

STATE OF MINNESOTA

DISTRICT COURT

COUNTY OF RAMSEY

SECOND JUDICIAL DISTRICT

Case Type: OTHER CIVIL

State of Minnesota, by its Attorney General,
Keith Ellison,Court File No. 62-CV-26-90
Hon. Stephen L. Smith

Plaintiff,

CONSENT JUDGMENT

vs.

Act for Cause and Rajesh Mehta,

Defendants.

WHEREAS, Plaintiff State of Minnesota, by its Attorney General, Keith Ellison (“State” or “AGO”), served and filed a Complaint against Defendants Act for Cause and Rajesh Mehta (“Mehta”) in this matter on January 5, 2026 (“Complaint”); and

WHEREAS, the AGO, Act for Cause, and Mehta desire to resolve fully the claims set forth in the Complaint by this Consent Judgment and Order (“Consent Judgment”), consistent with the Term Sheet executed during the July 15, 2026, mediation.

NOW, THEREFORE, the AGO, Act for Cause, and Mehta hereby agree to entry of an order with the following terms and conditions:

INJUNCTIVE RELIEF

1. For twenty years from the execution of this agreement, Mehta will not, whether directly, indirectly, individually, representatively, or through or in combination with any other person or entity, engage in any of the following conduct:

- (a) Seek or accept a position as an officer of a Minnesota nonprofit organization.
- (b) Seek or accept a position as a director of a Minnesota nonprofit organization.

- (c) Act with control or responsibility of administering property held for a charitable purpose. This provision does not apply to Defendant or Defendant's family, as defined by Minn. Stat. § 317A.255, subd. 4, for the purposes of family estate planning.

2. For the purposes of this Consent Judgment, the following terms have the following meanings:

- (a) "Director" shall have the meaning given by Minnesota Statutes section 317A.011, subdivision 7.
- (b) "Minnesota nonprofit organization" shall mean the following: (i) any corporation governed by or organized under Minnesota Statutes chapter 317A or section 322C.1101, and (ii) any organization organized under any other Minnesota law that is also exempt from federal income taxation pursuant to Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3).
- (c) "Officer" shall have the meaning given the term by Minnesota Statutes section 317A.011, subdivision 15.

3. Mehta is enjoined for the twenty-year period specified in Paragraph 1 from effecting any change in any entity's form of doing business, organizational identity, organizational structure, affiliations, ownership, or management composition, or otherwise engaging in any other method or practice whose purpose or effect is to avoid the terms of this Consent Judgment. Mehta is further enjoined from effecting any change in his ownership stake in, or management authority over, any entity in which he has such ownership stake or management authority as a method of, or if the effect is, assisting the entity in avoiding the terms of this Consent Judgment. Mehta is further enjoined from engaging in any conduct prohibited by this Consent Judgment through or in combination with any other person. Mehta is not prohibited from engaging in for-profit activity, nor is he prohibited from volunteering for charitable or religious purposes, provided that his activities do not violate the terms of this consent judgment, and provided that his activities are not intended to avoid the terms of this consent judgment.

MONETARY PAYMENT

4. Mehta is liable for \$200,000 in civil penalties under Minnesota Statutes section 8.31. Mehta will pay monetary relief to the AGO of \$100,000 (the “Settlement Sum”), with a further \$100,000 to be stayed so long as Mehta adheres to the terms of this judgment.

- (a) The terms related to Mehta’s stayed civil penalty are detailed in Paragraph 9 of this Consent Judgment.
- (b) With respect to the executed payment, Mehta will pay \$50,000 within one year of the execution of this agreement.
- (c) Metha shall pay the remaining \$50,000 within four years of the execution of this agreement. Mehta shall, at minimum, make the monthly payments detailed below, on the first day of each month, as shown below:

Period	Payment Per Month
September 1, 2027 - August 1, 2028	\$1,000
September 1, 2028 - July 1, 2030	\$1,583
August 1, 2030	\$1,591

5. For purposes of section 8.37, the Settlement Sum is not “consumer enforcement public compensation” as defined by that section and shall be remitted in accordance with section 8.37.

6. The monies to be paid under Paragraph 4 shall be sent payable to the “Minnesota Attorney General’s Office” at the following address: Karthik Raman, Assistant Attorney General, Minnesota Attorney General’s Office, 445 Minnesota Street, Suite 600, St. Paul, Minnesota 55101.

