

IN THE COURT OF COMMON PLEAS  
CUYAHOGA 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. )

K&R Marketing, LLC )  
d.b.a. Fix My Mortgage Problem )  
192B E Wallings Rd )  
Broadview Heights, Ohio 44147 )

and )

CHRISTOPHER BRAY )  
4788 State Route 601 )  
Norwalk, Ohio 44857 )

DEFENDANTS. )

Case No:

Judge: JOHN P O'DONNELL

CV 12 782342

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

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**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, K&R Marketing, LLC, and Christopher Bray ("Defendants"), 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, and The Debt Adjuster's Act, R.C. 4701.01 et seq.

3. Jurisdiction over the subject matter lies with this Court pursuant to the Consumer Sales Practices Act, R.C. 1345.01 et seq., and the Debt Adjuster's Act, R.C. 4701.01 et seq.
4. This Court has venue to hear this case pursuant to Ohio Civ. R. 3(B)(2), as Defendant K&R Marketing, LLC has its principal place of business in Cuyahoga County.

#### **DEFENDANTS**

5. Defendant K&R Marketing, LLC ("K&R Marketing" or "Fix My Mortgage Problem") is a for-profit limited liability corporation with its principal place of business at 192B East Wallings Road, Broadview Heights, Ohio 44147.
6. Defendant K&R Marketing, LLC at times did business as, or operated under the business name, "Fix My Mortgage Problem".
7. Defendant Christopher Bray ("Bray") is an adult Ohio resident who was and is an employee, officer, or director of K&R Marketing, LLC.
8. Upon information and belief, Defendant Bray directed, supervised, approved, formulated, authorized, ratified, benefited from, and/or otherwise participated in the acts and practices hereinafter alleged.
9. 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).

10. Defendants are, and were at all times relevant hereto, engaged in “debt adjusting” as defined in R.C. 4710.10(B) in that Defendants held themselves out as providing services in the management of debts by effecting the adjustment, compromise, or discharge of any account, note or other indebtedness of the debtor.

#### **STATEMENT OF FACTS**

11. Defendants purport to offer help to consumers attempting to avoid foreclosure by working with the consumer’s lender to modify the consumer’s mortgage or adjust the consumer’s debt.
12. Defendants solicit consumers through a website, newspaper advertisements, mail solicitations, and internet advertisements.
13. Defendants represented to consumers that they could help the consumer avoid foreclosure by negotiating a loan modification or other loan adjustment with the consumer’s lender or mortgage servicer.
14. Defendants required an upfront payment from consumers, usually between \$500-\$1,000, before Defendants would begin to work to modify the loan.
15. After consumers paid Defendants, Defendants would do little or no work to help negotiate loan modifications for the consumers, and failed to obtain loan modifications or other relief.
16. When Defendants were unable to obtain a mortgage modification for the consumers, Defendants failed to provide refunds.
17. Defendants occasionally told consumers to stop making their mortgage payments while Defendants were negotiating a loan modification.

18. Defendant Bray is not, and was not for the time relevant to this complaint, registered as a mortgage broker or other individual exempt from the Debt Adjuster's Act, R.C. 4710.03.
19. The Attorney General's Office has received consumer complaints regarding Defendants. Several examples of these complaints are included in paragraphs 20-22. By listing these examples, Plaintiff is not limiting his request for relief in this complaint to these 3 consumers.
20. One consumer ("Consumer A") was contacted by Defendants after responding to mail solicitations. Defendant Bray was told that Defendants could assist her in obtaining a loan modification. She paid Defendants \$995 in May 2011 for the services. In June, Defendants helped her submit a hardship letter, but by November she had received no further substantive communication from Defendants. To date she has neither received a loan modification offer or a refund.
21. One consumer ("Consumer B") paid Defendants \$699 in July 2011 to help him obtain a loan modification after seeing Defendants' advertisements on the internet. Defendants have not obtained a loan modification for him and he has not received a refund.
22. One consumer ("Consumer C") paid Defendants \$695 in August 2011 to obtain a loan modification for her. She states that this payment was debited from her bank account without her authorization. She has not received a loan modification offer or even a loan modification packet. When she contacted her servicer to determine

if Defendants were working on a modification, her servicer said that they had had no communication with Defendants. She has not received a refund.

### **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, deceptive and/or unconscionable acts and practices in violation of R.C. §§ 1345.02, 1345.03 and 1345.031 and the Substantive Rule 109:4-3-09 in connection with its solicitation and provision of loan modification or foreclosure avoidance services by: a) failing to deliver services, b) failing to provide refunds, c) entering into transactions or providing services that the Defendant knew did not provide a substantial benefit to the consumer, d) telling consumers to stop making their mortgage payments.
25. 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).

### **SECOND CAUSE OF ACTION**

#### **Violations of the Debt Adjusters 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 committed unfair and deceptive acts and practices by engaging in debt adjusting activities, including holding out that they can effect the adjustment, compromise, or discharge of any account, note, or other indebtedness of debtors who sign up for their services, without complying with the regulations set forth under the Debt Adjuster's Act, R.C. 4710.01 et seq., in violation of R.C. 4710.02(F) and R.C. 1345.02(A) of the Consumer Sales Practices Act, including charging fees in excess of the amounts allowed
28. 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 K&R Marketing, LLC and Christopher Bray, 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. and the Debt Adjusters Act, R.C. 4710.01 et seq.
2. **ISSUE A DECLARATORY JUDGMENT** declaring that each act or practice described in Causes of Action One through Two of which Plaintiff complains

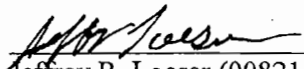
violate the Consumer Sales Practices Act, R.C. 1345.01 et seq., and the Debt Adjuster's Act, R.C. 4701.01 et seq.

3. **ORDER** Defendants K&R Marketing, LLC and Christopher Bray, 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 K&R Marketing, LLC and Christopher Bray 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 K&R Marketing, LLC and Christopher Bray maintain in their possession and control for a period of five (5) years all business records relating to K&R Marketing, 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 K&R Marketing, LLC and Christopher Bray 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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