

No. 2013-35721

STATE OF TEXAS,
Plaintiff,

v.

SAMARA PORTFOLIO
MANAGEMENT, LLC; LAW OFFICE
OF JOSEPH ONWUTEAKA, PC; and
JOSEPH O. ONWUTEAKA,
Individually,
Defendants.

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IN THE DISTRICT COURT OF

HARRIS COUNTY, TEXAS

80th JUDICIAL DISTRICT

FINAL JUDGMENT AND PERMANENT INJUNCTION

On May 22, 2017, this case was called for trial. Plaintiff, the State of Texas, appeared by and through the Attorney General of Texas, Ken Paxton, and announced ready for trial. Defendants, Samara Portfolio, Management, LLC; the Law Office of Joseph Onwuteaka, P.C.; and Joseph O. Onwuteaka, individually, appeared through counsel and announced ready for trial.

After a jury was impaneled and sworn, it heard the evidence and arguments of counsel. In response to the jury charge, the jury made findings that the Court received, filed, and entered of record. The questions submitted to the jury and the jury’s findings are attached as Exhibit A and incorporated by reference.

The Plaintiff State of Texas obtained a favorable jury verdict on June 7, 2017, and on that date the Court accepted the jury’s verdict. The jury found that Defendants Samara Portfolio, Management, LLC; the Law Office of Joseph Onwuteaka, P.C.; and Joseph O. Onwuteaka violated the Texas Deceptive Trade Practices–Consumer Protection Act, Tex. Bus. & Com. Code §§ 17.41–17.63 (“DTPA”), and the Texas Debt Collection Act, Tex. Fin. Code, §§ 392.001–392.404. See Exhibit A. In addition, the jury found that the Law Office of Joseph Onwuteaka, P.C. violated the

Texas Identity Theft Enforcement and Protection Act, Tex. Bus. & Com. Code §§ 521.001–521.152. *Id.*

The Court hereby RENDERS judgment for the State of Texas. This judgment finally disposes of all claims and all parties, and is appealable. Plaintiff, the State of Texas, shall have all writs of execution and other processes as may be necessary in the enforcement and collection of this Final Judgment and Permanent Injunction. The Court orders execution to issue for this judgment.

I. DEFINITIONS

1. **IT IS ORDERED, ADJUDGED, AND DECREED** that, as used in this Final Judgment and Permanent Injunction, the following terms are defined as follows:

a. **“Consumer Debt”** means an obligation, or an alleged obligation, primarily for personal, family, or household purposes and arising from a transaction or alleged transaction.

b. **“Defendants”** shall mean Samara Portfolio, Management, LLC; the Law Office of Joseph Onwuteaka, P.C.; and Joseph O. Onwuteaka, individually.

c. **“Debt Collection”** means an action, conduct, or practice in collecting, or in soliciting for collection, consumer debts that are due or alleged to be due a creditor.

d. **“Motor Vehicle Retail Installment Contract”** means one or more instruments entered into in this state that evidences a Motor Vehicle Retail Installment Transaction.

e. **“Motor Vehicle Retail Installment Transaction”** means a transaction in which a retail buyer purchases a motor vehicle from a retail seller, other than principally for the purpose or resale, and agrees with the retail seller to pay all or part of all the cash price in one or more deferred installments.

f. **“Reasonable Procedures”** shall include taking any appropriate corrective actions to protect from unlawful use or disclosure of any sensitive personal information collected or maintained by the business in the regular course of business.

g. **“Sensitive Personal Information”** means an individual’s first name, or first initial, and last name in combination with any one or more of the following items, if the name and the items are not encrypted:

- i. Social security number; or
- ii. Driver’s license number or government-issued identification number.

