is a Missouri corporation authorized to do business in the State of Kansas pursuant to its Foreign Corporation Application filed the 26th of July 1991, with the Kansas Secretary of State's Office. Defendant may be served with process through its resident agent Evonne Howell located at 15843 W. 147th Terrace, Olathe, Kansas 66061.

5. 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).

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

7. Defendants stipulate and waive any objections to venue in Shawnee County.

8. Defendants are engaged in the business of installing, servicing and monitoring security alarm systems in residents and businesses.

9. The Attorney General alleges Defendants engaged in the following acts and practices which are deceptive and unconscionable and violate the Kansas Consumer Protection Act, K.S.A. 50-623 *et seq.*:

a. Defendants violated the Kansas Consumer Protection Act, K.S.A. 50-626(a) and (b), in that, Defendants willfully failed to state, or willfully concealed, suppressed, or omitted material facts, in violation of K.S.A. 50-626(b)(3).

b. Defendants violated the Kansas Consumer Protection Act, K.S.A. 50-627(a) and (b), in that:

i. Defendants took advantage of the inability of the consumer reasonably to protect the consumer's interests because of the consumer's (i) inability to understand the language of the

- agreement, or (ii) other similar factors, in violation of K.S.A. 50-627(b)(1);
- ii. The consumer transaction Defendants induced consumers to enter into was excessively one-sided in favor of Defendants, in violation of K.S.A. 50-627(b)(5); and
 - iii. Defendants excluded, modified or otherwise attempted to limit the implied warranties of merchantability and fitness for a particular purpose, in violation of K.S.A. 50-627(b)(7).
- c. Defendants violated the Kansas Consumer Protection Act, K.S.A. 50-640(a) and (b), in that:
- i. Defendants failed to furnish each consumer with a fully completed contract with a notice of cancellation statement in immediate proximity to the space reserved for the signature, in violation of K.S.A. 50-640(b)(1);
 - ii. Defendants failed to furnish each consumer with a complete form in duplicate, captioned "NOTICE OF CANCELLATION," in violation of K.S.A. 50-640(b)(2); and
 - iii. Defendants failed to inform each consumer orally of such consumer's right to cancel, in violation of K.S.A. 50-640(b)(5).

10. Defendants do not agree the Kansas Consumer Protection Act was violated, but agree to this Consent Judgment without trial or adjudication of any issue of fact or law.

11. Defendants agrees to refrain from and to be permanently enjoined from engaging in those acts and practices alleged to be deceptive and unconscionable in paragraph nine (9) of this Consent Judgment, and Defendants agrees that engaging in such acts or similar acts 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 agrees to make available and/or disclose the provisions of this Consent Judgment to its employees, agents and representatives within ten days (10) of signing the Consent Judgment.

14. Defendants agrees to resolve any future complaints filed with the Office of the Attorney General, 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 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 of this Consent Judgment.

16. Defendants agrees to pay the total sum of \$1,054.00 as restitution to the consumers listed on Exhibit A in their respective amounts pursuant to K.S.A. 50-632(a)(3). Payment shall be made by cashier's check made payable to the individual consumer, and shall be delivered to the Attorney General of the State of Kansas at the time of signing this Consent Judgment. Furthermore, Defendants agrees to correct any negative information reported on any of the consumer's credit reports in connection with their purchase of the Defendant's goods and/or services, and repair any and all damages caused as a result of such goods and/or services.

17. Defendants agrees to pay \$5,000.00 in investigation fees and expenses and \$5,000.00 in civil penalties to the "Office of the Attorney General" of the State of Kansas. Payment shall be made by cashier's check and shall be delivered to the Attorney General of the State of Kansas at the time of signing this Consent Judgment.

18. Defendants agrees to maintain all business records for a period of five (5) years and to allow the Attorney General to inspect all of Defendant's business records with respect to any future complaints filed with the Office of the Attorney General.

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 or for the enforcement of compliance herewith.

20. If any portion, provisions, 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 obligations 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 of Defendants.

IT IS FURTHER 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.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that judgment is entered against Defendant in favor of Plaintiff in the amount of \$11,054.00.

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.

IT IS SO ORDERED.

14 Thomas R Conklin
DISTRICT COURT JUDGE

Approved by:

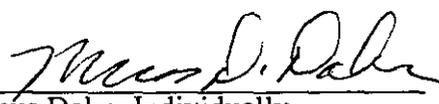

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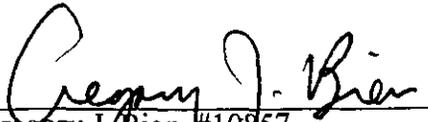
Attorney for Plaintiff


Marcus Dahn, President
A-1 Alarms, Inc.
P.O. Box 337
Blue Springs, Missouri 64013

Defendant


Marcus Dahn, Individually
55 Z Street
Lake Lotawana, Missouri 64086-9742

Defendant



Gregory J. Bien, #19857
SLOAN, ~~WISTROM~~ EISENBARTH,
SLOAN & GLASSMAN. L.L.C.
714 Capitol Federal Building
700 Kansas Avenue
Topeka, Kansas 66603-3881
(913) 357-6311

Attorney for Defendant

EXHIBIT A

CONSUMER COMPLAINTS

Mary C. Lane 2412 SE Virginia Avenue Topeka, Kansas 66605-1361	\$701.00
Joe M. Ybarra 406 SE Lafayette Topeka, Kansas 66607-1911	\$353.00