

IN THE COURT OF COMMON PLEAS
FRANKLIN COUNTY, OHIO

STATE OF OHIO, ex rel.)
ATTORNEY GENERAL)
MICHAEL DEWINE)

PLAINTIFF,)

V.)

GLORY AUTO SALES)
8560 E MAIN STREET)
REYNOLDSBURG, OHIO 43068)

AND)

CEDRIC GRAY, Individually)
8560 E MAIN STREET)
REYNOLDSBURG, OHIO 43068)

DEFENDANTS.)

CASE NO. 11 CVH 07 8256

JUDGE

COMPLAINT FOR
INJUNCTIVE RELIEF,
DECLARATORY JUDGMENT,
RESTITUTION AND
CIVIL PENALTIES

FILED
COMMON PLEAS COURT
FRANKLIN COUNTY, OHIO
2011 JUL -6 AM 11:01
CLERK OF COURTS - CV

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.*, the Retail Installment Sales Act ("RISA"), R.C. 1317.01 *et seq.*, the Odometer Rollback and Disclosure Act, R.C. 4549.41 *et seq.*, and the Certificate of Motor Vehicle Title Act R.C. 4505.01 *et seq.*
2. The actions of Defendants, hereinafter described, have occurred in Franklin and other counties in the State of Ohio, and, as set forth below, are in violation of the CSPA, R.C. 1345.01 *et seq.*, RISA, R.C. 1317.01, the Odometer Rollback and Disclosure Act, R.C. 4549.41 *et seq.*, and the Certificate of Motor Vehicle Title Act, R.C. 4505.01 *et seq.*

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 are motor vehicle dealers as that term is defined in R.C. 4517.01(L) and (M).
5. 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).
6. Jurisdiction over the subject matter of this action lies with this Court pursuant to R.C. 1345.04 of the CSPA and R.C. 4549.48 of the Odometer Rollback and Disclosure Act.
7. This Court has venue to hear this case pursuant to Ohio Civ. R. 3(B)(1)-(3), in that some of the transactions complained of herein, and out of which this action arose, occurred in Franklin County.

STATEMENT OF FACTS

8. Defendant Glory Auto Sales (“Glory Auto” or “Defendants”) is an Ohio corporation with its principal place of business located at 8560 E Main Street, Reynoldsburg, Ohio, 43068.
9. Defendant Cedric Gray (“Gray” or “Defendants”) at all times pertinent hereto, was the sole owner and directed and controlled all business activities of Defendant Glory Auto Sales, including the solicitation for sale and sale of used motor vehicles.
10. On information and belief, Gray controlled and directed the business activities and sales conduct of Glory Auto, causing, personally participating in, or ratifying the acts and practices of Glory Auto as described in the Complaint.

11. Defendants were, and have been 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.
12. At all relevant times hereto, Defendant Glory Auto held license # UD013845 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.
13. Defendants, under the name Glory Auto Sales, entered into consumer transactions with individuals for the sale of used motor vehicles.
14. Some of the consumers who purchased used motor vehicles from Defendants were required to make substantial deposits, in some instances, as much as one third of the total cost of the vehicle, as partial payment for the purchase of the used motor vehicles.
15. Consumers paid deposits for the purchase of used motor vehicles contingent upon a flat financing dollar amount through the Defendants.
16. Defendants delivered these motor vehicles without a written agreement stating the parties' obligations should consumers default on making their monthly payments.
17. Defendants failed to provide consumers with dated receipts stating:
 - a. The time during which the option to purchase the used motor vehicles was binding.
 - b. Whether the deposits, as that term is defined in O.A.C. 109:4-3-07(D), were refundable or under what conditions the deposits were refundable.
18. In some instances, a written retail installment contract was completed for consumer transactions even though the used motor vehicles were being offered at a flat financing dollar amount.

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 required consumers to make payments pursuant to payment schedules that were not payable in substantially equal consecutive installments.
21. Defendants advertised and offered consumers a flat financing dollar amount while failing to disclose to consumers that the actual cash price of the vehicles included finance charges.
22. Defendants failed to file applications for certificates of title within Thirty (30) days after the assignment or delivery of motor vehicles.
23. Defendants failed to obtain certificates of title on or before the Fortieth (40th) day after the sale of motor vehicles.
24. Defendant sold a motor vehicle on March 25, 2011 to a consumer with the actual mileage represented to be 125,893 miles.
25. The mileage of the vehicle sold in the above mentioned paragraph 24, was stated as 270,256 miles on the title issued on April 29, 2011.

FIRST CAUSE OF ACTION
VIOLATION OF THE CONSUMER SALES PRACTICES ACT

26. Plaintiff incorporates by reference, as if completely rewritten herein, the allegations set forth in paragraphs One through Twenty-Five (1-25) of this Complaint.
27. Defendants failed to provide to the consumer at the time of the initial deposit a dated written receipt stating clearly and conspicuously whether the deposit is refundable and

under what conditions, in violation of R.C. 1345.02(A) and the Ohio Adm. Code 109:4-3-07(B)(5).

28. Defendant committed the acts and practices described in paragraph Twenty-Seven (27) subsequent to court decisions declaring them to be violations of R.C. 1345.02(A) and after such decisions were available for public inspection pursuant to R.C. 1345.05(A)(3).

