

NOTIFY<sup>39</sup>

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, ss.

SUPERIOR COURT  
CIVIL ACTION NO. 1984-cv-3703F

COMMONWEALTH OF MASSACHUSETTS

Plaintiff,

v.

VTECH SOFTWARE SOLUTION INC.,  
TECHMATE INC., formerly known as NEXTGEN  
SOFTWARE SOLUTION INC.,  
SHALU CHAWLA, and  
VISHAL CHAWLA,

Defendants,

and

BANK OF AMERICA, N.A.,  
CAPITAL ONE FINANCIAL CORP.,  
CITIZENS BANK, N.A.,  
DIGITAL FEDERAL CREDIT UNION,  
EAST BOSTON SAVINGS BANK,  
METRO CREDIT UNION,  
SANTANDER BANK, N.A.,  
ST. MARY'S CREDIT UNION, and  
TD BANK, N.A.,

Trustee-Defendants.

Notice  
sent  
3-2-21  
JR  
DAGM  
JEB

**[PROPOSED] FINAL JUDGMENT BY CONSENT**

WHEREAS, the Plaintiff, the Commonwealth of Massachusetts, by and through its Attorney General, Maura Healey ("Commonwealth"), filed a complaint in this matter pursuant to the Massachusetts Consumer Protection Act (G.L. c. 93A), and regulations issued under that act,

JUDGMENT ENTERED ON DOCKET Mura 21  
PURSUANT TO THE PROVISIONS OF MASS. R. CIV. P. 58(c)  
AND NOTICE SENT TO PARTIES PURSUANT TO THE PRO-  
VISIONS OF MASS. R. CIV. P. 77(c) AS FOLLOWS

alleging that the Defendants operated a technical support business that did not provide services that consumers paid for and as advertised or described, and made deceptive or misleading statements to consumers.

WHEREAS, the parties have filed a joint motion seeking entry of this Final Judgment by Consent (“Judgment”).

WHEREAS, the Court has reviewed the docket and filings in this matter, the Joint Motion for Entry of Final Judgment by Consent, and the attached Consents to Judgment.

WHEREAS, the Court finds that it has subject matter jurisdiction over this matter, and that the Defendants, VTech Software Solution, Inc., Techmate Inc., formerly known as NextGen Software Solution, Inc., Shalu Chawla, and Vishal Chawla (collectively, the “Defendants”) have consented to specific personal jurisdiction in Massachusetts for purposes of this matter.

WHEREAS, the Plaintiff and Defendants have agreed to the stipulations and terms of this Judgment without admission of any facts or liability of any kind as alleged in Plaintiff’s complaint.

WHEREAS, the Court further finds that entry of this Judgment is in the interests of justice, and that there is no just cause for delay of its entry.

NOW, THEREFORE, on the basis of these findings, and for the purposes of effecting this Final Judgment by Consent, **IT IS HEREBY FOUND, ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:**

## **I. PARTIES, JURISDICTION, AND VENUE**

1. The Commonwealth of Massachusetts is the Plaintiff in this case and is charged with enforcing the Consumer Protection Act (G.L. c. 93A) and regulations issued thereunder,

including the Advertising Regulations (940 CMR 6.00 *et seq.*), and the Repairs and Services Regulations (940 CMR 3.00 *et seq.*).

2. Defendant Shalu Chawla (“Shalu”) is an individual and a resident of Massachusetts.

3. Defendant Vishal Chawla (“Vishal”) is an individual and a resident of Massachusetts.

4. At all relevant times, Defendant VTech Software Solution Inc. (“VTech”) is a Massachusetts corporation with a principal office at 29 Hopkins St., Melrose, Massachusetts. At all times relevant to the actions alleged in the Complaint, Shalu was the sole owner, director, president, secretary, and treasurer of VTech.

5. At all relevant times, Defendant Techmate Inc. (“Techmate”), formerly known as NextGen Software Solution Inc., is a Delaware corporation with a principal office in Massachusetts. At all times relevant to the actions alleged in the Complaint, Shalu was the sole owner, director, president, secretary, and treasurer of Techmate.

6. Defendants, at all relevant times, transacted business in Massachusetts.

7. The Court has jurisdiction over the subject matter of this action and jurisdiction over the parties to this action, and venue is proper in this Court. G.L. c. 223A, §§ 2, 3 (personal jurisdiction), G.L. c. 93A, § 4 (subject matter jurisdiction and venue), G.L. c. 223, § 5 (venue).

