

**IN THE COURT OF COMMON PLEAS  
FRANKLIN COUNTY, OHIO**

STATE OF OHIO, ex rel.	)	CASE NO. 13CV-08-8489
ATTORNEY GENERAL	)	
MICHAEL DEWINE	)	JUDGE KIMBERLY COCROFT
	)	
PLAINTIFF,	)	
	)	
V.	)	
	)	<b><u>CONSENT JUDGMENT ENTRY</u></b>
VISION SECURITY, LLC	)	<b><u>AND ORDER</u></b>
	)	
DEFENDANT.	)	

**PREAMBLE**

This matter came to be heard upon the filing of a complaint by Plaintiff, State of Ohio, through Ohio Attorney General Michael DeWine ("Plaintiff" or "Attorney General"), alleging that Defendant Vision Security, LLC ("Defendant" or "Vision") has violated the Ohio Consumer Sales Practices Act, R.C. 1345.01 et seq. ("CSPA"), and the Ohio Home Solicitation Sales Act, R.C. 1345.21 et seq. ("HSSA"). Vision expressly denies that it has committed any violation of federal, state, local, or common law. The entry of this Consent Judgment Entry and Order ("Consent Order") does not constitute an admission by Vision of any fact or of the existence or application of any law. By signing this Consent Order, Vision expressly reserves all rights and defenses. By signing this Consent Order, Vision submits to the personal jurisdiction of this Court and consents to the entry of this Consent Order pursuant to R.C. 1345.07(F).

Defendant hereby consents to the Court's finding of the following facts and conclusions of law, to the imposition of this Consent Order, and to the rights of Plaintiff to enforce this Consent Order.

**RECEIVED**  
**ATTORNEY GENERAL OF OHIO**

**FEB 07 2014**

**CONSUMER PROTECTION SECTION  
PUBLIC INSPECTION FILE**

**FINDING OF FACTS**

1. Defendant Vision Security, LLC (hereinafter "Vision" or "Defendant") is a Utah limited liability company with its principal place of business located at 508 West 800 North, Orem, Utah, 84057.
2. Defendant was engaged in the business of advertising, soliciting, offering and selling home security systems and monitoring services in the State of Ohio, Franklin County and various other counties.
3. Defendant advertises its services via door to door sales at consumer residences.
4. Defendant conducts sales presentations for the sale of home security systems and monitoring services in consumers' homes.
5. Defendant executed contracts to provide home security systems and monitoring services to consumers in their homes.
6. Defendant's contracts with consumers were typically for sixty months.

**ADDITIONAL ALLEGATIONS OF PLAINTIFF**

7. Defendant made oral misrepresentations to consumers during the home solicitation sales.
8. Defendant made oral misrepresentations regarding the identity of the company during the home solicitation sales.
9. Defendant made oral representations that the monthly monitoring fee would be one price, but the price on the contract was higher than the oral price quoted.
10. Defendant made oral misrepresentations that they were providing an upgrade to the consumer's current home security system, that they had purchased consumer's current home security contract, or that they were otherwise part of/ or authorized to continue the monitoring services of the consumer's current home security system.

11. Consumers, believing the representations of the Defendant, contracted with Defendant for Defendant's home security systems.
12. Defendant debited an undisclosed installation fee and a higher than represented monthly monitoring fee from consumers' checking accounts or credit cards.
13. Defendant routinely installed the home security systems on the same day the contract was executed.
14. Defendant failed to provide oral notification of the consumers' three-day right to rescission.
15. Defendant routinely failed to honor the notices of cancellation when consumers timely mailed, faxed or delivered them to Defendant.
16. In some instances when a consumer returned a home security system, or the Defendant promised to pick up a home security system when the consumer was no longer receiving services from Defendant, Defendant continued to bill consumers.

#### **CONCLUSIONS OF LAW**

17. The Attorney General is the proper party to commence these proceedings under the authority of the CSPA, R.C. 1345.07, and the HSSA, R.C. 1345.21, and by virtue of his statutory and common law authority to protect interests of the citizens of the State of Ohio.
18. Jurisdiction over the subject matter of this action lies with this Court pursuant to R.C. 1345.04.
19. This Court has venue to hear this case pursuant to Ohio Civ. R. 3(B)(3), in that some of the transactions complained of herein, and out of which this action arose, occurred in Franklin County, Ohio.

