

THE STATE OF TEXAS and
THE CITY OF HOUSTON,

Plaintiff

v.

2709 BROADWAY, INC.;
THE REAL PROPERTY
KNOWN AS 2709 BROADWAY,
HOUSTON, TEXAS 77017;
TAZTAZ GROUP, INC.; and
LAYTH OMRAN,

Defendants

§ IN THE DISTRICT COURT
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§ OF HARRIS COUNTY, TEXAS
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§ 151st DISTRICT COURT
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AGREED TEMPORARY INJUNCTION

Plaintiffs, the STATE OF TEXAS, acting by and through Attorney General of Texas, Ken Paxton and the County Attorney of Harris County, Texas, Vince Ryan, and the CITY OF HOUSTON (“Plaintiffs”) filed the Plaintiffs’ Original Petition and Application for Temporary and Permanent Injunctive Relief pursuant to Chapter 125 of the Texas Civil Practice & Remedies Code (nuisance statute) and the Texas Deceptive Trade Practices Act, Tex. Bus. & Com. Code §§17.41 *et seq.* Plaintiffs and the named Defendants, 2709 BROADWAY, INC.; THE REAL PROPERTY KNOWN AS 2709 BROADWAY, HOUSTON, TEXAS 77017; TAZTAZ GROUP, INC.; and LAYTH OMRAN (collectively, “Defendants”), have entered into this Agreed Temporary Injunction (“Agreed Temporary Injunction”).

I.

By their duly authorized signatures, Plaintiffs and Defendants (collectively "Parties") stipulate to the Court the following: that they understand the terms of this Agreed Temporary Injunction and have had the opportunity to confer with counsel; that they agree to the terms of this Agreed Temporary Injunction; that they have waived all rights of appeal from this Agreed Temporary Injunction; that they actively participated in the negotiations leading up to this Agreed Temporary Injunction and are aware of the duties placed upon them by it and are desirous and capable of carrying out those duties in full; that they acknowledge receipt of copies of this Agreed Temporary Injunction and have full and actual notice of the terms of this Agreed Temporary Injunction; that the issuance and service of a writ of injunction are waived; that the terms of this Agreed Temporary Injunction are sufficiently detailed and specific to be enforceable by the Court in conformance with Tex. R. Civ. P. 683.

The Parties further agree that this Agreed Temporary Injunction does not constitute a final judgment of this matter and discovery and final trial of the remaining issues in this cause as set forth in the State's pleadings will proceed.

This Court finds it has jurisdiction over the subject matter of this case and jurisdiction over the parties, and venue in this district is proper.

Based upon these findings and the agreement of the Parties as evidenced by their respective signatures below and the signatures of their respective attorneys, the Court is of the opinion that a temporary injunction as set forth in this Agreed Temporary Injunction should be granted.

II. DEFINITIONS

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

1. "Defendants" shall mean 2709 BROADWAY, INC.; THE REAL PROPERTY KNOWN AS 2709 BROADWAY, HOUSTON, TEXAS 77017; TAZTAZ GROUP, INC.; and LAYTH OMRAN.

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, 2, 2-A, 3, or 4 in Chapter 481 of the Texas Health & Safety Code (Texas Controlled Substances Act). 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. "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, 2, or 2-A; 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, 2, or 2-A as defined in Tex. Health & Safety Code §481.002(6).

4. "Illicit Synthetic Drug" means (as defined in City of Houston Ordinance No. 2014-913):

(i) Any vegetative material, or herbal or plant material, however constituted, designed, intended, marketed, manufactured, or engineered, that contains any quantity of a synthetic chemical or synthetic chemical compound that has no legitimate relation to the advertised use of the product;

(ii) Any vegetative material, or herbal or plant material, with packaging or labeling that indicates, suggests, or implies that the substance is a substitute for or otherwise mimics the pharmacological effects of marijuana, a controlled substance or a controlled substance analogue as defined by section 481.002 of the Texas Health and Safety Code;

(iii) Any vegetative material, or herbal or plant material offered for sale or sold with verbal or written representations regarding the purpose, methods, use, or effect of the substance that indicates, suggests, or implies that the substance mimics the pharmacological effects of marijuana, a controlled substance as defined by section 481.002 of the Texas Health and Safety Code.

5. "Herbal Incense" (as defined in City of Houston Ordinance No. 2014-913) means aromatic plant material, whether referred to as potpourri or otherwise, that is distributed in a loose, leafy, powder, or granular form or in a compressed block or blocks that can be crushed to result in a powder or granular form, and can be placed into a pipe, cigarette paper, or other drug paraphernalia for purposes of ingestion by smoking, inhaling or other method, regardless of how the substance is labeled or marketed, including, but not limited to, whether or not such product is labeled as "not for human consumption."

