

IN THE CIRCUIT COURT OF ST. LOUIS COUNTY, MISSOURI

STANGE LAW FIRM, PC,)	
)	
Plaintiff,)	
)	No. 18SL-CC00540
vs.)	
)	Division 14
CHELSEA MERTA and)	
LOTUS LAW AND LEGAL SERVICES,)	
LLC, d/b/a LOTUS LAW, LLC,)	
)	
Defendants.)	

**DEFENDANTS' CONFESSION OF JUDGMENT AND
CONSENT PERMANENT INJUNCTION**

Defendant Chelsea Merta ("Merta") and Lotus Law and Legal Services, LLC d/b/a Lotus Law, LLC ("Lotus Law," and collectively with Merta, "Defendants") hereby confess judgment in favor of Plaintiff Stange Law Firm, PC ("SLF"), and do hereby authorize the St. Louis County Circuit Court to enter judgment against them, jointly and severally, in favor of Plaintiff, as follows:

1. Merta is a former SLF employee. As an SLF employee, Merta signed an Attorney Agreement, agreeing that when her employment ended she would to return to SLF all SLF documents and information she obtained in the course of her employment with SLF.
2. Merta voluntarily resigned from SLF on February 9, 2018.
3. On or about February 2, 2018, seven days prior to her resignation, Merta transferred approximately 22,000 data files from SLF onto a portable USB flash drive without authorization from SLF. The data files that were transferred to the portable USB flash drive included files from SLF's clients and SLF. Merta took the flash drive containing these files and, upon her resignation (despite representations to the contrary during her exit interview with SLF),

retained the files. Many of those files were later found to be contained on Defendants' MacBook Pro computers and cloud storage accounts.

4. Prior to her resignation and without authorization from SLF, Merta tampered with, deleted, and wiped her SLF computer, her SLF-issued smart phone, and other storage locations of all data, including data related to SLF's clients and SLF, and also informed three clients of her imminent departure from SLF. Thereafter, following the submission of her notice of resignation, but prior to it becoming effective, Merta contacted a number of clients to inform them of her resignation and inform them that they could transfer their file to her new law firm.

5. SLF prepared and filed this action and sought a temporary restraining order against Defendants. In response, the parties agreed to a Consent Order, which was entered by the Court on February 16, 2018.

6. Defendants were subsequently found to be in contempt of the Court's orders, including the Consent Order, on January 9, 2019, July 10, 2019, and August 7, 2019. The Court has already awarded SLF damages in the amount of Two Hundred Eighteen Thousand Four Hundred Fourteen Dollars and Ninety Nine Cents (\$218,414.99) pursuant to those Orders and Judgments of Contempt.

7. Defendants hereby jointly and severally confess to judgment in the additional amount of \$557,292.08 in favor of Plaintiff on Count I (Violation of the Missouri Computer Tampering Act (§ 537.525 RSMo.)), Count II (Breach of Contract), Count III (Breach of the Duty of Loyalty), and Count IV (Breach of Fiduciary Duty) in Plaintiffs' Amended Petition.

8. Defendants also, as part of their confession to judgment on Counts I through IV of SLF's Amended Petition, consent to a permanent injunction in favor of SLF as follows:

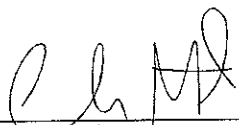
- a. Each of the Defendants, and anyone acting in concert with any of the Defendants, are permanently enjoined following the date on which the permanent injunction is entered from retaining, using, disclosing, copying or discussing (1) any files, documents, and information taken from SLF by

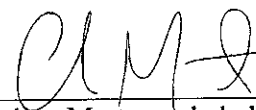
Defendants of any kind whatsoever (except for the files for clients who transferred their representation from SLF to Defendants and which were contained on the flash drive that was delivered to Defendants by Parameter Security on September 16, 2019), created by and/or at the direction of SLF, and/or any of SLF's current or former clients, (2) any files, documents, and information belonging to SLF and/or any of SLF's current or former clients (except for the files for clients who transferred their representation from SLF to Defendants and which were contained on the flash drive that was delivered to Defendants by Parameter Security on September 16, 2019), and/or (3) any files, documents, and information containing, reflecting, discussing, or constituting any of the foregoing information (the information set forth in this paragraph is collectively referred to as the "SLF Information").

- b. Defendants shall destroy and permanently delete, or return to SLF, all SLF Information, if any, currently in their possession, custody, or control, or which may subsequently come into their possession, custody, or control at any time hereafter, regardless of the medium in which it is stored.
- c. If at any point after the entry of this permanent injunction either of the Defendants discovers that she or it has any SLF Information in her or its possession, custody, or control, Defendants will immediately notify Plaintiff, return the SLF Information, and destroy all copies.

9. The foregoing injunction will be binding on all persons, partnerships, corporations, and other entities with knowledge of this decree and who knowingly act in concert with any or all of the Defendants to violate its provisions.

WHEREFORE, Defendants Chelsea Merta and Lotus Law, LLC confess to judgment and immediate execution thereof in favor of Plaintiff Stange Law Firm, PC on Counts I-VI of Plaintiff's Amended Petition, for the sum of \$557,292.08 and consent to a permanent injunction as set forth above.

By: 
Chelsea Merta, individually

By: 
Chelsea Merta, on behalf of Lotus Law and
Legal Services, LLC d/b/a Lotus Law,
LLC

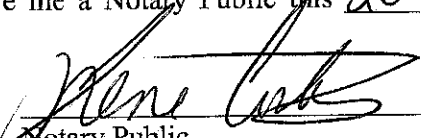
STATE OF MISSOURI)
) ss.
COUNTY OF St Louis)

I, Chelsea Merta, do hereby state and affirm that I have executed the above Confession of Judgment as my free act and deed on this 20th day of September, 2019.



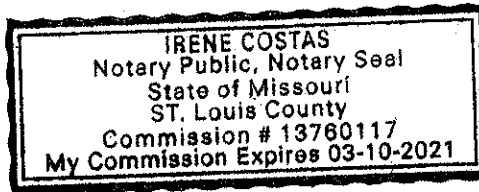
Chelsea Merta

Subscribed and sworn to before me a Notary Public this 20th day of September 2019.



Notary Public

My commission expires: 3/10/2021



STATE OF MISSOURI)
COUNTY OF St Louis) ss.

I, Chelsea Merta, do hereby state and affirm that I am authorized to execute the above Confession of Judgment on behalf of Lotus Law and Legal Services, LLC d/b/a Lotus Law, LLC this 20th day of September, 2019.

CM-J
Chelsea Merta

Subscribed and sworn to before me a Notary Public this 20th day of September 2019.

[Signature]
Notary Public

My commission expires: 3/10/2021

