



RICHARD CORDRAY
OHIO ATTORNEY GENERAL



Consumer Protection
Annual Report
2010

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OHIO ATTORNEY GENERAL

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Dear Colleagues,

Of all of the ways the Attorney General's Office interacts with Ohioans, the work that affects the most people directly is done through the Consumer Protection Section. Tens of thousands of Ohioans file complaints each year with the section, which in turn helps them recover their money or resolve an issue when they feel they have been mistreated.

During my administration, the section extended consumer protection services to help small businesses and nonprofits as well. These services began as a pilot project in mid-2009 and were made available statewide in February 2010 with impressive results. In all, the office helped small businesses and nonprofits save or recover more than \$260,000.

In 2010, when stories surfaced about an untold number of foreclosure affidavits that were signed en masse by major mortgage-servicing banks, we led the way nationally in the controversy over "robo-signing" by suing GMAC Mortgage and its parent, Ally Financial Inc., for filing fraudulent affidavits that misled courts in hundreds of Ohio foreclosures.

When similar reports surfaced regarding depositions taken by JPMorgan Chase and Bank of America employees, we asked Chase and Bank of America to suspend judgments, sales, evictions and property transfers involving any foreclosure case with affidavits signed by those employees. We also sent letters to Wells Fargo and Citibank requesting the banks meet with us to discuss their foreclosure affidavit procedures. Later, every other state attorney general joined me in announcing a multistate investigation into robo-signing. I serve on the investigation's 12-member executive committee.

Through these actions and others described in this report, we sought in 2010 to use all of the powers at our disposal to fight for Ohio consumers and their rights under the law.

Sincerely,

A handwritten signature in black ink that reads "Richard Cordray".

Richard Cordray
Ohio Attorney General

**REPORT TO THE GOVERNOR AND GENERAL ASSEMBLY
ON THE OPERATIONS OF THE ATTORNEY GENERAL
UNDER CHAPTER 1345 OF THE OHIO REVISED CODE**

2010 ANNUAL REPORT

A. SCOPE

Chapter 1345 of the Ohio Revised Code, the Consumer Sales Practices Act (CSPA), gives the state Attorney General the duty and enforcement authority to prohibit a supplier from committing an unfair, deceptive or unconscionable act or practice in connection with a consumer transaction. It is the primary consumer protection statute in Ohio and one of the most comprehensive consumer protection statutes in the nation. Since its adoption in 1972, the CSPA has proven to be a fair and effective regulatory method, providing protection for consumers and marketplace flexibility for businesses.

Consumer protection in Ohio has expanded throughout the years, giving the Attorney General's Consumer Protection Section the responsibility of enforcing 26 additional consumer protection laws through civil legal proceedings. The section has concurrent jurisdiction to enforce numerous federal consumer protection statutes. Although no consumer protection statute gives the Attorney General original criminal prosecutorial authority, if a local prosecutor declines a referral, the Attorney General is authorized to prosecute violations of the Homebuyers' Protection Act, Telephone Solicitations Sales Act and Credit Services Organization.

To further protect Ohioans from predatory and illegal business practices, the section educates consumers and businesses about Ohio consumer law and offers a complaint resolution process to resolve disputes between consumers and businesses. In 2010, the Consumer Protection Education Unit attended or coordinated approximately 450 events. The Consumer Assistance Unit received more than 31,000 consumer complaints and inquiries, assisting thousands of consumers statewide.

The CSPA requires the Attorney General to report annually to the Governor and the General Assembly about operations related to Chapter 1345 of the Ohio Revised Code and violations of this chapter. Here is a summary of the Consumer Protection Section's 2010 activities as of mid-December, when this report went to print in order to meet the Jan. 1 submission deadline.

B. ENFORCEMENT

The Attorney General is empowered to investigate CSPA violations and enforce the law. To accomplish this, the Consumer Protection Section has several tools at its disposal. The Attorney General may issue a cease-and-desist notice to address a supplier's behavior. The Attorney General has authority to enter into an Assurance of Voluntary

Compliance, a formal out-of-court agreement between the Attorney General and the supplier in which the supplier agrees to stop violating the law, to reform business practices, to make appropriate restitution and, when appropriate, to pay civil penalties. Finally, the Attorney General can pursue litigation to address possible violations. Some cases are handled as multi-state actions in cooperation with other state attorneys general.

The Legal and Investigation units work together to ensure compliance with Ohio consumer laws. In 2010, the Consumer Protection Section opened 245 investigations, which thus far have resulted in the initiation of 42 lawsuits for various unfair, deceptive and unconscionable business practices. In the past year, the section also obtained 58 judgments and assurances of voluntary compliance totaling more than \$7.6 million in consumer restitution, civil penalties, costs and other relief.

Here are summaries of the lawsuits and settlements that occurred in 2010:

LAWSUITS FILED IN 2010

1st American Law Center Inc.

Stark County Court of Common Pleas, Case No. 2010 CV03376

This California-based company claimed in television advertisements that it could help homeowners obtain loan modifications and that it was a national law firm. Consumers who complained to the Attorney General paid the business fee amounts ranging from \$1,245 to \$3,893. The defendant never delivered promised services or made full refunds. Its website stated that it offered advice on a variety of legal issues and claimed it had personnel licensed to work in all 50 states, but no licensed Ohio attorneys were affiliated with the company. The Attorney General filed a lawsuit on Sept. 15, 2010, for violations of the Consumer Sales Practices Act, Telephone Solicitation Sales Act and Debt Adjuster Act. Counts included failure to deliver, failure to register with the Ohio Secretary of State, misrepresentations, unconscionable practices, charging excessive fees for debt adjusting and failing to register as a telephone solicitor. The lawsuit seeks a declaratory judgment, injunctive relief, consumer damages and civil penalties. The case is pending.

American Escrow LLC/Derek Lurie/Steven Lurie

Franklin County Court of Common Pleas, Case No. 10 CVH 06 9632

American Escrow entered into contracts with consumers to provide escrow services to pay property taxes and homeowners' insurance each year. The Illinois company charged consumers a one-time set-up fee of up to \$250, plus a monthly service charge of up to \$6.50. American Escrow stopped making payments and did not refund money to consumers. The Attorney General filed a lawsuit on June 29, 2010, against the business and its owners, Derek and Steven Lurie. It alleged violations of the Consumer Sales Practices Act, including failure to deliver and engaging in unfair, deceptive and unconscionable business practices. The lawsuit seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

ARB Motorsports Ltd, dba Middletown Cycle

Warren County Court of Common Pleas, Case No. 10CV76873

Middletown Cycle charged consumers for destination, freight, assembly and dealer prep fees, in addition to the advertised MSRP, for its motorcycle and ATV sales. The Attorney General initiated an investigation when consumers complained that the added fees were not disclosed in the advertised vehicle prices. Following pre-suit settlement discussions, the Attorney General filed a lawsuit on April 5, 2010, alleging violations of the Consumer Sales Practices Act, including the Exclusions and Limitations in Advertisements Rule, the Advertisement and Sale of Motor Vehicles Rule and the Motor Vehicle Repairs or Services Rule. An Agreed Consent Judgment Entry and Order was submitted to the court and entered the same day. It included injunctive and declaratory relief, \$26,352.38 in consumer damages and a \$40,000 payment to the Consumer Protection Enforcement Fund, with \$5,000 suspended on the condition Middletown Cycle comply with the terms of the entry. The agreement also included a 30-day period for additional consumers to file consumer complaints and receive refunds for improperly charged fees.

Ascendone Corp./Amerix Corp./Careone Services Inc./Freedompoint Financial Corp. 3C Inc./Bernaldo Dancel

Franklin County Court of Common Pleas, Case No. 10 CVH 11 16081

This multi-state investigation culminated with a Nov. 4, 2010, lawsuit against this conglomerate of Maryland companies and its principal owner. An Agreed Entry and Final Judgment Order was presented to the court at the time the lawsuit was filed, and ultimately was entered on Nov. 10, 2010. Ohio joined 20 other states and the District of Columbia in settling the case. The investigation focused on misrepresentations that the debt management services were performed by nonprofit credit counseling agencies, when in fact they were illegally performed by Amerix Corp. The settlement included injunctive relief and \$4.5 million in costs to the states payable over three years. Ohio's share of the costs amounted to \$169,400.

Auto Repair Warranty Inc./Auto Repair Group LLC/Michael F. Petruziello/Michael R. Petruziello

Cuyahoga County Court of Common Pleas, Case No. CV 10725427

This business sold and administered extended service contracts for automobiles. Consumers were charged up to \$2,500 for the extended service contracts, which the business represented as providing "bumper-to-bumper" coverage. In reality, certain repairs were excluded and other repairs that should have been covered were denied. The Attorney General filed a lawsuit on April 29, 2010, which named the owners of the businesses, Michael F. Petruziello and Michael R. Petruziello, as individual defendants. The lawsuit alleged violations of the Consumer Sales Practices Act, including failure to disclose all material terms and conditions in advertisements, failure to substantiate advertising claims, misrepresentation and failure to deliver. It seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

Backyard Oasis LLC/Stephen Ventre

Delaware County Court of Common Pleas, Case No. 10 CVH 04 0607

The business failed to deliver hot tubs and related goods and services. The Attorney General filed a lawsuit on April 16, 2010, against the company and its owner, Stephen

Ventre. Mr. Ventre also was indicted in Delaware County for theft violations related to the hot tub business. The Attorney General investigation resulted from consumer complaints, which contended that the supplier owed a total of approximately \$50,000 to consumers. The lawsuit alleged violations of the Consumer Sales Practices Act and Home Solicitation Sales Act. Specific counts included failure to deliver, Deposit Rule violations and failure to provide proper notices of cancellation to consumers. The lawsuit seeks injunctive relief, consumer damages and civil penalties. The case is pending.

