

PETITION

COMES NOW the Plaintiff, the State of Kansas, *ex rel.* Carla J. Stovall, Attorney General, by and through counsel, Terry D. Hamblin, Assistant Attorney General, and for its cause of action against Defendants, alleges and states that:

JURISDICTION AND VENUE

1. Carla J. Stovall is the duly elected, qualified, and acting 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, *etseq.*
3. Defendants, and each of them individually, transact business within the State of Kansas, including Shawnee County. The violations of law hereinafter described have been and are being carried out within this state and this county. The actions of the Defendants, and each of them, individually, jointly and severally, as set forth below, are in violation of the laws and public policies of the State of Kansas and are harmful to the rights and interest of the general public as consumers.
4. Defendants are subject to the jurisdiction of the Court as provided by K.S.A. 50-638(a).
5. Venue is proper in the Third Judicial District of Kansas (Shawnee County) as provided by K.S.A. 50-638(b).
6. Defendants are suppliers as defined by K.S.A. 50-624(i).
7. At all times relevant hereto, and in the ordinary course of business, Defendants engaged in consumer transactions as defined by K.S.A. 50-624(c).
8. The Kansas Attorney General has received numerous complaints from consumers and inquiries from various federal and out-of-state law enforcement and regulatory agencies regarding Defendants' business practices.
9. On August 31, 2000, the State of North Carolina, Department of Justice, Michael F. Easley, Attorney General, Consumer Protection Section wrote to Defendant Cooper advising Mr. Cooper that "[w]e have received information concerning The Tax People.net. Based on verbal descriptions and the written materials , we have made a determination that TTP is an illegal pyramid scheme... You are to immediately cease soliciting North Carolina residents for The Tax People.net.
10. On October 11, 2000, pursuant to federal criminal search warrants, agents of the Kansas Attorney General' s Consumer Protection and Antitrust Division assisted federal agents from the Internal Revenue Service Criminal Investigations Division and the United States Postal Inspection Service in search and seizure operations at four (4) of Defendants' business locations in

Topeka, Shawnee County, Kansas.

DEFENDANTS

11. Defendants are responsible for the acts and omissions of their employees and agents under the legal doctrines of *respondeat superior* and agency.

12. Defendant Michael C. Cooper (hereinafter "Defendant Cooper") is the founder, Chief Executive Officer and principal shareholder of Renaissance TTP, Inc., a company specializing in the sales and service of home based business packages.

13. As part of the home based business concept, Renaissance TTP, Inc. offers tax support in the form of tax return preparation, tax advice and audit protection.

14. Defendant Cooper personally controls said Defendant Corporation's actions, policies, marketing techniques, and other business practices by overseeing every aspect of the business' operations, actively recruiting new participants in Defendants' scheme and promoting the use of questionable home based business deductions to participants in Defendants' scheme.

15. Defendant Cooper's exercise of control over the operations and affairs of Defendant Corporation are so extensive and pervasive as to make Renaissance TTP, Inc. merely an alter ego of Defendant Cooper.

16. Defendant Cooper has done business as Advantage International Marketing, Inc., a non-existent fictitious corporation, and Advantage International Marketing (AIM).

17. Defendant Cooper utilizes a multi-level marketing scheme to expand his company's business base.

18. Defendant Cooper may be served with process at his residence, 2635 NW 86th Street, Topeka, Shawnee County, Kansas 66618, or at Defendant Corporation's principal place of business at 1001 SW Gage Boulevard, Topeka, Kansas 66604, or wherever he may be found within or without the State of Kansas.

19. Defendant Renaissance TTP, Inc. f/k/a Renaissance Designer Products Gallery, Inc. (hereinafter "Defendant Corporation"), d/b/a The Tax People and d/b/a Advantage International Marketing, Inc. is a corporation established under the laws of the State of Nevada registered with the Kansas Secretary of State as a foreign for profit corporation with a principal place of business at 1001 SW Gage Boulevard, Topeka, Kansas 66604.

20. Defendant Corporation is an alter ego of individual Defendant Michael C. Cooper.

21. Advantage International Marketing, Inc. aka Advantage International Marketing Corporation aka AIM is a non-existent fictitious corporation alternately depicted by Defendants as a wholly owned subsidiary or unincorporated division of Defendant Corporation.

