

IN THE COURT OF COMMON PLEAS
FRANKLIN COUNTY, OHIO

STATE OF OHIO, ex rel.)	CASE NO.
ATTORNEY GENERAL)	
DAVE YOST)	
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>
KORITE MICHAEL KALANGO)	<u>PENALTIES, AND OTHER</u>
dba KALANGO LINKS)	<u>APPROPRIATE RELIEF</u>
3093 Atwood Terrace)	
Columbus, Ohio 43224)	
)	
Defendant.)	

JURISDICTION

1. Plaintiff, State of Ohio, by and through counsel, the Attorney General of Ohio, Dave Yost, 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 the Odometer Rollback and Disclosure Act, R.C. 4549.41 *et seq.*
2. The actions of Defendant Korite Michael Kalango dba Kalango Links (“Defendant”), hereinafter described, have occurred in the State of Ohio, Franklin County and other counties, and, as set forth below, are in violation of the CSPA, R.C. 1345.01 *et seq.*, its Substantive Rules, (“O.A.C.”) 109:4-3-01 *et seq.*, and the Odometer Rollback and Disclosure Act, R.C. 4549.41 *et seq.*
3. Jurisdiction over the subject matter of this action lies with this Court pursuant to R.C. 1345.04 of the CSPA.

4. This Court has venue to hear this case pursuant to Ohio Civ. R. 3(C)(2) and (3), in that Defendant operated his business from and engaged in some of the transactions complained of herein in Franklin County, Ohio.

DEFENDANTS

5. Defendant Korite Michael Kalango (“Kalango”) is an individual residing at 3093 Atwood Terrace, Columbus, Ohio 43224.
6. Defendant does business under the trade name “Kalango Links” (“KL”). The trade name is registered with the Ohio Secretary of State.
7. Defendant is conducting business in Franklin County and other counties in the State of Ohio with his principal place of business located at 4996 Cleveland Ave., Columbus, Ohio 43231. He has previously operated KL at 3431 Westerville Rd., Columbus Ohio 43224 and 970 E. Hudson St., Columbus, Ohio 43211.
8. KL, 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 UD022956.
9. Defendant is the principal owner of KL and dominated, controlled and directed the business activities and sales conduct of KL, exercised the authority to establish, implement or alter the policies of KL, and committed, allowed, directed, ratified or otherwise caused the following unlawful acts to occur.
10. Defendant, as described below, is a “supplier” as that term is defined in R.C. 1345.01(C) as he, at all times relevant herein, engaged in the business of effecting or soliciting “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).

STATEMENT OF FACTS

11. Defendant was at all times relevant to this action engaged in the business of soliciting, promoting, purchasing, selling, financing and collecting the proceeds of the sale of used motor vehicles to consumers residing in Franklin and other Ohio counties.
12. Defendant, operating under the fictitious trade name KL, solicited individual consumers to enter into consumer transactions, specifically for the sale of used motor vehicles.
13. The mileage or odometer reading on a motor vehicle is a very important factor in determining the price of a used motor vehicle, as the mileage history of a motor vehicle is connected to its value.
14. An accurate indication of the mileage on the odometer assists a buyer in deciding on the safety and reliability of the motor vehicle.
15. Defendant was required, at the time of the sale, to prepare and sign a statement, which the buyer was also required to sign, disclosing the motor vehicle's current odometer reading.
16. Defendant misrepresented or did not disclose the actual mileage of the odometers in the written odometer disclosure statements provided to some consumers.
17. The odometer discrepancies were the result of Defendant rolling back the odometers before selling the vehicles to consumers.
18. By misrepresenting the actual mileage, Defendant was also misrepresenting the value, condition, and reliability of the vehicles.
19. Some consumers complained that Defendant did not provide them with written odometer disclosure statements, and/or that they did not sign the odometer disclosure statements

and/or their signatures were forged and that they found out of the odometer discrepancy long after they purchased the vehicles.

20. For example, on July 23, 2022, Consumer AM purchased a 2008 Volkswagen EOS bearing VIN WVWBA71F98V042330 from the Defendant.
21. Defendant represented to AM that the vehicle had approximately 90,548 miles.
22. In fact, the prior Ohio title for this vehicle documented a high mileage reading of 191,857 on November 30, 2020 when the title transferred to Defendant.
23. The vehicle was titled to the Defendant from November 30, 2020 to the date of sale to AM.
24. Defendant did not provide AM with a written disclosure statement before she purchased the vehicle notifying AM that the vehicle she was purchasing on July 23, 2022 had an odometer discrepancy even though Defendant was aware of the discrepancy.
25. On or about July 25, 2022 Defendant filed an application with the Ohio Bureau of Motor Vehicles to transfer the title to AM. The application included an odometer disclosure statement with the mileage listed as 90,826.
26. AM found out weeks later when she received her title that the odometer reading was not accurate.
27. AM would not have purchased the vehicle had Defendant disclosed the true and actual mileage to her before she agreed to purchase the vehicle.
28. A rebuilt title reflects that a vehicle has been rehabilitated after being issued a salvage title, which would have resulted from collision damage, fire, flood, or even a manufacturer buyback following a lemon-law claim.
29. There is no guarantee a car bearing a rebuilt title brand is safe or reliable.