Credexx Corp., dba Auto One Warranty Specialists/David J. Tabb

Franklin County Court of Common Pleas, Case No. 10 CVH 04 6536

The case involved a multi-state investigation into the business practices of Credexx Corporation under the name Auto One Warranty Specialists. The investigation culminated with Ohio and other states filing lawsuits on April 29, 2010. The owner of the business, David J. Tabb, was named as an individual defendant. Consumers complained that the company deceptively marketed and sold extended service contracts for automobiles. They said they were misled into purchasing products they did not need, the contracts did not cover promised repairs and they were unable to cancel their contracts. The lawsuit alleged violations of the Consumer Sales Practices Act, including failure to disclose all material terms and conditions in advertisements, failure to substantiate advertising claims, misrepresentation and failure to deliver. There are additional counts for violations of Ohio's Do Not Call Act and the Telephone Solicitation Sales Act. The lawsuit seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

Dannon Co. Inc.

Franklin County Court of Common Pleas, Case No. 10 CVH 12 18255

The multistate investigation of the Dannon Co. Inc. resulted in a Dec. 15, 2010, lawsuit. A Consent Judgment/Agreed Final Entry was presented to the court at the time the lawsuit was filed. Ohio was joined by 38 other states and the District of Columbia in settling the case. The investigation focused on Dannon's claims about the health benefits of its products, particularly relating to the digestive system. Dannon was unable to properly substantiate the claims. The settlement included injunctive relief and \$21 million in costs to the states. Ohio's share of the costs amounted to \$861,111.11.

DIRECTV Inc.

Franklin County Court of Common Pleas, Case No. 10 CVH 12 18309

A multistate investigation of DIRECTV Inc. resulted from the heavy volume of consumer complaints regarding the business practices of this satellite television provider. Ohio was joined by 48 other states and the District of Columbia in the investigation. Consumers most often complained about misrepresentations related to pricing, equipment, available channels, free trial offers and cancellation policies. The investigation culminated with a lawsuit filed by the Attorney General on Dec. 16, 2010. An Agreed Entry and Final Judgment Order was presented to the court at the time the lawsuit was filed and was entered on Dec. 17, 2010. The settlement included a broad consumer restitution provision, covering consumer complaints from Jan 1, 2007, through 150 days after the

date of the settlement. It also included strong injunctive language and \$13.25 million in costs to the states. Ohio's received \$605,000 for its share of the costs.

Durabilt Inc./Allwood Structures Inc./Timothy Swallen/Eric Domer

Stark County Court of Common Pleas, Case No. 2010CV03325

This investigation stemmed from a consumer complaint from an active-duty Marine. He and his wife entered into an agreement for the construction of a pole barn in North Carolina. The defendants instructed them to send \$4,750 to receive the floor plans that were needed for approval by the local building inspector. The defendants promised to return the consumers' money if the plans were not approved. When the plans did not meet the local building code, the consumers' deposit was not refunded. The Attorney General filed a lawsuit on Sept. 10, 2010, for violations of the Consumer Sales Practices Act. Specific counts included Deposit Rule violations, failing to ensure that building plans met local business code and misrepresentation of standard and quality. The lawsuit seeks injunctive relief, consumer damages and civil penalties. The case is pending.

Equity Exteriors/James Scuka

Franklin County Court of Common Pleas, Case No. 10 CVH 03 3747

The Attorney General originally filed this home improvement lawsuit on Dec. 18, 2007. The case was dismissed when multiple attempts to serve the defendants failed. Numerous consumer complaints alleging failure to deliver or shoddy and incomplete work fueled this lawsuit. After obtaining new information on the whereabouts of James Scuka, the owner of the business, the Attorney General re-filed the lawsuit on March 9, 2010. The complaint alleged violations of the Consumer Sales Practices Act, Home Solicitation Sales Act and Magnuson-Moss Warranty Act. Service was obtained and the defendants failed to file an answer. A Final Order and Entry Granting Default Judgment was entered on Aug. 23, 2010. It included a permanent injunction, \$314,557.53 in consumer restitution and a \$125,000 civil penalty.

Farquhar Co./Richard Price, dba Farquhar Heating and Cooling

Montgomery County Court of Common Pleas, Case No. 2010 CV 00966

The Farquhar Company was a heating and cooling company operating in the Dayton area. It was owned and operated by Richard Price. Consumer complaints arose when the company ceased operations. The complaints alleged failure to honor guarantees and warranties and accruing charges for maintenance service contracts that were no longer being honored. The Attorney General filed a lawsuit on Feb. 3, 2010, for violations of the Consumer Sales Practices Act. Counts alleged in the Complaint included false representation of warranties, failure to deliver and improper debiting of accounts. On June 9, 2010, a Final Order and Entry Granting Default Judgment against the Farquhar Company was entered. It included a permanent injunction, \$30,098.81 for consumer restitution and a \$125,000 civil penalty. The litigation concluded with a Nov. 4, 2010, Final Judgment Entry and Order after the court granted the Attorney General a summary judgment against Richard Price. It included a declaratory judgment, permanent injunction, \$44,299.15 in consumer restitution and a \$10,000 civil penalty.

Fleming (Shawn), dba Shawn Fleming Snowplowing and Shawn Fleming Roofing
Lake County Court of Common Pleas, Case No. 10CV001360

Shawn Fleming operated two business enterprises, Shawn Fleming Snowplowing and Shawn Fleming Roofing. Neither business was registered with the Ohio Secretary of State. Mr. Fleming entered into agreements with consumers to provide services, including snowplowing, small-level home repair and roofing projects. Consumer complaints primarily alleged that Mr. Fleming accepted money but failed to provide the promised services. Others alleged that any services provided were substandard in quality. The Attorney General filed a lawsuit on May 7, 2010, for violations of the Consumer Sales Practices Act, including failure to deliver, shoddy workmanship, failure to register the businesses with the Ohio Secretary of State and continuing to engage in consumer transactions while having unpaid judgments against him related to previous transactions. The lawsuit seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

Freedom Equity Savings LLC

Franklin County Court of Common Pleas, Case No. 10 CVH 06 9019

Freedom Equity Savings is a Dublin, Ohio, company that does business in Ohio and nine other states. It uses a website and telephone solicitations to entice consumers to pay up to \$3,250 for its foreclosure rescue program. Promised services are never delivered despite claims that the company can arrange loan modifications that will result in a reduction of consumers' monthly payments. The Attorney General filed a lawsuit on June 17, 2010, alleging violations of the Consumer Sales Practices Act, Debt Adjuster Act and Telephone Consumer Protection Act. Specific counts include failure to deliver, making misleading statements and placing telephone calls to persons whose numbers were on the National Do Not Call Registry. The lawsuit seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

G Services Group LLC, dba Guardian Services Group

Montgomery County Court of Common Pleas, Case No. 2010 CV 00805

Guardian Services Group is a California company that claims it can help homeowners obtain loan modifications and other loss mitigation options. Its advertisements and website encouraged consumers to call for assistance related to foreclosure. Guardian Services Group then proceeded to make false and misleading statements with respect to the transactions, saying it would "take care of everything," assist consumers with loan modifications and prevent foreclosure on consumers' homes. An Attorney General investigation revealed that the company charged \$1,350 to \$2,350 for its services, which is in excess of the amounts allowed by the Debt Adjuster Act. The Attorney General filed a lawsuit on Feb. 1, 2010, alleging violations of the Consumer Sales Practices Act and Debt Adjuster Act, including failure to deliver, misrepresentation and charging excessive fees. The Complaint seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

Game Smith/Michael Spillan

Franklin County Court of Common Pleas, Case No. 10 CVH 10 15837

Game Smith, which is owned by Michael Spillan, is a registered Ohio corporation that sells and repairs electronic games through the Internet, including on craigslist. Mr. Spillan is awaiting trial on stock fraud charges unrelated to Game Smith. Some consumers claimed Game Smith accepted down payments for electronic games and did not deliver them. Others claimed they gave their electronic games to Game Smith for repair and the company never returned them. The Attorney General filed a lawsuit on Oct. 28, 2010, against the business and Mr. Spillan. The Complaint alleged violations of the Consumer Sales Practices Act, including failure to deliver and failure to fix and return electronic goods. It seeks a declaratory judgment, a permanent injunction, consumer damages and civil penalties. The case is pending.

GMAC Mortgage LLC/Ally Financial Inc./Jeffrey Stephan

Lucas County Court of Common Pleas, Case No. CI0201006984

A lawsuit was filed on Oct. 6, 2010, after the Attorney General learned that GMAC Mortgage and its employees defrauded Ohio consumers and Ohio courts by signing and filing hundreds of false affidavits in foreclosure cases. This fraud came to light after a GMAC employee, Jeffrey Stephan of Sellersville, Pa., testified in a Maine foreclosure case that from 2006 to 2010, he signed thousands of affidavits without verifying the content. The lawsuit alleges that the defendants engaged in unfair, deceptive and unconscionable acts and practices in violation of the Consumer Sales Practices Act and common law fraud. Ally Financial, the parent of GMAC Mortgage, and Mr. Stephan also were named as defendants. The Complaint seeks a preliminary and permanent injunction, a declaratory judgment, consumer damages, civil penalties and punitive damages. The injunctive relief sought asks the court to prevent GMAC Mortgage or Ally Financial from proceeding to foreclose in any pending Ohio case or to allow the property to be sold. The case is pending.

Goodin (Charles Scott), dba Scott Goodin Heating and Air Conditioning

Clinton County Court of Common Pleas, Case No. CVH 20100340

This unincorporated business sold heating and cooling systems. Charles Scott Goodin was the sole proprietor, working out of his home with no other employees. Consumers were solicited by Mr. Goodin at their homes, and Mr. Goodin requested full or substantial payments from consumers prior to doing any work. Consumers complained that the projects were never completed and initial payments were not refunded. On April 22, 2010, the Attorney General filed a lawsuit against Mr. Goodin, who also was indicted in Clermont and Brown Counties for criminal activity related to his home improvement sales. The Attorney General lawsuit alleged violations of the Consumer Sales Practices Act, Home Solicitation Sales Act and Magnuson-Moss Warranty Act. On Aug. 10, 2010, the case concluded with a Final Order and Entry Granting Plaintiff's Motion for Summary Judgment. The entry included a permanent injunction, \$19,136 in consumer restitution and a \$100,000 civil penalty.

