Cause No. 067-254128-11

STATE OF TEXAS, Plaintiff, v. MAHROUQ ENTERPRISES INTERNATIONAL, INC. d/b/a Automax and d/b/a Dollar Rent A Car Sales, MEI AUTO REPAIR, LLC. d/b/a A Quick Inspection, and HUSSEIN K. MAHROUQ, individually and d/b/a A Quick Inspection, Defendants.	§ § § § § § § § § § § §	IN THE DISTRICT COURT OF TARRANT COUNTY, TEXAS 67th JUDICIAL DISTRICT

AGREED FINAL JUDGMENT AND PERMANENT INJUNCTION

Plaintiff, the State of Texas, acting by and through Attorney General Greg Abbott and Defendants Mahrouq Enterprises International, Inc. d/b/a Automax and d/b/a Dollar Rent A Car Sales, MEI Auto Repair, LLC d/b/a A Quick Inspection, and Hussein K. Mahrouq, individually and d/b/a A Quick Inspection, have consented to the entry of the Agreed Final Judgment and Permanent Injunction and jointly move that the Court enter this Agreed Final Judgment and Permanent Injunction.

The Court, after considering the agreement of the parties and the pleadings, is of the opinion that the said agreement should be and hereby in all things approved, and accordingly, that this Agreed Final Judgment and Permanent Injunction should be and is hereby entered.

1. STIPULATIONS

1.1 Plaintiff and Defendants stipulate to the amount of the monetary judgment specified herein.

1.2 Plaintiff and Defendant stipulate that Defendants' indebtedness to the State of Texas for civil penalties specified herein is non-dischargeable pursuant to 11 U.S.C § 523(a)(7).

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1.3 Defendants waive the issuance and service of a writ of injunction and acknowledge by the signatures below that Defendants have received notice and receipt of this injunction.

1.4 The parties stipulate that bona fide disputes and controversies exist between them both as to liability and the amount of damages, if any, that are due because of the disputes among them. Defendants, by entering into this Agreed Final Judgment and Permanent Injunction, do not admit any of the allegations made against them by the Plaintiff.

2. DEFINITIONS

2.1 "Clean Scanning" means the use of one vehicle to aid in the state required emissions testing of another vehicle. This includes attaching one vehicle to the testing equipment while manually entering the VIN of a different vehicle or testing one vehicle but issuing the inspection certificate (or sticker) to a different vehicle.

2.2 "AirCheck" means the AirCheck Texas Drive A Clean Machine program which is administered locally by the North Central Texas Council of Governments.

2.3 "Affected County" refers to any county with a motor vehicle emissions inspection and maintenance program as defined by 37 Tex. Admin. Code § 23.93.

3. INJUNCTIVE RELIEF

3.1 IT IS THEREFORE ORDERED THAT Defendants Mahrouq Enterprises International, Inc. d/b/a Automax and d/b/a Dollar Rent A Car Sales, MEI Auto Repair, LLC d/b/a A Quick Inspection, Hussein K. Mahrouq, individually and d/b/a A Quick Inspection, and Defendants' officers, agents, servants, employees, and all persons in active concert or

participation with Defendants who receive actual notice of this Order by service or otherwise, shall be permanently prohibited from the following acts and practices:[1]

A. Engaging in improper or illegal inspections of vehicles, including clean scanning, or otherwise manipulating the emissions testing process;

B. Selling, offering for sale, or trading any vehicle not properly inspected when Defendants represent, expressly or by implication, that such vehicle has been inspected and possesses a valid inspection sticker;

C. Issuing an inspection sticker to a vehicle (or placing a sticker on a vehicle) which has not been properly inspected pursuant to Texas law;

D. Representing, expressly or by implication, that a vehicle has been inspected when the vehicle has not been properly inspected pursuant to Texas law;

E. Representing, expressly or by implication, that a vehicle possesses a valid inspection sticker when the vehicle has not been issued a passing inspection certificate as a result of an inspection on that vehicle;

F. Falsely representing, expressly or by implication, that a vehicle meets all Texas emissions standards;

G. Using a vehicle for emissions inspections to issue a passing inspection sticker to a different vehicle;

H. Using a vehicle for emissions inspections to issue passing inspection stickers to more than one vehicle;

[1] Sections B, D, E, F, J, K, N, and Q of this paragraph do not apply to vehicles purchased or acquired by Defendants for the purpose of resale which contain valid Texas emissions inspection stickers from an affected county at the time of purchase so long as such emissions testing stickers are still valid at the time of resale.

