

STATE OF TEXAS  
Plaintiff,

v.

HG Hospitality, L.L.C. doing  
business as Comfort Inn-Pharr, and  
KAMALDEEP GILL  
Defendants.

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IN THE DISTRICT COURT

HIDALGO COUNTY, TEXAS

389th JUDICIAL DISTRICT

**AGREED FINAL JUDGMENT AND PERMANENT INJUNCTION**

1. On this day, came before the Court plaintiff STATE OF TEXAS and defendant HG HOSPITALITY, L.L.C. doing business as Comfort Inn-Pharr, and defendant KAMALDEEP GILL in the above entitled and numbered cause. The STATE OF TEXAS, by and through Texas Attorney General GREG ABBOTT, and defendants, by and through her attorney of record, announced to the Court that all matters of fact and things in controversy between them had been fully and finally compromised and settled, presented to the Court this Agreed Final Judgment and Permanent Injunction ("Judgment"), and asked the Court to render and sign this Judgment based on the agreement of the parties.

**STIPULATIONS**

2. By their duly authorized signatures affixed below, the parties stipulated to the Court the following: that they understand the terms of this Judgment; that they agree to the terms of this Judgment; that their agreement is freely and voluntarily made without duress; that they actively participated in the negotiations leading up to this Judgment and are aware of the duties placed upon them by it, and are desirous and capable of carrying out those duties in full; that each named party acknowledge receipt of copies of this Judgment and have full and actual notice of the terms of this

Judgment; that the issuance and service of a writ of injunction are waived; that the terms of this Judgment are sufficiently detailed and specific to be enforceable by the Court in conformance with TEX.R.CIV.P. 683 and enforceable by the Court pursuant to TEX.R.CIV.P. 692; that they have waived all rights of appeal from this Judgment; that this Judgment represents a compromise and settlement of all matters arising out of facts alleged by the STATE OF TEXAS in this cause.

3. Pursuant to their agreement, the parties submit to the jurisdiction of the Court and do not contest the entry of this Judgment. Defendants desires to resolve the Attorney General's concerns without a trial or adjudication of any issue of fact or law, and its consent to the entry of this Judgment is not an admission of liability by defendants as to any issue of fact or law, but is because of the uncertainty and costs of litigation.

4. It is further agreed by and between the parties that this Judgment shall constitute the record of this cause and that the making of a further record in this cause is waived.

#### **FINDINGS**

5. It appearing to the Court that all parties agreed to the entry of this Judgment and that they have approved its entry by their duly authorized signatures and the signature of their respective attorneys below, the Court, upon the stipulations of the parties and after being fully advised in this matter, finds as follows:

- a. That it has jurisdiction of the parties and subject matter of this suit;
- b. That the settlement of this dispute is fair, reasonable, and just;
- c. That this Judgment is in accord with the Texas Deceptive Trade Practices - Consumer Protection Act ("DTPA"), TEX. BUS. & COM. CODE ANN. § 17.41, *et seq.*,

and is proper in all respects;

d. That the civil penalty payable to and for the benefit of the State of Texas is not dischargeable under bankruptcy pursuant to 11 U.S.C. § 523(a)(7); and

e. That it would be in the best interests of the parties if the Court approved the settlement and rendered judgment accordingly.

6. Based on these findings, and having heard and considered the representations and stipulations made by the parties, the Court is of the opinion that a permanent injunction should be issued as granted in this Judgment and that plaintiff STATE OF TEXAS is entitled to recover of and from defendants as set forth below.

#### **INJUNCTIVE RELIEF**

7. IT IS, THEREFORE, ORDERED, ADJUDGED, AND DECREED that defendants HG HOSPITALITY, L.L.C. and KAMALDEEP GILL, their officers, agents, servants, employees, attorneys, and any other persons acting in concert or participation with defendants who receive actual notice of this injunction by personal service or otherwise, shall permanently desist and refrain from engaging in, or attempting to engage in, the following described acts:

a. Charging or demanding from consumers an exorbitant price, or a price in excess of ten percent (10%) of the average rate, for lodging or accommodation at any of its motels or hotels after a state of disaster has been declared by the Governor under Section 481.014 of the Texas Government Code;

b. Accepting or receiving exorbitant compensation, or compensation in excess of ten percent (10%) of the average rate, for the sale or lease of lodging or accommodation at any

of its motels or hotels after a state of disaster has been declared by the Governor under Section 481.014 of the Texas Government;

c. Failing to post a sign or card in a conspicuous place in each room with the daily room rate and the date the sign or card was posted as required by Texas Occupations Code § 2155.001(a);

d. Failing to maintain a registration system to record the name and contact information for guests of the motel including the guests' names, addresses, the length of their stay, and the price charged per day;

e. Failing to state on the room ticket the daily rate for the room, as required by Texas Occupations Code § 2155.001(c); and

f. Representing, directly or by implication, that this Court, or the Office of the Attorney General has approved any good or service sold or offered for sale by defendants, or approved of any of defendants' business practices.