SECOND CAUSE OF ACTION
VIOLATIONS OF THE RETAIL INSTALLMENT SALES ACT

29. Plaintiff incorporates by reference, as if completely rewritten herein, the allegations set forth in paragraphs One through Twenty-Five (1-25) of this Complaint.
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 provide consumers with payment schedules that were based on a combined total of the cash price and all finance charges and service charges, in violation of R.C. 1317.06(C).
32. Defendants entered into retail installment contracts with consumers and failed to provide consumers with payment schedules where all payments were substantially equal, in violation of R.C. 1317.06(C).
33. Defendants entered into retail installment contracts with consumers and failed to disclose the actual cost of credit, in violation of R.C. 1317.06(C).
34. Defendant committed the acts and practices described in paragraphs Thirty through Thirty-Three (30-33) subsequent to court decisions declaring them to be violations of

R.C. 1345.02(A) and after such decisions were available for public inspection pursuant to R.C. 1345.05(A)(3).

THIRD CAUSE OF ACTION
VIOLATION OF THE ODOMETER ROLLBACK AND DISCLOSURE ACT

35. Plaintiff incorporates by reference, as if completely rewritten herein, the allegations set forth in paragraphs One through Twenty-Five (1-25) of this Complaint.
36. Defendants have committed an unfair and deceptive act or practice in violation of the CSPA, R.C. 1345.02, and the Odometer Rollback and Disclosure Act, R.C. 4549.46(A), by failing to provide true and complete odometer disclosures required by R.C. 4505.06.
37. Defendant committed the acts and practices described in paragraph Thirty-Six (36) subsequent to court decisions declaring them to be violations of R.C. 1345.02(A) and after such decisions were available for public inspection pursuant to R.C. 1345.05(A)(3).

FOURTH CAUSE OF ACTION
VIOLATIONS OF THE CERTIFICATE OF MOTOR VEHICLE TITLE ACT

38. Plaintiff incorporates by reference, as if completely rewritten herein, the allegations set forth in paragraphs One through Twenty-Five (1-25) of this Complaint.
39. Defendants committed unfair or deceptive acts or practices in violation of the Ohio CSPA, R.C. 1345.02(A), as set forth in R.C. 4505.06(A) by selling motor vehicles to consumers, in the ordinary course of business, and then failing to apply for certificates of title within Thirty (30) days after the assignment or delivery of the motor vehicles.
40. Defendants committed unfair or deceptive acts or practices in violation of the Ohio CSPA, R.C. 1345.02(A), as set forth in R.C. 4505.181(B)(1) 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.

41. Defendants committed the acts and practices described in paragraphs Thirty-Nine and Forty (39 and 40) subsequent to court decisions declaring them to be violations of R.C. 1345.02(A) and 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:

1. ISSUE A DECLARATORY JUDGMENT declaring that each act or practice described in Plaintiff's Complaint violates the CSPA, R.C. 1345.01 *et seq.*, RISA, R.C. 1317.01 *et seq.*, the Odometer Rollback and the Disclosure Act, R.C. 4549.41 *et seq.*, and the Certificate of Motor Vehicle Title Act, R.C. 4505.01 *et seq.* in the manner set forth in this Complaint.
2. ISSUE PERMANENT INJUNCTIVE RELIEF enjoining Defendants and their 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 or practices of which Plaintiff complains and from further violating the CSPA, R.C. 1345.01 *et seq.*, RISA, R.C. 1317.01 *et seq.*, the Odometer Rollback and Disclosure Act, R.C. 4549.41 *et seq.*, and the Certificate of Motor Vehicle Title Act, R.C. 4505.01 *et seq.*
3. ORDER Defendants jointly and severally liable for reimbursement to all consumers found to have been damaged by the Defendants' unfair and deceptive acts and practices, odometer rollback, disclosure and motor vehicle title violations.
4. 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 or deceptive acts alleged in the Complaint, pursuant to R.C. 1345.07(D).

5. ASSESS, FINE AND IMPOSE upon Defendants, jointly and severally, an additional civil penalty of not less than One Thousand Dollars (\$1,000.00) nor more than Two Thousand Dollars (\$2,000.00) for each violation of the Odometer Rollback and Disclosure Act, pursuant to R.C. 4549.48(B).
6. ASSESS, FINE AND IMPOSE upon Defendants, jointly and severally, an additional civil penalty of not more than Two Hundred Dollars (\$200.00) for each violation of the Certificate of Motor Vehicle Title Act, pursuant to R.C. 4505.99.
7. ORDER the Defendants, jointly and severally, to pay to the Attorney General all costs together with all expenses the Attorney General incurred in the investigation of this action and the payment of reasonable attorneys' fees incurred by the Attorney General in the prosecution of violations of the Odometer Rollback and Disclosure Act, pursuant to R.C. 4549.48(A).
8. 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.
9. Order that the Defendants be enjoined from engaging in consumer transactions until they have satisfied all restitution, civil penalties, or other monetary relief ordered herein.
10. ORDER Defendants to pay all court costs.

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

Respectfully submitted,

MICHAEL DEWINE
Attorney General



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