## **II. DEFINITIONS**

8. “Controlling Interest” shall be defined as the holding of any degree of ownership of a business or other organization sufficient to give the holder a means of exercising control over the management or operations of the business or other organization.

9. “Financial Interest” means any ownership, investment, or compensation arrangement, either directly or indirectly, with a business or other organization. “Financial Interest” does not include ownership of investment securities in a publicly-held corporation that is traded on a national exchange or over-the-counter market, provided the investment securities held by such person and such person’s co-workers, employees, spouse, parent, or child, in the aggregate, do not exceed one-half of one per cent of the total number of shares issued by the corporation.

10. “Effective Date” shall be the date of entry of this Judgment.

11. “Technical Support Company” shall be any business or other organization that offers, sells, or provides a service that includes the repair, restoration, or optimization of software or hardware of desktop computers or mobile computing devices.

12. “Online Payment Processor” shall be any business or other organization that offers, sells, or provides a service that includes the processing of consumer payments or funds transfers by phone or through the Internet, including but not limited to the remote processing of credit card transactions or the remote the generation of bank drafts, wire transfers, or ACH (Automated Clearing House) transfers.

### **III. INJUNCTIVE RELIEF**

13. The injunctive terms contained in this Judgment are being entered pursuant to G.L. c. 93A, § 4.

14. Defendants shall comply with the Consumer Protection Act, G.L. c. 93A, and the regulations issued thereunder, including the Repairs and Services Regulations, 940 CMR 3.00 *et*

*seq.*, and the Advertising Regulations, 940 CMR 6.00 *et seq.* as applicable to any Technical Support Company.

15. Defendants shall reasonably cooperate, to the best of their knowledge and capability, with the Commonwealth in connection with any other civil investigation or litigation pursued under G.L. c. 93A related to Technical Support Companies. Defendants' cooperation shall include, but not be limited to:

- a. providing documents, records, tangible evidence, and testimony reasonably requested by the Commonwealth pursuant to a Civil Investigative Demand issued under G.L. c. 93A, § 6;
- b. appearing, without the service of a subpoena, to provide truthful testimony at any trial, deposition, or other similar proceeding arising from an active civil suit under c. 93A pursued by the Commonwealth; and
- c. Using best efforts effort to cause or otherwise facilitate employees, representatives, agents, or contractors to similarly appear and provide testimony, including by providing the Commonwealth with contact information (e.g. address, email address, cell phone number) of such persons.

16. For five (5) years from the Effective Date, Defendants shall preserve and securely maintain all documents, reports, and records containing information or data concerning VTech, Techmate, or any other Technical Support Company over which any of the Defendants maintain or have maintained a Controlling Interest or Financial Interest.

17. To the extent Defendants maintain a Controlling Interest, jointly or severally, over any Technical Support Company that has not been dissolved or does not have a void charter, Defendants shall cease the operation of and dissolve such company within thirty (30) days of the

Effective Date. Defendants shall not seek to revive or resume operation of any Technical Support Company over which they maintain or maintained, jointly or severally, a Controlling Interest. Defendants represent and stipulate that during the pendency of this action, VTech filed articles of voluntary dissolution with the Massachusetts Secretary of the Commonwealth on April 13, 2020. Defendants also represent and stipulate that the Delaware Secretary of State voided Techmate's corporate charter under 8 Del. C. § 510 as of March 1, 2018.

18. Within thirty (30) days of the Effective Date, Defendants shall divest any Financial Interest owned by any Defendant in any Technical Support Company.

19. After thirty (30) days from the Effective Date, Defendants shall not own, operate, perform services for, form, direct, or have a Financial Interest or Controlling Interest in, any Technical Support Company.

20. Within thirty (30) days of the Effective Date, Defendants shall close all business, or commercial accounts, or accounts maintained on behalf of or in the name of any other organization, that they maintain with any Online Payment Processors.

21. After thirty (30) days from the Effective Date, Defendants shall not open any new business, organizational, or commercial accounts, or accounts maintained on behalf of or in the name of any other organization, with any Online Payment Processor in connection with any Technical Support Company.

#### **IV. MONETARY PAYMENT**

22. No later than ninety (90) days after the Effective Date, Defendants shall pay, jointly and severally, one-hundred and forty-five thousand dollars (\$145,000) to the Massachusetts Attorney General's Office by wire transfer pursuant to instructions to be provided

by the Office of the Attorney General within seven (7) days after the Effective Date. At her sole discretion, the Attorney General may use or distribute this payment in any amount, allocation or apportionment for: (a) restitution payments to consumers; (b) payment to the General Fund of the Commonwealth of Massachusetts; (c) payments to the Local Consumer Aid Fund established pursuant to G. L. c. 12, § 11G; and/or (d) use by the Attorney General in the facilitation of this Judgment.

