

STATE OF NORTH CAROLINA
COUNTY OF WAKE

FILED IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION

2015 JUN -8 AM 11: 10 File No. 14CVS5928

WAKE COUNTY, C.S.C.

STATE OF NORTH CAROLINA, *ex rel.*
ROY COOPER, Attorney General, BY _____

Plaintiff,

v.

**JUDGMENT BY CONSENT AND
PERMANENT INJUNCTION**

FUQUAY COMPUTERS PROTECH
COMPUTERS, LLC d/b/a RALEIGH GEEKS;
TIMOTHY J. STAIE, JR. as manager of
RALEIGH GEEKS and d/b/a CAVEMAN
COMPUTERS; MARK EDWARD WHITE as
manager and member of RALEIGH GEEKS;
GARRETT J. FOSTER as manager and
member of FOSTERS COMPUTERS, LLC
d/b/a FUQUAY COMPUTER CENTER and
PROTECH COMPUTERS; STEVEN A. LEO
as owner and president of S&L TECH
SYSTEMS,

Defendants.

THIS MATTER coming to be heard before the undersigned Judge presiding over the June 8th, 2015, civil session of Wake County Superior Court pursuant to a joint application for the entry of a Judgment by Consent and Permanent Injunction in the above-captioned cause; and Assistant Attorney General Matt Liles appearing on behalf of plaintiff State of North Carolina; and defendant Garrett J. Foster ("Defendant Foster") appearing *pro se*; and the State and Defendant Foster having represented to the Court that the terms and conditions of the Judgment by Consent and Permanent Injunction ("Consent Judgment") set forth below represent a negotiated compromise; and the Court finding and concluding, based upon its examination of the record in this cause, the representations of the State and Defendant Foster, and the State and Defendant

Foster's assent hereto, as shown by their signatures below, that entry of this Consent Judgment is in the public interest and represents an appropriate resolution to this litigation with respect to Defendant Foster; and the Court finding further that:

I. BRIEF HISTORY OF THE CASE

1. The State, by and through its duly-elected Attorney General, brought this action on May 6, 2014, alleging, *inter alia*, that defendants, including Defendant Foster, violated the Unfair and Deceptive Trade Practices Act, N.C. Gen. Stat. § 75-1.1, *et seq.*, by misleading consumers about their computer repair business commonly known as "Raleigh Geeks."

2. This Court entered a Temporary Restraining Order (TRO) against defendants on May 9, 2014, which prohibited defendants from, *inter alia*, operating a computer repair business or concealing assets. On May 19, 2014, the Court entered a Preliminary Injunction against the defendants who had been served, including Defendant Foster.

3. On or around May 15, 2014, Defendant Foster approached the State maintaining his innocence and offering to cooperate with the State's investigation. Since that time, Defendant Foster has cooperated with the State's investigation by, for example, providing information to the State and providing deposition testimony in this matter.

4. On September 5, 2014, an Entry of Default was entered by the Assistant Clerk of Court against the other defendants in this case after they failed to answer.

5. On January 23, 2015, the State took Defendant Foster's deposition. Based on Defendant Foster's sworn testimony at his deposition, it appears he did not have managerial or ownership control over Raleigh Geeks during the time period that the violations occurred.

6. On May 4, 2015, the State moved this Court to enter a Default Judgment against defendants White and Staie in the form of permanent injunctive relief, consumer restitution,

restoration of all consumer property, cancellation of all consumer contracts, and the assessment of civil penalties. On that same date, the State also voluntarily dismissed its case against Defendant Leo without prejudice.

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

After reviewing the facts in this case, the Court independently makes the foregoing findings of fact and conclusions of law.

7. This Court hereby concludes that it has both personal jurisdiction over Defendant Foster, as well as subject matter jurisdiction in this cause, and that resolving this cause with respect to Defendant Foster through the terms and conditions set forth below would be just and appropriate.

8. This Court hereby also concludes that the allegations against Raleigh Geeks, as made in the State's Amended Complaint, if true, would constitute numerous violations of the North Carolina Unfair and Deceptive Trade Practices Act, N.C. Gen. Stat. § 75-1.1, *et seq.* Those unfair and deceptive practices include, but are not limited to:

- a. misleading consumers about the amount of time it will take to repair their machines;
 - b. failing to keep consumers informed about the status of their property;
 - c. failing to issue promised refunds to consumers;
 - d. misleading consumers by returning different computers;
 - e. providing consumers with false or misleading information about Raleigh Geeks's business and employees; and
 - f. failing to respond to complaints from consumers.
9. Based upon representations by Defendant Foster, the Court finds, that Defendant

Foster did not have managerial or ownership control over Raleigh Geeks during the time period that the violations occurred.