Heights Driving School II Inc./Charisse Pflueger/David Breth

Summit County Court of Common Pleas, Case No. 2109 08 5286

Heights Driving School provided on-road training and in-class education for people seeking to become licensed drivers. All locations were closed in May 2010. The business

had previously failed to maintain bonding and insurance as required by the Ohio Department of Public Safety. No advance warning of the closure was given to consumers. Numerous consumer complaints were filed with the Attorney General alleging that payments had been made to the business, no services were provided and refunds were not issued. The typical cost of the driver education program was approximately \$250. The Attorney General filed a lawsuit on Aug. 4, 2010, against the business and its owners. It alleged violations of the Consumer Sales Practices Act, including failure to deliver, accepting payments while knowing of the supplier's inability to provide the services and failing to maintain a statutory agent with the Ohio Secretary of State. The lawsuit seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

Henderson Music Co. Inc.

Hamilton County Court of Common Pleas, Case No. A1003133

Henderson Music conducted going-out-of-business sales for more than the permitted 90-day period. The Attorney General filed a lawsuit on March 30, 2010, for violations of Consumer Sales Practices Act, including violations of the Distress Sale Rule, Price Comparisons Rule and Bait Advertising Rule. All counts were directly related to advertisements of the going-out-of-business sales. The litigation concluded on April 1, 2010, through a Consent Judgment Entry and Order that was presented to the court at the time the lawsuit was filed. The judgment included injunctive relief requiring Henderson Music to conduct any future sales in compliance with appropriate consumer laws. It also reinstated a \$12,500 civil penalty that had been suspended in a 2002 consent judgment. A new civil penalty of \$25,000 was assessed, with \$17,500 suspended on the condition of strict compliance with the terms of the consent judgment.

Hometown Improvement Inc./Richard K. Hatfield

Franklin County Court of Common Pleas, Case No. 10 CVH 03 5047

Hometown Improvement is a Central Ohio home improvement company. It is owned and operated by Richard K. Hatfield. An investigation was opened after the Attorney General received consumer complaints alleging failure to deliver goods and services, failure to deliver rebates and shoddy workmanship. The Attorney General filed a lawsuit on March 31, 2010, against the business and Mr. Hatfield for violations of the Consumer Sales Practices Act. Specific counts included failure to deliver and providing substandard work in consumer transactions. The Complaint seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

Iamurri (Cosmo), dba Complete Paving & Concrete and Cosmo's Paving & Concrete

Mahoning County Court of Common Pleas, Case No. 10CV2425

Cosmo Iamurri operated two business enterprises, Complete Paving & Concrete and Cosmo's Paving & Concrete. Consumer complaints against the businesses alleged failure to deliver services and not refunding monies paid, or providing substandard work. Mr. Iamurri had a history of unpaid judgments related to previous consumer transactions and had filed multiple bankruptcy actions. The Attorney General filed a lawsuit against Mr. Iamurri on June 23, 2010. It alleged violations of the Consumer Sales Practices Act,

including failure to deliver, providing shoddy work and continuing to engage in consumer transactions while having unsatisfied judgments from previous consumer-related lawsuits. The lawsuit seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

JLS & Associates Financial Services LLC

Lucas County Court of Common Pleas, Case No. G-4801-CI-0201004612-000

This Cleveland business charged consumers more than \$1,000 each in upfront fees with the promise to save their homes from foreclosure. The promised services were not provided and some consumers' homes ended up in foreclosure. The Attorney General filed a lawsuit on June 17, 2010, alleging violations of the Consumer Sales Practices Act and Debt Adjuster Act. Specific counts included failure to deliver, making misleading statements of opinion, encouraging consumers to default on their mortgages and charging fees in excess of those permitted by law. The lawsuit seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

Job Line Inc./Employment Endeavors Inc./Carolyn R. Stone

Hamilton County Court of Common Pleas, Case No. A1001111

Job Line was an employment referral service operated out of Cincinnati and Lexington, Ky., also using the name Employment Endeavors. Carolyn Stone operated both businesses. The service solicited consumers through classified advertisements listing specific jobs. When consumers called the company, they were informed that Job Line was an employment referral service that required a \$250 fee for access to exclusive job information or services. Consumers were led to believe that Job Line worked directly with employers to advertise, pre-screen applicants and assist in filling openings. Consumer complaints alleged that employment referrals contained misinformation about pay ranges or needed qualifications, that the positions were filled prior to receiving the information, that the positions did not exist or that Job Line ceased operation and failed to provide services for the one-year term. The Attorney General filed a lawsuit on Feb. 5, 2010, as part of Operation Bottom Dollar, a multi-state sweep in which the Federal Trade Commission and various partners targeted job-related scams. The lawsuit alleges violations of the Consumer Sales Practices Act, including failure to deliver and misrepresentations of the benefits of the service. It seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

Lakeside Auto Co./Zemarai Sedige

Lucas County Court of Common Pleas, Case No. CI0201008318

This supplier sells and finances used cars. An investigation into its sales practices revealed a number of issues with the company's business practices. Retail installment sales contracts were incomplete, omitting such important information as consumer signatures and payment due dates. Odometer disclosures were not completed. Cars were improperly repossessed. When the improper repossessions occurred, Lakeside Auto refused to refund any monies paid. The Attorney General filed a lawsuit on Dec. 16, 2010, for violations of the Consumer Sales Practices Act, Odometer Rollback and Disclosure Act and Retail Installment Sales Act. It seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

LifeLock Inc.

Franklin County Court of Common Pleas, Case No. 10 CVH 03 3712

This case was a joint investigation between the Federal Trade Commission (FTC) and 35 states, including Ohio. LifeLock Inc. is a Tempe, Ariz.-based identity theft protection provider. The investigation focused on its misleading advertising practices. Specific claims included that the company misled consumers into believing its services were a “proven solution” that would protect against all forms of identity theft, including criminal, mortgage and child identity theft, and that the company misrepresented the nature of specific services it provided to protect or alert consumers when their personal information had been compromised. The investigation culminated with a lawsuit filed on March 9, 2010. An Agreed Entry and Final Judgment Order was presented to the court shortly after the lawsuit was filed. It was entered on March 18, 2010, bringing an end to the investigation and lawsuit. Pursuant to the agreement, LifeLock is prohibited from misrepresenting that its services protect against all types of identity theft; claiming that it constantly monitors activity on its customers’ credit reports; claiming that it always prompts a call from a potential creditor before a new credit account is opened in the customer’s name; and claiming that it eliminates the risk of identity theft. LifeLock agreed to pay \$11 million in restitution to eligible consumers who will be notified by their respective states and the FTC. LifeLock also agreed to a \$1 million payment as reimbursement to the states for their investigative costs. Ohio received a \$79,000 share of the payment.

Mantapart Performance Parts LLC/Timothy Meehan

Mahoning County Court of Common Pleas, Case No. 10 CV 1396

Mantapart Performance Parts was an Internet auto parts supplier. An investigation was opened after the Attorney General received consumer complaints alleging that purchased parts were not delivered and refunds were not made. The Attorney General filed a lawsuit on April 10, 2010, for violation of the Consumer Sales Practices Act, specifically the Failure to Deliver Rule. Timothy Meehan, the owner of the business, also was named as a defendant. The lawsuit sought declaratory and injunctive relief, consumer damages and civil penalties. The litigation concluded with a Consent Judgment and Agreed Order and Entry filed on July 26, 2010. It included \$6,500 in consumer restitution to resolve the remaining consumer complaints. The defendants were permanently enjoined from entering into future consumer transactions in Ohio. A \$25,000 civil penalty was suspended on the condition of strict compliance with the terms of the consent judgment, including the permanent injunction.

Mid-Ohio Collision LLC/Dominic Cimino

Franklin County Court of Common Pleas, Case No. 10 CVH 01 1492

Mid-Ohio Collision operated a motor vehicle repair shop in Columbus. In 2006, the Attorney General filed a lawsuit against the company for violations of the Consumer Sales Practices Act and Ohio’s Do Not Call Act. It resulted in a default judgment. New consumer complaints revealed that Mid-Ohio continued to solicit consumers via telephone at numbers that were on the Do Not Call Registry. The consumer complaints also alleged that Mid-Ohio offered rebates and other incentives for having their vehicles

repaired at Mid-Ohio, but the rebates were never applied to the purchases. Poor workmanship also was alleged. The Attorney General filed a new lawsuit against the business and its owner, Dominic Cimino, on Jan. 29, 2010. A contempt motion also was filed due to Mid-Ohio's violation of the injunction obtained in the previous lawsuit. The Complaint again alleged violations of the Do Not Call Act and unfair, deceptive and unconscionable acts and practices in violation of the Consumer Sales Practices Act. The case was resolved through a Final Agreed Consent Judgment Entry and Order filed on Dec. 9, 2010. Relief included a declaratory judgment, permanent injunction, \$20,300 in consumer damages, a \$50,000 civil penalty with \$25,000 suspended and \$15,000 in costs with \$10,000 suspended. All suspended amounts are on the condition of full compliance with the terms of the settlement.

Monroe Dodge-Chrysler Inc.

Lucas County Court of Common Pleas, Case No. CIO201004279

The Attorney General filed a lawsuit against this Michigan motor vehicle dealer on June 1, 2010, for violations of Ohio's advertising laws. Past investigations by the Attorney General had uncovered similar issues related to the company's advertisements. The Attorney General had initiated formal enforcement actions on two previous occasions, with consent judgments entered into between the parties in 2005 and 2007. The current lawsuit alleged violations of the Consumer Sales Practices Act, the Exclusion and Limitations in Advertisements Rule and the Advertisement and Sale of Motor Vehicles Rule. A Consent Judgment Entry and Order was presented to the court at the time the lawsuit was filed. It was signed by the judge and entered on June 14, 2010. It included declaratory and injunctive relief, along with a \$40,000 civil penalty.

Musgrove (John) /Three Wise Men Home Services/JBM Construction & Property Management

Green County Court of Common Pleas, Case No. 2010CV0046

John Musgrove engaged in the home improvement business under the unregistered names of Three Wise Men Home Services and JBM Construction & Property Management. An investigation was opened in response to consumer complaints alleging failure to deliver various home improvement services. The Attorney General filed a lawsuit on Jan. 14, 2010, for violations of the Consumer Sales Practices Act and Home Solicitation Sales Act. It seeks declaratory and injunctive relief, consumer damages and civil penalties. Musgrove also was criminally charged with theft by deception in Montgomery County. The civil case concluded with a July 6, 2010, Order and Entry Granting Plaintiff's Motion for Default Judgment and Awarding Relief, Restitution, Civil Penalties and Costs. It included declaratory and injunctive relief, consumer restitution of \$33,869.25, a \$100,000 civil penalty and \$6,505 in investigatory costs. The injunction included language prohibiting Mr. Musgrove from engaging in consumer transactions until he has paid the judgment.

