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MICHAEL K. JEANES, Clerk

By J. Rutledge
Deputy

COPY

1 Thomas C. Horne
Attorney General
2 (Firm State Bar No. 14000)
Rebecca C. Salisbury
3 Assistant Attorney General
State Bar No. 022006
4 Office of the Attorney General
1275 W. Washington Street
5 Phoenix, AZ 85007
(602) 542-3725
6 consumer@azag.gov
Attorneys for Plaintiff
7

8 **IN THE SUPERIOR COURT OF THE STATE OF ARIZONA**
9 **IN AND FOR THE COUNTY OF MARICOPA**

10 STATE OF ARIZONA, *ex rel.* THOMAS C.
HORNE, Attorney General,

11 Plaintiff,

12 vs.

13 Y.M.S. INC., a Nevada Corporation, D/B/A
14 ARIZONA CORPORATE HEADQUARTERS;
15 GASTON MUHAMMAD and RONNA
16 MUHAMMAD, husband and wife,

17 Defendants.
18

Case No.: CV2009-030811

CONSENT JUDGMENT

(Assigned to the Honorable Eileen Willett)

19
20 Plaintiff, State of Arizona, *ex rel.* Thomas C. Horne, Attorney General, having filed a
21 complaint alleging violations of the Arizona Consumer Fraud Act, A.R.S. § 44-1521 *et seq.*,
22 and Defendants Y.M.S. Inc., d/b/a Arizona Corporate Headquarters, Gaston Muhammad and
23 Ronna Muhammad (hereinafer "Defendants"), having been served with the Summons and
24 Complaint; having been fully advised of their right to a trial in this matter and having waived
25 the same; having admitted that this Court has jurisdiction over the subject matter and the
26 parties for purposes of entry of this Consent Judgment; and having acknowledged that this

1 Court retains jurisdiction for the purpose of enforcing this Consent Judgment; the Court
2 makes the following findings of fact and conclusions of law and enters the following orders:

3 **I. PARTIES**

4 1. Plaintiff is the State of Arizona, *ex rel.* Thomas C. Horne (“the State”), who is
5 authorized to bring this action under the Arizona Consumer Fraud Act, A.R.S. § 44-1521 *et*
6 *seq.*

7 2. Defendant Y.M.S. Inc., d/b/a Arizona Corporate Headquarters was a Nevada
8 corporation doing business in the State of Arizona.

9 3. Defendant Gaston Muhammad a/k/a Gaston Greene, a resident of the State of
10 Georgia, was the president of Defendant Y.M.S. Inc.

11 4. Defendant Ronna Muhammad a/k/a Ronna Greene, a resident of the state of
12 Georgia, is and was, at all relevant times, the wife of Defendant Gaston Muhammad and is
13 named herein solely because of her interest in the marital community of Gaston and Ronna
14 Muhammad.

15 **II. STIPULATED FINDINGS OF FACT AND CONCLUSIONS OF LAW**

16 5. From approximately November 2008 through May 2009 Defendants mailed
17 solicitations to corporations registered with the Arizona Corporation Commission, asking
18 businesses to pay a fee of \$125.00.

19 6. Defendants received payments totaling \$338,225.00 from Arizona businesses which
20 paid the \$125.00 fee.

21 7. Defendants’ mailed solicitations constitute deceptive acts and practices in violation
22 of the Arizona Consumer Fraud Act, A.R.S. § 44-1521 *et seq.*

23 8. While engaging in the acts set forth in the Complaint, Defendants knew or should
24 have known that their conduct was of the nature prohibited by A.R.S. § 44-1522.

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1 9. The acts, omissions or other conduct of Defendant Gaston Muhammad were
2 undertaken for the furtherance of and on behalf of the marital community of Defendant
3 Gaston Muhammad and Defendant Ronna Muhammad.

4 **III. INJUNCTION**

5 10. Defendants and their agents, servants, employees, successors and assigns are
6 permanently enjoined from engaging in, directly or indirectly, any of the following activities:

7 a. Soliciting any Arizona consumer or business by mail, telephone or internet;

8 b. Operating any business in the State of Arizona which purports to offer services
9 to businesses; and

10 c. Receiving any monies, in any form, from any Arizona consumer or business, in
11 response to a solicitation.

12 11. Defendants shall comply with the Arizona Consumer Fraud Act., A.R.S. § 44-1521
13 *et seq.* as it is currently written, or as it is amended in the future.

14 12. Jurisdiction is retained by this Court for the purpose of entertaining an application
15 by Plaintiff for enforcement of this judgment.

16 **IV. PAYMENT**

17 13. Defendant, jointly and severally, shall pay to the Arizona Attorney General the
18 amount of \$338,225.00 in civil penalties due at the time of entry of this Judgment, with
19 interest thereon at ten percent (10%) per annum until paid, to be deposited into the Consumer
20 Fraud Revolving Fund pursuant to A.R.S. § 44-1531.01 and used for the purposes set forth
21 therein.

22 14. Defendants, jointly and severally, shall pay to the Arizona Attorney General,
23 \$338,225.00 in restitution, with interest thereon at ten percent (10%) per annum until paid.
24 The Attorney General shall promptly deposit any monies collected into a trust account with
25 an Arizona insured financial institution and shall disburse said funds to eligible consumers as
26 solely determined by the State and distributed on a pro rata basis. Distributions shall be made

1 at such intervals as the Attorney General, in his discretion, finds to be financially reasonable,
2 in consideration of the amount of money available, the amounts payable to individual
3 consumers, and the cost of distribution.