22. Pursuant to K.S.A. 60-301(e)(1)&(2), Defendant Corporation may be served with process at 1001 SW Gage Boulevard, Topeka, Kansas 66604 on and through Michael C. Cooper, an officer of Defendant Corporation, or by serving any officer of Defendant Corporation or a resident, managing or general agent of Defendant Corporation or by leaving a copy of the summons and petition at any business office of the Defendant Corporation with the person having charge thereof.

23. Plaintiff is uninformed of the true names and capacities of Defendants sued herein as John and Jane Does 1 through 50, inclusive, and will amend this Petition to name the same when

such have been ascertained.

24. Whenever reference is made in this Petition to any act of "Defendants," such allegation shall mean that each Defendant acted individually and jointly with the other Defendants named herein.

25. Whenever reference is made in this Petition to any act of any corporate Defendant, such allegation shall mean that such corporation did the acts alleged in the Petition through its officers, directors, employees, agents and/or representatives while they were acting within the actual or apparent scope of their authority.

ACTS OF DEFENDANTS

26. Paragraphs 1 through 25 are hereby incorporated by reference.

27. On or about June 17, 1995, Defendant Cooper caused Articles of Incorporation of Renaissance Designer Gallery Products, Inc. to be filed with the Secretary of State of the State of Nevada.

28. On or about August 23, 1995, Defendant Cooper caused a Foreign Corporation Application Form FA registering Defendant Corporation as a foreign for profit corporation to be filed with the Secretary of State of the State of Kansas.

29. On April 30, 1996 Defendant Cooper entered into a Consent Judgment in *State of Kansas, ex rel., Carla J. Stovall vs. Truly Special, inc. et al*, wherein Defendant Cooper and his co-defendant therein;

"9. ... agree to be permanently enjoined from engaging in those acts and practices alleged to be deceptive or unconscionable in. . . this Consent Judgment [violations of K.S.A. 50-626(a), 50-626(b)(1)(E) and 50-626(b)(3)], and... agree that engaging in such acts or similar acts, after the date of this Consent Judgment, shall constitute a violation of this Order.

10. . . . 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 . . . agree that engaging in such acts or practices after the date of this consent judgment shall constitute a violation of this Order."

30. On or about February 3, 1997, Defendant Cooper caused Restated Articles of Incorporation of Renaissance Designer Gallery Products, Inc. to be filed with the Secretary of State of the State of Nevada.

31. On or about September 30, 1997, Defendant Cooper caused a Certificate of Reinstatement Form RR to be filed with the Secretary of State of the State of Kansas because Defendant Corporation' s authority to engage in business in the State of Kansas had been forfeited for failure to timely file annual report(s) and pay its annual fee(s).

32. On or about April 13, 1999, Defendant Cooper caused a Certificate of Amendment to Restated Articles of Incorporation (After Issuance of Stock) for Renaissance Designer Gallery Products, Inc. to be filed with the Secretary of State of the State of Nevada changing the name of Renaissance Designer Gallery Products, Inc to Renaissance TTP, Inc.

33. On or about July 21, 1999, Defendant Cooper caused a Certificate of Name Change from the Secretary of State of the State of Nevada changing the name of Renaissance Designer Gallery Products, Inc to Renaissance TTP, Inc. to be filed with the Secretary of State of the State of Kansas.

34. Defendants are, and at all times mentioned herein were, engaged in conducting and promoting a referral sales scheme, as defined in K.S.A. 50-626(b)(1)(E), involving the sale of the "Tax Advantage System;" the "Tax Relief System;" the "Prepaid Tax Advantage Program;" and the "Founders Pak" consisting of four (4) of the above described systems/programs which entitle the purchaser of a "Founders Pak" to establish multiple down-line sales pyramids.

35. Defendants engaged in such conduct in Shawnee County, Kansas and elsewhere within the State of Kansas, and from locations in Kansas to members of the public residing in other States.

36. According to information set forth in Defendants' promotional materials at Defendants' Internet website, www.thetaxpeople.net, downloaded on February 22, 2000, Defendants operate and promote a pyramid style referral sales scheme as follows, to wit:

(a) New recruits, referred to as IMA's (Independent Marketing Associates), enter the scheme after "enrolling" as an IMA by completing an "IMA Application and Agreement (Form LI 00)." There is no purchase required to become an IMA. At this point, the IMA is "authorized" to buy Defendants' products at wholesale to resell for retail profits.