20. Provisions of the CSPA, R.C. 1345.01 et seq., and the HSSA, R.C. 1345.21 et seq., govern the business practices of Defendant.
21. Defendant is a “supplier” as that term is defined in R.C. 1345.01(C) as Defendant was at all times relevant herein, engaged in the business of effecting consumer transactions by soliciting and selling home security systems to “individuals” in the State of Ohio, Franklin County and various other counties, for purposes that were primarily personal, family or household within the meaning specified in R.C. 1345.01(A) and (D).
22. Defendant is a “seller” engaged in the business of effecting home solicitation sales by soliciting and selling home security systems and monitoring services to “buyers” at the buyers’ personal residences in the State of Ohio, Franklin County and various other counties, for purposes that were primarily personal, family or household within the meaning specified in R.C. 1345.21(A) and (E).
23. Based on the Findings of Fact set forth in Paragraphs 1-16, the Court makes the following Findings and Conclusions of Law:
  - A. A supplier’s practice of making false claims in advertising in connection with goods or services, and, causing consumers to believe such claims are true is an unfair and deceptive act or practice in violation of the CSPA, R.C. 1345.02(A), and the Substantiation of Claims in Advertising Rule, Ohio Admin. Code 109:4-3-10(A).
  - B. A supplier’s practice of making false and misleading statements that the cost of its monthly fee is a lower price than the price on consumers’ contracts, causing consumers to believe such claims were true, is an unfair and deceptive act or practice in violation of the CSPA, R.C. 1345.02(A).

- C. A supplier's practice of making false and misleading statements which consumers rely upon to their detriment is an unfair and deceptive act or practice in violation of the CSPA, R.C. 1345.02(A).
- D. A supplier's practice of engaging in a pattern or practice of failing to provide prompt refunds to consumers or denying valid request for refunds is an unfair and deceptive act or practice in violation of the CSPA, R.C. 1345.02(A).
- E. A supplier's practice of providing inadequate and unfair customer service is an unfair and deceptive act or practice in violation of the CSPA, R.C. 1345.02(A).
- F. A supplier's practice of representing that consumers' existing home security systems are in need of replacement or repair, when such is not the case, is an unfair and deceptive act or practice in violation of the CSPA, R.C. 1345.02(A) and R.C. 1345.02(B)(7).
- G. A supplier's practice of representing that it has a sponsorship, approval, or affiliation that it does not have is an unfair and deceptive act or practice in violation of the CSPA, R.C. 1345.02(A) and R.C. 1345.02(B)(9).
- H. A supplier's practice of providing inadequate and unfair customer service is an unconscionable practice in violation of the CSPA, R.C. 1345.03(A).
- I. A supplier's practice of making false and misleading statements upon which consumers rely to their detriment is an unconscionable practice in violation of the CSPA, R.C. 1345.03(A), as set forth in R.C. 1345.03(B)(6).
- J. A supplier's practice of failing to give proper notice to consumers of their right to cancel their contract by a specific date is a violation of the HSSA, R.C. 1345.23(A) and R.C. 1345.23(B).

- K. A supplier's practice of installing home security systems and related security and monitoring services during the three-day cancellation period is an unfair and deceptive act or practice in violation of the HSSA, R.C. 1345.22 and the CSPA, R.C. 1345.02(A).
- L. A supplier's practice of misrepresenting the buyer's right to cancel the contract for the home security system and related security and monitoring services is an unfair and deceptive act or practice in violation of the HSSA, R.C. 1345.23(D)(3), the CSPA, 1345.02(A) and the Direct Solicitations Rule, Ohio Admin. Code 109:4-3-11(5).
- M. A supplier's practice of refusing to accept timely notice of cancellations from consumers is an unfair and deceptive act or practice in violation of the HSSA, R.C. 1345.23.

**ORDER**

For purposes of affecting this Consent Judgment Entry and Order, it is therefore **ORDERED, ADJUDGED, AND DECREED** that:

1. Plaintiff's request for a declaratory judgment is GRANTED; and it is therefore DECLARED that the acts and practices enumerated in the Conclusions of Law set forth above in paragraphs 23(A) through 23(M) are violations of the CSPA, R.C. 1345.01 et seq., and the Substantive Rules thereunder, and the HSSA, R.C. 1345.21 et seq., in the manner set forth in this Consent Order.
2. It is further ORDERED that Defendant and its agents, representatives, salespeople, employees, successors or assigns, and all persons acting in concert or participating with Defendant, directly or indirectly, is hereby permanently enjoined from violating the

CSPA, R.C. 1345.01 et seq., and the Substantive Rules thereunder and the HSSA, R.C. 1345.21 et seq.

