

FILED
LUCAS COUNTY

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COMMON PLEAS COURT
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IN THE COURT OF COMMON PLEAS OF LUCAS COUNTY, OHIO

State of Ohio, ex rel. Michael DeWine
Attorney General of Ohio
30 East Broad Street, 14th Floor
Columbus, Ohio 43215

Plaintiff,

v.

John Lee Chapman
d/b/a Home Investment Time, Inc.
2669 Latonia Blvd
Toledo, Ohio 43606

and

Trena White
d/b/a Home Investment Time, Inc.
2570 Eastgate Road, Apt 8
Toledo, Ohio 43614

Defendants.

Case No.

Judge

CI0201504128

Assigned to Judge Stacy L. Cook

**COMPLAINT FOR DECLARATORY
JUDGMENT, INJUNCTIVE RELIEF,
CONSUMER RESTITUTION,
AND CIVIL PENALTY**

JURISDICTION

1. Michael DeWine, Attorney General of Ohio, having reasonable cause to believe that violations of Ohio's consumer protection laws have occurred, brings this action in the public interest and on behalf of the State of Ohio under the authority vested in him by R.C. 1345.07.

2. The actions of Defendants, hereinafter described, have occurred in Lucas County, Ohio and, as set forth below, are in violation of the Consumer Sales Practices Act (“CSPA”), R.C. 1345.01 et seq., its Substantive Rules, O.A.C. 109:4-3-01 et seq., and the Home Solicitation Sales Act (“HSSA”), R.C. 1345.21 et seq.
3. Jurisdiction over the subject matter of this action lies with this Court pursuant to R.C. 1345.04.
4. This Court has venue to hear this case pursuant to Ohio Civ. R. 3(B)(1) – (3) in that the defendants are located in Lucas County and some of the transactions complained of herein, and out of which this action arose, occurred in Lucas County.

DEFENDANTS

5. Home Investment Time, Inc. (hereinafter “Home Investment”) was an Ohio corporation with its principal place of business located 6725 West Central Avenue, Toledo, Ohio 43617. The company’s Ohio Secretary of State filing was cancelled for nonpayment on March 18, 2014.
6. The location at 6725 West Central Avenue was not a fixed store location where goods and services were sold; rather, it is a UPS store where Defendants rented a mailbox.
7. Defendant John Lee Chapman (hereinafter “Defendant Chapman”) is a natural person whose last known personal residence is 2669 Latonia Blvd, Toledo, Ohio 43606. Defendant Chapman is or was the owner and operator of Home Investment at all times relevant to this action.
8. Defendant Trena White (hereinafter “Defendant White”) is a natural person whose last known personal residence is 2570 Eastgate Road, Apt 8, Toledo, Ohio 43614. Defendant

White is or was the president and secretary of Home Investment at all times relevant to this action.

9. Defendants have also done business under the names US Design Flooring, Home Investments, Chapman Home Improvements, Any Home Repairs and Remodeling, Remodel 4 Less Inc., Home Investment World Inc., All Home Repairs, Home Investor Deals, Home Cosmetics Time, Inc., Chapman Home Renovations, Inc., Home Repairs on Credit, Home Repair World, and Home QI, Inc.
10. Defendant Chapman, as described below, is a “supplier” as that term is defined in R.C. 1345.01(C) as Defendant was, at all times relevant herein, engaged in the business of effecting consumer transactions by advertising and selling home improvement services in Lucas County and other counties in the State of Ohio for purposes that were primarily personal, family or household within the meaning specified in R.C. 1345.01(A) and (D).
11. Defendant White, as described below, is a “supplier” as that term is defined in R.C. 1345.01(C) as Defendant was, at all times relevant herein, engaged in the business of effecting consumer transactions by advertising and selling home improvement services in Lucas County and other counties in the State of Ohio for purposes that were primarily personal, family or household within the meaning specified in R.C. 1345.01(A) and (D).
12. Defendant Chapman, by virtue of his position as owner and operator of Home Investment, alone or in conjunction with others, caused, participated in, controlled, directed, ratified and/or ordered the violations of law alleged in this Complaint.
13. Defendant White, by virtue of her position as president and secretary of Home Investment, alone or in conjunction with others, caused, participated in, controlled, directed, ratified and/or ordered the violations of law alleged in this Complaint.

14. Defendants are “sellers” as that term is used in R.C. 1345.21(C) as Defendants, at all relevant times, engaged in personal solicitations of sales at the consumers’ homes and Defendants did not have a business establishment at a fixed location where goods or services involved were regularly offered or exhibited for sale.

STATEMENT OF FACTS

15. Defendants are or have been engaged in the business of advertising and selling home improvement services in the State of Ohio, including in Lucas County, at all times relevant to this action.
16. Defendants placed advertisements in Ohio newspapers and on Craigslist in order to solicit business.
17. When consumers called the phone numbers listed in the advertisements, they spoke with someone who identified himself as Johnny Lee Chapman.
18. Defendant Chapman made arrangements with consumers on the phone to meet them at their homes to give them estimates for remodeling projects.
19. On some occasions, Defendant Chapman would bring a subcontractor with him when he met with consumers at their homes. Other times, he would send the subcontractor to the consumers’ homes in his stead.
20. Defendants did not have a business establishment at a fixed location where the goods or services involved in home improvement transactions are regularly offered or exhibited for sale.
21. Defendants gave estimates and executed contracts with consumers that did not contain proper notices of cancellation.