National Homeowner Assistance Foundation Ltd./Casimir S. Suwinski/Casimir S. Suwinski, Jr./Arden Banks

Franklin County Court of Common Pleas, Case No. 10 CVH 09 13554

This Ohio company advertised its foreclosure rescue program through direct mail solicitations and telephone calls. It convinced consumers that it would negotiate with the consumers' lenders to avoid foreclosure, reduce monthly payments and reduce interest rates. Consumers paid \$1,400 to \$4,100 for the program, but the promised services were not provided and refunds were not issued. The Attorney General filed a lawsuit on Sept. 15, 2010, for violations of the Consumer Sales Practices Act and Debt Adjuster Act. The principals of the business were named as individual defendants. A request to attach assets was filed at the same time, which the court granted, freezing the bank accounts of the defendants. Counts in the Complaint included failure to deliver, various misrepresentations, unconscionable practices and charging excessive fees. The lawsuit seeks a declaratory judgment, injunctive relief, consumer damages and civil penalties. The case is pending.

NSA Technologies LLC/Home Job Placement/Mark W. Jenney/Victor J. Bierman, III/Vincent E. Fisher

Summit County Court of Common Pleas, Case No. 2010 09 6290

NSA Technologies is an Ohio business that offered numerous online "work at home" programs. The Attorney General began to investigate the company after receiving numerous consumer complaints. The complaints alleged that NSA advertisements solicited the sale of programs for persons to "make money at home," "get rich quick" or similar claims. After consumers paid the program costs, which ranged from \$178 to \$768, they received a package of materials that provided little, if any, valuable information or guidance. Consumers did not achieve the promised results, and statements in the advertisements proved to be untrue. The Attorney General filed a lawsuit against the business on Sept. 16, 2010, for violations of the Consumer Sales Practices Act. Three principals of the company were named in the lawsuit as individual defendants. Counts included failure to deliver, deceptive advertising, misrepresentations and unconscionable business practices. The lawsuit seeks a declaratory judgment, injunctive relief, consumer damages and civil penalties. The case is pending.

Otworth (Anthony), dba Custom Touch Remodel

Franklin County Court of Common Pleas, Case No. 10 CVH 04 6124

This home improvement case involved failure to deliver and poor workmanship allegations. Anthony Otworth owned and operated the unincorporated business. Consumer complaints alleged that deposits were paid and no work was done, or that work was performed so poorly that consumers had to pay another contractor to correct the work. The Attorney General filed a lawsuit on April 21, 2010, for violations of the Consumer Sales Practices Act and Home Solicitation Sales Act. Specific counts included failure to deliver, deposit-related violations, shoddy workmanship and failure to provide a written agreement and notice of cancellation form. The lawsuit seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

Paradise Plumbing Inc./Todd Zumerling

Cuyahoga County Court of Common Pleas, Case No. CV 10 740657

The Attorney General initiated an investigation into this plumbing and home improvement business after receiving consumer complaints alleging that down payments

were made and work was not done, or that work provided was substandard. Attempts to resolve the complaints were unsuccessful, resulting in a Nov. 4, 2010 lawsuit. Todd Zumerling, the owner of the business, was named as an individual defendant. The Complaint alleged unfair and deceptive violations of the Consumer Sales Practices Act, including failure to deliver and shoddy work. It seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

Pinnacle Security Inc.

Franklin County Court of Common Pleas, Case No. 10 CVH 12 18365

An investigation into the practices of this Utah-based home security system seller was initiated after the business generated more than 250 consumer complaints.

Representatives of the company visited consumers' homes and claimed that they were there to provide updates of the consumers' existing security systems. Complaints alleged that Pinnacle provided poor service, that the consumers ended up with service contracts from two companies and that Pinnacle refused to honor cancellation requests. The Attorney General filed a lawsuit on Dec. 16, 2010, for violations of the Consumer Sales Practices Act and Home Solicitation Sales Act. Specific allegations included false advertising, deceptive sales presentations, shoddy work and failure to provide proper cancellation notices. Remedies sought include declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

Stephens Investment and Financial Services, dba Lifeline Financial Legal Solutions

Franklin County Court of Common Pleas, Case No. 10 CVH 09 13552

This Florida company solicited Ohio consumers with claims that it could help them obtain home loan modifications. It promised to help borrowers obtain better payment arrangements and falsely stated that the company had attorneys on staff to represent the consumers in foreclosure fights. The company charged consumers between \$1,200 and \$3,000 for the program, but did not provide the promised services and did not provide refunds of the fees paid. The Attorney General filed a lawsuit on Sept. 10, 2010, for violations of the Consumer Sales Practices Act and Debt Adjuster Act. Counts included failure to deliver, various misrepresentations, failure to register with the Ohio Secretary of State and charging excessive fees. The lawsuit seeks a declaratory judgment, injunctive relief, consumer damages and civil penalties. The case is pending.

Tri-State Medical Academy Inc./Gary Terry

Hamilton County Court of Common Pleas, Case No. A1002892

Tri-State Medical Academy was a proprietary school that went out of business. It also operated under the name Gates Academy of Nursing Inc. The school was owned and operated by Gary Terry. Students complained that they paid tuition, but were not given the opportunity to complete their class instruction due to the closure of the business. They needed to enroll elsewhere, and essentially pay twice in order to complete their practical nursing program. Their losses ranged from \$3,000 to \$8,000. A lawsuit was filed on March 24, 2010, alleging violations of the Consumer Sales Practices Act. Specific counts included failure to deliver services and entering into consumer transactions while knowing of the consumers' inability to receive substantial benefits. The litigation concluded with a Final Order and Entry Granting Default Judgment entered

on June 2, 2010. It included declaratory and injunctive relief, \$39,405 for consumer restitution and a \$50,000 civil penalty. The injunction included language prohibiting the defendants from engaging in consumer transactions until they have paid off the judgment.

United Law Group Inc.

Franklin County Court of Common Pleas, Case No. 10 CVH 02 1567

United Law Group (ULG) is a law firm based in California that claims it can help homeowners obtain loan modifications. None of its lawyers are licensed in Ohio. The firm contacted Ohio consumers and had them sign contracts that appeared to be retainers and Powers of Attorney. The consumers were told that ULG would negotiate with the consumers' lenders to get loan modifications. The cost of the undelivered services ranged from \$1,500 to \$4,000. After consumers paid the fees, ULG ceased communications with them. The Attorney General filed a lawsuit on Feb. 1, 2010, for ULG's violations of the Consumer Sales Practices Act, Debt Adjuster Act and Telephone Solicitations Sales Act. Specific allegations included failure to deliver services, charging excessive fees, failing to register as a telephone solicitor and making false and misleading statements. ULG failed to defend the case and a Default Judgment Entry and Order was obtained on June 3, 2010. It included declaratory and injunctive relief, a \$200,000 civil penalty and \$2,205 in investigative costs. A subsequent damages hearing resulted in an award of \$62,200 for consumer restitution.

U.S. Fidelis Inc., formerly known as National Auto Warranty Services Inc., dba Dealer Services/Darain E. Atkinson/Cory C. Atkinson

Franklin County Court of Common Pleas, Case No. 10 CVH 04 6535

This case involved a multi-state investigation into the business practices of U.S. Fidelis Inc., soliciting consumers under the name Dealer Services. The investigation culminated with Ohio and other states filing lawsuits on April 29, 2010. The owners of the business, Darain E. Atkinson and Cory C. Atkinson, were named as individual defendants. Consumers complained that the company deceptively marketed and sold extended service contracts for automobiles. The consumers alleged that they were misled into purchasing products that they did not need, that the contracts did not cover promised repairs and that they were unable to cancel their contracts. The lawsuit alleged violations of the Consumer Sales Practices Act, including failure to disclose all material terms and conditions in advertisements, failure to substantiate advertising claims, misrepresentation and failure to deliver. There were additional counts for violations of Ohio's Do Not Call Act and the Telephone Solicitation Sales Act. The lawsuit sought declaratory and injunctive relief, consumer damages and civil penalties. On Nov. 8, 2010, Ohio joined 10 other states in settlements with the Atkinson brothers. The consent judgments bar the Atkinsons from selling motor vehicle service contracts in Ohio and require them to turn over millions in assets to the bankruptcy court. In addition, the Atkinsons will owe Ohio \$1.8 million in civil penalties and \$300,000 for costs related to the investigation and litigation. With the surrender of all their assets to the bankruptcy court, any recovery will come from the U.S. Fidelis bankruptcy estate.

Victoria Motors LLC/Quelvid Malave

Franklin County Court of Common Pleas, Case No. 10 CVH 08 12072

The Attorney General initiated an investigation of this used car dealership after consumer complaints alleged a number of potential Consumer Sales Practices Act violations. The dealership engaged in spot delivery, the practice of selling vehicles contingent on financing with no written agreement detailing obligations if financing was not obtained. It also changed the purchase prices in some sales and improperly repossessed vehicles. The Attorney General filed a lawsuit on Aug. 17, 2010, against the business and its owner, Quelvid Malave, for violations of the Consumer Sales Practices Act and the Odometer Rollback and Disclosure Act. The lawsuit seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

West (Andrea L. and George W.), dba Estate Planning Paralegal Services

Franklin County Court of Common Pleas, Case No. 10 CVH 08 12416

This business purported to offer “Medicaid specialists” who were to assist consumers with the Medicaid eligibility process. Senior citizens were charged \$2,000 to \$5,000 in fees, but did not receive the promised services. Some consumers gave the suppliers important financial documents that have not been returned. On Aug. 23, 2010, the Attorney General filed a lawsuit against the principals of the business, Andrea and George West, alleging violations of the Consumer Sales Practices Act and Home Solicitation Sales Act. Counts in the Complaint include failure to deliver, misrepresentation of sponsorship or affiliation, failure to register with the Ohio Secretary of State and failure to provide a notice of cancellation form. The lawsuit seeks declaratory and injunctive relief, consumer damages and civil penalties. A default judgment against George West was granted on Nov. 30, 2010. It included a declaratory judgment and permanent injunction, with consumer damages and civil penalties to be determined at a later date.

