

COMMON PLEAS COURT  
2018 OCT 30 AM 9 55  
IN THE COURT OF COMMON PLEAS  
BELMONT COUNTY, OHIO

STATE OF OHIO, ex rel.  
ATTORNEY GENERAL  
MICHAEL DEWINE  
30 East Broad Street, 14<sup>th</sup> Floor  
Columbus, Ohio 43215

PLAINTIFF,

v.

TRI STATE AUTO GROUP, LLC  
Chad E. Anthony  
Statutory Agent  
31 Suncrest Ave.  
Wheeling, West Virginia 20063

and

CHAD E. ANTHONY  
31 Suncrest Ave.  
Wheeling, West Virginia 20063

and

CANDICE L. ANTHONY  
a/k/a CANDICE LUANN ANTHONY  
a/k/a CANDICE L. BAILEY  
a/k/a CANDICE LUANNA BAILEY  
25 W. Poplar Ave.,  
Wheeling, West Virginia 20063

DEFENDANTS.

Case No:

18CV422

Judge:

John A. Vavra

COMPLAINT, REQUEST FOR  
DECLARATORY AND  
INJUNCTIVE RELIEF,  
CONSUMER DAMAGES, CIVIL  
PENALTIES, AND COURT  
COSTS

**JURISDICTION AND VENUE**

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 R.C. 1345.07.

2. The actions of Defendants, hereinafter described, have occurred in the State of Ohio, and as set forth below are in violation of the Consumer Sales Practices Act (“CSPA”), R.C. 1345.01 et seq. and the Certificate of Motor Vehicle Title Act 4505.01 et seq.
3. The Defendants are “suppliers” as defined in R.C. 1345.01(C) because the Defendants were, at all times relevant hereto, engaged in the business of affecting consumer transactions either directly or indirectly by soliciting and selling goods or services to consumers in the State of Ohio for purposes that were primarily for personal, family or household use, within the meaning specified 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 Belmont County.
6. Jurisdiction over the subject matter lies with this Court pursuant to the CSPA, R.C. 1345.04.
7. This Court has venue to hear this case pursuant to Ohio Civ. R. 3(B)(2) and (3), as Defendants conducted their business from their location in Belmont County and engaged in the transactions and conduct complained of therein.

### **STATEMENT OF FACTS**

8. Defendant Tri State Auto Group, LLC (“Tri State”) is a limited liability company that is registered with the Ohio Secretary of State under charter number 2239153.
9. Tri State’s principal place of business was 6 Cadiz Pike, Bridgeport, Belmont County, Ohio 43912.
10. At all times relevant to this complaint, Tri State was engaged in the business of buying and selling used vehicles from its location at 6 Cadiz Pike, Bridgeport, Belmont County, Ohio 43912.
11. Defendant Chad E. Anthony is an individual whose last known address is 31 Suncrest Ave. Wheeling, West Virginia 20063.
12. Upon information and belief, Chad Anthony is an owner of Tri State, and he exercised the authority to establish, implement, or alter the policies of Tri State and committed, allowed, directed, ratified, or otherwise caused the following unlawful acts and practices to occur.
13. Defendant Candice L. Anthony is an individual whose last known address is 25 W. Poplar Ave., Wheeling, West Virginia 20063.
14. Upon information and belief, Candice Anthony is an owner of Tri-State, and she exercised the authority to establish, implement, or alter the policies of Tri State and committed, allowed, directed, ratified, or otherwise caused the following unlawful acts and practices to occur.
15. The 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 from their location in Bridgeport to consumers

residing in Belmont County Ohio as well as other Ohio counties.

16. The Defendants, operating under the name Tri State Auto Group LLC, solicited individual consumers to enter into consumer transactions, specifically for the sale of used motor vehicles.
17. At all relevant times hereto, the Defendants held license #ND020496 issued by the State of Ohio under R.C. 4517.01 *et seq.*, allowing them to engage in the business of displaying or selling at retail or wholesale used motor vehicles at 6 Cadiz Pike, Bridgeport, Ohio 43912.
18. At all relevant times hereto, the Defendants were displaying or selling used motor vehicles at the Tri State location in Belmont County.
19. The Defendants displayed for sale and sold used motor vehicles, without obtaining a certificate of title for the vehicles in their name, and without possessing a bill of sale for each motor vehicle displayed. The Defendants sold the motor vehicles to consumers in the ordinary course of business and failed to apply for certificates of title in the name of the retail purchaser on or before the thirtieth day following the date of the sale.
20. The Defendants sold motor vehicles to consumers in the ordinary course of business and failed to obtain certificates of title in the name of the retail purchaser on or before the fortieth day following the date of the sale.
21. The Defendants received payment from retail purchasers and/or third parties on behalf of retail purchasers in full satisfaction for the purchase of the motor vehicles.