7. If Mehta does not comply with the payment requirements contained in Paragraph 4, and if Mehta does not cure the violation subject to the notice and cure provision, Mehta consents to and authorizes the AGO to, *ex parte*, immediately file with the Court the Confession of Judgment signed in relation to this Consent Judgment pursuant to Minnesota Statutes section 548.22, thereby rendering Mehta immediately liable for the balance of the \$100,000 settlement sum referenced in Paragraph 4, minus any amounts already paid by Mehta to the AGO pursuant to

this Consent Judgment. Mehta consents to the Court Administrator or Clerk of Court entering the Confession of Judgment forthwith without any additional notice or other action.

8. Mehta further consents to and authorizes the AGO, at its sole discretion, to request and receive a copy of Mehta's credit report from Equifax, Experian, and TransUnion after the Clerk or Court has entered the Confession of Judgment against Mehta. Mehta acknowledges and admits that such procurement of credit reports constitutes a permissible purpose for a consumer reporting agency to furnish the reports under 15 U.S.C. § 1681b(a)(3)(A).

STAYED RELIEF

9. Mehta is liable for an additional civil penalty of \$100,000 if the Court finds, after a motion by the AGO, and pursuant to a hearing as determined by the Court, that Mehta violated any provision of this Consent Judgment. The AGO shall provide notice to Mehta of any alleged violation prior to seeking relief from the Court under this paragraph and offer a reasonable opportunity for Mehta to respond to the AGO's allegations, which Mehta shall do in a timely manner. Mehta shall have thirty (30) days from the date of the notice to respond to or cure the alleged violation. The release provided for in Paragraph 11 of this Consent Judgment does not prevent, restrict, or otherwise limit in any way the AGO from moving for, using any information and materials in its possession, and should a violation be found, collecting the stayed civil penalty referenced in this paragraph.

GENERAL TERMS

10. This Consent Judgment constitutes neither an admission nor denial of the allegations set forth in the Complaint.

11. In consideration of the stipulated relief, the sufficiency of which is acknowledged, the AGO, upon approval of this Consent Judgment by the Court, hereby fully and completely releases Mehta and Act for Cause of any and all claims of the AGO under Minnesota Statutes

sections 317A.201, 317A. 231, subd. 1, 317A.251, subd. 1, 317A.255, 317A.361, 317A.461, 317A.671, 317A.751, subds. 1 & 5, 317A.811, 501B.36, and 501B.38, and any other statutory provision or common law remedy, arising out of the allegations in the AGO's Complaint in the above-captioned action, up to and including the date of the Court's approval of this Consent Judgment. The AGO through this Consent Judgment does not settle, release, or resolve any claim against Mehta by any person or entity not party to this Consent Judgment, or by any other person or entity involving any private causes of action, claims, or remedies, including but not limited to private causes of action, claims, or remedies provided for under Minnesota Statutes section 8.31. This release does not apply in any way to claims of any other Minnesota state agency, department, official, or division, including but not limited to the Minnesota Department of Revenue.

12. The claims, remedies, and relief provided for in this Consent Judgment are in addition to all other claims, remedies, and relief available to the State of Minnesota or the AGO.

13. Mehta will not state or imply, directly or indirectly, that the State of Minnesota or the AGO have approved of, condone, or agree with any conduct, actions, or inactions by Mehta.

14. Nothing in this Consent Judgment shall relieve Mehta of his obligations to comply with all applicable Minnesota and federal laws and regulations, and court or administrative orders and directives.

15. If this Consent Judgment is violated, Mehta agrees that any statute of limitations, statute of repose, or other time-related defense applicable to the subject matters of the operative Complaint in this action or this Consent Judgment, and any claims arising out of or relating thereto, are retroactively tolled from and after the date of this Consent Judgment.

16. In any subsequent civil litigation by or on behalf of the State, including a nondischargeable complaint or other proceeding to enforce the State's rights to any payment or

monetary judgment under this Consent Judgment in bankruptcy court, the facts alleged in the Complaint shall and will be taken as true without the need for any further proof, evidence, or other showing.

17. The facts alleged in the Complaint establish all elements necessary to sustain an action by the State pursuant to 11 U.S.C. § 523(a)(2)(A), 11 U.S.C. § 523(a)(4), and/or 11 U.S.C. § 523(a)(7), and this Consent Judgment will have collateral estoppel and/or res judicata effects for such purposes. Mehta further agrees that the entirety of the award of civil penalties under this Consent Judgment is nondischargable debt under these statutes and waives any right to contest or otherwise dispute the matter.