Wiehoff (Kyle J.), dba C&W Concrete

Franklin County Court of Common Pleas, Case No. 10 CVH 05 6969

Kyle Wiehoff did business under the name C&W Concrete. He solicited sales for outdoor custom concrete at consumers’ residential properties. Consumers complained that they paid for services that were not provided and that any work that was completed was done in a substandard manner. The Attorney General filed a lawsuit on May 7, 2010, for violations of the Consumer Sales Practices Act, including counts alleging failure to deliver, shoddy workmanship and misrepresenting an affiliation with the Better Business Bureau. The lawsuit seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

OTHER JUDGMENTS

ABC General Contractors/Jeremy Adams

Union County Court of Common Pleas, Case No. 2009 CV 231

The Attorney General filed a lawsuit against this home improvement business on May 6, 2009. Jeremy Adams owned and operated the unincorporated business. He routinely accepted money from consumers as deposits for home improvement services and subsequently failed to deliver those services. The Complaint alleged violations of the

Consumer Sales Practices Act and the Home Solicitation Sales Act. The violations included failure to deliver, failure to register the business, failure to comply with the Deposit Rule, failure to comply with the Repairs or Services Rule, and failure to provide a proper notice of cancellation form. The Attorney General obtained a default judgment and the litigation concluded with a May 14, 2010, Order and Entry. It included injunctive and declaratory relief, \$21,065 in consumer restitution and a \$125,000 civil penalty.

Akron Asphalt/Timothy Sands

Summit County Court of Common Pleas, Case No. 2009 08 6147

The Attorney General filed a lawsuit against this home improvement supplier on Aug. 19, 2009. Timothy Sands owned and operated the unincorporated business, which contracted for the installation of cement and asphalt products for consumers in the Akron area. Consumer complaints received by the Attorney General alleged that little or no work was done. Counts in the Attorney General's lawsuit included failure to deliver, providing shoddy home improvement services and failing to register the business with the Ohio Secretary of State in violation of the Consumer Sales Practices Act. The case concluded with a Judgment Entry and Order filed on March 16, 2010. It included injunctive and declaratory relief, \$8,675 in consumer restitution, a \$25,000 civil penalty and \$3,927 in costs.

American Foreclosure Professionals Inc./Foreclosure Assistance USA Inc.

Hamilton County Court of Common Pleas, Case No. A0900671

The defendants operated a foreclosure rescue scam. They sent direct mail solicitations that specifically referred to individual consumers' foreclosure lawsuits by their unique case numbers. Both American Foreclosure Professionals and Foreclosure Assistance USA promised immediate assistance in saving consumers' homes from foreclosure, but failed to do so. The Attorney General opened an investigation after consumers filed complaints against each business, saying they had paid \$700 to \$1,200 for the services. The investigation revealed that Foreclosure Assistance USA and American Foreclosure Professionals shared the same president and offered similar foreclosure assistance services to consumers facing foreclosure. A Jan. 22, 2009, lawsuit charged the companies with violating Ohio's Consumer Sales Practices Act, Credit Services Organization Act and Debt Adjuster Act. The case concluded through a Default Judgment Entry and Order filed on March 18, 2010. It included declaratory and injunctive relief, \$10,050 in restitution, a \$175,000 civil penalty assessed separately to each business and \$1,665 in costs.

Brotherton (Michael), dba Financial Emergency Inc. and Debt Mediation and Financial Counseling

Greene County Court of Common Pleas, Case No. 2009 CV 0719

Michael Brotherton operated a foreclosure rescue scam under the names Financial Emergency Inc. and Debt Mediation and Financial Counseling. The Attorney General filed a lawsuit in Greene County on June 25, 2009, for violations of the Consumer Sales Practices Act, its substantive rules and the Debt Adjuster Act. Mr. Brotherton solicited consumers through direct mail solicitations and via the Internet for foreclosure assistance and debt mediation services. Neither business name was registered with the Ohio

Secretary of State. Specific allegations included charging in excess of permitted amounts, failure to file an audit with the Attorney General, failure to deliver and making false and misleading representations. The case concluded on Jan. 20, 2010, when the court entered a default judgment. It included a permanent injunction, \$5,769 in consumer restitution, a \$75,000 civil penalty and \$1,125 in investigative costs.

Brown (Bob), dba Brown and Brown Roofing and Bob Brown Roofing

Montgomery County Court of Common Pleas, Case No. 2009 CV 3685

The Attorney General filed a lawsuit against this home improvement business on May 5, 2009. Bob Brown owned and operated the unincorporated businesses. He offered to provide roof repair and other home improvement services. Consumers were solicited through advertisements in media such as the Dayton Daily News and the Yellow Pages. The complaint alleged violations of the Consumer Sales Practices Act, including shoddy workmanship, estimate choice violations, failure to register the business and false warranty claims. A Final Order and Entry Granting Default Judgment was entered on April 28, 2010. It included injunctive and declaratory relief, \$14,685 in consumer restitution and a \$125,000 civil penalty.

CertifiChecks Inc.

Montgomery County Court of Common Pleas, Case No. 2009 CV 1887

The Attorney General filed a lawsuit on March 9, 2009, in Montgomery County after this company went out of business. It had been selling gift certificates to consumers in Ohio and throughout the nation. All gift certificates purchased from CertifiChecks could no longer be used. The business filed a Chapter 7 bankruptcy action. The litigation concluded with an Agreed Consent Judgment Entry and Order entered on Aug. 30, 2010. It included a declaratory judgment, permanent injunction and a \$50,000 civil penalty suspended due to the bankruptcy. All consumer restitution became part of the bankruptcy action and could not be addressed in the consent judgment.

Global Services of Ohio Inc./Mario W. Watkins

Franklin County Court of Common Pleas, Case No. 08 CVH 016464

This lawsuit was filed by the Attorney General in Franklin County on Nov. 17, 2008. It alleged violations of the Consumer Sales Practices Act and the Debt Adjuster's Act. Mario Watkins is a Columbus resident who was the sole operator of the business. He issued direct mailings under the name "Foreclosure Mediation Services," targeting individuals in foreclosure. The representations made in direct mail solicitations violated the Consumer Sales Practices Act, and the actual services did not comply with the Debt Adjuster's Act. Consumers paid as much as \$3,500 for the defendant's negotiation services. An Agreed Final Entry and Order filed on Dec. 6, 2010, concluded the litigation. It included a declaratory judgment and permanent injunction, \$16,000 in consumer restitution, \$5,500 in costs and a \$25,000 civil penalty suspended on the condition of full compliance with the terms of the settlement.

International Diamond and Gold Co./Michael J. Barren

Delaware County Court of Common Pleas, Case No. 09 CVH 0482

The Attorney General issued a cease and desist notice to International Diamond & Gold

(IDG) on Sept. 10, 2009, for violation of the Distress Sale Rule. The receiver appointed to liquidate IDG had been running a going-out-of-business sale in excess of the maximum time permitted by the Consumer Sales Practices Act. The receiver, Michael J. Barren, filed a contempt motion against the Attorney General on Sept. 30, 2009, and also added the Attorney General as a party to the IDG litigation in an attempt to continue the going-out-of-business sale. The Attorney General responded with an Oct. 28, 2009, cross claim against IDG and a third-party complaint against the receiver, alleging that the going-out-of-business sale was being operated in violation of the Consumer Sales Practices Act and the Distress Sale Rule. The court issued an order on Dec. 16, 2009, granting the Attorney General declaratory and injunctive relief against the receiver. The case concluded with an Agreed Order filed on June 11, 2010. It recognized \$980 that had been paid in consumer restitution and included a \$25,000 payment by the receiver to the Consumer Protection Enforcement Fund that was suspended on the condition of full compliance with all orders in the case.

JR & Sons Quality Home Improvement LLC/Joey Rovito

Franklin County Court of Common Pleas, Case No. 09 CVH 11 17122

This home improvement business was located in Pataskala, Ohio, and provided home improvement services in Franklin and Licking counties. The Attorney General initiated an investigation after receiving consumer complaints alleging failure to deliver, shoddy work, failure to honor warranties and failure to honor notices of cancellation. The company has since ceased operations. The Attorney General filed a lawsuit in Franklin County on Nov. 16, 2009, for violations of the Consumer Sales Practices Act and Home Solicitation Sales Act. Joey Rovito, the owner of the business, also was named as a defendant. A motion for default judgment was filed when the defendants did not defend the lawsuit. The litigation concluded on Oct. 19, 2010, with the Decision and Final Entry Adopting Magistrate's Decision filed Sept. 17, 2010. Relief included a declaratory judgment, a permanent injunction, \$92,378.03 in consumer restitution and a \$150,000 civil penalty.

Malloy (Mike)/Credit Physician

Montgomery County Court of Common Pleas, Case No. 2008CV09581

Mike Malloy operated a business via the Internet under the name of the Credit Physician. For a fee, the company claimed it could improve consumers' credit scores and protect against identity theft. Consumers filed complaints alleging they paid money to Mr. Malloy but that he failed to take any steps toward improving their credit score and refused to reimburse their money. The Attorney General filed a lawsuit in Montgomery County on Oct. 22, 2008, for violations of the Consumer Sales Practices Act and the Credit Services Organization Act. The litigation concluded through a Default Judgment Entry granted on Sept. 21, 2010. It included a declaratory judgment, a permanent injunction, \$4,025 in consumer restitution and a \$200,000 civil penalty. Mr. Malloy was further enjoined from acting as a supplier in any consumer transaction or doing business as a credit service organization in Ohio until the judgment is paid in full.

Mastergard Inc/Daniel Sechriest

Franklin County Court of Common Pleas, Case No. 09 CVH 06 9170

Mastergard Inc. was an Ohio corporation engaged in the home improvement business, providing work on windows, siding, doors, decks, fences and patio rooms. The Attorney General filed a lawsuit on July 25, 2007. At the time of filing, the office had 14 unresolved complaints against Mastergard, centering on the supplier's shoddy and unprofessional service and its failure to deliver goods and services according to contract. Consumer losses ranged from \$387 to \$56,000. Daniel Sechriest, who ran the company, also was named as a defendant. On Aug. 9, 2010, the case concluded with an Agreed Consent Judgment Entry and Order. At the time of the settlement, the company was out of business and Daniel Sechriest had been granted a Chapter 7 bankruptcy discharge. The Consent Judgment included declaratory and injunctive relief, partial consumer restitution of \$34,000 due to the bankruptcy discharge and a \$300,000 civil penalty suspended on the condition of timely compliance with all terms of the Consent Judgment.