30. Defendant was required to notify potential consumers in writing prior to the execution of the purchase agreement that the motor vehicle is a rebuilt salvage vehicle with a title branded rebuilt salvage.
31. Defendant did not disclose the fact that they were selling rebuilt salvage vehicles to the consumers in writing prior to the execution of the purchase agreements.
32. Consumers were not advised by Defendant, nor were they aware, that they were purchasing rebuilt salvage vehicles.
33. For example, on August 8, 2022 Consumer MD purchased a 2011 Honda Crosstour bearing VIN 5J6TF1H39BL003135 from Defendant for \$4,366.00.
34. The vehicle was titled to Defendant on May 13, 2022. The title was a salvage title and had the “NMVTIS salvage branding” on the face of the title. The 141,858 miles on the title was listed as actual.
35. Defendant made application with the Bureau of Motor Vehicles on August 8, 2022 to transfer the title from his individual name to KL. The new title issued to KL included a “rebuilt salvage” title brand instead of the salvage notation that appeared on the title when transferred to the Defendant on May 13, 2022.
36. The new title issued to KL on August 8, 2022 also included the notation “Non-Actual Warning: Odometer Discrepancy” and the listed mileage on the title was now 81,111. This mileage was a decrease of over 60,000 miles from when Defendant listed the mileage on the title in June 2022. Defendant was the titled owner of this vehicle during the time the mileage was tampered with.
37. Defendant then made application with the Bureau of Motor Vehicles on August 8, 2022

to transfer title to MD. The new title issued to MD included the notation “rebuilt salvage” and included the notation “Non-Actual Warning Odometer Discrepancy”. The new title listed the mileage at 81,111 miles.

38. MD was not shown, or provided, a copy of the title with the “rebuilt salvage” and “Non-Actual Warning Odometer Discrepancy” notations prior to his purchase of the vehicle.
39. Defendant did not disclose orally, or in writing, prior to the execution of the purchase agreement to MD the fact that he was purchasing a rebuilt salvage motor vehicle.
40. Defendant did not provide MD, at the time of the sale, a statement to sign disclosing the motor vehicle’s current odometer reading.
41. MD would not have purchased the vehicle had Defendant disclosed that the motor vehicle was a rebuilt salvage motor vehicle and that the odometer mileage was not the actual mileage.
42. MD first learned of the salvage status and odometer discrepancy when he received the title.
43. In addition to the misrepresentations and failure to disclose, Defendant’s standard business practices are not in compliance with Ohio law.
44. Defendant required several consumers to make deposits to hold the vehicles they were interested in purchasing but did not provide the consumers with required dated written receipts stating clearly and conspicuously the time during which the option to purchase was binding and whether the deposits were refundable and under what conditions and then refused to return the deposits after the consumers chose not to purchase the vehicles.
45. On information and belief, the consumer examples in this Complaint are just a few of the many consumers damaged by Defendant’s actions.

FIRST CAUSE OF ACTION:
VIOLATIONS OF THE CONSUMER SALES PRACTICES ACT

COUNT 1: ADVERTISEMENT AND SALE OF MOTOR VEHICLES

46. Plaintiff incorporates by reference, as if completely rewritten herein, the allegations set forth in the preceding paragraphs of this Complaint.
47. Defendant committed unfair and deceptive acts and practices in violation of R.C.1345.02 and O.A.C. 109:4-3-16(B)(29), by failing to disclose prior to obtaining the signatures by the consumers on any documents for the purchase of the vehicles the fact that such vehicles were previously titled as a rebuilt salvage vehicle when Defendant had actual knowledge of such facts.
48. The acts and practices described above violate an Ohio Administrative Code rule enacted pursuant to the CSPA, R.C. 1345.01 *et seq.* and have been previously determined by Ohio courts to violate the CSPA, R.C. 1345.01 *et seq.* Defendant committed said violations after such decisions were available for public inspection pursuant to R.C. 1345.05(A)(3).

COUNT 2: SUBSTANTIATION OF CLAIMS IN ADVERTISING

49. Plaintiff incorporates by reference, as if completely rewritten herein, the allegations set forth in the preceding paragraphs of this Complaint.
50. Defendant committed unfair and deceptive acts and practices in violation of R.C. 1345.02 and O.A.C. 109:4-3-10(A), by making representations, claims or assertions of fact, orally or in writing, which would cause a reasonable consumer to believe such statements regarding the mileage listed on their purchase agreements and odometer disclosure statements were accurate when Defendant knew they were not.

