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2014 MAY 12 PM 2:35

IN THE COURT OF COMMON PLEAS
BUTLER COUNTY, OHIO

STATE OF OHIO, et al.
ATTORNEY GENERAL
MICHAEL DEWINE

Plaintiff,

v.

DIA ALASOUD, et al.

Defendants.

CASE NO: CV 2013 11 3193

JUDGE SPAETH

AGREED CONSENT JUDGMENT
ENTRY AND ORDER

FINAL APPEALABLE ORDER ✓

PREAMBLE

This matter came to be heard upon the filing of a Complaint by the Ohio Attorney General alleging that Defendants Dia Alasoud and Mr. Auto LLC ("Defendants") violated the Ohio Consumer Sales Practices Act ("CSPA"), R.C. 1345.01 *et seq.* and its Substantive Rules, the Retail Installment Sales Act ("RISA"), R.C. 1317.10 *et seq.*, and the Certificate of Motor Vehicle Title Act, R.C. 4505.01 *et seq.* By signing this Agreed Consent Judgment Entry and Order ("Consent Judgment"), the Defendants waive service of process, submit to the personal jurisdiction of this Court and consent to the entry of this Consent Judgment pursuant to R.C. 1345.07(F).

The Defendants hereby consent to the Court's finding of the following facts and conclusions of law, to the imposition of this Consent Judgment and to the rights of Plaintiff to enforce this Consent Judgment.

FINDING OF FACTS

(1) Dia Alasoud ("Alasoud") is a natural person residing at 2715 Zoellners Ridge, Hamilton, Ohio 45011.

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ATTORNEY GENERAL OF OHIO

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CONSUMER PROTECTION SECTION
PUBLIC INSPECTION FILE

- (2) Mr. Auto LLC ("Corporate Entity") is an Ohio limited liability company.
- (3) Alasoud and the Corporate Entity own and operate the following used car dealerships:
 - a. Mr. Auto, 3659 Dixie Highway, Hamilton, Ohio 45015
 - b. Fairfield Motors, 5190-5210 Dixie Highway, Fairfield, Ohio 45014
- (4) Alasoud at all times pertinent hereto, was the sole owner and directed and controlled all business activities of the Corporate Entity, including the solicitation for sale and sale of used motor vehicles.
- (5) Alasoud controlled and directed the business activities and sales conduct of the Corporate Entity, causing, personally participating in, or ratifying the acts and practices of Mr. Auto and Fairfield Motors.
- (6) Until January 18, 2013, Defendants held license #UD014409 issued by the State of Ohio under R.C. 4517.01 et seq., allowing it to engage in the business of displaying or selling at retail or wholesale used motor vehicles. Defendants currently hold license #UD018279 for its Mr. Auto used car dealership and license #UD017915 for its Fairfield Motors used car dealership.
- (7) At all times relevant to this investigation, the Defendants offered to consumers used vehicle sales and financing, in the State of Ohio, from its business locations in Butler County.
- (8) The Defendants used a document captioned "Retail Installment Contract and Security Agreement" for some of the consumer transactions in which the cash price of the used vehicle would be paid for by the consumers in installments over time.
- (9) In one instance, the Defendants repossessed automobiles before the payments were due when the customer had informed the Defendants of intent to default.

- (10) When repossessing vehicles, the Defendants failed to send a notice setting forth specifically circumstances constituting a default within five (5) days after repossessing a consumer's motor vehicle.
- (11) Defendants failed to provide notice to the consumers at least ten (10) days prior to disposition of the collateral stating the time and place the collateral would be sold and the minimum price for which such collateral would be sold, together with a statement that the debtor could be held liable for any deficiency resulting from such sale.
- (12) Defendants failed to provide a proper accounting and/or refund to consumers after reselling the consumers' repossessed automobiles.
- (13) Some of the Defendants' contracts imposed late fees for payments that were less than ten (10) days late. No late fees were actually collected for payments less than (10) days late.
- (14) Some of the Defendants' contracts accelerated payments where the default in the retail installment contract was less than thirty (30) days. No acceleration took place where the default in the retail installment contract was less than thirty days late.
- (15) Defendants charged consumers fees that were not specifically authorized, such as overcharging some consumers for sales tax based on an improper calculation of the sales tax for the county where the customer resided.
- (16) On at least one occasion, Defendants failed to collect sales tax on the sale of a used motor vehicle to a non-resident of Ohio.
- (17) Defendants failed to legibly disclose the terms of contracts and/or failed to fill in all the blanks of the retail installment contracts.