Metz (William), dba Bill's Rod and Custom

Clark County Court of Common Pleas, Case No. 08 CV 1592

The Attorney General filed a lawsuit on Dec. 1, 2008, against this custom hotrod business. William Metz was the owner of the unincorporated business. Consumer complaints arose from Internet sales of car parts and chassis to persons throughout the United States. The complaints alleged that parts were never delivered and no refunds were received. Violations set out in the Attorney General's Complaint included failure to deliver and conducting business under a trade name without being registered with the Ohio Secretary of State. The case was resolved through a Consent Judgment Entry and Order filed on Aug. 20, 2010. It included a declaratory judgment and permanent injunction. Consumer restitution was made through the Clark County Probation Department for a related criminal case. A \$25,000 civil penalty was suspended on the condition of compliance with the terms of the Consent Judgment, including the consumer restitution provision.

Nation Wide Pole Barns/James Washington

Montgomery County Court of Common Pleas, Case No. 08 CV 2536

Nation Wide Pole Barns, owned and operated by James Washington, sold pole barns over the Internet and through trade magazines. The Attorney General received complaints from consumers alleging the company failed to deliver the goods or continually delayed delivery dates. The Attorney General filed a lawsuit in Montgomery County on March 17, 2008, seeking consumer restitution and civil penalties for violations of the Consumer Sales Practices Act. A default judgment against the corporation was awarded on March 1, 2010. It included declaratory and injunctive relief, \$42,904.42 in consumer restitution and a \$25,000 civil penalty. The case concluded with a Consent Judgment Entry and Order with James Washington entered on July 21, 2010. It included injunctive relief and an order to cease operation of the business.

National Enterprise Systems Inc. (NES)

United States District Court, Northern District of Ohio, Case No. 1:09-cv-02251-JG

NES is a debt collection company based in Solon, Ohio. The Attorney General opened an investigation due to an increase in consumer complaints alleging unfair and deceptive collection practices. The investigation revealed a pattern of illegal practices, such as

calling and harassing consumers' coworkers and family members, calling before 8 a.m. and after 9 p.m., using abusive language, attempting to collect debts consumers did not owe, failing to verify debts and making unauthorized withdrawals from consumers' bank accounts. On July 21, 2009, the Attorney General filed a lawsuit in Cuyahoga County for violations of the Consumer Sales Practices Act and Fair Debt Collection Practices Act. The action was later removed to federal court. On April 8, 2010, the case settled with an Agreed Consent Judgment Entry and Order. The settlement included significant declaratory and injunctive relief, \$207,500 in consumer restitution and a \$207,500 payment to the Consumer Protection Enforcement Fund.

Nationwide Biweekly Administration Inc.

Green County Court of Common Pleas, Case No. 2008 CV 0678

This business advertised its mortgage reduction services in a misleading and deceptive manner. The Attorney General had entered into a 2005 Assurance of Voluntary Compliance in an attempt to address similar violations. After continuing to receive consumer complaints, the Attorney General filed a lawsuit on June 9, 2008, in order to bring an end to the deceptive advertising. The Complaint alleged violations of the Consumer Sales Practices Act, the Telephone Solicitation Sales Act and the Home Solicitation Sales Act. The case settled on Feb. 10, 2010, with an Agreed Entry. It included injunctive relief that required the defendant to make changes to its solicitation and envelope in order to bring them into compliance with the Consumer Sales Practices Act. The changes would decrease the chance that consumers would believe the solicitation was from their bank or that Nationwide Biweekly paid their mortgage lender biweekly. The Agreed Order established that Nationwide Biweekly violated the Home Solicitation Sales Act and ordered them to comply with the Telephone Solicitation Sales Act. Consumer restitution was provided for all consumers who had not received refunds they had requested for their initial set-up fees. The agreement also included a \$5,000 payment to the Consumer Protection Enforcement Fund and a \$25,000 civil penalty that will be assessed if Nationwide Biweekly fails to comply with terms of the settlement.

Nationwide Construction/Shawn Gauley/Philip Stroud

Summit County Court of Common Pleas, Case No. CV-2009-06-4597

Shawn Gauley and Philip Stroud operated Nationwide Construction in Akron following large media coverage of a hailstorm that caused widespread destruction. They took money from consumers, were responsible for poor workmanship, failed to complete contracts and then quickly disappeared. The Attorney General filed a lawsuit in Summit County on June 17, 2009, for violations of the Consumer Sales Practices Act and the Home Solicitation Sales Act. Violations included failure to deliver, non-compliance with the Deposit Rule, substandard work and failure to provide a proper notice of cancellation form. Service was obtained only on Philip Stroud. The case concluded with a Default Judgment Order and Entry on June 8, 2010. It included declaratory and injunctive relief, \$8474.22 in consumer restitution and a \$25,000 civil penalty.

Premier Design Consultants Inc./Jeffrey Shalayda

Franklin County Court of Common Pleas, Case No. 09 CVH 06 9170

Premier Design Consultants is an Ohio corporation that offered home improvement

services to consumers in Central Ohio. Jeff Shalayda is the owner of the company. The Attorney General filed a lawsuit on June 18, 2009, against the business and Mr. Shalayda for violations of the Consumer Sales Practices Act and Home Solicitation Sales Act. Specific violations included failure to deliver, noncompliance with the Deposit Rule, deceptive advertising, shoddy work, breach of warranty and failure to provide notices of cancellation. An Order and Entry granted a default judgment to the Attorney General on March 11, 2010. It included declaratory and injunctive relief, \$48,145.75 in consumer restitution and a \$150,000 civil penalty with \$75,000 suspended on the condition of full compliance with the terms of the Order and Entry.

Randall Mortgage Servicers/Sydmar Investments Inc./Robert R. Shepherd

Franklin County Court of Common Pleas, Case No. 07 CVH 12 16960

A lawsuit was filed in Franklin County in December 2007. The case was a joint project with the Ohio Department of Commerce brought to force brokers who go out of business to secure their records for a period of five years, pursuant to Department of Commerce regulations. Default judgments were taken against Randall Mortgage Servicers and Sydmar Investments Inc. on Jan. 2, 2009. An Agreed Entry and Order with individual defendant Robert R. Shepherd was entered on Jan. 21, 2010. The order included declaratory and injunctive relief, a \$15,000 civil penalty, a \$2,500 fine and \$5,000 for attorney fees and costs.

Sharp Auto Sales I/Sharp Auto Sales LLC/ALAS/Dmitry Peresetsky/Nathan Brown

Franklin County Court of Common Pleas, Case No. 09 CVH 09 13711

The Attorney General filed a lawsuit in Franklin County on Sept. 11, 2009, against these used car dealerships and their owners. The office had initiated an investigation after receiving consumer complaints alleging that vehicles sold were not in proper working order and that defendants did not disclose to customers that their motor vehicles had disabling devices, which turned off engines when car payments were late. In other instances, consumers did not receive titles to their used motor vehicles. The Attorney General's Complaint included violations of the Consumer Sales Practices Act and the Title Defect Rescission Act (TDR). On July 29, 2010, a consent judgment was entered with Sharp Auto Sales I, ALAS and Dmitry Peresetsky. It included a permanent injunction, consumer restitution of \$23,706.21, and \$10,000 in attorney fees and investigative costs. The remaining defendants, Sharp Auto Sales and Nathan Brown, agreed to a consent judgment on Aug. 20, 2010, bringing an end to the litigation. It included similar declaratory and injunctive relief. A \$75,000 civil penalty and \$10,000 cost provision were suspended on the condition of compliance with all terms of the judgment, including completion of a financial accounting to demonstrate their insolvency.

Statewide Financial Group Inc., dba U.S. Homeowners Assistance

Hamilton County Court of Common Pleas, Case No. A0906737

This California company offered its loan modification and loss mitigation services to consumers in Ohio and across the country. It solicited consumers by calling their homes and by advertising on television and on its website. U.S. Homeowners Assistance was not licensed with the Ohio or California Secretary of State. Nor was the business registered

as a telephone solicitor with the Ohio Attorney General or as a mortgage broker with the Ohio Department of Commerce, Division of Financial Institutions. The Attorney General filed a lawsuit against the business in Hamilton County on July 14, 2009. A temporary restraining order was granted the next day. The lawsuit included violations of the Consumer Sales Practices Act, Telephone Solicitation Sales Act and Debt Adjuster Act. The case concluded on March 30, 2010, with the court's adoption of the magistrate's decision granting a default judgment to the Attorney General. It included declaratory and injunctive relief, \$13,800 in consumer restitution, a \$200,000 civil penalty and \$3,015 for costs.

Treesmith Co. LLC/Rick Lopez

Cuyahoga County Court of Common Pleas, Case No. CV 09704862

The Attorney General filed a lawsuit on Sept. 23, 2009, against this tree and landscaping service business. The owner, Rick Lopez, was named as an individual defendant. The complaint alleged violations of the Consumer Sales Practices Act, including failure to deliver and deposit rule violations. The litigation concluded with a Judgment Entry and Order filed on March 24, 2010, awarding the Attorney General a default judgment against the defendants. The judgment included declaratory and injunctive relief, \$6,200 in consumer restitution and a \$25,000 civil penalty, with \$15,000 suspended upon strict compliance with the terms of the Judgment Entry and Order.

Twenty First Century Legal Services

Franklin County Court of Common Pleas, Case No. 09 CVH 06 9535

This defendant failed to deliver on its promises to help homeowners restructure their home loans, a service for which they charged \$1,500 to \$2,600. On June 25, 2009, the Attorney General filed a lawsuit and motion for temporary restraining order in Franklin County. The court granted the temporary restraining order the same day. A preliminary injunction was granted on July 9, 2009. Specific allegations included failure to deliver, unconscionable acts and practices, failure to provide cancellation notices and charging excessive fees in violation of the Consumer Sales Practices Act, Home Solicitation Sales Act and Debt Adjuster Act. The case concluded on July 22, 2010, with an Entry and Order Granting Plaintiff's Motion for Default Judgment and Awarding Damages to Plaintiff, State of Ohio. It included injunctive and declaratory relief, \$80,443.67 in restitution, a \$25,000 civil penalty and \$1,583.12 in costs.