4 15. Defendants, jointly and severally, shall pay to the Arizona Attorney General the
5 amount of \$48,900.00 in attorneys' fees and costs due at the time of entry of this Judgment,
6 with interest thereon at ten percent (10%) per annum until paid, to be deposited into the
7 Consumer Fraud Revolving Fund pursuant to A.R.S. § 44-1531.01 and used for the purposes
8 set forth therein.

9 16. The State shall allocate any monies paid by Defendants, pursuant to this Consent
10 Judgment, first to the payment of attorney fees and costs, then to the payment of restitution,
11 and then to the payment of civil penalties.

12 **V. GENERAL TERMS**

13 17. The effective date of this Consent Judgment is the date it is signed by the Court.

14 18. The Parties have agreed to a voluntary compromise of disputed claims, and the
15 Parties have agreed on a basis for the settlement of these matters in dispute.

16 19. The State acknowledges by its execution hereof that this Consent Judgment
17 constitutes a complete settlement of its allegations against Defendants and it agrees that it
18 shall not institute any additional civil action against Defendants that is based upon the
19 conduct described in the State's Complaint. Notwithstanding the foregoing, the State may
20 institute an action or proceeding to enforce the terms and provisions of this Consent Judgment
21 or to take action based on future conduct by the Defendants.

22 20. The Defendants shall not represent or imply that the Attorney General, the State,
23 or any agency thereof, has approved any of their actions or has approved any of their present
24 or future actions or practices, and the Defendants are enjoined from representing anything to
25 the contrary.
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1 21. This Consent Judgment may be modified or vacated by order of this Court. After
2 providing at least thirty (30) days written notice and after making a good faith effort to obtain
3 concurrence of the other party for the requested order to modify or vacate, which concurrence
4 shall not be unreasonably withheld, the party seeking an order to modify or vacate may
5 petition the Court therefore. The Court will modify or vacate this Consent Judgment upon a
6 showing of good cause.

7 22. Before initiating any proceeding to enforce this Consent Judgment, the Attorney
8 General shall provide at least thirty (30) days written notice to Defendants of its intent to
9 initiate such proceedings, and shall give Defendants a reasonable opportunity to cure any
10 alleged violation. Whenever possible, the parties shall seek to resolve an alleged violation of
11 this consent Judgment by discussion. The Attorney General shall give good faith
12 consideration as to whether Defendants have taken corrective action designed to cause the
13 claimed violation to be cured and to prevent future occurrences.

14 23. This Court retains jurisdiction of this matter for the purpose of entertaining an
15 application by the State for the enforcement of this Consent Judgment.

16 24. This Consent Judgment is the result of a compromise and settlement agreement
17 between the parties. Only the parties to this action may seek enforcement of this Consent
18 Judgment. Nothing herein is intended to create a private right of action by other parties.

19 25. This Consent Judgment shall not limit the rights of any private party to pursue any
20 remedies allowed by law.

21 26. Nothing herein prohibits the State from taking actions necessary to protect public
22 health and safety as provided by applicable law. If any portion of this Consent Judgment is
23 held invalid by operation of law, the remaining terms thereof shall not be affected and shall
24 remain in full force and effect.

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1 27. Pursuant to Rule 54(b) of the Arizona Rules of Civil procedure, the Court has
2 determined that there is no just reason for delay and hereby directs that this Judgment against
3 Defendants be entered forthwith.

4
5 DATED this 2th day of Feb, 2012.

6 **EILEEN S. WILLETT**

7 _____
8 Judge of the Superior Court

9 **CONSENT TO JUDGMENT**

10 1. Defendants state that no promise of any kind or nature whatsoever was made to them
11 to induce them to enter into this Consent Judgment and that they have entered into the
12 Consent Judgment voluntarily and not as the result of fraud, undue influence, duress, or any
13 other known cause to set aside this Consent Judgment.

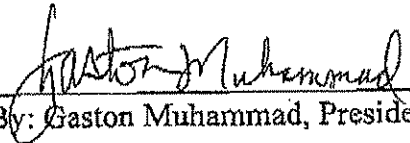
14 2. Defendants have fully read and understood this Consent Judgment, understand the
15 legal consequences involved in signing it, assert that this is the entire agreement of the
16 parties, and that there are no other representations or agreements not stated in writing herein
17 and no force, threats, or coercion of any kind have been used to obtain their signatures.

18 3. Defendants acknowledge that the State of Arizona's acceptance of this Consent
19 Judgment is solely for the purpose of settling this litigation and, except as expressly provided
20 therein, does not preclude the Attorney General, or any other agency or officer of this State,
21 or subdivision thereof, from instituting other civil or criminal proceedings as may be
22 appropriate now or in the future.

23 4. The corporate Defendant represents and warrants that the person signing below on its
24 behalf is duly appointed and authorized to do so.

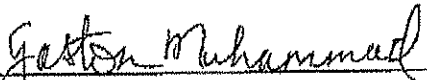
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Y. M.S. INC.,
D/B/A ARIZONA CORPORATE HEADQUARTERS



By: Gaston Muhammad, President

Dated: 01/23/12

INDIVIDUAL DEFENDANTS


GASTON MUHAMMAD

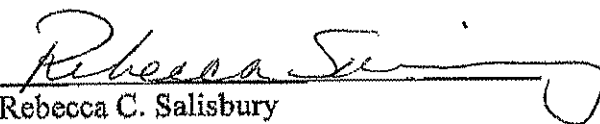
Dated: 01/23/12


RONNA MUHAMMAD

Dated: 01/23/12

APPROVED AS TO FORM AND CONTENT

THOMAS C. HORNE, Attorney General


Rebecca C. Salisbury
Assistant Attorney General
State of Arizona

#2563411