(b) If an IMA "joins" without ordering the Defendants' Tax Relief System (TRS) a/k/a the Tax Advantage System (TAS) Defendants call this an "unfunded" application and the IMA has no Business Center structured and is not entitled to "earn" any bonuses. Until and unless the IMA makes a sale of a TRS/TAS they will not have a "Business Center" structured and will remain a sales representative entitled only to continue to buy Defendants' purported products at wholesale to resell for retail profits.

(c) Once an IMA generates either \$125 in DSB '5 (Direct Sales Bonuses) or makes three (3) complete TRS/TAS sales within 90 days, the IMA is considered to be "funded." The IMA then is required to supply Renaissance with an automatic payment method for the monthly PTA (Prepaid Tax Advantage) Program. "Once PTA payment information is provided, the IMA is eligible to be paid on successline (sic) GSV (Gross Sales Volume) in the form of "Trilogy Bonuses" and "PTA residual bonuses and may continue to sell an unlimited number of additional Tax Relief Systems and earn Instant as well as Residual Direct Sales Bonuses on each sale."

(d) The PTA program is made available automatically to customers who purchase the TRS and provide Renaissance with a payment method for monthly PTA services. Defendants represent that the PTA program:

(1) assures customers "that each and every tax deduction is properly identified, implemented, documented, and virtually 'audit-proof';"

(2) provides customers with "immediate and unlimited access to professional tax advice from distinguished tax experts on Defendants' multiple nationwide tax conference calls each week as well as unlimited e-mail, 1-800 toll-free tax access, and the 24-hour Pocket Office message system;"

(3) provides customers, "at the end of the calendar year, regardless of when they started on PTA, FREE basic 1040 Federal and State income tax return preparation, with all supporting schedules available at a discounted rate, by pulling the document from Fax on Demand or the website," when in reality the cost to have Defendants prepare a tax return varies from \$35 to several hundred dollars based on the number of schedules attached the return;

(4) provides "numerous audit intervention services... in the event of notification of an IRS tax audit including full representation by one of Defendants' tax professionals;"

(5) provides "a monthly newsletter, alternating with The 1st Amendment, Tax Chat and

Women Taking AIM;" and

(6) provides "10 tax passports each month (equivalent to \$100 of tax consultation) for prospects."

37. A key component of Defendants' marketing strategy is the promotion of their Tax Advantage System (TAS) aka Tax Relief System (TRS).

38. Defendants' promotional materials make the following representations:

(a) The TAS/TRS is a system by which a participant in the Defendants' scheme can establish a home based business and allegedly "automatically receive a guaranteed minimum \$5,000 in new tax deductions" resulting from the new business;

(b) Participants in Defendants' scheme are encouraged to realize an "immediate pay raise" by changing their tax withholding with their current employer to reflect their new offsetting business losses they expect to incur;

(c) Defendants' representatives claim that "new members can convert personal expenses into deductible business expenses simply by purchasing the Defendant Corporation's product and utilizing the strategies of the "TAS/TRS;"

(d) Participants in Defendants' scheme are encouraged to take aggressive business tax deductions for major portions of participants' home mortgage payments, utilities, depreciation, automobile mileage, child and spousal wages, vacations, employee fringe benefits and many other personal expenses being deducted as business expenses simply because the participant now claims to have started a home based business.

39. Aggressive business tax deductions as described and promoted in Defendants' scheme are not bona fide business expenses actually incurred in the pursuit of a legitimate business venture.

40. Defendants are in the business of selling tax deductions.

41. In essence, Defendants are selling a home based business to participants in Defendants' scheme that consists of nothing more than selling the same business to other participants so that they too can take the aggressive business tax deductions promoted by Defendants' scheme.

42. After joining the Defendants' scheme, participants are actively and aggressively encouraged to recruit new participants who in turn can set up their own home based businesses and allegedly realize tremendous tax savings themselves.

43. Defendants' promoters encourage aggressive recruitment of new participants in Defendants' scheme by allowing existing participants in Defendants' scheme to earn bonus income based upon the number of new participants in Defendants' scheme recruited.

44. According to Defendants' promotional materials, a participant's bonus pay is based upon a trinary, or three legged, multi-level marketing (pyramid) pay plan designed by Defendant Cooper.

45. Defendants encourage the purchase of a "Founder's Pak," consisting of four TAS/TRS packages for one customer, which automatically establishes a purchaser's three leg customer base and entitles them to additional benefits

46. The purchase of the "Founder's Pak" establishes multiple positions within the Defendants' marketing scheme creating a pyramid.