USA Direct Inc./USA Direct of Cincinnati Inc.

Hamilton County Court of Common Pleas, Case No. A0807777

The defendants sold memberships into a buying club for an initial start-up fee of \$1,999, plus an annual renewal fee of \$199. After receiving consumer complaints alleging high pressure sales and various misrepresentations of the benefits of the buying club, the Attorney General filed a lawsuit in Hamilton County on Aug. 15, 2008, alleging multiple violations of the Consumer Sales Practices Act. Specific misrepresentations involved prize awards and potential member savings. A summary judgment in favor of the Attorney General was rendered on March 16, 2010. It included the requested declaratory and injunctive relief. On April 27, 2010, the court issued an order awarding \$53,270.91 in consumer damages and a \$425,000 civil penalty.

Weststar Mortgage Inc.

Belmont County Court of Common Pleas, Case No. 09CV534

The Attorney General filed a lawsuit on Dec. 4, 2009, against this Virginia corporation that operated as a residential loan broker in Ohio. The Complaint alleged that the business used undue influence on appraisers in regard to home mortgages, violating the Consumer Sales Practices Act. The case concluded with a March 10, 2010, Agreed Entry and Order. It included declaratory and injunctive relief, a \$25,000 civil penalty with \$15,000 suspended on the condition of full compliance with the terms of the Agreed Entry and Order, and \$1,500 in investigative costs.

ASSURANCES OF VOLUNTARY COMPLIANCE

Ace Athletics Inc./Lauralee Baker/Lynne Olsen

The case involved a gym that specialized in training young girls for cheerleading and dance competitions. It was owned and operated by sisters Lynn Olson and Lauralee Baker. The company closed its doors in early 2009. Consumers complained to the Attorney General that they prepaid for services that were not received. The Attorney General's investigation concluded with an Assurance of Voluntary Compliance with the corporation and its owners, finalized on Jan. 22, 2010. It requires them to comply with the Consumer Sales Practices Act and Prepaid Entertainment Contracts Act in any future endeavors. The Assurance also provided for \$1,029.97 in consumer restitution and required the cessation of collection activities on consumer accounts. A \$10,000 payment for attorney fees and costs was suspended on the condition of strict compliance with the Assurance.

Aftermath Inc.

Aftermath provided crime scene and tragedy clean-up services. The Attorney General received several consumer complaints alleging overbilling in excess of initial estimates. An investigation revealed that Aftermath was not in compliance with the Consumer Sales Practices Act and Home Sale Solicitations Act, particularly the sections relating to the three-day right to cancel and estimates for services. The matter was resolved through an Assurance of Voluntary Compliance entered on Sept. 30, 2010. The Assurance requires Aftermath to comply with the relevant provisions of Ohio consumer laws in any future consumer transaction in this state. It also includes a \$15,000 payment to the Attorney General as reimbursement for costs, with \$5,000 suspended on the condition of full compliance with the terms of the Assurance. Consumer complaints were resolved prior to the Assurance.

All American Improvements/Jeff Christy

All American Improvements (AAI) is a home improvement company that has operated in Akron and Columbus. Jeff Christy is the owner of the business. AAI came to the Attorney General's attention through consumer complaints alleging shoddy work and failure to deliver. The investigation concluded after AAI resolved consumer complaints and entered into a Feb. 23, 2010, Assurance of Voluntary Compliance with the Attorney

General. The Assurance requires AAI to operate in compliance with the Consumer Sales Practices Act, the Home Solicitation Sales Act and the Magnuson-Moss Warranty Act. It also includes \$2,500 in additional consumer restitution and a \$10,000 payment to the Attorney General, with \$7,500 suspended on the condition of strict compliance with the terms of the Assurance.

Budulator Corp. Inc./Raymond Walker III

The suppliers operated a debt management company. Consumers complained that they paid for debt management services, but did not receive the promised benefit. Fees charged by the suppliers exceeded amounts permissible pursuant to the Debt Adjuster Act, and the suppliers did not file the required audit with the Attorney General. The Attorney General's investigation was resolved through an Assurance of Voluntary Compliance entered on June 16, 2010. It provided for consumer restitution and requires the suppliers to operate in compliance with the Consumer Sales Practices Act and Debt Adjuster Act in any future transactions. A \$25,000 civil penalty was suspended on the condition of full compliance with the terms of the Assurance.

DFS Services LLC, formerly known as Discover Services

This began as a credit card solicitation lawsuit that was filed in Franklin County on Oct. 1, 2008. The Attorney General, with attorneys and law students from The Ohio State University Moritz College of Law, filed the Complaint regarding credit card solicitations aimed at students. The Complaint alleged that fliers posted on campus advertising free food failed to disclose that students would have to apply for credit cards in order to receive the free items. The case was dismissed with the parties agreeing to resolve the matter through an Assurance of Voluntary Compliance. Discover agreed to a three-year injunction prohibiting it from soliciting college students for credit cards at institutions of higher learning in Ohio. The Assurance also included a \$15,000 payment to the Consumer Protection Enforcement Fund as reimbursement for costs.

Fraley Seminars/Donald Kahl

Fraley Seminars is an Indiana supplier that advertised and conducted smoking cessation and weight loss hypnosis seminars. The Attorney General issued a Request for Substantiation regarding many dubious program success claims in the supplier's solicitations. Fraley Seminars and its operator, Donald Kahl, were unable to provide adequate documentation substantiating the claims. The Attorney General investigation concluded through an Assurance of Voluntary Compliance entered on Aug. 20, 2010. It permanently prohibits the company and Mr. Kahl from engaging in any consumer transactions in the State of Ohio. A \$25,000 payment to the Attorney General's Office was suspended on the condition of full compliance with the terms of the Assurance.

Gregory Forrest Lester Inc.

This supplier provides landscaping, tree services and some other home improvement work. Proper paperwork was not used in consumer transactions and work was routinely initiated prior to the end of the three-day period during which consumers could cancel the work. The matter was resolved with an Assurance of Voluntary Compliance entered on June 17, 2010. All consumer complaints were resolved prior to the agreement. The

Assurance requires the supplier to comply with Consumer Sales Practices Act and Home Solicitation Sales Act in its future consumer transactions. A \$10,000 cost provision was suspended on the condition of full compliance with the terms of the Assurance.

High Impact Promotions LLC

High Impact Promotions, located in Shelbyville, Mich., is a marketing company specializing in motor vehicle dealership promotions. Advertisements designed by the company and used by a number of Ohio automobile dealerships did not comply with consumer laws related to advertising. An Attorney General investigation concluded with an Assurance of Voluntary Compliance entered on March 15, 2010. The Assurance requires that any advertising used by High Impact Promotions comply with the Consumer Sales Practices Act, including the Motor Vehicle Advertising Rule, the Exclusions and Limitations in Advertising Rule and the Bait and Switch Rule. The Assurance also included a payment to the state of \$12,500, with \$6,500 suspended on the condition of full compliance with the terms of the Assurance.

Home Service USA Corp./Home Service USA Repair Management Corp.

Home Service Processing Center/Home Service USA Repair Corp. (HSPC) is a broker of service contracts for consumer gas, water and electric lines. It is located in Miami, Fla. Several Ohio municipalities brought HSPC to the attention of the Attorney General, voicing concerns about the company's solicitations. Residents were confused by the advertisements and believed that the service was affiliated with their city or utility supplier. HSPC has no affiliation with local utilities, though they sometimes contract with utility providers to offer their products to consumers. The matter concluded with an Assurance of Voluntary Compliance entered on April 15, 2010. The Assurance requires compliance with the Consumer Sales Practices Act and a \$15,000 payment to the Attorney General for attorney fees and investigative costs, with \$5,000 suspended on the condition of compliance with the terms of the Assurance. HSPC further agreed to send letters to consumers who purchased their service after receiving the advertisements at issue. The letter clarifies the service and allows 30 days to cancel if consumers are unhappy with the purchase.

Icon Security Inc.

Icon Security is a Utah-based home security company that sold its services and related products in Ohio through door-to-door solicitations. The Attorney General initiated an investigation after receiving consumer complaints alleging deceptive sales practices and refusal to honor notices of cancellation. The business resolved the consumer complaints, and the investigation concluded with an Assurance of Voluntary Compliance entered on April 16, 2010. It compels Icon Security to comply with Ohio consumer laws, including the Consumer Sales Practices Act and Home Solicitation Sales Act, should it continue to do business in Ohio. The Assurance includes a \$5,000 cost payment, with \$2,500 suspended on the condition of strict compliance with the terms of the Assurance.

Mike Castrucci Chevrolet-Oldsmobile Sales Inc.

Mike Castrucci Chevrolet-Oldsmobile Sales is a new and used motor vehicle dealership located in Milford, Ohio. The Attorney General opened an investigation based on

concerns about the company's advertising practices. The investigation concluded with an Assurance of Voluntary Compliance entered on May 17, 2010. It requires Mike Castrucci Chevrolet-Oldsmobile to comply with the auto advertising requirements of the Consumer Sales Practices Act and sets forth specific advertising practices that the business may not engage in. The Assurance includes a \$10,000 payment to the Attorney General, with \$5,000 suspended on the condition of full compliance with the terms of the Assurance.

Mike Castrucci Ford Sales Inc.

Mike Castrucci Ford is a new and used motor vehicle dealership located in Milford, Ohio. The Attorney General opened an investigation based on concerns about the company's advertising practices. The investigation concluded with an Assurance of Voluntary Compliance entered on May 17, 2010. It requires Mike Castrucci Ford to comply with the auto advertising requirements of the Consumer Sales Practices Act and sets forth specific advertising practices that the business may not engage in. The Assurance includes a \$10,000 payment to the Attorney General, with \$5,000 suspended on the condition of full compliance with the terms of the Assurance.

Nationwide Debt Solution Inc.

