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KS. DISTRICT COURT
THIRD JUDICIAL DIST
2000 OCT 25 P 4:20
GENERAL JURISDICTION
TOPEKA, KANSAS

IN TUE DISTRICT COURT OF SHAWNEE COUNTY, KANSAS
Division 1

STATE OF KANSAS, a ret,
CARLA J. STOVALL, Attorney General,

Plaintiff,

v.

Case No. 00 C 1394

MICHAEL C. COOPER, Individually;
and d/b/a ADVANTAGE INTERNATIONAL MARKETING)
and d/b/a RENAISSANCE HOLDING CORP.
and d/b/a RENAISSANCE OF NEVADA;
RENAISSANCE TTP, INC.
f/k/a RENAISSANCE DESIGNER GALLERY PRODUCTS INC.
d/b/a THE TAX PEOPLE a/k/a The Tax People.net and
d/b/a ADVANTAGE INTERNATIONAL MARKETING, INC.
a/k/a ADVANTAGE INTERNATIONAL MARKETING CORPORATION
a/k/a ADVANTAGE INTERNATIONAL MARKETING;
ADVANTAGE INTERNATIONAL MARKETING, INC.
a/k/a ADVANTAGE INTERNATIONAL MARKETING CORPORATION
a/k/a ADVANTAGE INTERNATIONAL MARKETING,
a wholly owned subsidiary/division of RENAISSANCE TTP, INC.;
and John or Jane Does 1-50

Defendants.

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

TEMPORARY RESTRAINING ORDER

NOW ON this 25th day of October, 2000, this matter comes before the Court on the

Application for Temporary Restraining Order filed by Plaintiff, State of Kansas, a *ret.*, Carla J. Stovall, Attorney General. Plaintiff appears by and through Rex G. Beasley, Assistant Attorney General. Defendant Michael Cooper appears by and through James B. Bisenbrandt, Jeremiah Morgan, and Mark Brennan of Bryan Cave L.L.P. the remaining defendants, except for John and Jane Does 1-50, appeared by and through James K. Hobbs and Marilyn B. Keller of Wyrsh Hobbs Mirakian & Lee, P.C. 1101 Walnut Suite 1300 Kansas City, Missouri 64106-2122.

Thereupon the parties presented this agreed order to the court and consented to its entry to be effective immediately⁴

After review of Plaintiffs Petition and Application for Temporary Restraining Order and the Affidavit of Special Agent Mike Enzbrenner in support thereof, the Court finds following:

1. This action was commenced by the State of Kansas on the relation of Carla J. Stovall, Attorney General, against Defendants.
2. Plaintiff alleges, *inter alia* and as more specifically set forth in the petition, that Defendants are suppliers, as defined by K.S.A. §50-624(i), and have engaged in consumer transactions within the definition of K.S.A. §50-624(c) and (h), with consumers, as defined by

K.S.A. §50-624(b) and that during consumer transactions regarding the solicitations and sales of the Defendants' home-business opportunities, Defendants committed numerous acts which are deceptive and unconscionable acts and practices, and that Defendants' actions constitute multiple violations of the Kansas Consumer Protection Act, K

-623 a

seq.

3. Plaintiff seeks declaratory and injunctive relief, consumer restitution, expenses and

investigative fees, civil penalties, enhanced civil penalties, court costs, and any other relief the Court deems appropriate.

4. The Court has authority to issue this Temporary Restraining Order pursuant to Kansas Consumer Protection Act, specifically K.S.A. 50-632(a)(2) and K.S.A. 50-632(c)(1)&(6), and also pursuant to K.S.A. 60-902.

5. Although Defendants do not admit to any wrongful acts or violations of the law as alleged they have and by the signatures of their counsel hereto do consent to the entry of this Temporary Restraining Order without the necessity of a hearing which is hereby waived.

IT IS THEREFORE BY THE COURT FOUND, ORDERED, ADJUDGED AND

DECREED that Defendants, their officers, agents, servants, employees, attorneys and any persons in concert or participation with them, should be and until further Order of this Court, are hereby immediately restrained as follows:

1. Defendants shall immediately cease all new advertisement and promotion of their tax relief system, its components, and all other products claimed to be sold by them. In addition, Defendants shall immediately take such reasonable and necessary steps to immediately cancel and cease all current advertisement and promotion of their tax relief system, its components, and all other products claimed to be sold by them, including, but not limited to, the discontinuance of their Internet website.

2. Defendants shall immediately cease enrolling new members in or processing orders for the tax relief system, its components, and all other products claimed to be sold by them.

