

IN THE COURT OF COMMON PLEAS OF FRANKLIN COUNTY, OHIO

STATE OF OHIO, ex rel.)	CASE NO.
MICHAEL DEWINE)	
ATTORNEY GENERAL OF OHIO)	
30 East Broad St., 14th Floor)	JUDGE
Columbus, Ohio 43215)	
)	
Plaintiff,)	<u>COMPLAINT FOR</u>
)	<u>DECLARATORY JUDGMENT,</u>
v.)	<u>INJUNCTIVE RELIEF,</u>
)	<u>RESTITUTION, CIVIL</u>
KELLIE AUTO SALES INC.)	<u>PENALTIES, AND OTHER</u>
c/o Anne Piar)	<u>APPROPRIATE RELIEF</u>
Statutory Agent)	
101 Phillipi Rd.)	
Columbus, Ohio 43228)	
)	
and)	
)	
RAED SAID, aka)	
RAYMOND SAID, Individually)	
444 N. Front St., Apt. 203)	
Columbus, Ohio 43215)	
)	
Defendants.)	

JURISDICTION

1. Plaintiff, State of Ohio, by and through Counsel, the Attorney General of Ohio, Michael DeWine, 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 the Ohio Consumer Sales Practices Act ("CSPA"), R.C. 1345.01 *et seq.* and its Substantive Rules, Ohio Administrative Code, 109:4-3-01 *et seq.*, and the Retail Installment Sales Act ("RISA"), R.C. 1317.01 *et seq.*
2. The actions of Defendants, hereinafter described, have occurred in the State of Ohio and Franklin County and, as set forth below, are in violation of the CSPA

and its Substantive Rules and RISA.

3. Defendants, as described below, are “supplier[s]” as that term is defined in R.C. 1345.01(C), as Defendants were, at all times relevant herein, engaged in the business of effecting or soliciting “consumer transactions” as that term is defined in R.C. 1345.01(A).
4. Defendants, as described below, engaged in “consumer transactions” by offering for sale, selling or financing the purchase of used motor vehicles to individuals for purposes that were primarily personal, family or household within the meaning specified in R.C. 1345.01(A) and (D).
5. The actions of Defendants, hereinafter described, have occurred in the State of Ohio and Franklin County.
6. Jurisdiction over the subject matter of this action lies with this Court pursuant to R.C. 1345.04 of the CSPA.
7. This Court has venue to hear this case pursuant to Ohio Civ. R. 3(B)(1)-(3), in that Defendants reside in Franklin County, maintain their principal place of business in Franklin County and the transactions complained of herein, and out of which this action arose, occurred in Franklin County.

STATEMENT OF FACTS

8. Defendant, Kellie Auto Sales Inc., (“Kellie Auto”) is an Ohio corporation with its principal place of business located at 101 Phillipi Road Columbus, Ohio, Franklin County.

9. Defendant Raed Said, aka Raymond Said ("Said"), is a resident of the State of Ohio and Franklin County and is the owner of Kellie Auto.
10. At all times relevant hereto, Defendant Said dominated, controlled and directed the business activities and sales conduct of Defendant Kellie Auto, and exercised the authority to establish, implement or alter the policies of Defendant Kellie Auto, and personally participated in, committed, allowed, directed, ratified or otherwise caused the following unlawful acts to occur.
11. Defendants are, and have been at all times relevant to this action, engaged in the business of soliciting, promoting, purchasing, selling, leasing, financing and collecting the proceeds of the sales of used motor vehicles from their present location at 101 Phillipi Rd., Columbus 43228 to consumers residing in Franklin County, other Ohio counties and other states.
12. On July 26, 2011, Plaintiff filed a complaint in the Franklin County Court of Common Pleas, 11-CV-009216, against Defendants, alleging violations of Ohio's consumer protection laws. Defendants have continued to violate Ohio's consumer protection laws since July 26, 2011, necessitating the filing of this second complaint.
13. Defendants, operating under the name Kellie Auto, solicited individual consumers to enter into consumer transactions, specifically for the sale or lease of used motor vehicles.

