

- c. The Parties agree to the terms of this Agreed Judgment.
- d. The Parties have waived all rights of appeal from this Agreed Judgment.
- e. The Parties actively participated in the negotiations leading up to this Agreed Judgment.
- f. The Parties are aware of the duties placed upon them by this Agreed Judgment and are desirous and capable of carrying out those duties in full.
- g. The Parties acknowledge receipt of copies of this Agreed Judgment and have full and actual notice of the terms of this Agreed Judgment.
- h. The Parties acknowledge the issuance and service of a writ of injunction are waived.
- i. The Parties acknowledge that the terms of this Agreed Judgment are sufficiently detailed and specific to be enforceable by the Court in conformance with Texas Rule of Civil Procedure 683.
- j. The Parties acknowledge that this Agreed Judgment represents a compromise and settlement of all matters arising out of facts alleged by Plaintiffs in this cause.
- k. Pursuant to their agreement, the Parties submit to the jurisdiction of the Court and do not contest the entry of this Agreed Judgment.
- l. The Parties agree that Plaintiffs may, at their discretion, file abstracts of judgment for the full amount due under this Agreed Judgment, as specified in Section V herein, but that Plaintiffs will take no further action to collect any amounts abated pursuant to Section VI of this Agreed Judgment, absent a determination of default as specified in Section VI. The Parties further agree that upon the expiration of five (5) years without the occurrence of any conditions specified in Section VI herein, and upon written request, the State will file a full release of all filed abstracts.
- m. The Parties agree that the State may take all action it reasonably believes necessary to determine Defendants' compliance with this Agreed Judgment.

II.

2.1 The Court, upon having read the pleadings, the stipulations of the Parties, and after being fully advised in this matter, finds as follows:

- a. The Court finds that all Parties agree to the entry of this Agreed Judgment and have approved its entry by their duly authorized signatures below.
- b. The Court has jurisdiction over the Parties and subject matter of this suit.
- c. The settlement of this dispute is fair, reasonable, and just.
- d. It would be in the best interests of the Parties if the Court approved the settlement and rendered the Agreed Judgment accordingly.

2.2 Based on these findings, and having heard and considered the representations made by the Parties, the Court is of the opinion that a permanent injunction should be issued as set forth in this Agreed Judgment and all other relief set forth in this Agreed Judgment should be granted

III. DEFINITIONS

For purposes of this Agreed Judgment, the following definitions shall apply:

- 3.1 "Defendants" shall mean Center Convenience, Inc., d/b/a Almeda Food Mart and any and all of its successors and assigns; Center Realty, Inc. and any and all of its successors and assigns; the Real Property Known As 10720-10722 Kingspoint Rd, Houston, Harris County, Texas, a/k/a the real property in Harris County, Texas, located at Tracts 3D and 23A, Abstract 1062, G P Burnett; Linda Thi Nguyen and any and all of her successors and assigns; and Thien Mai Nguyen and any and all of his successors and assigns.
- 3.2. "Controlled Substance" means a substance, including a drug, an adulterant, and a dilutant, listed in Schedules I through V or Penalty Groups 1, 1-A, or 2 through 4, as defined in Tex. Health

& Safety Code Chapter 481. The term includes the aggregate weight of any mixture, solution, or other substance containing a controlled substance, as defined in Tex. Health & Safety Code §481.002(5).

3.3. "Controlled Substance Analogue" means (A) a substance with a chemical structure substantially similar to the chemical structure of a controlled substance in Schedule I or II or Penalty Group 1, 1-A, or 2; or (B) a substance specifically designed to produce an effect substantially similar to, or greater than, the effect of a controlled substance in Schedule I or II or Penalty Group 1, 1-A, or 2, as defined in Tex. Health & Safety Code §481.002(6).

3.4. "Abusable Synthetic Substance" means a substance that: (A) is not otherwise regulated under this title or under federal law; (B) is intended to mimic a Controlled Substance or Controlled Substance Analogue; and (C) when inhaled, ingested, or otherwise introduced into a person's body:

(i) produces an effect on the central nervous system similar to the effect produced by a Controlled Substance or Controlled Substance Analogue;

(ii) creates a condition of intoxication, hallucination, or elation similar to a condition produced by a Controlled Substance or Controlled Substance Analogue; or

(iii) changes, distorts, or disturbs the person's eyesight, thinking process, balance, or coordination in a manner similar to a Controlled Substance or Controlled Substance Analogue.