3. Vision shall implement the following practices and shall:
  - A. Train its sales staff so that they know that the installation of security systems shall not occur until consumer's three day right of rescission has ended;
  - B. Train sales staff that it is impermissible and a violation of Ohio law to represent, directly or indirectly, that they are affiliated in any way with a consumer's current security monitoring company, unless such is the case.
  - C. Train its sales staff to clearly state at the start of a sales presentations that the purpose of such presentation is to sell Vision home security systems and related products and services;
  - D. Train its sales staff to instruct consumers to check with their current home security system providers regarding applicable termination fees, if consumers want to switch to service from Vision;
  - E. Train its sales staff to not handle, facilitate, or otherwise assist consumers in canceling the consumers' current contracts with another home security monitoring provider. This provision shall not prohibit Vision's sales staff from informing consumers of the possible need to cancel their contracts with their current home security monitoring providers;
  - F. Include in all consumer agreements a notice of cancellation compliant with the requirements of the HSSA;
  - G. Refrain from installing any monitoring system until the consumers' three day rescission period has ended.

4. Consumer complaints made to the Attorney General's Office prior to the Entry Date of this Consent Order have been resolved. In order to resolve these consumer complaints, Vision has paid Two Thousand Six Hundred and Twenty-four Dollars and Eighteen Cents (\$2,624.18) in restitution to these consumers, has allowed these consumers to keep all security monitoring equipment, and has released these consumers from the remaining portions of their contracts.
5. Vision shall provide refunds to consumers who complain to the Attorney General's Office regarding Vision within the next sixty calendar days following the Entry Date of this Consent Order, pursuant to the following terms:
  - A. The Attorney General shall provide to Vision copies of the consumer complaints that arose within the applicable statute of limitations period preceding the Entry Date of this Consent Order. Within thirty calendar days following the sixty-day period prescribed above, the Attorney General's Office shall provide to Vision copies of these consumer complaints, along with a list of the consumer restitution amount owed to each consumer and whether the consumer wishes to cancel their contract with Vision.
  - B. Vision shall pay each of the consumers identified pursuant to Paragraph (5)(A) above within fourteen (14) calendar days of the date that Vision receives the complaints and restitution demands from the Attorney General's Office. Proof of payment and cancellation shall be sent to :

**Teresa Heffernan**  
**Senior Assistant Attorney General**  
**Ohio Attorney General Consumer Protection Section**  
**30 E. Broad St., 14<sup>th</sup> Floor**  
**Columbus, Ohio 43215**



6. Pursuant to R.C. 1345.07, Vision is ORDERED to make a payment to the State in the amount of Twenty Thousand Dollars (\$20,000). Payment shall be due upon the date of the entry of this Consent Order and shall be made by delivering a certified check or money order payable to the "Ohio Attorney General" and delivered to:

**Teresa Goodridge  
Compliance Officer  
Ohio Attorney General Consumer Protection Section  
30 E. Broad St., 14<sup>th</sup> Floor  
Columbus, Ohio 43215**

7. It is further ORDERED that in the event the Attorney General must initiate legal action or incur any costs to compel Defendant to abide by this Consent Order, Defendant shall be liable to the Attorney General for any such costs associated with enforcing the Consent Order, including, but not limited to, a reasonable sum for attorneys' fees.
8. It is further ORDERED that Defendant is ENJOINED, until April 1, 2015, from advertising, soliciting, selling, or engaging in consumer transactions with consumers in the State of Ohio after the date of acceptance of this Consent Judgment by this Court
- A. Paragraph (8) does not apply to Defendant servicing consumers who, as of the date of acceptance of this Consent Judgment by the Court, have existing contracts with Defendant.
9. Defendant shall not represent, directly or indirectly, that the Court or the Ohio Attorney General has sanctioned, condoned, or approved any part or aspect of the Defendant's business operations.
10. Nothing in this Consent Order shall preclude any investigation or enforcement action against Vision under any legal authority granted to the State of Ohio for transactions not

related to the subject matter of this action, or that occur after the entry of this Consent Order.

11. It is further ORDERED that Defendant shall pay all court costs associated with this matter.
12. The Court shall retain jurisdiction to enforce compliance with this Consent Order.

**APPROVED:**

MICHAEL DEWINE  
Attorney General

/s/ Teresa A. Heffernan  
TERESA HEFFERNAN (0080732)  
Senior Assistant Attorney General  
Consumer Protection Section  
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kfoley@reminger.com  
*Attorney for Defendant*

**Copies To:**

Teresa A. Heffernan (Electronically)

Kevin P. Foley (Electronically)

Franklin County Court of Common Pleas

**Date:** 02-06-2014  
**Case Title:** OHIO STATE ATTORNEY GENERAL -VS- VISION SECURITY  
LLC  
**Case Number:** 13CV008489  
**Type:** CONSENT JUDGMENT

It Is So Ordered.

A handwritten signature in black ink is written over a circular, faded court seal. The signature is stylized and appears to be 'K. Cocroft'.

/s/ Judge Kimberly Cocroft