III. AGREED PERMANENT INJUNCTION

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED, with the consent of the State and Defendant Foster and pursuant to N.C. Gen. Stat. § 75-14, that Defendant Foster and his named corporate entities, Foster Computers, LLC d/b/a Fuquay Computer Center and Protech Computers are hereby permanently enjoined from the following activities:

10. Operating, conducting business as, or in any way profiting from any entity related to Raleigh Geeks;
11. Conspiring, or acting in concert with, any other named defendant in this case;
12. Destroying, transferring, concealing, altering, or removing from his possession or control any financial records, consumer contracts, emails, or other correspondence, business records, and other documents of defendants related to this case;
13. In any way assisting the other named defendants, or their agents, in concealing, transferring, destroying, or removing any assets, consumer property, or other property that the State may be entitled to recover as a result of this action.

IV. AGREED CANCELLATION OF CONTRACTS AND RESTITUTION

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED, with the consent of the State and Defendant Foster and pursuant to N.C. Gen. Stat. § 75-15.1, all contracts executed by Defendant Foster and his named corporate entities, their agents, employees, and corporate successors or assigns, and any persons acting in concert with them of or relating to the Raleigh Geeks enterprise, in violation of N.C. Gen. Stat. § 75-1.1 are hereby cancelled and declared null and void.

V. WAIVER OF MONETARY PENALTIES

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED, with the consent of the State and Defendant Foster, that:

14. So long as Defendant Foster remains in compliance with all provisions of this Consent Judgment, and subject to the State's ability to proceed as described in Paragraph 19 below, the Attorney General will not seek the payment of any civil penalties or restitution from Defendant Foster related to this matter.

VI. CONTINUED COOPERATION AND ENFORCEMENT

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED, with the consent of the State and Defendant Foster, that:

15. Defendant Foster shall cooperate in good faith with the terms of this Consent Judgment;

16. The State's agreement to this Consent Judgment is expressly predicated on Defendant Foster's truthful, accurate, and complete cooperation and assistance.

17. This Court retains jurisdiction in this cause in order to ensure Defendant Foster's compliance with the foregoing provisions and to entertain any appropriate motions for the enforcement or modification thereof;

18. The State retains the right to move to compel compliance with, or punish violations of, this Consent Judgment;

19. Upon discovering Defendant Foster in any way misled the State (including the omission of a material fact) or that Defendant Foster has materially failed to comply with the terms of this Consent Judgment, the State may move this Court to dissolve Section V and Paragraph 9 of this Judgment and seek all penalties against Defendant Foster as allowed by law, including, but not

limited to, the collection of civil penalties or restitution in this case and assessment of new civil penalties for violating a court order pursuant to N.C. Gen. Stat. § 75-15.2.

20. Nothing in this Consent Judgment shall be construed to prohibit the State from investigating future complaints received against Defendant Foster and taking all appropriate action thereupon;

21. This Consent Judgment in no way precludes the State from bringing other claims for relief against Defendant Foster or any of the other named defendants;

22. Defendant Foster shall cooperate in good faith with the State in responding to requests for information by the State, including any request by the State for administrative, operational, and financial information;

23. Defendant Foster shall, for a period not to exceed the lesser of ten (10) years or the complete fulfillment of all final judgments in this cause, affirmatively contact the undersigned Assistant Attorney General, or the Attorney General's otherwise-appointed designee, with any information about the whereabouts of the other defendants, any of their assets, or any Raleigh Geeks consumers' missing property.

24. Nothing in this Consent Judgment shall be construed to prohibit Defendant Foster from opening or lawfully-operating any future business in North Carolina, except that for a period not to exceed five (5) years, Defendant Foster shall notify the undersigned Assistant Attorney General, or the Attorney General's otherwise-appointed designee, in writing at least thirty (30) days following his application to the North Carolina Secretary of State for any corporate form or his acquisition of a controlling ownership interest in any existing North Carolina business;

25. In the event he opens or operates another business in North Carolina, Defendant Foster shall cooperate in good faith to resolve any outstanding and/or future customer complaints

filed with the Attorney General's Consumer Protection Division;

26. The undersigned represent and warrant that Defendant Foster has been repeatedly advised of his continuing right to retain legal counsel at any time in this matter, including, but not limited to, for the purpose of reviewing the provisions of this Consent Judgment.

27. The undersigned represent and warrant that they are authorized to enter into this Consent Judgment on behalf of the parties, and do so freely and without coercion.

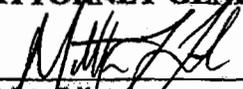
This the 8 day May, 2015.



SUPERIOR COURT JUDGE
MICHAEL D'POLK

WE CONSENT:

**FOR THE STATE OF NORTH CAROLINA,
ex rel. ATTORNEY GENERAL ROY COOPER**

By: 

Matt Liles
Assistant Attorney General

Date: 5/4/2015

**FOR GARRETT J. FOSTER AND FOSTERS COMPUTERS, LLC d/b/a FUQUAY
COMPUTER CENTER and PROTECH COMPUTERS**

By: 

Garrett Foster, individually and in his capacity as manager and member of Foster
Computers, LLC d/b/a Fuquay Computer Center and Protech Computers.

Date: 5/1/15