23. Judgment is also rendered against the Defendants, jointly and severally, in the amount of two million dollars (\$2,000,000), payment of which is suspended unless lifted as set forth herein. Suspension of payment will be lifted if, upon request by the Commonwealth made within five (5) years of the Effective Date, the Court finds that any Defendant has failed to comply with the requirements of this Judgment. If this suspension is lifted, this amount becomes immediately due and payable. At her sole discretion, the Attorney General may use or distribute this payment, or any portion thereof collected by the Attorney General, in any amount, allocation or apportionment for: (a) restitution payments to consumers; (b) payment to the General Fund of the Commonwealth of Massachusetts; (c) payments to the Local Consumer Aid Fund established pursuant to G. L. c. 12, § 11G; and/or (d) use by the Attorney General in the facilitation of this Judgment.

24. Defendant acknowledges and agrees that the payments described in paragraphs 22 and 23 are (i) payable to and for the benefit of a governmental unit, and (ii) provided for as a material term in this Final Judgment, and accordingly such civil penalties are not dischargeable in bankruptcy.

## **V. RELEASE**

25. Following full payment of the amounts in Paragraph 22, Plaintiff shall release and discharge Defendants from any and all civil claims that relate to or arise from the facts and circumstances alleged in the Complaint that the Commonwealth brought or could have brought under G. L. c. 93A, regulations issued pursuant to c. 93A, or common law claims concerning unfair or deceptive trade practices.

26. The release in the preceding paragraph does not apply to any civil or administrative liability that Defendants may have under any statute, regulations, or law not expressly described therein, nor does the release in the preceding paragraph apply to criminal liability.

27. Nothing contained in this Judgment shall be construed to limit the ability of the Commonwealth to enforce the obligations that Defendants have under this Judgment.

28. Subject to the release included herein, nothing in this Judgment shall be construed to limit the authority of the State to protect the interests of the State or its citizens, or to enforce any laws, regulations, or rules against Defendants.

29. Subject to the release included herein, this Judgment does not affect any private right of action that any consumer, person, or entity, or right of action that any federal, state, or local governmental entity may have against Defendants.

30. Nothing in this Judgment shall be construed as relieving the Defendants of the obligation to comply with all state and federal laws, regulations, and rules, nor shall any of the provisions of this Judgment be deemed to be permission to engage in any acts or practices prohibited by such laws, regulations, and rules.



## VI. NOTICES

31. Any notices or documents required to be sent to the Parties pursuant to this Judgment shall be sent to the following addresses via U.S. mail and electronic mail (unless after the Effective Date, a different address is communicated in writing by the party requesting a change of designee or address):

a. For the Commonwealth:

Jared Rinehimer  
Assistant Attorney General  
One Ashburton Place, 18th Floor  
Boston, MA 02108  
jared.rinehimer@mass.gov

b. For the Defendants:

John E. Bacon, Esq.  
225 Victory Road  
Quincy, MA 02171  
info@johnbaconlaw.com

## VII. DISSOLUTION OF ATTACHMENT AND DISCHARGE OF TRUSTEES

32. On November 27, 2019, this Court ordered the attachment of property in Massachusetts held by the Defendants in the amount of \$2,393,583.66.

33. For the purposes of the facilitation of this Judgment, the Commonwealth and Defendants have agreed to the dissolution of this attachment.

34. Accordingly, it is **ORDERED** that all attachments with respect to this case throughout the Commonwealth in the name of Shalu Chawla, Vishal Chawla, VTech Software Solution, Inc., or Techmate, Inc., are hereby **DISSOLVED**, and the Clerk is directed to issue to the Defendants a certificate that the aforementioned attachments have been dissolved, pursuant to G.L. c. 223, § 132.

35. On November 27, 2019, this Court ordered attachment by trustee process as to each of the Defendants upon nine banking entities.

36. For the purposes of the facilitation of this judgment, the Commonwealth and Defendants have agreed to the discharge of these trustees.