3.5. "Sell" and "sale" include offer for sale, advertise for sale, expose for sale, keep for the purpose of sale, deliver for or after sale, solicit and offer to buy, and every disposition for value.

IV.

PROHIBITED CONDUCT

4.1 IT IS ORDERED that the Defendants and their officers, agents, servants, employees (including, but not limited to, Thien Mai Nguyen and any and all of his successors and assigns,

and Linda Thi Nguyen and any and all of her successors and assigns), and any other person or entity in active concert or participation with them—whether acting directly or through any corporation, company, partnership, trust, entity, subsidiary, division, or other device—who receive actual notice of this AGREED JUDGMENT by personal service or otherwise, are hereby prohibited from the following:

(a) Selling, offering for sale, distributing, offering to distribute, holding, storing, possessing, purchasing or offering to purchase any Controlled Substance or Controlled Substance Analogue or products containing a Controlled Substance or Controlled Substance Analogue, including, but not limited to, the products labeled as “Kush,” “Klimax Potpourri,” “Scooby Snax,” “Down 2 Earth,” “Geeked Up,” “Psycho,” “Klassic Klimax,” “Mr. High,” “OMG,” and “Master Kush;” any synthetic drugs generally known as Kush; any synthetic drugs or any substance that produces pharmacological effects in unlabeled or minimally-labeled packages;

(b) Selling, offering for sale, distributing, offering to distribute, holding, storing, possessing, purchasing or offering to purchase any Abusable Synthetic Substance (as defined herein), including, but not limited to, the products labeled as “Kush,” “Klimax Potpourri,” “Scooby Snax,” “Down 2 Earth,” “Geeked Up,” “Psycho,” “Klassic Klimax,” “Mr. High,” “OMG,” and “Master Kush;” any synthetic drugs generally known as Kush; any synthetic drugs or any substance that produces pharmacological effects in unlabeled or minimally-labeled packages;

(c) Selling, offering for sale, distributing, offering to distribute, holding, storing, possessing, purchasing or offering to purchase any products labeled as household products, including but not limited to potpourri, incense, bath salts, or herbal cigarettes, when the products contain a Controlled Substance, a Controlled Substance Analogue, or Abusable Synthetic Substances (as defined herein);

(e) Selling, offering for sale, distributing, offering to distribute, holding, storing, possessing, purchasing or offering to purchase any products labeled as “not for human consumption” when the product is intended to be used by consumers to inhale, ingest, or introduce into the human body;

(f) Selling, offering for sale, distributing, offering to distribute, holding, storing, possessing, purchasing or offering to purchase any products labeled as “legal” unless Defendants know with certainty the product is legal;

(g) Selling, offering for sale, distributing, offering to distribute, holding, storing, possessing, purchasing or offering to purchase any products labeled as “lab certified” unless Defendants know with certainty that the product is certified by an actual, bona-fide laboratory, the operations and practices of which are certified a generally-recognized third-party accreditation organization;

(h) Failing to disclose information regarding possible side-effects, such as paranoia, hallucinations, pains like a heart attack or rapid heartbeat, seizures, panic, passing out, any undesired pharmacological effect, and suicidal thoughts, from using products with synthetic substances that mimic the effects of drugs and/or Controlled Substances, which information was known at the time of the transaction, if such failure to disclose was intended to induce the consumer into a transaction into which the consumer would not have entered had the information been disclosed.

V.

5.1 IT IS FURTHER ORDERED that Plaintiffs have a judgment against and recover from DEFENDANTS the amount of \$70,000.00 (“Settlement Amount”).

VI.

6.1 IT IS FURTHER ORDERED that the Settlement Amount in Section V shall be payable as follows: \$20,000.00 of the Settlement Amount shall be due and payable within 3 business days of the Court's entry of the Agreed Judgment as follows: \$7000.00 payable to the City of Houston, \$7000.00 payable to Harris County, and \$6000.00 payable to the State of Texas, Office of Attorney General, Consumer Protection Division. The remaining balance of \$50,000.00 of the Settlement Amount above shall be abated ("abated Amount") for a period of 5 years from entry of this Agreed Judgment, subject to the conditions in the following paragraph 6.2. If, after 5 years, none of the conditions of default specified in the following paragraph below have occurred, then the Abated Amount shall be permanently and unconditionally abated.