22. On at least one occasion, Defendants began work on a consumer's home before the three-day right to cancel had expired.
23. Defendants required consumers to make upfront payments in order to begin the work.
24. Defendants maintained a checking account in Home Investment Time's name at Woodforest National Bank. This account was opened by Defendant White.
25. Consumers made checks payable to Home Investment Time, Inc. and these payments were endorsed by Defendants and deposited into the Woodforest bank account. Additionally, Defendants told at least one consumer to deposit her payments directly into this account, which she did.
26. Defendants opened a debit card in the name of "Trena White Home Investment Time" and attached it to this checking account. This debit card was used to make personal purchases for Defendants.
27. Upon information and belief, Defendants made initial payments to the subcontractors so that they would begin the work.
28. Upon information and belief, once the subcontractors began the work, Defendants did not make any more payments to the subcontractors.
29. Consequently, in addition to having paid Defendants for services never delivered, some consumers have also been approached by the subcontractors for the outstanding balances that they are owed.
30. Some consumers paid Defendants for materials and services but were left with partially completed projects; others made payments but never received anything at all.
31. Defendants accepted payments from consumers and did not deliver the goods or services promised and did not give refunds.

PLAINTIFF'S CAUSES OF ACTION

COUNT I
FAILURE TO DELIVER

32. Plaintiff incorporates by reference, as if completely rewritten herein, the allegations set forth in paragraphs One through Thirty-One (1-31) of this Complaint.
33. Defendants have committed unfair or deceptive acts or practices in violation of the CSPA, R.C. 1345.02(A) and the Failure to Deliver Rule, O.A.C. 109:4-3-09(A), by accepting substantial payments from consumers for home improvement services and then permitting eight weeks to elapse without making shipment or delivery of the goods or services ordered or making a full refund.
34. Such acts or practices have been previously determined by Ohio courts to violate the CSPA, R.C. 1345.01 et seq. Defendants committed said violations after such decisions were available for public inspection pursuant to R.C. 1345.05(A)(3).

COUNT II
SHODDY OR UNWORKMANLIKE SERVICES

35. Plaintiff incorporates by reference, as if completely rewritten herein, the allegations set forth in paragraphs One through Thirty-One (1-31) of this Complaint.
36. Defendants have committed unfair or deceptive acts or practices in violation of the CSPA, R.C. 1345.02(A) by performing home improvement services in an incomplete, shoddy, or unworkmanlike manner.
37. Such acts or practices have been previously determined by Ohio courts to violate the CSPA, R.C. 1345.01 et seq. Defendants committed said violations after such decisions were available for public inspection pursuant to R.C. 1345.05(A)(3).

COUNT III
FAILURE TO PROVIDE PROPER NOTICE OF CANCELLATION

38. Plaintiff incorporates by reference, as if completely rewritten herein, the allegations set forth in paragraphs One through Thirty-One (1-31) of this Complaint.
39. Defendants have committed deceptive acts or practices in violation of the HSSA, R.C. 1345.23, by failing to provide consumers with a three-day notice of cancellation and then failing to allow them to cancel or refund the consumers' money.
40. Defendants have committed deceptive acts or practices in violation of the HSSA, R.C. 1345.22(B), by commencing performance of services during the time in which the buyer may cancel.
41. Such acts or practices have been previously determined by Ohio courts to violate the CSPA, R.C. 1345.01 et seq. Defendants committed said violations after such decisions were available for public inspection pursuant to R.C. 1345.05(A)(3).

PRAYER FOR RELIEF

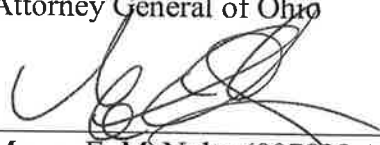
WHEREFORE, Plaintiff respectfully prays that this Court:

1. ISSUE a declaratory judgment declaring that each act or practice complained of herein violates the CSPA in the manner set forth in the Complaint.
2. ISSUE a permanent injunction enjoining Defendants and their agents, servants, representatives, salespeople, employees, independent contractors, successors, or assigns, and all persons acting in concert or participating with them, directly or indirectly, from further violating the CSPA, R.C. 1345.01 et seq., its Substantive Rules, and the HSSA, R.C. 1345.21 et seq.

3. GRANT a monetary judgment against Defendants in an amount sufficient to reimburse all consumers found to have been damaged by the Defendants' unfair and deceptive acts and practices.
4. ASSESS, FINE, and IMPOSE upon the Defendants a civil penalty in the amount of Twenty-Five Thousand Dollars (\$25,000.00) for each separate and appropriate violation described herein pursuant to R.C. 1345.07(D).
5. GRANT the Ohio Attorney General his costs in bringing this action.
6. ORDER Defendants to pay all court costs.
7. GRANT such other relief as the Court deems to be just, equitable and appropriate.

Respectfully submitted,

MICHAEL DEWINE
Attorney General of Ohio



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