47. Participants in the Defendants' scheme who recruit CPAs or other tax professionals earn a "bounty" or "additional commission."

48. CPAs who are recruited into the Defendants' scheme are encouraged to recruit new participants into Defendants' scheme from the CPA's existing client base and to prepare returns utilizing the "automatic" business deductions promised by Defendants' TAS/TRS materials.

49. The initial fee to join Defendants' scheme is \$300 per TAS/TRS to join plus \$100 per month so long as a participant remains enrolled in the Defendants' Pre-Paid Tax Advantage (PTA) Program described above.

50. The number of participants in Defendants' scheme has increased at a rapid pace since the Defendant Corporation was formed.

51. According to recent versions of Defendants' promotional materials, the Defendants' current participant base exceeds 50,000 participants in Defendants' scheme.

52. Defendant Cooper has made corporate stock offerings of Defendant Corporation's stock to participants in Defendants' scheme, knowing fully that Defendant Corporation has not been legally approved to offer stock.

53. Defendant Cooper has admitted to selling 4,032,000 shares of Defendant Corporation's unregistered securities in the State of Kansas during the year 1998.

54. On December 30, 1998 the Kansas Securities Commissioner entered a Consent Order against Defendant Cooper assessing a \$10,000 fine and ordering Defendant Cooper to cease and desist selling Defendant Corporation's securities in the State of Kansas.

55. Defendant Cooper has made numerous false claims and omissions in his written and audio/video promotional materials in furtherance of Defendants' business activities.

56. The following false claims and/or omissions are contained in one of three of Defendants' video tape promotions ("\$5,000 Per Hour," "Take A Bite Out of Your Taxes," or "It's Your Choice,") to wit:

(a) "This program is approved for eight hours of continuing professional education (CPE) in all 50 states for licensed professionals."

(b) "Renaissance is a publicly traded company."

(c) "The Tax Advantage System itself is the premier product of this home based business. Simply by showing the system to others, your home based business deductions are thoroughly established."

(d) "The customer business plan provides you with prima facie evidence that you are in a real business."

(e) "W-4 estimator allows you to immediately increase your take-home"

(1) Defendants have designed a worksheet to assist participants in Defendants' scheme with computing their expected business loss for the tax year.

(2) Defendants assert that these business losses result in an offset of other wage income and hence a reduction in the corresponding taxes due thereon.

(3) Participants in Defendants' scheme are encouraged to change their W4 forms at their places of employment to compensate for this loss and to reduce their taxes withheld.

57. Defendants have willfully, knowingly or with reason to know engaged in the following acts and practices, to wit:

(a) Defendants adopted, implemented and enforced a distribution system and policies whereby Defendants paid commissions, bonuses, rebates, and other benefits to participants in Defendants' scheme who purchased "Founder Paks" that were not based on the sale of bonafide products to verified end-user consumers.

(1) Consumers are induced into paying to join Defendants' scheme with the promise that the consumer will receive a future bonus for finding additional persons who are willing to join the program.

(2) This promise of future financial benefit is the linchpin of Defendants' marketing scheme.

(b) Defendants do not explain to consumers the eventual economic and mathematical failure of such a pyramid scheme due to market saturation, thereby leaving consumers unaware that those recruited last in the system will have little chance of finding additional investors by failing to explain market such saturation and its impact on future earnings.

(c) Defendants have willfully, knowingly or with reason to know made representations of hypothetical examples or representations of profits, savings, or payments that a participant in Defendants' scheme will or should earn or receive, or has the reasonable expectancy of earning or receiving as a participant including, but not limited to:

(1) Participants can legally save \$5,000.00 in taxes the first year,

(2) New participants in Defendants' scheme are "automatically entitled" to \$5,000 in new tax deductions;

(3) New participants in Defendants' scheme are able to reduce their current tax withholding, giving them an immediate pay raise of \$500 per month.

(d) Defendants are unable to substantiate their claim that all participants in Defendants' scheme have legally saved \$5,000 in taxes.

(e) Defendants are unable to substantiate their claim that all participants in Defendants' scheme have legally received \$5,000 in new tax deductions.

