

STATE OF TEXAS
Plaintiff,

V.

JASWANTIBEN PATEL, RAMBHAI
PATEL, PIL, L.L.C & PURSHOTAM
INVESTMENTS, LTD., DBA QUALITY
INN & SUITES
Defendants

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IN THE DISTRICT COURT OF

HARRISON COUNTY, TEXAS

71st JUDICIAL DISTRICT

AGREED FINAL JUDGMENT AND PERMANENT INJUNCTION

On this day came on to be considered the above-entitled and numbered cause wherein Plaintiff is State of Texas and Defendants are Jaswantiben Patel, Rambhai Patel, PIL, L.L.C. and Purshotam Investments, Ltd. dba Quality Inn & Suites. All parties, appearing herein, and through their attorneys of record, enter into the following stipulations and agree to and do not contest the entry of this Agreed Final Judgment and Permanent Injunction.

It is stipulated that all parties have compromised and settled all claims stated by Plaintiff in this cause without the necessity of a trial, and that by entering into such settlement, Defendants make no admission of liability.

The Court then proceeded to read the pleadings and stipulations of the parties, and it appears to the Court that the parties agree to the entry of this judgment and that they have approved entry of this judgment.

1. **IT IS ORDERED, ADJUDGED AND DECREED** that Defendants, their officers, agents, servants, employees, and any other person in active concert or participation with them who receives actual notice of this judgment by personal service or otherwise, whether acting directly or

through any trust, corporation, subsidiary, division, or other devise, shall be permanently enjoined from engaging in the following acts or practices:

- A. Charging, invoicing, demanding or requesting an excessive or exorbitant price for any type of good furnished or service offered to any consumer in any area in which a disaster has occurred or the Governor of Texas has declared it a disaster area;
- B. Charging, invoicing, demanding or requesting excessive or exorbitant prices for any type of good or service offered to a consumer because such consumer is in any way affected by any type of disaster or calamity;
- C. Charging, invoicing, demanding or requesting from any consumer any amount of money or type of fee or payment or thing of value for any good or service without notifying such consumer in advance of the exact amount of money to be charged for such good or service;
- D. Charging, invoicing, demanding or requesting from any consumer any amount of money or type of fee or payment or thing of value for any good or service without receiving said consumer's express authorization in advance to furnish such good or perform such service for the amount demanded for such good or service;
- E. Representing, expressly or by implication, that the price for a particular good or service is a certain amount and then charging more than that price without the express knowledge and written consent of the consumer prior to consummation of the transaction;
- F. Charging, invoicing, demanding or requesting any amount of money or type of fee or payment or thing of value from a consumer for a good or service which was not

completely furnished or performed;

G. Charging, invoicing, demanding or requesting any amount of money or type of fee or payment or thing of value from a consumer for a good or service which has not yet been furnished or performed;

H. Representing, expressly or by implication, that a good or service has been furnished or performed, when in fact such good or service has not yet been furnished or performed;

I. Failing to tender and deliver a written receipt or itemized billing statement to every consumer purchasing goods or services from Defendants which reflect all goods or services purchased by them and the precise amount paid for each good or service;

J. Charging, invoicing, demanding or requesting a consumer's credit card unless Defendants:

1. Disclose to the consumer all of the terms, conditions, restrictions, and costs associated with Defendants' good or service prior to implementing a charge; and

2. Obtain the expressed consent and authorization from a consumer to have the consumer's credit card charged before it is charged;

K. Failing to refund money to consumers when they have not been informed of any additional fees, terms or conditions which are being imposed or have not given their express authorization in advance to purchase a good or service for the amount demanded to the consumer for such good or service;

L. Failing to keep copies of all records where consumers have put down deposits or

down payments but did not complete a purchase or sale for a period of not less than two years;

- M. Failing to keep accurate, detailed records of all sales made by Defendants whether or not such sales resulted in the consumer actually staying as a guest at the hotel for a period of not less than two years.

2. **IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that, as used in this Agreed Final Judgment and Permanent Injunction, the following terms are defined as follows:

- A. **"Consumer"** means an individual, partnership, corporation, or entity of any kind, including this state, or a subdivision or agency of this state who seeks or acquires, by purchase or lease, any goods or services;
- B. **"Defendant(s)"** means Jaswantiben Patel, Rambhai Patel, PII, L.L.C. and Purshotam Investments, Ltd. dba Quality Inn & Suites, their successors, assigns, officers, agents, subcontractors, servants, present and former employees, corporations, relatives, family, and any other persons in active concert or participation with them;
- C. **"Excessive" or "exorbitant,"** with respect to a price charged, means exceeding the amount charged for similar goods and services sold in the 90 day period immediately preceding a disaster or calamity by an amount of 10% or greater;
- D. **"Disaster" , "disaster area" or "calamity"** means an area officially declared to be the scene of any kind of emergency created by a natural or man made event by any municipal, county or state authority;
- E. **"Person"** means an individual, partnership, corporation, or entity of any kind,

including this state, or a subdivision or agency of this state who seeks or acquires, by purchase or lease, any goods or services;

F. "Services" means work, labor, or service purchased or leased for use, including services furnished in connection with the sale or repair of goods;

G. "Sell," "market" or "solicit" means any type of contact with a person or entity for the purpose of requesting, persuading, or seeking any type of contribution, sponsorship, compensation, or anything of value from said person or entity for any reason whatsoever.