37. Accordingly, it is **ORDERED** that the following trustees are hereby **DISCHARGED** as to property held in the name of Vishal Chawla, Shalu Chawla, VTech Software Solution, Inc., or Techmate, Inc.:

- a. Bank of America, N.A.;
- b. Capital One Financial Corporation;
- c. Citizens Bank, N.A.;
- d. Digital Federal Credit Union;
- e. East Boston Savings Bank;
- f. Metro Credit Union;
- g. Santander Bank, N.A.;
- h. St. Mary's Credit Union; and
- i. T.D. Bank, N.A.

#### **VIII. GENERAL PROVISIONS**

38. The terms of this Judgment are not an admission, concession, or evidence of liability or wrongdoing on the part of Defendants.

39. Acceptance and entry of this Judgment is not an approval by the Commonwealth of any of Defendants' business practices and Defendants are enjoined from making any representations to the contrary.

40. Defendants will not participate in any activity to form a separate entity for the purpose of engaging in acts or practices prohibited by this Judgment or for any other purpose that would circumvent this Judgment.

41. Defendants expressly waive any rights, remedies, appeals, or other interests related to a jury trial or any related or derivative rights under the Massachusetts or United States Constitutions or other laws as to this Judgment.

42. If any provision of this Judgment shall be held unenforceable, the Judgment shall remain in full force and effect and be construed as if such provision did not exist.

43. This Judgment sets forth the entire agreement between the parties.

44. This Judgment shall not be construed to waive any claims of sovereign immunity Massachusetts may have in any action or proceeding.

45. All costs associated with this action and Judgment shall be borne by the party incurring them.

46. Defendants waive all requirements of Rule 52 of the Massachusetts Rules of Civil Procedure with respect to the entry of this Judgment.

47. Jurisdiction is retained by the Court for the purpose of enabling any party to the Judgment to apply to the Court at any time for such further orders and directions as may be necessary or appropriate for the construction or the carrying out of, for the modification of any of the injunctive provisions of, for enforcement of compliance with, and for the punishment of violations of, this Judgment.

48. The clerk is ordered to enter this Judgment forthwith.

ORDERED, ADJUDGED, and DECREED at Boston, Massachusetts, this 10th day of January, 2021.

L. J. A.  
Justice of the Superior Court

Jointly submitted for entry,

COMMONWEALTH OF  
MASSACHUSETTS

ATTORNEY GENERAL  
MAURA HEALEY

By: 

Jared Rinehimer (BBO #684701)  
Assistant Attorney General  
Data Privacy and Security Division

Brendan Jarboe (BBO #691414)  
Assistant Attorney General  
Consumer Protection Division

Jared.Rinehimer@mass.gov  
Brendan.Jarboe@mass.gov  
One Ashburton Place  
Boston, MA 02108  
617-727-2200

Date: 2/5/2021

VTECH SOFTWARE SOLUTION, INC.;  
TECHMATE, INC.;  
SHALU CHAWLA; and  
VISHAL CHAWLA

By their attorney:



John E. Bacon, Esq.  
225 Victory Road  
Quincy, MA 02171  
Telephone: (617) 480-6834  
Email: info@johnbaconlaw.com

Date: 1/25/2021

**CONSENT TO JUDGMENT BY VTECH SOFTWARE SOLUTION, INC.**

1. The Defendant VTech Software Solution, Inc. ("VTech") consents to the continuing subject matter jurisdiction, specific personal jurisdiction over VTech, and venue of the Suffolk Superior Court, and hereby consents to the entry of the Final Judgment in the form attached hereto. In so consenting, VTech certifies that it has read and understand each of the sections, paragraphs, and subparagraphs in the Final Judgment.

2. VTech waives the entry of findings of fact and conclusions of law under Rule 52 of the Massachusetts Rules of Civil Procedure, and waives all rights of appeal.

3. VTech understands that the obligations set forth in the Final Judgment apply to VTech and all of its officers, directors, affiliates, subsidiaries and divisions, predecessors, successors and assigns doing business in the United States.

4. VTech understands that any intentional violation of this Final Judgment may result in sanctions against it under G. L. c. 93A, § 4, and/or a finding of contempt of court.

5. VTech consents to this Final Judgment without trial or adjudication of any issue of fact or law, and without admission of any facts alleged or liability of any kind.

6. VTech states that it is represented by legal counsel, John E. Bacon, Esq., and that VTech's representative, Shalu Chawla, has personally read and understands each numbered paragraph in the Final Judgment by Consent.

7. The undersigned, Shalu Chawla, represents that she is duly authorized to execute this Consent to Judgment on behalf of VTech and to bind VTech to all of its provisions, and that on behalf of VTech, she voluntarily enters into this Final Judgment by Consent.