(18) Defendants failed to provide consumers at the time of the initial deposits with dated written receipts stating clearly and conspicuously whether the deposits were refundable and under what conditions.

(19) Defendants failed to file applications for certificates of title within thirty (30) days after the assignment of delivery of the motor vehicles.

(20) Defendants sold motor vehicles to consumers, in the ordinary course of business, and then failed to obtain certificates of title on or before the 40th day of sale of the motor vehicles.

(21) Defendants delivered motor vehicles to consumers pursuant to sales which were contingent upon financing without written agreements stating the parties' obligations should such financing not be obtained.

(22) Defendants sold and provided warranties to consumers without disclosing all terms and conditions of the warranty, including that the warranty had a liability limit of \$1,000 and that the warranty did not cover any condition or defect present at the time of purchase.

(23) Some of the consumers who relied upon the Defendants' misrepresentations and purchased used motor vehicles from them found, soon after purchasing the motor vehicles that the motor vehicles were not in proper working order.

(24) Some of the consumers incurred substantial costs to have the used motor vehicles repaired so that the motor vehicles were in proper working order.

CONCLUSIONS OF LAW

(25) The Attorney General is the proper party to commence these proceedings under the authority of the CSPA, R.C. 1345.07, and by virtue of his statutory and common law authority to protect the interests of the citizens of the State of Ohio.

(26) The Defendants are "suppliers" as that term is defined in R.C. 1345.01(C) as they were, at all times relevant herein, engaged in the business of effecting consumer transactions by performing services, for purposes that were primarily personal, family or household within the meaning specified in R.C. 1345.01(A) and (D), from individuals in Butler County and other counties in the State of Ohio.

(27) Defendants engaged in "consumer transactions" by offering for sale, selling or financing the purchase of used motor vehicles to individuals for purposes that were primarily personal, family or household within the meaning specified in R.C. 1345.01(A) and (D).

(28) Defendants were used motor vehicle dealers as that term is defined in R.C. 4517.01(L), as they were engaged in the business of selling, displaying, offering for sale, or dealing in used motor vehicles.

(29) Jurisdiction over the subject matter of this action lies with this Court pursuant to R.C. 1345.04 of the CSPA.

(30) This Court has venue to hear this case pursuant to Ohio Civ. R. 3(B)(1)-(3), in that Defendants reside in, operated their business from, and engaged in the transactions complained of herein in Butler County.

(31) The Defendants committed unfair and deceptive acts and practices in violation of the CSPA and RISA when:

- a. Defendants repossessed automobiles before the payments were due, in violation of R.C. 1317.16.
- b. Defendants, when repossessing vehicles, failed to send a notice setting forth specifically circumstances constituting a default within five (5) days after repossessing a consumer's motor vehicle, in violation of R.C. 1317.12.

- c. Defendants failed to provide notice to the consumers at least ten (10) days prior to disposition of the collateral stating the time and place the collateral would be sold and the minimum price for which such collateral would be sold, together with a statement that the debtor could be held liable for any deficiency resulting from such sale, in violation of R.C. 1317.16.
- d. Defendants failed to provide a proper accounting and/or refund to consumers after reselling the consumers' repossessed automobiles in violation of R.C. 1317.16.
- e. Some of Defendants' contracts imposed late fees for payments that were less than ten (10) days late, in violation of R.C. 1317.06(B).
- f. Defendants' contracts accelerated payments where the default in the retail installment contract was less than thirty (30) days, in violation of R.C. 1317.06(C).
- g. Defendants charged consumers fees that were not specifically authorized by R.C. 1317.07, in violation of R.C. 1317.07, namely by overcharging some consumers for sales tax based on an improper calculation of the sales tax for the county where the customer resided.
- h. Defendants failed to legibly disclose the terms of contracts and/or failed to fill in all the blanks of the retail installment contracts, in violation of R.C. 1317.04.

(32) The Defendants committed unfair and deceptive acts and practices in violation of the CSPA when:

- a. Defendants represented that the subject of a consumer transaction had sponsorship, approval, performance characteristics, accessories, uses, or benefits that it did not have, in violation of R.C. 1345.02(B)(1).