6.2 Defendants will be in default of this Agreed Judgment if any Defendant:

- a. Violates any provisions in Section IV of this Agreed Judgment; or
- b. Fails to reasonably cooperate with Plaintiffs as required by this Agreed Judgment.

6.3 IT IS ORDERED that if any Defendant is found to be in default of this Agreed Judgment, as specified in paragraph 6.2 above, then the full balance of the Abated Amount, is immediately due and owing, and Plaintiffs may take any action it deems appropriate in aid of collection of the full balance of the Abated Amount.

6.4 If the State believes that any Defendant is in default of this Agreed Judgment as specified paragraph 6.2 above, the State shall provide the Defendant written notice of the circumstances the State believes constitutes a default. Defendant will have fifteen (15) days to provide the State with written documentation that no such default occurred.

6.5 In the case of default, the State's right to enforce this Agreed Judgment is in addition to, and not in lieu of, any other civil or criminal remedies as may be provided by law, including but

not limited to contempt proceedings, or any other proceedings the State may initiate to enforce this Agreed Judgment.

6.6 Upon a determination by the Court that a violation of this Agreed Judgment has occurred, the Court may in its discretion enter one or more orders as allowed under Chapter 125 of the Texas Civil Practice & Remedies Code, including an order:

- a) sentencing Defendants for civil contempt as specified in Tex. Civ. Prac. & Rem. Code §125.002(d)(1)-(3);
- b) pursuant to the provisions of Tex. Civ. Prac. & Rem. Code §125.003(a)-(b); and/or
- c) for the forfeiture of the bond or cash deposit in lieu of bond pursuant to Tex. Civ. Prac. & Rem. Code §125.045(c).

VII.

7.1 Enforcement. Plaintiffs may institute an action or proceeding to enforce the terms and provisions of this Agreed Judgment or to take action based on future conduct by the Defendants. Jurisdiction is retained for the purpose of enabling any party to this Agreed Judgment to apply to this Court at any time for such further orders and directions as may be necessary or appropriate for the construction or carrying out of this Agreed Judgment, for modification of the injunctive provisions hereof, for the enforcement and compliance herewith, and for the pursuit of the appropriate remedies for violations hereof.

7.2 Preservation of Law Enforcement Action. Nothing herein precludes Plaintiffs from enforcing the provisions of this Agreed Judgment, or from pursuing any law enforcement action with respect to the acts or practices of Defendants not covered by this Agreed Judgment or any acts or practices conducted after the Effective Date of this Agreed Judgment.

7.3 Compliance with and Application of State Law. Nothing in this Agreed Judgment shall be construed to limit the authority of the Attorney General, the Harris County Attorney and the City Attorney to protect the interests or the people of the State of Texas, Harris County, or City of Houston. Accordingly, nothing herein relieves Defendants of their continuing duty to comply with applicable laws of the State or constitutes authorization by the State for Defendants to engage in acts and practices prohibited by such laws. This Agreed Judgment shall be governed by the laws of the State of Texas.

7.4 Third Parties. This Agreed Judgment is not intended to grant or limit any legal rights or remedies of any nature of any third party. This Agreed Judgment may not be relied upon by third parties to assert or defend any rights or remedies they might have or pursue. This Agreed Judgment shall not affect the rights of the Defendants to retain or renew any existing licenses, or to apply for or be granted new licenses.

7.5 Past and Future Practices. Nothing herein constitutes approval or acquiescence by Plaintiffs of Defendants' past practices, current efforts to reform their practices, or any future practices which Defendants may adopt or consider adopting. Plaintiffs decision to settle this matter or to otherwise unilaterally limit current or future enforcement action does not constitute approval or imply authorization for any past, present, or future business practice.

7.6 No Change to Substantive Rights. Nothing herein shall be construed to waive, modify or change any substantive rights of other persons or entities against Defendants or of Defendants against other persons or entities with respect to the acts and practices covered by this Judgment.