3. **IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that Plaintiff, the State of Texas, have judgment in the amount of Fifty Thousand and No/100 Dollars (\$50,000.00) for civil fines and penalties from and against Defendants Jaswantiben Patel, Rambhai Patel, PIL, L.L.C. and Purshotam Investments, Ltd., jointly and severally, which the Court further finds are civil fines and penalties to and for a governmental unit and not for pecuniary compensation and which do not constitute an antecedent debt with respect to this litigation.

4. **IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that Plaintiff, the State of Texas, have judgment in the amount of One Hundred Fifty Thousand and No/100 Dollars (\$150,000.00) from and against Defendants Jaswantiben Patel, Rambhai Patel, PIL, L.L.C. and Purshotam Investments, Ltd., jointly and severally, to be used in whole or in part, for restoration of money or other property illegally taken from consumers by Defendants as Plaintiff determines appropriate. The State of Texas shall use best efforts to contact consumers who may have been affected by actions complained of in this cause, by sending a letter by regular mail to the last known address advising consumers of the restitution fund. The State of Texas shall disburse any collected

restitution herein to consumers as it deems advisable and necessary. In the event any portion of this collected restitution judgment is not able to be distributed to consumers of Plaintiff's choosing, within a reasonable time period, such amounts shall revert to Plaintiff, State of Texas, as additional attorney fees.

5. **IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that Plaintiff, the State of Texas, have judgment in the amount of Two Hundred Thousand and No/100 Dollars (\$200,000.00) from and against Defendants Jaswantiben Patel, Rambhai Patel, PIL, L.L.C. and Purshotam Investments, Ltd., jointly and severally, for reimbursement of the State's attorneys' fees, court costs and investigative costs incurred in this case, which sum is for the benefit of the State of Texas, a governmental unit, and which is not compensation for any actual or pecuniary loss and do not constitute an antecedent debt with respect to this litigation.

6. **IT IS FURTHER ORDERED** that **Bancorp South** issue (2) cashier's checks made payable to "STATE OF TEXAS" in the respective amounts of Two Hundred Thousand Dollars (\$200,000.00) from the proceeds of Certificate of Deposit No. [REDACTED]¹ standing in the name of Jaswantiben Patel, and Two Hundred Thousand Dollars (\$200,000.00) from Certificate of Deposit No. 973187² standing in the name of Rambhai Patel upon presentment of a signed copy of this Order. It is also **Ordered** that **Bancorp South** may deduct all reasonable costs of said cashier's check, and any other applicable processing or administrative fees (including penalties for early withdrawal), from the proceeds of Certificates of Deposit Nos. 972950 & 973187 prior to issuing said cashier's

¹Referred to as Certificate of Deposit No. [REDACTED] in the Agreed Order Modifying Temporary Injunction signed by the court on November 16, 2005.

²Referred to as Certificate of Deposit No. [REDACTED] in the Agreed Order Modifying Temporary Injunction signed by the court on November 16, 2005.

check. It is further **Ordered** that **Bancorp South** shall mail said cashier's check to Scot Clinton, counsel for Plaintiff, at the address of 808 Travis, Suite 300, Houston, Texas 77002.

7. **IT IS FURTHER ORDERED** that once the total sum of \$400,000 has been deducted from Certificates of Deposit Nos. 9 [REDACTED] & [REDACTED] and remitted to Plaintiff, State of Texas, pursuant to the terms of this order, said asset freeze on said certificates of deposit shall be completely released for use by the Defendants in this cause. Within ten (10) days of receiving all funds, the Plaintiff shall cause to be filed a dismissal of this action with prejudice with no right to refile.

8. **IT IS FURTHER ORDERED** that all other costs of court expended or incurred in this cause be borne by the party incurring the same.

9. **IT IS FURTHER ORDERED** that Plaintiff the State of Texas, shall have all writs and processes as may be necessary in the enforcement and collection of this judgment.

10. The clerk of the court is hereby directed to issue a Writ of Permanent Injunction to each Defendant and to issue such writs of execution or other process necessary to enforce this Agreed Final Judgment and Permanent Injunction.

11. All relief not expressly granted herein is denied.

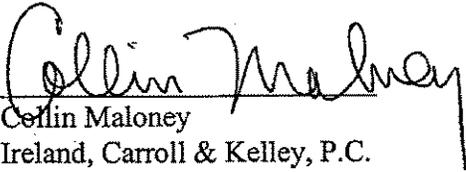
SIGNED this _____ day of _____ 2006.

JUDGE PRESIDING

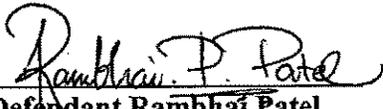
AGREED AS TO BOTH FORM AND CONTENT:

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Defendant Rambhai Patel,
individually and on behalf of
PIL, L.L.C. and Purshotam
Investments, Ltd. dba Quality
Inn & Suites

Defendant Jaswantiben Patel

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**Defendant Rambhai Patel,
individually and on behalf of
PIL, L.L.C. and Purshotam
Investments, Ltd. dba Quality
Inn & Suites**

Jaswanti Patel
Defendant Jaswantiben Patel

Jaswanti Patel