22. As a result of the Defendants' conduct, retail purchasers have been unable to obtain certificates of title to their used motor vehicles and have filed more than forty title complaints with Plaintiff pursuant to Ohio's Title Defect Recision (TDR) statute, R.C. 4505.181.
23. The Defendants also entered into arrangements with retail purchasers whereby the Defendants accepted a retail purchaser's current motor vehicle as a trade-in or agreed to facilitate the sale of consumers' motor vehicles.
24. On several occasions, clear title to the motor vehicles could not be obtained because the motor vehicles were encumbered with preexisting liens due to prior transactions in which the retail purchasers engaged.
25. In order to facilitate their own transactions, and as an integral part of the transactions with retail purchasers, the Defendants agreed to remit the preexisting lien balance to the lien holders. In exchange for the Defendants' promises, retail purchasers assigned their rights and interests in the vehicles to the Defendants by executing powers of attorney and other related documents.
26. The Defendants failed to pay off the preexisting lien payoffs as agreed. As a result, the Defendants were unable to obtain clear title to the motor vehicles, and retail purchasers were still held liable for the unpaid balance of loans and/or leases in the motor vehicles.
27. Even though clear title could not be obtained in the Defendants' names, the Defendants subsequently sold the motor vehicles to other retail purchasers. The subsequent retail purchasers paid money for motor vehicles which were not titled

in the Defendants' names at the time of purchase and for which the Defendants knew they would be unable to obtain title.

28. The total value of the consumer claims thus far exceeds \$600,000.00.
29. Title Defect Recision consumer claims totaling \$69,698.98 thus far was paid from the Title Defect Recision ("TDR") Fund, administered by the Ohio Attorney General's Office, after the Defendant failed to obtain certificates of title on or before the Fortieth (40<sup>th</sup>) day after the sale of the motor vehicles.
30. Defendant Candice Anthony filed a voluntary Chapter 7 bankruptcy petition on December 20, 2017 in the United States Bankruptcy Court for the Northern District of West Virginia (Wheeling) case number 5:17-bk-01236.
31. A discharge under 11 U.S.C. Section 727 was granted to Defendant Candice Anthony on April 30, 2018.
32. Adversary proceedings are pending in the Candice Anthony bankruptcy case.

### **PLAINTIFF'S FIRST CAUSE OF ACTION: VIOLATIONS OF THE CSPA**

#### **Count I – Failure to Deliver**

33. Plaintiff incorporates by reference, as if completely rewritten herein, the allegations set forth in paragraphs One through Thirty-Two (1-32) of this Complaint.
34. The Defendants committed unfair or deceptive acts or practices in violation of the Failure to Deliver Rule, O.A.C. 109:4-3-09(A) and the CSPA, R.C. 1345.02(A), by accepting money from consumers for goods and services and then permitting eight weeks to elapse without making shipment or delivery of the goods and services ordered, making a full refund, advising the consumer of the duration of

an extended delay and offering to send a refund within two weeks if so requested, or furnishing similar goods or services of equal or greater value as a good faith substitute.

35. The acts or practices described above have been previously determined by Ohio courts to violate the CSPA, 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).

**Count II – Unfair and Deceptive Practices**

36. Plaintiff incorporates by reference, as if completely rewritten herein, the allegations set forth in paragraphs One through Thirty-Two (1-32) of this Complaint.

37. The Defendants committed unfair or deceptive acts or practices in violation of the CSPA, R.C. 1345.02(A) by:

A. Entering into arrangements with retail purchasers whereby the Defendants accepted retail purchasers' current motor vehicles as trade-ins or agreed to facilitate the sale of consumers' motor vehicles and then failed to pay off pre-existing liens on the motor vehicles.

B. Selling used motor vehicles encumbered with pre-existing liens to retail purchasers so that retail purchasers paid money for motor vehicles which were not titled in the Defendants' names at the time of purchase, and for which the Defendants knew they would be unable to obtain title.

38. The acts or practices described in paragraph 37 of the complaint have been previously determined by Ohio courts to violate the CSPA, 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).