I. Falsely representing, expressly or by implication, that a vehicle is free from emissions-related defects or problems which would have been detected during a vehicle emissions inspection;

J. Failing to disclose to a consumer that a vehicle has not been inspected to determine whether the vehicle has emissions-related defects or problems which would have been detected during a vehicle emissions inspection;

K. Failing to disclose to consumers that a vehicle has not been issued a valid inspection sticker;

L. Issuing an inspection sticker to a vehicle (or placing a sticker on a vehicle) which does not meet the vehicle emissions and safety standards required by the State of Texas;

M. Selling or trading a vehicle to a consumer through the AirCheck program, whereby Defendants receive any reimbursement or funds from the AirCheck program, and subsequently exchanging consumer's vehicle for a non-qualifying vehicle within 12 months after the consumer purchases the qualifying vehicle;

N. Submitting documents to the AirCheck program seeking reimbursement or accepting reimbursement from the AirCheck program for a vehicle sold to a consumer which had been clean-scanned or otherwise not properly inspected;

O. Submitting documents to the AirCheck program seeking reimbursement or accepting reimbursement from the AirCheck program when the title to the consumer's qualifying trade-in vehicle was recently transferred to the consumer by any of the Defendants for the purposes of using said vehicle as a trade-in for the AirCheck program;

P. Transferring title of a vehicle to a consumer for the purpose of having said vehicle be used as a qualifying trade-in for the AirCheck program; and

Q. Selling a vehicle to a consumer which has not been properly inspected and issued an inspection sticker.

3.2 IT IS FURTHER ORDERED THAT Defendants Mahrouq Enterprises International, Inc. d/b/a Automax and d/b/a Dollar Rent A Car Sales, MEI Auto Repair, LLC d/b/a A Quick Inspection, Hussein K. Mahrouq, individually and d/b/a A Quick Inspection, for a period of three years beginning from the date of this judgment:

A. Provide a copy of this Agreed Final Judgment and Permanent Injunction or a summary of the terms of this injunction to the following people at Automax, Dollar Rent A Car Sales, and any other used vehicle dealership owned or operated by Mahrouq Enterprises International, Inc., MEI Auto Repair, LLC, Hussein K. Mahrouq: the dealerships' general manager; any managers, directors, or supervisors who oversee vehicle sales at the dealerships; managers, directors, or supervisors who oversee the inspections of vehicles or are responsible for obtaining vehicle inspections for vehicles offered for sale at the dealerships; and any employees who perform state inspections of vehicles at the dealerships or are responsible for obtaining vehicle inspections for vehicles offered for sale at the dealerships; any employee assisting consumers in their applications to AirCheck to qualify for the program; any employee seeking funds from the AirCheck program on behalf of Defendants; and any employee involved in the sale of vehicles to consumers where Defendants may seek funds from the AirCheck program. This provision applies to current employees and future employees.

B. Provide a copy of this Agreed Final Judgment and Permanent Injunction or a summary of the terms of this injunction to the following people at any vehicle inspection station owned or operated by Mahrouq Enterprises International, Inc., MEI Auto Repair, LLC, Hussein K. Mahrouq: any managers, directors, or supervisors who oversee the vehicle inspection station; and any employees who perform state inspections of vehicles at the inspection station. This provision applies to current employees and future employees.