6. "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.

7. "Subject Products" mean any of the following products containing any of the following in the labeling: Diablo, Geeked Up, White Tiger, Kush; Kush Strawberry, Kush Blueberry; Kush Mango; Kush Pineapple; Kush Grape; Klimax; Klimax Blue; Klimax Red; NBT; NBT Herbal Smokes; NBT Blueberry; NBT Grape; NBT Strawberry; Indo Bomb; Euphoric Bomb; Da Pimp Bomb; Mr. Head Intensity; Xscape; Bali Gold; Dr. Bizzaro; Bulletproof Tiger; Galactic; Galactic Head Trip; Tsunami Black; Pep Maeng Da; Bulletproof; Maeng Daddy; Super K; Super K; 100 Buzz; Mr. Head Intensity.

8. "Ingestible Product" means a product that is intended to be inhaled, ingested, swallowed, or otherwise introduced into the human body.

II. PRESERVATION AND PRODUCTION OF EVIDENCE

IT IS ORDERED that the Defendants and their officers, agents, servants, employees, 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 Temporary Injunction order by personal service or otherwise, are hereby prohibited from the following activities during the pendency of this case until final trial:

- a) Transferring, concealing, destroying, altering or removing from the jurisdiction of this Court any books, records, documents, invoices or other written materials—including electronic documents—relating to the wholesale or retail purchase or sale of any Ingestible Products containing Controlled Substances, Controlled Substance Analogues, or Illicit Synthetic Drugs, including but not limited to the Subject Products, as defined herein, that are currently or hereafter in the possession, custody or control of any Defendant, except in response to further orders or subpoenas in this cause.
- b) Deleting, concealing, destroying, altering or removing from the jurisdiction of this Court any video recordings and surveillance depicting the interior and/or exterior of the retail store located at 2709 Broadway, Houston, Texas.

IT IS ORDERED that the Defendants and their officers, agents, servants, employees, 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 Temporary Injunction order by personal service or otherwise, shall not fail to install (within 5 business days of the Effective Date of this Temporary Injunction) and maintain surveillance cameras monitoring 2709 Broadway, Houston,

Texas 77017. The cameras shall capture the interior and exterior of the business, including but not limited to the area where the cashier is located, and be capable of recording. The recordings shall be maintained and operated any time the business is open to the public and shall display the date and time of the recording. The Defendants shall not fail to provide law enforcement access to the recordings within 24 hours of request to review and copy the recording.

III. PROHIBITED BUSINESS CONDUCT

IT IS ORDERED that the Defendants and their officers, agents, servants, employees, 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 Temporary Injunction by personal service or otherwise, are hereby enjoined from engaging in the following conduct until further order of this Court:

(a) Selling, offering for sale, distributing, offering to distribute, holding, storing, possessing, purchasing or offering to purchase any i) Controlled Substance or Controlled Substance Analogue or Illicit Synthetic Drug or ii) Ingestible Product or Herbal Incense containing a Controlled Substance or Controlled Substance Analogue or Illicit Synthetic Drug, including but not limited to the Subject Products;

(b) Selling, offering for sale, distributing, offering to distribute, holding, storing, possessing, purchasing or offering to purchase any products labeled as potpourri, incense, bath salts, or herbal cigarettes, that contain a Controlled Substance, a Controlled Substance Analogue, or an Illicit Synthetic Drug as defined herein;

(e) Selling, offering for sale, distributing, offering to distribute, holding, storing, possessing, purchasing or offering to purchase any Ingestible 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 Ingestible Products labeled as “legal” when Defendants know or have reason to suspect the products contain a Controlled Substance, a Controlled Substance Analogue, or Illicit Synthetic Drug, as defined herein;

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

(h) Selling, offering for sale, distributing, offering to distribute, holding, storing, possessing, purchasing or offering to purchase any Ingestible Products that do not contain the name and location of the manufacturer or distributor on the package labeling;

(i) Failing to provide a copy of this Temporary Injunction to all employees and agents of Defendants and a signed receipt that the employees and agents have read and understand its terms.

V.

Defendants shall post a \$10,000 bond or shall make a cash deposit in the Court’s registry in lieu of bond pursuant to the requirements of Tex. Civ. Prac. & Rem. Code §125.045(a)(1)(2), (a-1)(1),(2),(3) and (4). Such bond or cash deposit in lieu of bond will be conditioned upon Defendants’ compliance with all terms and conditions of this Temporary Injunction.

VI.

