

IN THE COURT OF COMMON PLEAS
SUMMIT COUNTY, OHIO

STATE OF OHIO, ex rel.
MICHAEL DEWINE
ATTORNEY GENERAL OF OHIO
615 W. Superior Ave., 11th Floor
Cleveland, Ohio 44113

Plaintiff,

v.

MOTORCARS LLC
c/o NAZMI S. KHALEQ
Statutory Agent
46 Vista Ridge Circle
Hinckley, Ohio 44233

and

NAZMI S. KHALEQ
46 Vista Ridge Circle
Hinckley, Ohio 44233

Defendants.

CASE NO.

JUDGE

**COMPLAINT FOR
DECLARATORY JUDGMENT,
INJUNCTIVE RELIEF,
RESTITUTION, CIVIL
PENALTIES, AND OTHER
APPROPRIATE RELIEF**

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, R.C. 1345.01 *et seq.*, and the Certificate of Motor Vehicle Title Act, R.C. 4505.01 *et seq.*
2. The actions of Defendants Motorcars LLC and Nazmi S. Khaleq ("Defendants"),

hereinafter described, have occurred in the State of Ohio, Summit County and, as set forth below, are in violation of the Consumer Sales Practices Act, R.C. 1345.01 *et seq.*, and the Certificate of Motor Vehicle Title Act, R.C. 4505.01 *et seq.*

3. Defendants, as described below, are each a “supplier” 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).
5. The actions of Defendants, hereinafter described, have occurred in the State of Ohio and Summit County.
6. Jurisdiction over the subject matter of this action lies with this Court pursuant to R.C. 1345.04 of the Consumer Sales Practices Act.
7. This Court has venue to hear this case pursuant to Ohio Civ. R. 3(B)(1)-(3), in that Defendants resided in, operated their business from, and engaged in some of the transactions complained of herein in Summit County.

STATEMENT OF FACTS

8. Motorcars, LLC (“Motorcars”) is a domestic limited liability company conducting business in Summit County and in the State of Ohio with its principal place of business located at 1423 Copley Rd., Akron, Ohio, 44320.

9. Defendant Motorcars at all relevant times was a licensed used motor vehicle dealer, operating under a permit issued by the Ohio Bureau of Motor Vehicles, permit number UD021238.
10. On information and belief, Defendant Nazmi S. Khaleq is an individual whose address is 46 Vista Ridge Circle, Hinckley, Ohio 44233.
11. Defendant Nazmi S. Khaleq is registered with the Ohio Secretary of State as statutory agent for Motorcars.
12. On information and belief, Defendant Nazmi S. Khaleq is the principal of Motorcars, and dominated, controlled and directed the business activities and sales conduct of Motorcars, and exercised the authority to establish, implement or alter the policies of Motorcars, and committed, allowed, directed, ratified or otherwise caused the following unlawful acts to occur.
13. Defendants were at all times relevant to this action engaged in the business of soliciting, promoting, purchasing, selling, financing and collecting the proceeds of the sales of used motor vehicles to consumers residing in Summit and other Ohio counties.
14. Defendants, operating under the name Motorcars, LLC, solicited individual consumers to enter into consumer transactions, specifically for the sale of used motor vehicles.
15. The Defendants failed to file applications for certificates of title within thirty (30) days after the assignment or delivery of motor vehicles.
16. The Defendants failed to obtain certificates of title on or before the fortieth (40th) day after the sale of motor vehicles.
17. Title Defect Recision consumer claims totaling Five Thousand Sixty Nine Dollars

(\$5,069.00) thus far were paid from the Title Defect Recision Fund, administered by the Ohio Attorney General's Office, after the Defendants failed to obtain certificates of title on or before the fortieth (40th) day after the sale of the motor vehicles.

CAUSE OF ACTION
VIOLATIONS OF THE CONSUMER SALES PRACTICES ACT

18. Plaintiff incorporates by reference, as if completely rewritten herein, the allegations set forth in paragraphs One through Seventeen (1-17) of this Complaint.
19. The Defendants engaged in unfair and deceptive acts and practices in violation of R.C. 1345.02(A) by failing to file applications for certificates of title within thirty (30) days after the assignment or delivery of motor vehicles as required by R.C. 4505.06(A)(5)(b).
20. The Defendants engaged in unfair and deceptive acts and practices in violation of R.C. 1345.02(A), by selling motor vehicles to consumers, in the ordinary course of business, and then failing to obtain certificates of title on or before the fortieth (40th) day of sale of the motor vehicles as required by R.C. 4505.181(B)(1).
21. The Defendants failed to post a bond after the Attorney General paid a retail purchaser of the dealer from the Title Defect Recision Fund due to the Defendants' failure to deliver title to the purchaser, as required by R.C. 4505.181.
22. Such acts or practices have been previously determined by Ohio courts to violate the Consumer Sales Practices Act, R.C. 1345.01 *et seq.* The 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 Consumer Sales Practices Act, R.C. 1345.01 *et seq.*, and the Certificate of Motor Vehicle Title Act, R.C. 4505.01 *et seq.* in the manner set forth in this Complaint.
- B. ISSUE PERMANENT INJUNCTIVE RELIEF enjoining Defendants and any officers, agents, servants, representatives, salespeople, employees, successors and assigns and all persons acting in concert or participating with them, directly or indirectly, from engaging in the acts and practices of which Plaintiff complains and from further violating the Consumer Sales Practices Act, R.C. 1345.01 *et seq.*, and the Certificate of Motor Vehicle Title Act, R.C. 4505.01 *et seq.*
- C. ORDER Defendants liable for reimbursement to all consumers found to have been damaged by the Defendants' unfair and deceptive acts and practices, and motor vehicle title violations.
- D. ORDER Defendants liable for reimbursement to the Title Defect Recision Fund for funds expended to resolve title defects caused by Defendants' motor vehicle title violations.
- E. ASSESS, FINE, AND IMPOSE upon Defendants a civil penalty of \$25,000.00 for each of the appropriate unfair and deceptive 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 the 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 that the Defendants be enjoined from engaging in consumer transactions as a supplier in the State of Ohio until they have satisfied all restitution and civil penalties, and made reimbursement to the Title Defect Recision Fund.
- H. ORDER that Defendant Nazmi S. Khaleq be prohibited from maintaining, renewing or applying for an auto dealer or salesperson license under Chapter 4517 of the Revised Code until such a time as the reimbursement and penalties herein ordered are paid.
- I. ORDER the Defendants to pay all court costs.
- J. GRANT such other relief as the Court deems to be just, equitable and appropriate.

Respectfully submitted,

MICHAEL DEWINE
Attorney General


THOMAS D. McGUIRE (00071219)
Senior Assistant Attorney General
Consumer Protection Section
615 W. Superior Ave., 11th Floor
Cleveland, Ohio 44113
(216) 787-3030
Thomas.McGuire@OhioAttorneyGeneral.gov
Counsel for Plaintiff