18. The person signing this Consent Judgment for Mehta warrants that he has authorized such persons to execute this Consent Judgment, that he or she executes this Consent Judgment in an official capacity that binds Mehta and his successors, and that Mehta has been fully advised by his counsel or has voluntarily forgone such advisement before entering into the Consent Judgment.

19. This Consent Judgment may be executed in counterparts, each of which constitutes an original, and all of which shall constitute one and the same agreement. This Consent Judgment may be executed by facsimile or electronic copy in any image format.

20. This Consent Judgment constitutes the full and complete terms of the agreement entered into by Mehta and the AGO as per the Term Sheet.

21. Service of notices or other documents required or permitted by this Consent Judgment shall be served on the following persons, or any person subsequently designated to receive such notices, by mail and email at the addresses identified below:

Minnesota Attorney General's Office
Karthik Raman
Assistant Attorney General, Charities Division
445 Minnesota Street, Suite 600, Saint Paul, MN 55101
karthik.raman@ag.state.mn.us
Office Phone: 651-651-7615

Rajesh Mehta, Defendant
1610 Blackhawk Lake Place
Eagan, MN 55122
220Roberts@gmail.com

22. The failure of a party to exercise any rights under this Consent Judgment shall not be deemed to be a waiver of any right or any future rights.

23. This Consent Judgment, including any issues relating to interpretation or enforcement, shall be governed by the laws of the State of Minnesota.

24. Nothing in this Consent Judgment shall be construed to limit the jurisdiction, power, or authority of the State of Minnesota or the AGO, except as expressly set forth herein with regard to Mehta.

25. The AGO shall have all powers specified by Minn. Stat. chapter 8, and all other authority otherwise available to it for purposes of investigating any suspected violations of this Consent Judgment.

26. Mehta shall fully, completely, truthfully, and promptly cooperate with the State in its compliance monitoring or investigating of any suspected violations of this Consent Judgment, including promptly providing information or documents requested by the AGO.

27. Each of the parties that participated in the drafting of this Consent Judgment agrees that the Consent Judgment's terms may not be construed against or in favor of any of the parties by virtue of draftsmanship.

28. Each signatory hereto shall perform such further acts and execute and deliver such further documents as may reasonably be necessary to carry out this Consent Judgment, including Mehta shall promptly comply with any reasonable request from the AGO for information regarding verification of Mehta's compliance with this Consent Judgment.

29. The AGO may file this Consent Judgment with the Court without further notice to Mehta, and the Court may approve and enter this Consent Judgment without further proceedings.

30. The Court shall retain jurisdiction of this matter for the purposes of enforcing this Consent Judgment, notwithstanding any judgment that may be entered dismissing this proceeding with prejudice or otherwise. All signatories hereto further consent to the jurisdiction of the Court for the purposes of enforcing this Consent Judgment. The State may move the Court, as appropriate, to enforce or interpret the provisions of this Consent Judgment, or to maintain an action for other relief as it determines is proper for the enforcement of this Consent Judgment. The parties agree that, in any such motion or action brought by the State, the Court shall have authority to award all appropriate legal and equitable relief, including but not limited to specific performance.

Court, as appropriate, to enforce or interpret the provisions of this Consent Judgment, or to maintain an action for other relief as it determines is proper for the enforcement of this Consent Judgment. The parties agree that, in any such motion or action brought by the State, the Court shall have authority to award all appropriate legal and equitable relief, including but not limited to specific performance.

Dated: _____

KEITH ELLISON
Attorney General
State of Minnesota

By: _____
KARTHIK RAMAN
Assistant Attorney General

Dated: 9/2/26

Rajesh Mehta

By: _____
On behalf of Rajesh Mehta

Dated: 9/2/26

ACT FOR CAUSE

By: _____
On behalf of Act for Cause

MINNESOTA
JUDICIAL
BRANCH

Dated: 09/03/2026

KEITH ELLISON
Attorney General
State of Minnesota

Dated: _____

/s/ Karthik Raman
By: _____
KARTHIK RAMAN
Assistant Attorney General
Rajesh Mehta

Dated: _____

By: _____
On behalf of Rajesh Mehta

ACT FOR CAUSE

By: _____
On behalf of Act for Cause

MINNESOTA
JUDICIAL
BRANCH

ORDER

Having reviewed the terms of the foregoing Consent Judgment, which is incorporated herein by reference, and which the Court finds reasonable and appropriate, it is SO ORDERED.

LET JUDGMENT BE ENTERED ACCORDINGLY.

Date: _____

Judge of District Court
Ramsey County

MINNESOTA
JUDICIAL
BRANCH