**ASSENTED TO, WAIVING ALL RIGHTS OF APPEAL**

**DEFENDANT, VTECH SOFTWARE SOLUTION, INC.**

By: Shalu Chawla Date: 01/23/2021

Shalu Chawla

Owner, President, Director, Treasurer, and Secretary

**CONSENT TO JUDGMENT BY TECHMATE INC.**

8. The Defendant Techmate, Inc. ("Techmate") consents to the continuing subject matter jurisdiction, specific personal jurisdiction over Techmate, and venue of the Suffolk Superior Court, and hereby consents to the entry of the Final Judgment in the form attached hereto. In so consenting, Techmate certifies that it has read and understand each of the sections, paragraphs, and subparagraphs in the Final Judgment.

9. Techmate waives the entry of findings of fact and conclusions of law under Rule 52 of the Massachusetts Rules of Civil Procedure, and waives all rights of appeal.

10. Techmate understands that the obligations set forth in the Final Judgment apply to Techmate and all of its officers, directors, affiliates, subsidiaries and divisions, predecessors, successors and assigns doing business in the United States.

11. Techmate understands that any intentional violation of this Final Judgment may result in sanctions against it under G. L. c. 93A, § 4, and/or a finding of contempt of court.

12. Techmate consents to this Final Judgment without trial or adjudication of any issue of fact or law, and without admission of any facts alleged or liability of any kind.

13. Techmate states that it is represented by legal counsel, John E. Bacon, Esq., and that Techmate's representative, Shalu Chawla, has personally read and understands each numbered paragraph in the Final Judgment by Consent.

14. The undersigned, Shalu Chawla, represents that she is duly authorized to execute this Consent to Judgment on behalf of Techmate and to bind Techmate to all of its provisions, and that on behalf of Techmate, she voluntarily enters into this Final Judgment by Consent.

**ASSENTED TO, WAIVING ALL RIGHTS OF APPEAL**

**DEFENDANT, TECHMATE INC.**



By: Shalu Chawla Date: 01/23/2021

Shalu Chawla  
Owner, President, Director, Treasurer, and Secretary

### **CONSENT TO JUDGMENT BY SHALU CHAWLA**

1. I, Shalu Chawla, consent to the continuing subject matter jurisdiction, specific personal jurisdiction, and venue of the Suffolk Superior Court, and hereby consent to the entry of the Final Judgment in the form attached hereto. In so consenting, I certify that I have read and understand each of the sections, paragraphs, and subparagraphs in the Final Judgment.

2. I waive the entry of findings of fact and conclusions of law under Rule 52 of the Massachusetts Rules of Civil Procedure, and waive all rights of appeal.

3. I understand that the obligations set forth in the Final Judgment apply to me in my personal capacity.

4. I understand that any intentional violation of this Final Judgment may result in sanctions against me under G. L. c. 93A, § 4, and/or a finding of contempt of court.

5. I consent to this Final Judgment without trial or adjudication of any issue of fact or law, and without admission of any facts alleged or liability of any kind.

6. I am represented by legal counsel, John E. Bacon, Esq., who has advised me on the meaning and implications of the Final Judgment.

### **ASSENTED TO, WAIVING ALL RIGHTS OF APPEAL**

By: Shalu Chawla Date: 01/23/2021

Shalu Chawla

### **CONSENT TO JUDGMENT BY VISHAL CHAWLA**

1. I, Vishal Chawla, consent to the continuing subject matter jurisdiction, specific personal jurisdiction, and venue of the Suffolk Superior Court, and hereby consent to the entry of the Final Judgment in the form attached hereto. In so consenting, I certify that I have read and understand each of the sections, paragraphs, and subparagraphs in the Final Judgment.

2. I waive the entry of findings of fact and conclusions of law under Rule 52 of the Massachusetts Rules of Civil Procedure, and waive all rights of appeal.


3. I understand that the obligations set forth in the Final Judgment apply to me in my personal capacity.

4. I understand that any intentional violation of this Final Judgment may result in sanctions against me under G. L. c. 93A, § 4, and/or a finding of contempt of court.

5. I consent to this Final Judgment without trial or adjudication of any issue of fact or law, and without admission of any facts alleged or liability of any kind.

6. I am represented by legal counsel, John E. Bacon, Esq., who has advised me on the meaning and implications of the Final Judgment.

### **ASSENTED TO, WAIVING ALL RIGHTS OF APPEAL**

By:  Date: 1/23/21

Vishal Chawla