

IN THE COURT OF COMMON PLEAS  
RICHLAND COUNTY, OHIO

RICHLAND COUNTY  
CLERK OF COURTS  
FILED  
2016 NOV -4 A 11: 32  
LINDA H. FRARY  
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STATE OF OHIO, ex rel. )  
ATTORNEY GENERAL )  
MICHAEL DEWINE )  
30 East Broad Street, 14<sup>th</sup> Floor )  
Columbus, Ohio 43215 )  
 )  
PLAINTIFF, )  
 )  
v. )  
 )  
CORE ADVISORY GROUP, LLC )  
4590 MacArthur Blvd, Suite 125 )  
Newport Beach, CA 92660 )  
 )  
and )  
 )  
TRUNG LUONG )  
4590 MacArthur Blvd, Suite 125 )  
Newport Beach, CA 92660 )  
 )  
DEFENDANTS. )

Case No:

Judge:

COMPLAINT, REQUEST FOR  
DECLARATORY AND  
INJUNCTIVE RELIEF,  
CONSUMER DAMAGES, CIVIL  
PENALTIES, AND OTHER  
APPROPRIATE RELIEF

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, Core Advisory Group, LLC, and Trung Luong, hereinafter described, have occurred in the State of Ohio, and as set forth below are in violation of the Consumer Sales Practices Act, R.C. 1345.01.

3. Jurisdiction over the subject matter lies with this Court pursuant to the Consumer Sales Practices Act, R.C. 1345.01 et seq.
4. This Court has venue to hear this case pursuant to Ohio Civ. R. 3(B)(3), as Defendants conducted activity in this county that gives rise to the claims for relief.

#### **DEFENDANTS**

5. Defendant Core Advisory Group, LLC (“Core Advisory”) is a business entity registered with the State of Utah with a principal place of business at 4590 MacArthur Blvd, Suite 125, Newport Beach, CA 92660.
6. Defendant Trung Luong (“Luong”) is an adult California resident who was and is an employee, officer, or director of Core Advisory. Trung Luong also uses the name Mike Luong.
7. Upon information and belief, Defendant Luong directed, supervised, approved, formulated, authorized, ratified, benefited from, and/or otherwise participated in the acts and practices hereinafter alleged.
8. Defendants are “suppliers” as defined in R.C. 1345.01(C) since Defendants at all times relevant hereto were engaged in the business of effecting 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).

#### **STATEMENT OF FACTS**

9. Defendants purport to offer help to consumers attempting to avoid foreclosure by working with the consumers' lenders to modify the consumers' mortgages or adjust the consumers' debts.
10. Defendants solicit consumers through mail solicitations, a website, and internet advertisements.
11. The mail solicitation sent by Defendants was titled "Notification of Mortgage Relief." The solicitation states that "You may be eligible to receive a potential lower mortgage payment through the Advocate & Dispute Resolution program," that "[t]his advisory notice is to inform you that your home with [Lender] may be eligible to receive assistance in the restructuring of your mortgage debt through the active Advocate & Dispute Resolution Program," and that "[e]ligible applicants may receive payment relief, have foreclosure proceedings stopped, eliminate 2<sup>nd</sup> mortgages, and may be awarded relief from monetary damages." The solicitation contained a "Notice of Expiration Date." The solicitation nowhere identifies that it was related to Defendants, but instead provided a phone number. The phone number reached Defendants.
12. When contacted by consumers, Defendants represented to consumers that they could help the consumer avoid foreclosure in two phases. In Phase 1, Defendant represented that it would "Open[] Local, State, and/or federal complaints with regulatory agencies that govern the rules, regulations and conduct of your lender." In Phase II, Defendant represented that it would work on the "Reinstatement and Restructuring of your loan" including to "Stop Foreclosure," "Lower Interest rate," "Forgiveness of junk fees such as late fees," and "Extended Loan terms."

13. Defendants represented to consumers that the Defendants had reviewed consumer's loan and evaluated whether the consumer's "Situation has merit to open local, state and/or federal complaints," whether the consumer has "Valid current or imminent hardship," whether the consumer's loan "is eligible for restructuring and restatement," and whether the consumer's debt-to-income ratio was "within acceptable parameters."
14. Defendants represented to consumers that "Expected Results from Services" included "Open multiple local, state and or/ federal complaints," "Postponement and/or termination of any current or pending foreclosure action," "escalation and transfer of case file to a single point of contact within the lender's executive office," and "Force the fair and transparent negotiations to reinstate and restructure loan terms."
15. Defendants required consumers to sign a contract before Defendants would begin services. The contract made representations that Defendants had "made every effort to initially investigate client's situation" and determined the client "to be a good candidate for the company's services[.]" The contract states that "Company's comments about the outcome of any matter related to services herein are expressions of opinion only."
16. The statements and representations in Paragraphs 12 through 16 were often not true.
17. Defendants required that consumers pay a fee to Defendants before Defendants would begin services. The fee often ranged between \$1,745 and \$3,900.