Upon determination by the Court that a violation of this Agreed Temporary Injunction has occurred, the Court may order forfeiture of the bond. Tex. Civ. Prac. & Rem. Code §125.003(a); §125.045(b). Upon forfeiture of the bond, the location or locations in violation of this Agreed Temporary Injunction shall be ordered closed for 90 days from the date of order of bond forfeiture. Tex. Civ. Prac. & Rem. Code §125.003(a). In bringing an action under Tex. Civ. Prac. & Rem. Code §125.003(a), the Court may award Plaintiffs their investigative costs, court costs, reasonable attorney's fees, witness fees, and deposition fees. Tex. Civ. Prac. & Rem. Code §125.003(b).

In addition, upon a finding of a violation of this Agreed Temporary Injunction, the Court may in its discretion enter one or more orders as allowed under Chapter 125 of the Texas Civil Practice & Remedies Code including but not limited to an order:

A) sentencing one or more Defendants for civil contempt as follows:

- 1) a fine of not less than \$1000 or more than \$10,000;
- 2) confinement in jail for a term of not less than 10 days nor more than 30 days; or
- 3) both fine and confinement.

Tex. Civ. Prac. & Rem. Code §125.002(d)(1)-(3).

B) prohibiting the furnishing of utility service to the location or locations in violation of this Temporary Injunction. Tex. Civ. Prac. & Rem. Code §125.045(b);

C) revoking the certificate of occupancy for the location or locations in violation of this Agreed Temporary Injunction. Tex. Civ. Prac. & Rem. Code §125.045(b);

D) limiting the hours of operation of the location or locations in violation of the Agreed Temporary Injunction. Tex. Civ. Prac. & Rem. Code §125.045(b);

E) any other legal remedy available under the laws of the State of Texas. Tex. Civ. Prac. & Rem. Code §125.045(b) and Tex. Bus. & Com. Code §17.41 *et seq.*

Final trial in this cause is hereby set for the ____ day of _____, 2015, at _____ o'clock __. M.

The effective date of this Agreed Temporary Injunction is the date signed by the Court.

SIGNED this _____ day of _____, 2015 at _____ o'clock, ____ m.

JUDGE PRESIDING

AGREED AND ENTRY REQUESTED BY:

KEN PAXTON
Attorney General of Texas

CHARLES E. ROY
First Assistant Attorney General

JAMES E. DAVIS
Deputy Attorney General for
Civil Litigation

TOMMY PRUD'HOMME
Chief, Consumer Protection Division



ROSEMARIE DONNELLY
SBN 05983020
Assistant Attorneys General
Consumer Protection Division
Houston Regional Office
808 Travis, Suite 1520
Houston, Texas 77002
Telephone (713) 223-5886
Facsimile (713) 223-5821
rosemarie.donnelly@texasattorneygeneral.gov

VINCE RYAN - 99999939
HARRIS COUNTY ATTORNEY

/s/ Celena Vinson
Celena Vinson
Assistant County Attorney
Texas Bar No. 24037651
Celena.Vinson@cao.hctx.net
Randall R. Smidt
Assistant County Attorney
Texas Bar No. 00798509
Randall.Smidt@cao.hctx.net
Compliance Practice Group
1019 Congress, 15th Floor
Houston, Texas 77002
Tel: (713) 755-6065
Fax: (713) 755-8848

ATTORNEYS FOR PLAINTIFF,
STATE OF TEXAS

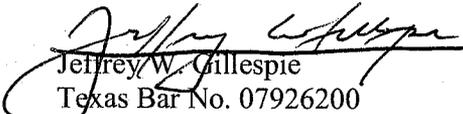
DONNA L. EDMUNDSON
CITY ATTORNEY

JUDITH L. RAMSEY
Chief, General Litigation Section

By: /s/ Patricia L. Casey
Patricia L. Casey
Sr. Assistant City Attorney
State Bar No.: 03959075
Damon A. Crenshaw
Sr. Assistant City Attorney
State Bar No.: 05065200
City of Houston Legal Department
900 Bagby, 4th Floor
Houston, Texas 77002
832.393.6302 - Telephone
832.393.6259 - Facsimile
pat.casey@houstontx.gov

ATTORNEYS FOR PLAINTIFF,

CITY OF HOUSTON, TEXAS



Jeffrey W. Gillespie

Texas Bar No. 07926200

4265 San Felipe

Suite 1100

Houston, Texas 77027

Tel. (713) 623-6700

Fax (888) 389-8178

Email: jwgill@swbell.net

ATTORNEY FOR DEFENDANTS 2709 BROADWAY, INC.,
THE REAL PROPERTY KNOWN AS 2709 BROADWAY, HOUSTON, TEXAS,
TAZTAZ GROUP, INC.; AND LAYTH OMRAN