3. Defendants shall immediately cease accepting payments for their tax relief system, its componezics. and all other products claimed to be sold by them, from any of their Independent

Marketing Associates (IMAs), Business Centers, Retail Centers, non-IMAs (or any other term used to describe Defendants' customers, members, contractors, independent contractors, or any other person enrolled in Defendants programs through Form MOO or any other similar agreement), including, but not limited to, debiting credit cards, debiting, drafting, or otherwise withdrawing funds from bank accounts, except as otherwise provided herein. Any money orders or personal checks received by Defendants from any of their Independent Marketing Associates or anyone else listed above shall be held without being cashed and shall be accounted for. Any cash received from said persons shall be deposited in a new account to be established by defendants for the purpose of holding said funds pending further Order of the Court. Defendants shall keep such records of the payments so as to identify the date, and amount of each individual payment and the identity of the person or persons making the payments.

4. Defendants shall immediately cease paying commissions, bonuses, or compensation of any kind to any of their Independent Marketing Associates or anyone else as listed in Paragraph

3 above.

5, Defendants bank accounts, except for any accounts of Mr. Cooper which is used by him solely for personal reasons, shall be immediately frozen and shall remain intact, except as otherwise provided in this paragraph, or to effectuate the provisions of this Order. Defendants may withdraw funds necessary to pay the rental or lease payments on any property currently rented or leased by the Corporate Defendants, any utility expenses in connection with such property, and other reasonable business expense. The Corporate Defendants may continue to pay salaries of their current hourly employees based upon said employees' current hourly rates of pay and regular hours of work per week, No bonuses or other payments shall be made to said hourly employees, or on their behalf,

provided, however, Defendants may pay healthcare benefits, worker's compensation, or insurance premiums to or on behalf of said hourly employees if, but only if, said payments are currently being made. If officers, directors, or other salaried personnel are currently receiving company-paid insurance, Defendants may continue to pay those premiums. The Corporate Defendants may pay attorneys' fees and legal expenses from said accounts. The Corporate Defendants may pay legitimate, timely claims pursuant to any existing written refund or guarantee provisions.

6. Defendants shall immediately cease advertising, preparing, performing, accepting payments for, supervising, operating, or in any manner conducting any business relating to the sale of Defendants' Tax Relief System or the operation of any multi-level or network marketing program, referral sales program, or business opportunity, including but not limited to maintaining or permitting access to any Internet websites, as described in Plaintiff's Petition, except as otherwise provided herein.

7. Nothing in this Order prohibits the parties from asserting any claims or defenses in any further litigation.

8. Notwithstanding any other provision of this Order and subject to the conditions below, the Defendants may continue to provide the following services, and receive payment for same, to current subscribers of the following:

"Individual Tax advice for W-2 Wage Earners"
"Individual Audit Representation" "Business Tax Advice" "Business Audit Representati

Provided, however, before accepting additional payment for such services, Defendants shall give each subscriber to such services the following notice:

The Kansas Attorney General has filed suit against Michael Cooper, Renaissance, TTP. and others which alleges among other things that the Tax Advantage System, a/k/a Tax Relief System, is an illegal pyramid scheme and that the Defendants' activities violate Kansas laws. In addition, the Internal Revenue Service and the United States Postal Service are continuing to make inquiries into Defendants' business activities.

Defendants may not collect any further fees for said services unless the subscriber agrees, after receipt of the above notice, to continue payment for the same.

9. If Defendants satisfy the notice requirements of Paragraph 8, and the subscriber consents to the continued payment for said service(s), the Defendants may use such payment(s) for the purposes set forth in Paragraph 5 above.

10. Nothing in this Order shall preclude Defendants from stating that they deny any allegations of wrong doing.

11. Nothing in this Order is intended nor shall any party allege or construe any provision of this Order as constituting an endorsement or approval of any of the Defendants' business practices.

Further, the Court specifically authorizes agents and attorneys of the Kansas Attorney

General's Consumer Protection/Antitrust Division to monitor compliance with this Temporary Restraining Order notwithstanding the provisions of DR4.2.; pending further order of the Court, or pending final resolution of this matter, and Orders Defendants to account to Plaintiff for all funds received or expended from the accounts frozen as a result of this Order,



A handwritten signature in black ink, appearing to read "Jim L. Greenberger". Below the signature, the words "District Court Judge" are printed in a smaller, sans-serif font.

IT IS SO ORDERED.

APPROVED BY:

**OFFICE OF THE ATTORNEY GENERAL
CARLA Z. STOVALL**

Assistant Attorney General

Attorney for Plaintiff

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