- b. Defendants represented that subject of a consumer transaction was of a particular standard, quality, grade, style, prescription, or model, when it was not, in violation of R.C. 1345.02(B)(2).
- c. Defendants failed to collect sales tax on the sale of a used motor vehicle to a non-resident of Ohio, when required to do so by R.C. 5739.029.
- d. Defendants failed to provide consumers at the time of the initial deposits with dated written receipts stating clearly and conspicuously whether the deposits were refundable and under what conditions, in violation of Ohio Administrative Code 109:4-3-07.
- e. The Defendants failed to file applications for certificates of title within Thirty (30) days after the assignment of delivery of motor vehicles as required by R.C. 4505.06(A)(5)(b).
- f. The Defendants sold motor vehicles to consumers, in the ordinary course of business, and then failed to obtain certificates of title on or before the Fortieth (40th) day of sale of the motor vehicles as required by R.C. 4505.181(B)(1).
- g. Defendants delivered motor vehicles to consumers pursuant to sales which were contingent upon financing without written agreements stating the parties' obligations should such financing not be obtained, in violation of O.A.C. 109:4-3-16(B)(30).
- h. Defendants sold and provided warranties to consumers without disclosing all terms and conditions of the warranty, including that the warranty had a liability limit of \$1,000 and that the warranty did not cover any condition or defect present at the time of purchase.

- i. Defendants engaged in consumer transactions while having unsatisfied judgments against them that arose from prior consumer transactions.

ORDER

For purposes of affecting this Consent Judgment Entry and Order, it is therefore

ORDERED, ADJUDGED AND DECREED that:

- (33) Plaintiff's request for a Declaratory Judgment is GRANTED; and it is therefore DECLARED that the acts and practices enumerated in Plaintiff's Complaint violate the CSPA, R.C. 1345.01 et seq., and the Substantive Rules enacted thereunder, in the manner set forth therein.
- (34) It is further ORDERED that the Defendants or their agents, servants, representatives, sales persons, employees, successors, assigns, and all persons acting on behalf of Defendants, directly or indirectly, through any corporate device or private device, partnership or association, including any person or entity which purchases any interest in the business and continues to operate the business, in connection with any consumer transaction, is permanently enjoined from committing any act or practice in violation of the CSPA, RISA, or the Certificate of Motor Vehicle Act. It is also ORDERED that:
 - a. Defendants shall refrain from repossessing an automobile before the payments are due or the consumer is in default of the retail installment contract.
 - b. Defendants shall send a notice setting forth specifically circumstances constituting a default within five (5) days after repossessing a consumer's motor vehicle.
 - c. Defendants shall refrain from preventing consumers from inspecting the vehicles after the vehicles have been repossessed.

- d. Defendants shall refrain from failing to dispose of a consumer's vehicle after repossession in a commercially reasonable manner, and failing to provide notice to the consumer at least ten (10) days prior to disposition of the collateral stating the time and place the collateral would be sold and the minimum price for which such collateral would be sold, together with a statement that the debtor could be held liable for any deficiency resulting from such sale.
- e. In the event of a repossession, the Defendants shall provide a proper accounting and/or refund to consumers after reselling the consumers' repossessed automobile.
- f. Defendants shall refrain from imposing late fees for payments that are less than ten (10) days late.
- g. Defendants shall refrain from charging consumers fees, including overcharging sales tax, that are not specifically authorized by R.C. 1317.07.
- h. Defendants shall follow Ohio law, including R.C. 5739.029, when collecting sales tax for sales to non-residents of Ohio.
- i. Defendants shall refrain from accelerating payments where the default in the retail installment contract is less than thirty (30) days.
- j. Defendants shall legibly disclose the terms of the contract and fill in all the blanks of the retail installment contracts.
- k. Defendants shall provide consumers at the time of the initial deposits with dated written receipts stating clearly and conspicuously whether the deposits are refundable and under what conditions.