14. At all relevant times hereto, Defendant Kellie Auto held license # UD012013 issued by the State of Ohio under R.C. 4517.01 et seq., allowing it to engage in the business of displaying or selling at retail or wholesale used motor vehicles.
15. At all relevant times hereto, Defendants were displaying or selling at retail or wholesale used motor vehicles at their principal place of business.
16. Some of the consumers who purchased used motor vehicles from Defendants were required to make substantial deposits as partial payment for the used motor vehicles.
17. In some instances, a written retail installment contract was completed for consumer transactions even though the used motor vehicles were being offered at zero percent financing.
18. Defendants entered into consumer transactions on terms the Defendants knew were substantially one-sided in favor of the Defendants by entering into retail installment contracts with consumers when Defendants knew there was no reasonable probability that the consumer would pay the obligation in full.
19. Defendants entered into consumer transactions on terms the Defendants knew were substantially one-sided in favor of the Defendants by entering into retail installment contracts with consumers and failing to include in the retail installment contracts the actual payment due dates.
20. Defendants sold consumers automobiles at substantially inflated prices knowing that these automobiles were likely to break-down and/or cease operating properly shortly after the automobiles were sold.

21. Defendants entered into consumer transactions knowing that the price was substantially in excess of the price at which similar property was readily obtained in similar consumer transactions by like consumers.
22. Defendants advertised and offered consumers zero percent financing while failing to disclose to consumers that the actual cash price of the vehicles were substantially inflated to include hidden finance charges.
23. Defendants repossessed consumers' motor vehicles for non-payment even though the retail installment contracts failed to include any language notifying consumers of the date of each payment necessary to pay the time balance of the total amount due under the retail installment contracts.
24. Defendants failed to dispose of consumers' motor vehicles after repossession in a commercially reasonable manner.
25. Defendants represented to consumers that the consumer transactions involved a warranty and then failed to fulfill their obligations under the stated warranty.
26. Defendants failed to make certain repairs to the vehicles before or after the sale after promising to do so.
27. Defendants failed to clearly and conspicuously notify consumers that their motor vehicles were equipped with GPS tracking devices.
28. Defendants advertised closed-end credit transactions and failed to clearly and conspicuously disclose the number of payments, the monthly payment and the annual percentage rate. (Example attached as Exhibit A).

PLAINTIFF'S FIRST CAUSE OF ACTION:

VIOLATIONS OF THE RETAIL INSTALLMENT SALES ACT (RISA)

29. Paragraphs 1-28 of this Complaint are incorporated by reference.
30. Defendants entered into retail installment contracts with consumers and failed to include in the retail installment contracts the date of each payment necessary to pay the time balance of the total amount due under the retail installment contracts, in violation of R.C. 1317.04(G).
31. Defendants entered into retail installment contracts with consumers and failed to disclose that the cash price of the vehicles had been substantially inflated to include a hidden finance charge in the actual cost of credit, in violation of R.C. 1317.06(C).
32. Defendants repossessed used motor vehicles for non-payment even though the retail installment contracts failed to include any language notifying consumers of the date of each payment necessary to pay the time balance of the total amount due under the retail installment contracts, in violation of R.C. 1317.12 and R.C. 1317.16.
33. Defendants failed to dispose of consumers' vehicles after repossessions in a commercially reasonable manner, in violation of R.C. 1317.16.
34. The acts and practices described in Paragraphs 30 through 33 are unfair and deceptive acts and practices in violation of the CSPA, R.C. 1345.02.
35. The acts or practices described in Paragraphs 30 through 33 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).