**Count III – Unconscionable Consumer Sales Practices**

39. Plaintiff incorporates by reference, as if completely rewritten herein, the allegations set forth in paragraphs One through Thirty-Two (1-32) of this Complaint.
40. The Defendants have committed unconscionable acts or practices in connection with consumer transactions in violation of the CSPA, R.C. 1345.03 by:
  - A. Entering into consumer transactions while knowing of the inability of the consumer to receive a substantial benefit from the subject of the consumer transaction by displaying for sale or selling used motor vehicles when there was no reasonable probability based upon its precarious financial condition that the Tri State Defendants could secure certificates of title to the motor vehicles in compliance with R.C. 4505.181(A)(2).
  - B. Collecting monies as part of the sales contracts for the purpose of paying the secured liens on consumers' traded vehicles and then failing to remit payment to the secured lenders.
  - C. Selling the consumers' vehicles to other retail purchasers who paid money for motor vehicles which were not titled in the Defendants' names at the time of purchase, and for which the Defendants knew they would be unable to obtain title.
41. The acts or practices described above have been previously determined by Ohio courts to violate the CSPA, 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).

**PLAINTIFF'S SECOND CAUSE OF ACTION: VIOLATIONS OF THE MOTOR  
VEHICLE TITLE ACT**

**Count I – Failure to Obtain Title**

42. Plaintiff incorporates by reference, as if completely rewritten herein, the allegations set forth in paragraphs One through Thirty-Two (1-32) of this Complaint.
43. The Defendants committed unfair or deceptive acts or practices in violation of the CSPA, R.C. 1345.02(A) by:
  - A. Displaying for sale or selling used motor vehicles without having first obtained certificates of title for the vehicles in the name of the dealer or without possessing a bill of sale for each motor vehicle proposed to be displayed, offered for sale, or sold, and a properly assigned power of attorney or other related documents from the prior owner giving the dealer or person acting on behalf of the dealer authority to have a certificate of title to the motor vehicle issued in the name of the dealer for each motor vehicle displayed or sold in violation of R.C. 4505.181(A)(2).
  - B. Selling or transferring used motor vehicles to Ohio retail purchasers and failing to apply for certificates of title in the name of the retail purchasers on or before the thirtieth day following the date of the sale as required by R.C. 4505.06(A)(5)(b).

C. Failing, on or before the fortieth day following the date of the sale, to obtain title to the vehicle in the name of the retail purchaser in violation of R.C. 4505.181(B)(1).

44. Such acts or practices have been previously determined by Ohio courts to violate the CSPA, 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 requests that this Court:

1. **ISSUE A DECLARATORY JUDGMENT**, pursuant to R.C. 1345.07(A)(1) declaring that each act or practice described above violates the CSPA, R.C. 1345.01 et seq. in the manner set forth therein.
2. **ISSUE A PERMANENT INJUNCTION**, pursuant to R.C. 1345.07(A)(2), enjoining Defendants and their agents, servants, representatives, salespeople, employees, successors or 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 violation of the CSPA, R.C. 1345.01 et seq.
3. **ISSUE A PERMANENT INJUNCTION**, pursuant to R.C. 1345.07(A)(2), enjoining the Defendants from engaging in further consumer transactions as a supplier until all consumer restitution awarded under this action has been paid.
4. **ORDER** the Defendants jointly and severally, pursuant to R.C. 1345.07(B), to reimburse all consumers damaged by their unfair and deceptive acts or practices, including non-economic damages.

5. **ORDER** the Defendants jointly and severally, pursuant to R.C. 1345.52, to reimburse the TDR Fund all monies paid to consumers and deficiencies in the fund caused by the unfair and deceptive acts and practices of the Defendants as set forth in this complaint
  6. **ASSESS, FINE, AND IMPOSE** upon the Defendants a civil penalty of Twenty Five Thousand Dollars (\$25,000) for each appropriate violation described herein pursuant to R.C. 1345.07(D).
  7. **ORDER** that Defendants Candice and Chad Anthony be prohibited from maintaining, applying for or granted an auto dealer or salespersons license under Chapter 4517 of the Revised Code.
  8. **GRANT** the Ohio Attorney General its costs in bringing this action.
  9. **ORDER** Defendants to pay all court costs.
- GRANT** such other relief as the Court deems to be just, equitable, and appropriate.

Respectfully submitted,

MICHAEL DEWINE  
Ohio Attorney General



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