- l. Defendants shall file applications for certificates of title within thirty (30) days after the assignment of delivery of the motor vehicle.
- m. Defendants shall, when selling motor vehicles to consumers in the ordinary course of business, obtain certificates of title on or before the 40th day of sale of the motor vehicles, as required by R.C. 4505.181(B)(1).
- n. Defendants shall refrain from advertising a motor vehicle for sale at a specific price or on specific terms and subsequently fail to show and make available for sale said vehicle as advertised, in violation of O.A.C. 109:4-3-16(B)(5).
- o. Defendants shall refrain from delivering a motor vehicle to a consumer pursuant to a sale which is contingent upon financing without a written agreement stating the parties' obligations should such financing not be obtained, in violation of O.A.C. 109:4-3-16(B)(30).
- p. Defendants shall not represent that the automobiles it sells have performance characteristics, uses, or benefits that they did not have, in violation of R.C. 1345.02(B)(1).
- q. Defendants shall not knowingly make a misleading statement of opinion on which the consumer is likely to rely to the consumer's detriment, in violation of R.C. 1345.03(B)(5).
- r. If a transaction involves a warranty, the Defendants shall provide all terms and conditions applicable to the warranty, as well as all pages of the warranty agreement, to the consumer.

(35) It is further ORDERED that the Defendants shall pay consumer restitution in the amount of \$5,082.97 to the Attorney General to be distributed to consumers who have filed consumer

complaints against the Defendants with the Attorney General at the Attorney General's sole discretion. (Exhibit A)

(36) It is further ORDERED that the Defendants shall make a payment to the State of Ohio in the amount of \$25,000, to be placed in the Ohio Attorney General's Consumer Protection Enforcement Fund, to be used by the Attorney General as provided by R.C. 1345.51. \$10,000 of this amount is suspended upon strict and full compliance with the terms of this Consent Judgment.

(37) Payment of the \$20,082.97 that is not suspended shall be due as follows. \$5,082.97 is due upon the execution of this Consent Judgment and shall be submitted to the Attorney General's Office in the form of a certified check, made payable to "The Ohio Attorney General" and shall be mailed to:

Consumer Protection Section
30 E. Broad Street, 14th Floor
Columbus, Ohio 43215

The remaining amount of \$15,000 shall be paid in 15 monthly installments of \$1,000. The monthly payments of \$1,000 shall be made by Defendants and received by the Attorney General on or before the last day of each month starting with the first payment due in May 2014 and ending with the last payment due in July 2015.

(38) Defendants have previously paid \$2,000 to the Hamilton Municipal Court to satisfy the judgment received by consumer Destiny Record.

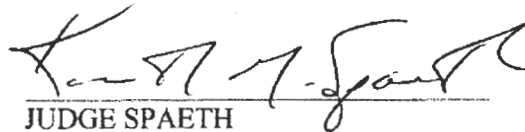
(39) It is further ORDERED that if the Defendants fail to deliver any payment or performance due hereunder to the Attorney General, all amounts, including the suspended portion of the payment to the Consumer Protection Enforcement Fund, shall immediately become due and payable hereunder.

(40) It is further ORDERED that in the event the Ohio Attorney General must initiate legal action or incur any costs to compel the Defendants to abide by this Consent Judgment, upon proof of the violation, the Defendants shall be liable to the Ohio Attorney General for any such costs associated with proving that violation, including, but not limited to, a reasonable sum for attorneys' fees.

(41) It is further ORDERED that the Defendants shall pay all court costs associated with this matter.

(42) This Court shall retain jurisdiction to enforce compliance with this Consent Judgment.

Date: 5-9-14


JUDGE SPAETH

SIGNATURES

Accepted:

MICHAEL DEWINE
ATTORNEY GENERAL

BY:



Date:

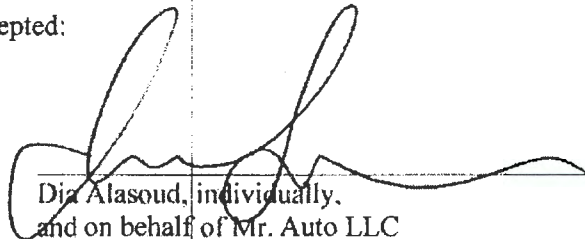
5/6/14

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Counsel for the Ohio Attorney General

Accepted:

BY:



Dia Alasoud, individually,
and on behalf of Mr. Auto LLC

Date:

5.02.14

Approved

BY:



Date:

5/2/14

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Counsel for Defendants

Exhibit A

Last Name	First Name	Amount
Almond	Jill	\$315
Buckhave	Marsha	\$315
Groomes	Nakkiya	\$685
Larkin	Paris	\$935
Kelly	Linville	\$150
Smith	Mary	\$550.40
Spencer	Tangela	\$500
Walker	Whitney	\$1,632.57