PLAINTIFF'S SECOND CAUSE OF ACTION:

VIOLATIONS OF THE CONSUMER SALES PRACTICES ACT (CSPA)

36. Paragraphs 1-28 of this Complaint are incorporated by reference.
37. Defendants represented that a consumer transaction involved a warranty and then failed to fulfill their obligations under the stated warranty, in violation of R.C. 1345.02.
38. Defendants failed to make certain repairs to the vehicles before or after the sale after promising to do so, in violation of R.C. 1345.02.
39. Defendants failed to clearly and conspicuously notify consumers that their motor vehicles were equipped with GPS tracking devices, in violation of R.C. 1345.02.
40. Defendants advertised closed-end credit transactions without disclosing the number of payments, the monthly payment, and the annual percentage rate, in violation of the CSPA, R.C. 1345.02(A), and the Advertisement and Sale of Motor Vehicles Rule, Ohio Admin. Code 109:4-3-16(D)(1).
41. Defendants entered into consumer transactions when the Defendants knew at the time the consumer transactions were entered into that there was no reasonable probability of payment of the obligation in full by the consumers, in violation of R.C. 1345.02(A) and R.C. 1345.03(A), as set forth in R.C. 1345.03(B)(4).
42. Defendants required consumers to enter into consumer transactions on terms the

Defendants knew were substantially one-sided in favor of the Defendants, in violation of R.C. 1345.02(A) and R.C. 1345.03(A), as set forth in R.C. 1345.03(B)(5).

43. Defendants entered into consumer transactions knowing at the time the consumer transactions were entered into that the consumer would be unable to receive a substantial benefit from the consumer transaction, in violation of R.C. 1345.03(B)(3).
44. Defendants entered into consumer transactions knowing at the time the consumer transactions were entered into that the price was substantially in excess of the price at which similar property were readily obtained in similar consumer transactions by similar consumers, in violation of R.C. 1345.02(A) and R.C. 1345.03(A), as set forth in R.C. 1345.03(B)(2).
45. The acts and practices described in Paragraphs 37 through 44 are unfair, deceptive, and unconscionable acts and practices in violation of the CSPA, R.C. 1345.02 and 1345.03.
46. The acts or practices described in Paragraphs 37 through 44 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:

- A. ISSUE A DECLARATORY JUDGMENT declaring that each act or practice described in Plaintiff's Complaint violates the CSPA, R.C. 1345.01 *et seq.*, and its Substantive Rules, and RISA, R.C. 4549.41 *et seq.*, in the manner set forth in this Complaint.
- B. ISSUE PERMANENT INJUNCTIVE RELIEF enjoining Defendants and their officers, agents, representatives, salespeople, employees, successors and assigns and all persons acting in concert or participating with them, directly or indirectly, from engaging in the acts or practices of which Plaintiff complains and from further violating the CSPA, R.C. 1345.01 *et seq.*, and its Substantive Rules, and RISA, R.C. 1317.01 *et seq.*
- C. ISSUE PERMANENT INJUNCTIVE RELIEF enjoining Defendants from acting as suppliers and soliciting or engaging in consumer transactions in the State of Ohio as suppliers until the final ordered resolution of this matter is satisfied in its entirety.
- D. ORDER Defendants jointly and severally liable for reimbursement to all consumers found to have been damaged by the Defendants' unfair, deceptive, and unconscionable acts and practices.
- E. ASSESS, FINE, AND IMPOSE upon Defendants, jointly and severally, a civil penalty of Twenty-Five Thousand Dollars (\$25,000.00) for each of the appropriate unfair, deceptive and unconscionable acts alleged in the Complaint, pursuant to R.C. 1345.07(D).
- F. ORDER, as a means of insuring compliance with this Court's Order and with the consumer protection laws of Ohio, Defendants to maintain in their possession and

control for a period of five (5) years all business records relating to Defendants' solicitation and sale of used motor vehicles in Ohio and to permit the Ohio Attorney General or his representative, upon reasonable twenty-four (24) hour notice, to inspect and/or copy any and all records.

G. ORDER Defendants to pay all court costs.

H. GRANT such other relief as the Court deems to be just, equitable and appropriate.

Respectfully submitted,

MICHAEL DEWINE
Attorney General

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