51. The acts and practices described above violate an Ohio Administrative Code rule enacted pursuant to the CSPA, R.C. 1345.01 *et seq.* and have been previously determined by Ohio courts to violate the CSPA, R.C. 1345.01 *et seq.* Defendant committed said violations after such decisions were available for public inspection pursuant to R.C. 1345.05(A)(3).

COUNT 3: DEPOSITS

52. Plaintiff incorporates by reference, as if completely rewritten herein, the allegations set forth in the preceding paragraphs of this Complaint.
53. Defendant committed unfair and deceptive acts and practices in violation of R.C. 1345.02 and O.A.C. 109:4-3-07(B)(4), when at the time of the initial deposit received from the consumer, Defendant failed to provide the consumer with a dated written receipt stating clearly and conspicuously the time during which the option to purchase was binding.
54. Defendant committed unfair and deceptive acts and practices in violation of R.C. 1345.02 and O.A.C. 109:4-3-07(B)(5), when at the time of the initial deposit received from the consumer, Defendant failed to inform the consumer whether the deposit was refundable and under what conditions.
55. The acts and practices described above violate an Ohio Administrative Code rule enacted pursuant to the CSPA, R.C. 1345.01 *et seq.* and have been previously determined by Ohio courts to violate the CSPA, R.C. 1345.01 *et seq.* Defendant committed said violations after such decisions were available for public inspection pursuant to R.C. 1345.05(A)(3).

SECOND CAUSE OF ACTION:
VIOLATIONS OF THE ODOMETER ROLLBACK AND DISCLOSURE ACT

COUNT 1: FAILING TO PROVIDE ACCURATE ODOMETER STATEMENTS

56. Plaintiff incorporates by reference, as if completely rewritten herein, the allegations set forth in the preceding paragraphs of this Complaint.
57. Defendant committed unfair and deceptive acts and practices in violation of R.C. 1345.02 and the Odometer Rollback and Disclosure Act, R.C. 4549.45(A), by failing to provide true and complete odometer disclosures required by R.C. 4505.06.
58. The acts and practices described above have been previously determined by Ohio courts to violate the CSPA, R.C. 1345.01 *et seq.* Defendant committed said violations after such decisions were available for public inspection pursuant to R.C. 1345.05(A)(3).

COUNT 2: TAMPERING WITH ODOMETERS

59. Plaintiff incorporates by reference, as if completely rewritten herein, the allegations set forth in the preceding paragraphs of this Complaint.
60. Defendant committed unfair and deceptive acts and practices in violation of R.C. 1345.02 and R.C. 4549.42(A), by adjusting, altering, changing, tampering with or setting back, an odometer of a motor vehicle, or caused any of the foregoing to occur to an odometer of a motor vehicle with the intent to alter the number of miles registered on the odometer.
61. The acts and practices described above have been previously determined by Ohio courts to violate the CSPA, R.C. 1345.01 *et seq.* Defendant committed said violations after such decisions were available for public inspection pursuant to R.C. 1345.05(A)(3).

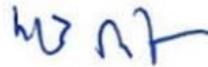
PRAYER FOR RELIEF

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.*, its Substantive Rules, O.A.C. 109:4-3-01 *et seq.*, and the Odometer Rollback and Disclosure Act, R.C. 4549.41 *et seq.* in the manner set forth in this Complaint.
- B. ISSUE PERMANENT INJUNCTIVE RELIEF enjoining Defendant and any officers, agents, representatives, salespeople, employees, successors and assigns and all persons acting in concert or participating with Defendant, directly or indirectly, from engaging in the acts and practices of which Plaintiff complains and from further violating the CSPA, R.C. 1345.01 *et seq.*, its Substantive Rules, O.A.C. 109:4-3-01 *et seq.*, and the Odometer Rollback and Disclosure Act, R.C. 4549.41 *et seq.*
- C. ORDER Defendant liable for reimbursement to all consumers found to have been damaged by the Defendant's unfair and deceptive acts and practices.
- D. ASSESS, FINE, AND IMPOSE upon Defendant 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).
- E. ASSESS, FINE, AND IMPOSE upon Defendant a civil penalty of not less than one thousand nor more than two thousand dollars for each violation of the Odometer Rollback and Disclosure Act, R.C. 4549.41 *et seq.*, except that the maximum civil penalty shall not exceed one hundred thousand dollars.

- F. ORDER that Defendant be enjoined from engaging in consumer transactions as a supplier in the State of Ohio until he has satisfied all restitution, civil penalties and court costs have been paid.
- G. ORDER that Defendant be prohibited from maintaining, renewing or applying for an auto dealer or salesperson license under Chapter 4517 of the Revised Code.
- H. GRANT Plaintiff its costs in bringing this action, including, but not limited to, the costs of collecting on any judgment awarded.
- I. ORDER Defendant to pay all court costs.
- J. GRANT such other relief as the Court deems to be just, equitable and appropriate.

DAVE YOST
Ohio Attorney General



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