(f) Defendants willfully, knowingly or with reason to know failed to state material facts, or willfully, knowingly or with reason to know concealed, suppressed or omitted material facts in the promotion of the Defendants' scheme, including but not limited to representations that:

(1) Consumers would realize a substantial tax saving by purchasing Renaissance TTP, Inc.'s products and starting their own home-based business when, in fact, the consumer was not told that the tax laws vary and every individual's situation is different, and may not result in any tax savings.

(2) Consumers could take specific tax deductions such as writing off a portion of your mortgage or rent, paying your children a specific salary per year, or writing off car expenses when, in fact, the consumer was not told that the tax laws vary and these deductions may not be available to the consumer or be cost effective for the consumer to implement.

(g) Defendants willfully, knowingly or with reason to know have falsely represented that Renaissance TTP, Inc.'s program is good for continuing education credits for CPAs in all 50 states.

(h) Defendants have willfully, knowingly or with reason to know used, in oral or written representations to consumers, various exaggerations, falsehoods, innuendos and ambiguities as to material facts and omissions of material facts in the promotion of the Defendants' scheme, including but not limited to representations that:

(1) Participating consumers were guaranteed \$5,000 in tax savings the first year of participation in Defendants' scheme or the consumer would be entitled to a full refund; and

(2) Defendants would refund a consumer's money if the consumer requested a refund within 30 days when, in fact, Defendants refused to refund consumers' money when asked to do so by requiring consumers to obtain a return authorization number which consumers could not get because Defendants instituted a scheme in which consumers were shuffled around until after the 30 day window for obtaining a refund had passed and then ultimately refusing to give the consumer an authorization number because the consumers were outside the 30 day refund period.

(i) Defendants willfully, knowingly or with reason to know have falsely represented that Defendants' Tax Advantage/Tax Relief System and sales promotional scheme have the approval or endorsement of one or more government agencies and former government officials.

58. At its core Defendants' scheme is an illegal pyramid referral sales scheme even though Defendants are constantly changing many of the descriptive terms relating to the Defendants' tax relief scheme and compensation packages over the course of time on their Internet website and in other promotional materials.

59. On October 12, 2000, at 12:45 a.m., following the execution of federal criminal search warrants on Defendants business premises, Defendants caused an e-mail with the subject heading "A message from CEO and Founder Michael C. Cooper" to be sent to participants in Defendants' scheme wherein the following statements appear, to wit:

(a) "There have been no charges filed against TTP, myself, or anyone else in the company!"

(b) "There has been no 'cease and desist' issued to TTP!"

(c) "TTP is not out of business! If it were you would not be one of nearly 30,000 IMAs getting an email from the PRESIDENT OF TTP!"

(d) "... Investigators and regulators have been in our offices all day, and may be there for several more days. While this on-sight (sic) investigation continues, we will be unable to process new shipments or issue new bonus checks or clear outstanding checks."

(e) "... we will be completely cleared to do business as usual following the current Investigation."

60. On October 16, 2000, at 12:57a.m., Defendants caused an e-mail with the subject heading "A message from CEO and Founder Michael C. Cooper" to be sent to participants in Defendants' scheme wherein the following statements appear, to wit:

(a) "Realize that this challenge [the search and seizure action] is basically an IRS 'audit' (although one at a very high level of intensity)."

(b) "I am sending you this e-mail for several reasons:

1. To make some very positive announcements about our DAILY PAY!

2. To announce 'Business as Usual' [Emphasis added.] with some improvements;
 3. To correct misinformation that has been circulated recently by our enemies/competitors;
 4. To correct the misinformation that has been reported in the press."
- (c) "...WE ARE IN BUSINESS and WE ARE processing orders on a daily basis."
- (d) ". . . IMA live, our website updates and order processing are fully operational."
- (e) "The training we offer through the Tax Relief System and ATPN network is approved for continuing education credit for CPAs in ALL 50 STATES!"
- (f) "My last e-mail clearly explained that we needed a day or two to reassemble our phone and computer network following completion of the on-site investigation (search warrant). I am happy to report that they completed this process Wednesday night. We have been processing orders since last Thursday."
- (g) "... . right now, the only thing I need..., is for you to stand by me." KANSAS CONSUMER PROTECTION ACT VIOLATIONS