18. Defendants required that consumers sign their contracts and other documents in the presence of a specific company referred by Defendants. The signing company charged fees upward of \$125.
19. Filing consumer complaints with state and government agencies is free. A consumer can file a complaint with a government agency and does not need a third party to do so.
20. Defendants failed to provide the services they agreed to provide.
21. Defendants knew the prices they charged were substantially in excess of the price at which similar services were readily obtainable in similar consumer transactions by like consumers.
22. Defendants often did not provide refunds to consumers when Defendants failed to provide their promised services.

### **FIRST CAUSE OF ACTION**

#### **Violations of the Consumer Sales Practices Act**

23. Plaintiff incorporates by reference, as if completely rewritten herein, the allegations set forth in paragraphs One through Twenty-Two (1-22) of this Complaint.
24. Defendants have engaged in unfair and deceptive acts and practices in violation of R.C. 1345.02(B)(1) in connection with its solicitation and provision of foreclosure avoidance services by representing that the subject of a consumer transaction has sponsorship, approval, performance characteristics, accessories, uses, or benefits that it does not have.

25. Defendants have engaged in unfair and deceptive acts and practices in violation of R.C. 1345.02 and O.A.C. 109:4-3-09, the Failure to Deliver Rule, by accepting money from a consumer for services and failing to deliver the services or provide a full refund.
26. Defendants have engaged in unconscionable acts and practices in violation of R.C. 1345.03, as set forth in R.C. 1345.03(B)(3) in connection with its solicitation and provision of foreclosure avoidance services by entering into transactions or providing services that the Defendants knew did not provide a substantial benefit to the consumer.
27. Defendants have engaged in unconscionable acts and practices in violation of R.C. 1345.03, as set forth in R.C. 1345.03(B)(2) in connection with its solicitation and provision of foreclosure avoidance services by knowing at the time the consumer transaction was entered into that the price was substantially in excess of the price at which similar property or services were readily obtainable in similar consumer transactions by like consumers.
28. Defendants have engaged in unconscionable acts and practices in violation of R.C. 1345.03, as set forth in R.C. 1345.03(B)(6) in connection with its solicitation and provision of foreclosure avoidance services by knowingly making misleading statements of opinions on which consumers relied upon to their detriment.
29. Such acts and practices have been previously determined by Ohio courts to violate the Consumer Sales Practices Act, 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**

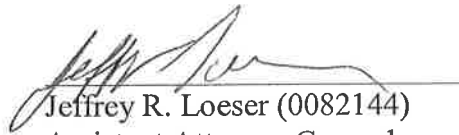
**Wherefore**, Plaintiff respectfully requests that this Court:

1. **ISSUE A PERMANENT INJUNCTION** enjoining Defendants Core Advisory Group, LLC and Trung Luong, 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 Consumer Sales Practices Act, R.C. 1345.01 et seq.
2. **ISSUE A DECLARATORY JUDGMENT** declaring that each act or practice described in Cause of Action One violates the Consumer Sales Practices Act, R.C. 1345.01 et seq. in the manner set forth therein.
3. **ORDER** Defendants Core Advisory Group, LLC and Trung Luong, pursuant to R.C. 1345.07(B), to reimburse all consumers damaged by their unfair, deceptive, and/or unconscionable acts or practices, including non-economic damages.
4. **ASSESS, FINE, AND IMPOSE** upon Defendants Core Advisory Group, LLC and Trung Luong a civil penalty of Twenty Five Thousand Dollars (\$25,000) for each appropriate violation described herein pursuant to R.C. 1345.07(D).
5. **ORDER**, as a means of insuring compliance with this Court's Order and with the consumer protection laws of Ohio, that Defendants Core Advisory Group, LLC and Trung Luong maintain in their possession and control for a period of five (5) years all business records relating to Core Advisory Group, LLC and to permit the Ohio Attorney General or his representative, upon reasonable twenty-four (24) notice to inspect and/or copy any and all such records.

6. **GRANT** the Ohio Attorney General its costs in bringing this action.
7. **ORDER** Defendants Core Advisory Group, LLC and Trung Luong to pay all court costs.
8. **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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Ohio Attorney General