7.7 Assessment of Court Costs. The Parties shall bear their own costs.

7.8 Post-Judgment Interest. Upon default of this Agreement by the Defendants, post-judgment interest shall be five percent (5%) simple interest, and shall accrue from the date that Plaintiffs provides written notice pursuant to paragraph 6.4.

7.9 Notices. All notices required by this Agreed Judgment shall be sent by certified or registered mail, return receipt requested, postage prepaid, fax, or by hand delivery to:

If to the Attorney General:

Office of the Attorney General
808 Travis St., Ste. 1520
Houston, TX 77002
Telephone: (713) 225-8919
Fax: (713) 223-5821

If to Defendants:

Thien Mai Nguyen
Linda Thi Nguyen
8010 Wray Court
Houston, TX 77088

Center Realty, Inc.
Registered Agent Trung S. Pham
11915 Palmetto Shores
Houston, TX 77065

Center Convenience, Inc.
Registered Agent Tamie H. Pham
11915 Palmetto Shores
Houston, TX 77065

7.10 Effective Date. The date this Agreed Judgment is signed by the Court.

7.11 Finality. After signing by the Court, this Agreed Judgment constitutes a final judgment and is not appealable. All relief not expressly granted herein is denied.

SIGNED this _____ day of _____, 2015.

Signed:
8/31/2015



JUDGE PRESIDING

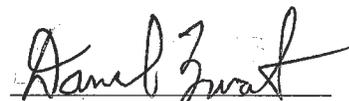
APPROVED AS TO FORM AND SUBSTANCE
AND ENTRY REQUESTED BY:

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First Assistant Attorney General

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Chief, General Litigation Section

/s/ Patricia L. Casey _____

By: Patricia L. Casey
Sr. Assistant City Attorney
State Bar No.: 03959075

CITY OF HOUSTON LEGAL DEPARTMENT
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pat.casey@houstontx.gov
832.393.6302 - Telephone
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**ATTORNEYS FOR PLAINTIFF,
CITY OF HOUSTON, TEXAS**

Unofficial Copy Office of Chris Daniel District Clerk

[Signature]

CENTER CONVENIENCE, Inc.
By: Tanne Pham (name)
Vice president (title)

SUBSCRIBED AND SWORN TO BEFORE ME on this 25th day of August, 2015,
to certify which witness my hand and official seal.

[Signature]
NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

My Commission Expires: 11-20-18



[Signature]

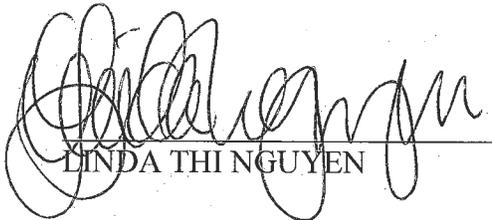
CENTER/REALTY, Inc.
By: TRUNG S. PHAM (name)
PRESIDENT (title)

SUBSCRIBED AND SWORN TO BEFORE ME on this 25th day of August, 2015,
to certify which witness my hand and official seal.

[Signature]
NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

My Commission Expires: 11-20-18



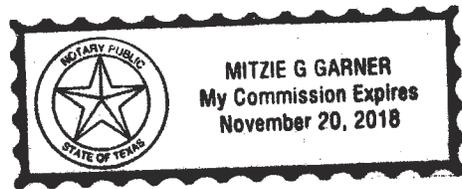

LINDA THI NGUYEN

SUBSCRIBED AND SWORN TO BEFORE ME on this 25th day of August, 2015,
to certify which witness my hand and official seal.



NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

My Commission Expires: 11-20-18




THIEN MAI NGUYEN

SUBSCRIBED AND SWORN TO BEFORE ME on this 25th day of August, 2015,
to certify which witness my hand and official seal.



NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

My Commission Expires: 11-20-18



[Handwritten Signature]

The REAL PROPERTY KNOWN AS 10720-10722 KINGSPPOINT RD, HOUSTON, TEXAS,
in rem

By: TRUNG S. PHAM MD (Name)
OWNER (Title)

SUBSCRIBED AND SWORN TO BEFORE ME on this 25th day of August, 2015,
to certify which witness my hand and official seal.

[Handwritten Signature]

NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

My Commission Expires: 11-20-18



Unofficial Copy Office of Chris Daniel District Clerk