Deceptive Acts and Practices

61. Paragraphs 1 through 64 are hereby incorporated by reference.
62. Defendants have engaged in deceptive acts or practices in connection with a consumer transaction by making representations knowingly or with reason to know that Defendants' services have sponsorships or approvals that Defendants' services do not have, in violation of K.S.A. 50-626(b)(1)(A) of the Kansas Consumer Protection Act.
63. Defendants have engaged in deceptive acts or practices in connection with a consumer transaction by making representations knowingly or with reason to know that Defendants have sponsorships, approvals, status, affiliations or connections that Defendants do not have, in violation of K.S.A. 50-626(b)(1)(B) of the Kansas Consumer Protection Act.
64. Defendants have engaged in deceptive acts or practices in connection with a consumer transaction by making representations knowingly or with reason to know that Defendants' services are of a particular standard or quality when Defendants' services are of another which differs materially from Defendants' representations, in violation of K.S.A. 50-626(b)(1)(D) of the Kansas Consumer Protection Act.
65. Defendants have engaged in deceptive acts or practices in connection with consumer transactions by making representations knowingly or with reason to know that the consumer will receive a rebate, discount or other benefit as an inducement for entering into a consumer transaction in return for giving the supplier the names of prospective consumers or otherwise helping the supplier to enter into other consumer transactions, where receipt of the benefit is contingent on an event occurring after the consumer enters into the transaction, in violation of K.S.A. 50-626(b)(1)(E) of the Kansas Consumer Protection Act.
66. Defendants have engaged in deceptive acts or practices in connection with consumer transactions by making representations knowingly or with reason to know that Defendants' services have uses, benefits or characteristics without having or possessing a reasonable basis for making such representations in violation of K.S.A. 50-626(b)(1)(F) of the Kansas Consumer Protection Act.

67. Defendants have engaged in deceptive acts or practices in connection with consumer transactions by the willful use of exaggeration, falsehood, innuendo, and ambiguity as to material facts, in violation of K.S.A. 50-626(b)(2) of the Kansas Consumer Protection Act.

68. Defendants have engaged in deceptive acts or practices in connection with consumer transactions by willfully failing, in oral and written representations, to state material facts, and willfully concealed, suppressed or omitted material facts in oral and written representations, in violation of K.S.A. 50-626(b)(3) of the Kansas Consumer Protection Act.

Unconscionable Acts and Practices

69. Defendants have engaged in unconscionable acts or practices in connection with consumer transactions while knowing or having reason to know that when the consumer transactions were entered into the price of Defendants' services grossly exceeded the price at which similar services were readily obtainable in similar transactions by similar consumers in violation of K.S.A. 50-627(b)(2) of the Kansas Consumer Protection Act.

70. Defendants have engaged in unconscionable acts or practices in connection with consumer transactions while knowing or having reason to know that when the consumer transactions were entered into the consumers were going to be unable to receive a material benefit from the subject of the transactions in violation of K.S.A. 50-627(b)(3) of the Kansas Consumer Protection Act.

71. Defendants have engaged in unconscionable acts or practices in connection with consumer transactions while knowing or having reason to know that when the consumer transactions were entered Defendants made misleading statements of opinion on which consumers were likely to rely to the consumers' detriment in violation of K.S.A. 50-627(b)(6) of the Kansas Consumer Protection Act.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment as follows:

I. That the above-mentioned acts and practices be declared deceptive and/or unconscionable and in violation of the Kansas Consumer Protection Act, pursuant to K.S.A. 50-632 (a)(1);

II. That Defendants and their agents be permanently enjoined from the aforesaid and other similar practices pursuant to K.S.A. 50-632(a)(2);

III. That Defendants be permanently enjoined from engaging in any form of business involving multi level marketing or referral sales pursuant to K.S.A. 50-632(a)(2);

IV. That Defendants pay restitution to consumers damaged by Defendants' violations, pursuant to K.S.A. 50-632(a)(3);

V. That Defendants pay reasonable expenses and investigative fees to the Office of the Attorney General, pursuant to K.S.A. 50-632(a)(4);

VI. That Defendants pay \$5,000.00 in civil penalties for each violation of the Kansas Consumer Protection Act, as provided by K.S.A. 50-636(a);

VII. That Defendants be assessed, pursuant to K.S.A. 50-677, additional enhanced civil penalties of \$10,000 for each violation of the Kansas Consumer Protection Act committed against an elder or disabled person as defined in K.S.A. 50-676;

VIII. That Defendants pay all court costs; and

IX. That the Court grant Plaintiff any other relief available under K.S.A. 50-632(c) as the Court deems appropriate.

Respectfully submitted,

OFFICE OF THE ATTORNEY GENERAL CARLA J. STOVALL

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