II. CIVIL PENALTIES AND ATTORNEYS’ FEES

2. **Civil Penalties.** The Court ORDERS that Plaintiff, the State of Texas, recover civil penalties from the following Defendants in the following amounts:

a. Civil Penalties for violations of the Texas Deceptive Trade Practices—Consumer Protection Act against Defendant SAMARA PORTFOLIO, MANAGEMENT, LLC, in the amount of six million two hundred eighty-six thousand dollars and no cents (\$6,286,000).

b. Civil Penalties for violations of the Texas Deceptive Trade Practices—Consumer Protection Act against Defendant LAW OFFICE OF JOSEPH ONWUTEAKA, P.C., in the amount of eight million nine hundred eighty thousand dollars and no cents (\$8,980,000).

c. Civil Penalties for violations of the Texas Deceptive Trade Practices—Consumer Protection Act against Defendant JOSEPH O. ONWUTEAKA, individually, in the amount of seven million six hundred thirty-three thousand dollars and no cents (\$7,633,000).

d. Civil Penalties for violations of the Texas Identity Theft Enforcement and Protection Act against Defendant LAW OFFICE OF JOSEPH ONWUTEAKA, P.C., in the amount of one million two hundred thirty thousand dollars and no cents (\$1,230,000).

e. Civil Penalties for violations of the Texas Debt Collection Act against Defendant SAMARA PORTFOLIO, MANAGEMENT, LLC, in the amount of three hundred forty-six thousand five hundred dollars and no cents (\$346,500).

f. Civil Penalties for violations of the Texas Debt Collection Act against Defendant LAW OFFICE OF JOSEPH ONWUTEAKA, PC in the amount of three hundred fifteen thousand dollars and no cents (\$315,000).

g. Civil Penalties for violations of the Texas Debt Collection Act against Defendant JOSEPH O. ONWUTEAKA in the amount of three hundred seventy-eight thousand dollars and no cents (\$378,000).

3. **Attorneys' Fees.** The Court further ORDERS the Plaintiff, the State of Texas, recover from Defendants, jointly and severally, reasonable and necessary attorneys' fees, investigative fees and costs, to be paid to the Office of Attorney General of Texas in the amount of five hundred fifty-nine thousand two hundred twenty-one dollars and thirty cents (\$559,221.30) for the prosecution of this case through entry of this judgment.

4. **Court Costs.** The Court further ORDERS the Plaintiff, the State of Texas, recover court costs from Defendant, jointly and severally, as determined by the District Clerk.

5. **Post-Judgment Interest.** The Court further ORDERS that Plaintiff, the State of Texas, recover post-judgment interest at the rate of 5% on the foregoing amounts of awarded civil penalties, attorneys' fees, investigative fees, and court costs, compounded annually, from the date this judgment is entered until all amounts are paid in full.

6. Civil penalties payable to the Office of the Attorney General should be allocated in accordance with Texas Government Code § 402.007(b)(1) to the Supreme Court Judicial Fund or general revenue as appropriate, with the exception of all amounts payable as civil penalties under

the Texas Identity Theft Enforcement and Protection Act, which shall be allocated in accordance with § 521.151(f).

7. The Court further ORDERS that if a Defendant unsuccessfully appeals this judgment to an intermediate court of appeals, the Plaintiff will additionally recover from Defendant(s), jointly and severally, the amount of fifty thousand dollars and no cents (\$50,000), representing the anticipated reasonable and necessary fees and expenses that would be incurred by Plaintiff in defending the appeal.

8. The Court further ORDERS that if a Defendant unsuccessfully seeks discretionary review of this judgment to the Texas Supreme Court, the Plaintiff will additionally recover from Defendant(s), jointly and severally, the amount of ten thousand dollars and no cents (\$10,000), representing the anticipated reasonable and necessary fees and expenses that would be incurred by Plaintiff in defending the appeal.

9. The Court further ORDERS that if discretionary review of this judgment is granted by the Texas Supreme Court and a Defendant is unsuccessful, the Plaintiff will additionally recover from Defendant(s), jointly and severally, the amount of ten thousand dollars and no cents (\$10,000), representing the anticipated reasonable and necessary fees and expenses that would be incurred by Plaintiff in defending the appeal.