3.3 IT IS FURTHER ORDERED that beginning with the end of calendar quarter ending September 30, 2011 and ending with the calendar quarter ending September 30, 2014, Defendants shall provide to a designated representative of the North Central Texas Council of Governments (NCTCOG) a report of all inspection stations which it used for inspections of vehicles during such quarter for the purpose of obtaining a "mismatch" report where the vehicle identification number entered does not match the vehicle identification number recorded by the testing equipment. The report from Defendants to NCTCOG is due within 30 days after the end of a calendar quarter. Once Defendants have received the "mismatch" report from NCTCOG, Defendants will contact in writing the owner of each vehicle listed on the "mismatch" report for the purpose of re-inspecting such vehicle at the expense of Defendants. Defendants shall also provide a copy of the "mismatch" report to the Office of the Attorney General within 10 days of receipt from NCTCOG. Defendants shall provide to the Office of the Attorney General, at the address listed on this judgment, copies of such written communication with the registered owner of the vehicle and the result of such communication and/or re-inspection. This report is due within 60 days after the "mismatch" report is received from NCTCOG. After receipt of the "mismatch" report, Plaintiff will provide written notice of any potential violation of this

permanent injunction by Defendants relating to a third-party inspection station. After such written notice is provided by Plaintiff, Defendants shall be deemed to be on notice that continuing to obtain inspections with such third-party inspection station may thereafter result in a violation of the permanent injunction.

3.4 For the purposes of this Agreed Final Judgment and Permanent Injunction, the designated representative at NCTCOG is Richard McComb, 616 Six Flags Dr., Centerpoint Two, Arlington, Texas 76011, (817) 608-2340.

4. MONETARY RELIEF

4.1 IT IS FURTHER ORDERED that the State of Texas shall have judgment against Defendants Mahrouq Enterprises International, Inc. d/b/a Automax and d/b/a Dollar Rent A Car Sales, MEI Auto Repair, LLC d/b/a A Quick Inspection, Hussein K. Mahrouq, individually and d/b/a A Quick Inspection, in the amount of TWENTY FIVE THOUSAND DOLLARS AND NO CENTS ($25,000.00) as civil penalties pursuant to Tex. Bus. & Com. Code Ann. § 17.47(c)(1). It is further ordered that these civil penalties are for a governmental unit and are not compensation for actual pecuniary loss.

4.2 IT IS FURTHER ORDERED that that State of Texas shall have judgment against Defendants Mahrouq Enterprises International, Inc. d/b/a Automax and d/b/a Dollar Rent A Car Sales, MEI Auto Repair, LLC d/b/a A Quick Inspection, Hussein K. Mahrouq, individually and d/b/a A Quick Inspection, in the amount of TWENTY FIVE THOUSAND DOLLARS AND NO CENTS ($25,000.00) as reasonable and necessary attorneys fees and investigation costs.

4.3 IT IS FURTHER ORDERED that Defendants shall tender payment of the $50,000 awarded in this judgment within twenty days of the date of entry of the judgment. Payment shall be made by cashier's check or money order made payable to the Texas Attorney

General, referencing AG# 103204434 and delivered to 1412 Main St., Ste. 810, Dallas, Texas 75202.

4.4 As evidenced by the signature below, Defendants have received actual notice of this permanent injunction.

4.5 IT IS FURTHER ORDERED that the Clerk of this Court shall, upon request of Plaintiff, issue a Writ of Permanent Injunction in conformity with the law and terms of this Order to Defendants.

4.6 This Final Judgment shall in no way affect the rights of individual citizens.

4.7 All costs of court are to be paid by the party incurring the same.

4.8 All relief not granted herein is denied.

Signed on this 7th day of September 2011.

JUDGE PRESIDING

AGREED:

GREG ABBOTT
Attorney General of Texas

DANIEL T. HODGE
First Assistant Attorney General

BILL COBB
Deputy Attorney General for Civil Litigation

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ATTORNEYS FOR PLAINTIFF

HUSSEIN K. MAHROUQ, individually and d/b/a A Quick Inspection; as Director of Mahrouq Enterprises International, Inc., and as Manager of MEI Auto Repair, LLC

DEFENDANTS

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