Nationwide Debt Solution is a New York company that negotiates settlements with consumers' creditors. An Attorney General investigation was initiated in response to a consumer complaint that Nationwide Debt Solution refused to resolve. The investigation focused on whether the business was operating in compliance with the Consumer Sales Practices Act and the Debt Adjuster Act. The case was resolved with an Assurance of Voluntary Compliance entered on June 22, 2010. As part of the Assurance, Nationwide Debt Solution agreed to refrain from providing debt negotiation services in the state of Ohio. The agreement also acknowledges that \$5,000 in restitution was made to resolve the consumer complaint.

Palmer (Joseph E.), dba Carousel Dinner Theater LLC

The Attorney General opened this failure-to-deliver investigation when the Carousel Dinner Theater ceased business operations in late 2008 and failed to refund consumers who had already purchased tickets for the upcoming season. The business and its owner, Joseph E. Palmer, filed bankruptcy actions as a result of the closing. The Attorney General investigation concluded with an Assurance of Voluntary Compliance entered on Sept. 10, 2010. It prevents Mr. Palmer from acting as a supplier in any future consumer transactions in Ohio. The Assurance also includes a \$10,000 payment to the Consumer Protection Enforcement Fund, with \$6,000 suspended on the condition of full compliance with the terms of the Assurance. It does not include consumer restitution because of the bankruptcy actions.

Powerhouse Gym LLC/Angela Palumbo/Katie Palumbo

Powerhouse Gym, owned and operated by Angela Palumbo and Katie Palumbo, ceased operating its health spa facility. The Attorney General initiated an investigation after consumers complained that they were not provided refunds for the remaining terms of their gym memberships. It concluded with an Assurance of Voluntary Compliance on April 16, 2010. The Assurance includes \$928.98 for consumer restitution to resolve the

remaining complaints. It also includes a \$1,000 civil penalty, suspended on the condition of strict compliance with the Assurance terms, including the requirement to comply with Ohio consumer laws in any new business venture.

Start Wireless Group, dba Page Plus Inc., Page Plus Cellular, Page Plus Communications Inc., Page Plus Perfect Fit Wireless, Page Plus Total Wireless, Cell Tech Wireless LLC, CellTech LLC, Perfect Fit Wireless #1 Toledo, T Page Plus and T-Page Plus Communications Inc.

Start Wireless, which operated under multiple names, was a mobile virtual network operator that purchased phone plans from Verizon and sold them to consumers via pre-paid phone cards. The Attorney General initiated an investigation after receiving a significant number of consumer complaints, mainly related to transfers from “unlimited usage plans” to “pay-as-you-go” plans. Start Wireless cooperated with the Attorney General throughout the investigation and was willing to make changes to its business model. The investigation concluded when the parties agreed to an Assurance of Voluntary Compliance finalized on Nov. 2, 2010. The Assurance included a \$200 payment to each of the 144 consumer complainants identified in an addendum, plus a clause in which the supplier agreed to provide \$200 to additional eligible consumers who complained to the Attorney General within 30 days of the Assurance date. A “best practices” section in the Assurance should prevent the problems from recurring. Start Wireless also agreed to make a \$20,000 payment to the Consumer Protection Enforcement Fund to reimburse the Attorney General for the costs of the investigation.

TWIISTED MODS/Francis Knisely

This Trumbull County Internet business sold Xbox games and related gaming products to consumers throughout the country. The company was owned by Francis Knisely. Consumers complained that the sales involved faulty and defective products. The case concluded with an Assurance of Voluntary Compliance entered on Jan. 27, 2010, in which the suppliers agreed to conduct any future business in compliance with Ohio consumer laws. The Assurance included \$2,849.63 in consumer restitution and a \$500 payment to the Consumer Protection Enforcement Fund.

United Collections Bureau Inc.

United Collections Bureau is a debt collection company with an office in Central Ohio. The Attorney General opened an investigation due to an increase in consumer complaints alleging unfair and deceptive collection practices. The investigation revealed a pattern of illegal practices, such as calling consumers who did not owe the debts, engaging in harassing or abusive conduct, and failing to verify debts. On Aug. 12, 2010, the investigation concluded with an Assurance of Voluntary Compliance. The Assurance established compliance provisions that United Collection Bureau must adhere to in its Ohio debt collections. It also included \$175,000 in consumer restitution and a \$175,000 payment to the Consumer Protection Enforcement Fund.

C. CONSUMER ASSISTANCE UNIT

The Consumer Assistance Unit employs 15 complaint specialists and two Title Defect Rescission Fund (TDR) personnel. The staff serves consumers who file complaints against various businesses. In 2010, the Consumer Assistance Unit received more than 31,000 consumer complaints and inquiries.

Complaint specialists provide informal dispute resolution by contacting the businesses in an attempt to resolve consumer complaints and to bring the businesses into compliance with Ohio law. The specialists have concentrated areas of expertise. For instance, one specialist serves as Lemon Law Administrator, helping consumers resolve related complaints and assisting with the arbitration process. The TDR staff members help motor vehicle purchasers obtain automobile titles and temporary tags. They also maintain the TDR registration and billing program.

In 2010, the Consumer Assistance Unit continued to expand its services to small businesses and nonprofits. The purpose of this effort was to help small businesses and nonprofits resolve their consumer-related disputes and to enhance the office's ability to monitor the marketplace for unfair or deceptive practices.

Complaint specialists are trained to identify problem businesses, and any consumer complaint information may be referred to the section's investigators. Specialists refer businesses for investigation based upon consumer complaint volume, apparent trends, patterns of abuse and other factors. The ability to identify problem businesses is critical in the Consumer Protection Section's attempt to protect consumers. Many investigative referrals have led to successful litigation.

Top Ten Consumer Complaints Reported to the Attorney General's Office

Every year, the Attorney General compiles a list of the top 10 complaint-generating areas. In 2010, the top 10 areas were:

1. Motorized vehicles
2. Collections, credit reporting or financial services
3. Internet or phone
4. Household goods or property improvement
5. Mortgage
6. Shopping, food or beverages
7. Professional services
8. Sweepstakes or prizes
9. Computers or electronics
10. Utilities

D. EDUCATION

The goal of the Consumer Protection Education Unit is to educate Ohioans about their consumer rights and to warn them about scams.

In 2010, the Consumer Protection Education Unit reached thousands of Ohioans through a series of approximately 450 workshops, information tables and other outreach activities. It also produced new publications and Web content to educate Ohioans about consumer issues.

Events are marketed through the Attorney General's website, fliers and networking by staff and regional representatives. Available workshops include: Shop Smart: Know Your Rights; Seniors Fighting Fraud; Plan Well, Live Well; Job Seekers Beware; Save the Dream of Home Ownership; Scams Against the Military and Veterans; Senior Scams; Know Your Rights: A Consumer Guide for Students; Take Charge of Your Credit; and Know Your Rights: A Teacher's Guide to Consumer Rights.

Consumer Protection Education also actively participates in the Ohio Commission on Personal Finance Education, the Ohio Commission on the Earned Income Tax Credit, the Save Our Homes Commission, the Save the Dream Ohio Work Group and the Ohio Retirement Savings Awareness Initiative.

In 2010, Consumer Protection Education coordinated the annual Save Our Homes Summit, attracting more than 250 consumer advocates and housing specialists. It also joined with the office's Public Affairs division to coordinate the first Ohio Consumer Protection Summit.

E. CONSUMER LAWS

In addition to the Consumer Sales Practices Act, the Ohio Attorney General's Consumer Protection Section enforces many other Ohio laws and federal statutes created to protect consumers from unfair business practices. Among the Ohio laws the Consumer Protection Section is charged with enforcing are:

Predatory Lending Law: Brings non-bank mortgage lenders and mortgage brokers into the jurisdiction of the Consumer Sales Practices Act, providing the Attorney General authority to investigate and initiate legal proceedings against predatory lending practices.

Home Solicitation Sales Act: Protects consumers from unethical door-to-door sales practices and allows consumers a three-day "cooling off" period during which the sale can be canceled.

Telephone Solicitation Sales Act: Requires certain telephone solicitors to meet statutory requirements, post a bond and register with the Ohio Attorney General's Office prior to being able to solicit Ohio consumers.

Prepaid Entertainment Contracts Act: Protects consumers who sign contracts with health spas, dance studios, diet centers, dating services and martial arts training schools by providing a three-day “cooling off” period and by specifying conditions under which a contract can be canceled.

Title Defect Rescission Act: Creates the Title Defect Rescission Fund, administered by the Consumer Protection Section, to provide refunds to retail purchasers of motor vehicles who are unable to obtain a certificate of title within the statutory period of time.

Lemon Law: Requires automakers to repair any design or construction defect that affects the use, value or safety of a new motor vehicle within the first 12 months or 18,000 miles.

Odometer Rollback and Disclosure Act: Makes it illegal to alter the mileage reading of a motor vehicle and requires that accurate mileage disclosures be made when selling the motor vehicle.

Business Opportunities Purchasers Protection Act: Requires the disclosure of certain information in the sale of business opportunity plans and provides other safeguards such as a required “cooling off” period for consumer investors.

Credit Services Organizations Act: Regulates businesses that charge consumers to improve credit histories or obtain extensions of credit by requiring various disclosures, a “cooling off” period and prohibiting certain conduct such as receiving any payment prior to providing all services.

Debt Adjuster Act: Regulates businesses that offer debt pooling, adjusting or management services by requiring business audits and insurance coverage and by limiting contributions that can be accepted from the debtor.

Credit Freeze Act: Requires credit reporting agencies to allow consumers to place credit freezes on their credit reports to prevent the extension of new credit and outlines how to temporarily or permanently remove the freezes.

Small Loan Lender Act: Limits permissible payday loan interest rate charges to 28 percent, prohibits unfair debt collection practices and requires Internet lenders to have an Ohio location.

Questions regarding the contents of this report may be directed to:

Ohio Attorney General

30 E. Broad St., 17th Floor
Columbus, OH 43215

Consumer Protection Section

30 E. Broad St., 14th Floor
Columbus, OH 43215

Consumer complaints are filed:

- Online at www.OhioAttorneyGeneral.gov
- By calling the Help Center at (800) 282-0515
- By sending information to Consumer Protection Section, 30 E. Broad St., Floor 14, Columbus, OH 43215

