STATE OF INDIANA	)	IN THE ELKHART SUPERIOR COURT
	) SS:	
COUNTY OF ELKHART	)	CAUSE NO. 20D03-0604-PL-65

STATE OF INDIANA,)
)
Plaintiff,)
)
v.)
)
PEOPLE'S HEALTH CHOICE, INC.)
)
Defendant.)

CONSENT JUDGMENT

The State of Indiana, by Attorney General Steve Carter and Deputy Attorney General Eric Jackson, having filed its Complaint for Injunction, Restitution, Costs and Civil Penalties and the Defendant, People's Health Choice, Inc., hereby enter into this Consent Judgment without trial and adjudication of any issue of fact or law.

Now, therefore, by consent and agreement of parties, it is **ORDERED, ADJUDGED, and DECREED** as follows:

1. The parties to this Consent Judgment have read and understand the nature, terms, and contents of this Consent Judgment and agree to be bound by all the provisions contained herein.

2. The Attorney General is authorized to bring this action to enforce the provisions of Indiana's Business Opportunity Transactions Act, Indiana Code § 24-5-8-1 *et seq.*, the Indiana Deceptive Consumer Sales Act, Ind. Code § 24-5-0.5-1 *et seq.*, and the Indiana Prescription Drug Discount Cards Act, Ind. Code § 24-5-21-1 *et seq.*

3. The parties agree that this Consent Judgment constitutes a full and complete settlement as to all issues.

INJUNCTIVE RELIEF

4. Pursuant to Indiana Code § 24-5-0.5-4(c)(1) and § 24-5-8-18, the Defendant, People's Health Choice, Inc., its agents, representatives, employees, successors and assigns are permanently enjoined from engaging in the following:

a. in the course of entering a business opportunity contract, failing to provide Indiana investors with the disclosures required by Ind. Code §24-5-8-2 at least seventy-two (72) hours before the earlier of the investors' execution of a business opportunity contract with the Defendant or the receipt of any consideration by the Defendant;

b failing to obtain a surety bond in the amount of at least twenty (20) times the initial payment required for the business opportunity, but not less than seventy-five thousand dollars ($75,000.00), in favor of the State of Indiana for the use and benefit of Indiana investors prior to offering to sell its business opportunity to Indiana investors;

c. failing to file a copy of the disclosure statement and surety bond and to pay the filing fee of fifty dollars ($50.00) required by Indiana law with the Consumer Protection Division of the Office of the Attorney General prior to placing any advertisement or making any representation to any Indiana investor about said business opportunity; and

d. in the course of entering into business opportunity contracts with Indiana investors, failing to include the all of the terms required by Ind. Code § 24-5-8-6, including but not limited to, a thirty (30) day cancellation provision which grants the investor the right to cancel the contract by mailing notice to the Defendant by midnight of the thirtieth (30th) day after the contract is formed.

5. Pursuant to Ind. Code § 24-5-0.5-4(c)(1), the Defendant is enjoined from failing to comply with the Indiana Deceptive Consumer Sales Act, Ind. Code § 24-5-0.5-1 *et seq.*, in its transactions with Indiana Consumers.

6. Pursuant to Ind. Code § 24-5-0.5-4(c)(1) and Ind. Code § 24-5-21-7(c), the Defendant is enjoined from failing to comply with the Indiana Prescription Drug Discount Cards Act, Ind. Code § 24-5-21-1 *et seq.*, in its transactions with Indiana consumers.

COSTS AND CONSUMER RESTITUTION

7. Pursuant to Ind. Code § 24-5-0.5-4(c)(3), judgment is granted in favor of the Plaintiff, State of Indiana, for the reasonable expenses incurred by the Indiana Office of Attorney General in the prosecution of this matter in the amount of Eight Hundred Seventy-Two Dollars and Fifteen Cents ($872.15)

8. Pursuant to Ind. Code § 24-5-0.5-4(c)(2) the Defendant shall pay consumer restitution in the amount of One Thousand One Hundred Twenty-Seven Dollars and Eighty-Five Cents ($1,127.85) on behalf of Shirley Baker of Goshen, Indiana.

9. Pursuant to Ind. Code § 24-5-18-16 the contract between the Defendant and Shirley Baker dated April 19, 2004 is declared void.

CONTINUING JURISDICTION

10. The Court shall retain jurisdiction for the purpose of issuing such orders as may be necessary to interpret or enforce the provisions herein.

IN WITNESS THEREOF, an authorized representative of People's Health Choice, Inc., has signed this document on behalf of the Defendant, its agents, representatives, employees, successors, assigns, and all persons acting or claiming to be acting on his behalf, through any corporate business name or device. Eric Jackson, Deputy Attorney General, has signed this document on behalf of Plaintiff, State of Indiana.

STATE OF INDIANA

STEVE CARTER
Attorney General of Indiana
Attorney No. 4150-60

By: _____ Date: 8/25/06
Eric Jackson
Deputy Attorney General
Atty. No. 19415-49

PEOPLE'S HEALTH CHOICE, INC.

By: Kenneth DuBay Date: 8/14/06
Name: Kenneth Dubay
Title: Administrator

APPROVED, ORDERED, ADJUDGED AND DECREED this _____ day of _____, 2006.

_____
Judge, Elkhart Superior Court

Distribution:

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