III. PERMANENT INJUNCTION

10. The Court further ORDERS that a permanent injunction be issued, restraining and enjoining Defendants Samara Portfolio, Management, LLC; Law Office of Joseph Onwuteaka, P.C.; and Joseph O. Onwuteaka, their officers, agents, servants, employees, and attorneys, and any other person in active concert of participation with any of the Defendants who receives actual notice of this Final Judgment and Permanent Injunction by personal service or otherwise, whether

acting directly or through any trust, corporation, subsidiary, division, or other devise, from engaging in the following acts or practices as the entry of this Final Judgment:

~~a. Engaging in Debt Collection, whether directly or through an intermediary; however, each Defendant may seek and receive payment for obligations incurred by persons who have directly purchased or will purchase goods or services from a Defendant or a business owned by a Defendant;~~

~~b. Buying any debt, right to collect the unpaid balance of a debt, or any customer information relating to a debt;~~

c. Collecting, enforcing, attempting to collect payment on, or attempting to enforce any judgment based on a suit to collect on a consumer debt that was filed in any county other than the county where the debtor resided at the time of the commencement of suit or in the county in which the debtor in fact signed the contract, including, but not limited to, any judgment against the 898 individuals identified in Exhibit B to this Final Judgment and Permanent Injunction;

d. Failing to implement and maintain Reasonable Procedures, including the taking of any appropriate corrective action with respect to the 123 individuals identified in Exhibit C to this Final Judgment and Permanent Injunction, to protect from unlawful use or disclosure any Sensitive Personal Information collected or maintained by Defendants or any business of Defendants in the regular course of business; and

e. Collecting, enforcing, attempting to collect payment on, or attempting to enforce any judgment based on a suit to collect on a Motor Vehicle Retail Installment Contract, including, but not limited to, any judgment against the 63 individuals identified in Exhibit D to this Final Judgment and Permanent Injunction;

f. Filing suit to collect on a consumer debt in any county other than the county where the debtor resides at the time of the commencement of suit or in the county in which the debtor in fact signed the contract;

g. For any lawsuit filed by a Defendant or Defendants against a person in any county other than the county or precinct in which the person resides, failing to affirmatively show, in the citation or pleading, that the suit comes within an exception provided for in the Texas Civil Practice and Remedies Code;

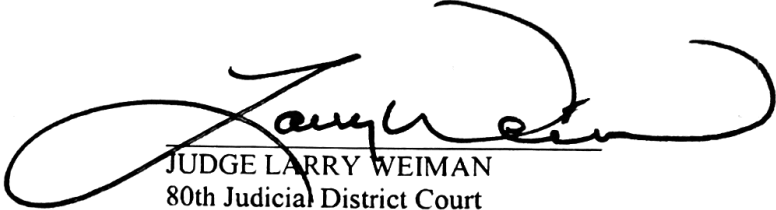
h. Failing to maintain proper records of all lawsuits filed by, or on behalf of, any of the Defendants, for a time period no less than five years. Within such records, each Defendant must show the name and affirmative evidence of the address(es) of each person against whom Defendant has filed suit, any returns of service as required under Texas Rule of Civil Procedure, any and all correspondence with each person against whom suit was filed, and any and all contracts related the lawsuit;

~~i. Failing to, thirty days (30) prior to filing suit on any debt, submit to the Office of the Attorney General, 808 Travis St., Ste. 1580, Houston, TX 77002, Attn: Rick Berlin, by certified mail, notice of intent to file suit on any debt and include in such notice: (a) name of the person against whom suit will be filed, (b) such person's physical and mailing addresses, and (c) any other addresses of which the Defendants are aware. Defendants must maintain record of such notice as well as the return of service, affidavit of service, affidavit of non-service, or any other document indicating how service was obtained in accordance with the Texas Rules of Civil Procedure, for five years;~~

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j. Engaging in any form of debt collection for which licensing is required without (1) obtaining the appropriate licenses, and (2) sending by certified mail to the Office of the Attorney General a copy of the appropriate license(s) within 30 days of the activation of such license.

SIGNED this 14th day of July, 2017.


JUDGE LARRY WEIMAN
80th Judicial District Court

SUBMITTED FOR ENTRY BY:

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