As used herein, "average rate" shall mean the average of the daily rate charged for the room in question (or like or similar to the room in question) for the fourteen days immediately preceding the effective date of the Governor's declaration of disaster.

#### **MONETARY JUDGMENT**

8. IT IS FURTHER ORDERED by the Court that plaintiff, STATE OF TEXAS have and recover from defendants HG HOSPITALITY, L.L.C. and KAMALDEEP GILL, jointly and severally, the sum of \$26,277.00 comprised of the following amounts:

a. The amount of \$19,000.00 as a civil penalty to STATE OF TEXAS for false,

misleading, or deceptive acts or practices committed by defendants;

b. The amount of \$7,277.00 as reasonable and necessary attorney's fees to STATE OF TEXAS in the prosecution of this action against defendants; and

post judgment interest on the unpaid balance of \$26,277.00 at the rate of 5% per annum from the date of this Judgment until paid in full.

9. IT IS FURTHER ORDERED by the Court that the payment of the above sum shall be made in the form of a certified check (or check made by defendants' attorney from his IOLTA account) made payable to the Office of the Attorney General of Texas. The check shall bear the identifying number "AG No. 082525403" and shall be delivered to the Office of the Attorney General, Consumer Protection and Public Health Division, 3201 N. McColl Road, Suite B, McAllen, Texas 78501, Attention: Ric Madrigal. Receipt of \$14,150.00 is hereby acknowledged by the affixation of the signature of an Assistant Attorney General to this Judgment. The remaining balance shall be paid with interest in six monthly installments, with each payment due as shown, in accordance with the following schedule:

<u>Payment No.</u>	<u>Amount</u>	<u>Date Due</u>
1	\$2,072.11	December 1, 2010
2	\$2,072.11	January 1, 2011
3	\$2,072.11	February 1, 2011
4	\$2,072.11	March 1, 2011
5	\$2,072.11	April 1, 2011
6	\$2,072.12	May 3, 2011

Accepting a late payment under this schedule does not waive the State's right to timely payment as indicated in this schedule. Any payment received by the State of Texas five (5) or more days after its due date, serves – without further action or notice – to accelerate the remaining payments,

making the total of all outstanding or remaining sums due and payable immediately.

**MISCELLANEOUS**

10. IT IS FURTHER ORDERED that defendants are jointly and severally liable for all costs of court expended or incurred in this cause.

11. IT IS FURTHER ORDERED that plaintiff shall have all writs of execution and other process necessary to enforce this Judgment.

12. This Judgment is final, disposes of all claims and all parties, and is appealable. The Court retains the jurisdiction to enforce this injunction.

13. All relief not expressly granted herein is denied.

SIGNED on \_\_\_\_\_, 2010.

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JUDGE PRESIDING

APPROVED AS TO FORM AND SUBSTANCE AND ENTRY REQUESTED:

OFFICE OF THE TEXAS ATTORNEY GENERAL

HG HOSPITALITY, L.L.C.

GREG ABBOTT  
Attorney General of Texas

By: 

CHRIS FRANZ  
State Bar No. 00792514  
PERALEZ FRANZ LLP

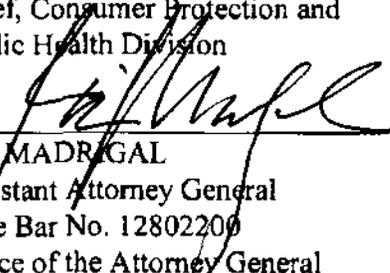
DANIEL HODGE  
First Assistant Attorney General

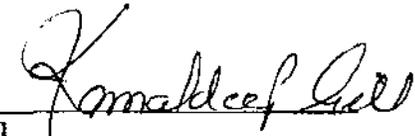
1416 Dove Ave.  
McAllen, TX 78504

BILL COBB  
Deputy Attorney General for Civil Litigation

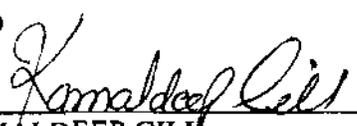
Tel: (956)682-3660  
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Attorney for Defendants

PAUL D. CARMONA  
Chief, Consumer Protection and  
Public Health Division

By:   
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State Bar No. 12802200  
Office of the Attorney General  
Consumer Protection and  
Public Health Division  
3201 N. McColl, Suite B  
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(956) 682-4547; Fax (956) 682-1957  
Attorney for Plaintiff

By: 

[Name:]  
[Title:]  
DULY AUTHORIZED OFFICER OR  
REPRESENTATIVE FOR HG  
HOSPITALITY, L.L.C.  
Defendant

AND  
  
KAMALDEEP GILL  
Defendant