

Gail E. Bright, #14572
Assistant Attorney General
Office of the Attorney General
Kansas Judicial Center
Topeka, Kansas 66612-1597
(785) 296-3751

COPY
FILED BY CLERK
KS. DISTRICT COURT
5th JUDICIAL DISTRICT
JUN 30 1 54 PM '98
TOPEKA, KANSAS

IN THE DISTRICT COURT OF SHAWNEE COUNTY, KANSAS
Division 6

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

Plaintiff,)

v.)

) Case No. 98-CV- 890

WAL-MART STORES, INC.,)
Defendant.)

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

JOURNAL ENTRY OF CONSENT JUDGMENT

NOW on this 30th day of June, 1998, 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.* Carla J. Stovall, Attorney General, appears by and through Gail E. Bright, Assistant Attorney General. Defendant, Wal-mart Stores, Inc., appears by and through counsel, Michael J. Jerde of Morrison & Hecker, L.L.P. There are no other appearances.

WHEREUPON, the parties advise the Court 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 statutory and common law of Kansas, specifically, the Kansas Consumer Protection Act, K.S.A. 50-623, *et seq.*, and Weights and Measures Standards and Enforcement, K.S.A. 83-201, *et seq.*

3. Defendant Wal-mart Stores, Inc., is a foreign corporation organized under the laws of the State of Delaware with a principal office located at 702 SW 8th St., Bentonville, Arkansas, 72712. Defendant operates numerous retail stores in Kansas, including locations at 1301 SW 37th Street and 1501 SW Wanamaker Road, Topeka, Kansas.

4. Defendant is a supplier within the definition of K.S.A. 50-624(i) and has engaged in consumer transactions in Kansas within the definitions of K.S.A. 50-624(c).

5. Defendant is responsible for the acts of its agents and employees under the legal theory of respondeat superior.

6. Defendant admits the Court has personal and subject matter jurisdiction over the parties.

7. The Attorney General alleges Defendants engaged in the following acts and practices which are deceptive and violate the Kansas Consumer Protection Act:

- (a) on January 8, 1997, an employee of the Kansas Department of Agriculture, Division of Weights & Measures, conducted an investigation at Defendant's store at 1301 SW 37th Street, Topeka, Kansas, with regard to price signage and scanning procedures of said store, said investigation showed four (4) errors in signage and/or scanning out of 100 items checked, three (3) of which would have resulted in overcharges to consumers, violations of K.S.A. 83-219(a)(16) and K.S.A. 50-626; and
- (b) on March 12, 1997, an employee of the Kansas Department of Agriculture, Division of Weights & Measures, conducted an investigation at Defendant's store at 1501 SW Wanamaker Road, Topeka, Kansas, with regard to price signage and scanning procedures of said store, said investigation showed seventeen (17) errors in signage and/or scanning out of 100 items checked, 13

of which would have resulted in overcharges to consumers, violations of K.S.A. 83-219(a)(16) and K.S.A. 50-626.

8. Pursuant to K.S.A. 83-219(d), the violations referenced in paragraph seven (7) above are deemed deceptive acts and practices, as defined by K.S.A. 50-626, under the Kansas Consumer Protection Act.

9. Defendant agrees to this Consent Judgment without trial or adjudication of any issue of fact or law and denies the Attorney General's allegations set forth herein.

10. Defendant agrees to refrain from and to be permanently enjoined from engaging in acts and practices described in paragraph seven (7) in violation of the Kansas Consumer Protection Act. Defendant agrees that engaging in acts or similar acts after the date of this Consent Judgment shall constitute a violation of this Order.

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

12. Defendant agrees to make available and/or disclose the provisions of this Consent Judgment to all of its appropriate senior management personnel within thirty (30) days of signing the Consent Judgment.

13. 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 of this Consent Judgment.

14. Defendant agrees to pay \$7,500.00 in investigation fees and expenses to the Office of the Attorney General of the State of Kansas and \$7,500.00 in civil penalties to the State of Kansas (to be credited to the Weights and Measures Fee Fund). Payment shall be made by cashier's check,

payable to the "Office of the Attorney General," and shall be delivered to the Attorney General of the State of Kansas at the time of signing this Consent Judgment.

15. 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.

16. 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.

17. Compliance with this Consent Judgment 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.

18. 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 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.

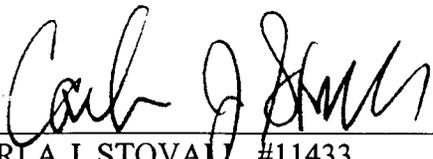
IT IS FURTHER ORDERED, ADJUDGED AND DECREED that judgment is entered against Defendant in favor of Plaintiff in the amount of \$15,000.00.

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 the Consent Judgment and adopts the same as the Order of the Court.

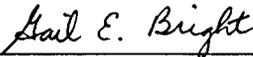
IT IS SO ORDERED.

/s/ Terry L. Bullock
Judge of the District Court

PREPARED AND APPROVED BY:

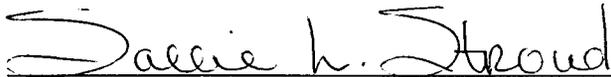


CARLA J. STOVALL, #11433
Attorney General



Gail E. Bright, #14572
Assistant Attorney General
Kansas Judicial Center
Topeka, Kansas 66612-1597
(785) 296-3751
Attorney for Plaintiff

APPROVED BY:



Sallie L. Stroud
Assistant General Counsel
Wal-Mart Stores, Inc.
702 SW 8th Street
Bentonville, Arkansas 72716-8095



Michael J. Jerde, KS #11280
Morrison & Hecker, L.L.P.
2600 Grand Avenue
Kansas City, Missouri 64108-4606
(816) 691-2722
Attorney for Defendant