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CINDY A. HOFNER

IN THE COURT OF COMMON PLEAS  
WOOD COUNTY, OHIO

STATE OF OHIO, ex rel.	)	CASE NO. 2016 CV 0231
MICHAEL DEWINE	)	
ATTORNEY GENERAL OF OHIO	)	JUDGE ALAN R. MAYBERRY
	)	
Plaintiff,	)	<u>CONSENT JUDGMENT AND</u>
	)	<u>AGREED ENTRY AND ORDER</u>
v.	)	<u>WITH DEFENDANTS</u>
	)	<u>KJNS ENTERPRISE LLC AND</u>
KJNS ENTERPRISE, LLC, et al.	)	<u>JOHN STAUFFER</u>
	)	
Defendants.	)	

PREAMBLE

This matter came upon the filing of a complaint by Plaintiff, State of Ohio, charging Defendants KJNS Enterprise, LLC and John Stauffer ("Defendants") with violations of the Ohio Consumer Sales Practices Act ("CSPA"), R.C. 1345.01 *et seq.*, and the Certificate of Motor Vehicle Title Act, R.C. 4505.01 *et seq.* Plaintiff and Defendants have agreed to settle and resolve all matters alleged in that complaint. By signing this Consent Judgment and Agreed Entry and Order ("Consent Judgment"), Defendants waive service of process of the summons and complaint, and/or any defects therein, submit to the personal jurisdiction of this Court, consent to the entry of this Judgment pursuant to R.C. 1345.07(F), to the imposition of this Consent Judgement, and to the rights of Plaintiff to enforce this Consent Judgment.

## FINDINGS OF FACT

1. Defendant KJNS Enterprise, LLC ("KJNS") is an Ohio limited liability company operating at 7444 Fremont Pike, Perrysburg, Ohio 43551.
2. Defendant John Stauffer ("Stauffer") is an individual whose address is 10297 Scarlet Oak Drive, Perrysburg, Ohio 43551.
3. Defendant Stauffer had an ownership interest in and operated Defendant KJNS; Stauffer dominated, controlled, and directed the business activities and sales conduct of KJNS; and Stauffer exercised the authority to establish, implement, or alter the policies of KJNS. Stauffer committed, allowed, directed, ratified, or otherwise caused the unlawful acts that gave rise to this lawsuit.
4. Defendants were, at all times relevant to this lawsuit, engaged in the business of soliciting, promoting, purchasing, selling, and financing used motor vehicles, as well as collecting the proceeds of those sales from Defendants' location in Perrysburg to consumers residing in Wood and other Ohio counties.
5. Defendants, operating under the name KJNS Enterprise, LLC solicited individual consumers to enter into consumer transactions, specifically for the sale of used motor vehicles.
6. Defendant KJNS held license #UD016680, 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.
7. Defendants were displaying or selling used motor vehicles at the KJNS location.
8. Defendants failed to file applications for certificates of title within Thirty (30) days after the assignment or delivery of a motor vehicle.

9. Defendants failed to obtain certificates of title on or before the Fortieth (40<sup>th</sup>) day after the sale of motor vehicles.
10. The Title Defect Rescission Fund, which is administered by the Ohio Attorney General's Office, paid \$14,939.44 in consumer claims because Defendants failed to obtain certificates of title within Forty (40) days of the sale of motor vehicles.
11. The Defendants continued to operate after failing to post a bond after the Attorney General paid retail purchasers of the Defendants from the Title Defect Rescission Fund due to Defendants' failure to deliver titles to the purchasers.

### CONCLUSIONS OF LAW

1. The Attorney General is the proper party to commence these proceedings under the authority vested in him by the R.C. 1345.07 of the CSPA, and the Certificate of Motor Vehicle Title Act, and by virtue of his statutory and common law authority to protect the interests of the citizens of the State of Ohio.
2. Jurisdiction over the subject matter of this action lies with this Court pursuant to R.C. 1345.04 of the CSPA.
3. This Court has venue to hear this case, pursuant to Civ.R. 3(B)(1)-(3), because Defendant Stauffer resides in, Defendants operated their business from, and Defendants engaged in the complained of transactions in Wood County.
4. Defendants were "suppliers," as that term is defined in R.C. 1345.01(C), because they engaged in the business of effecting or soliciting "consumer transactions, as that term is defined in R.C. 1345.01(A).

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5. 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 of R.C. 1345.01 (A) and (D).
6. Defendants committed unfair and deceptive acts or practices in violation of the CSPA, R.C. 1345.02, by failing to file applications for certificates of title within Thirty (30) days after the assignment or delivery of motor vehicles as required by R.C. 4505.06(A)(5)(b).
7. Defendants committed unfair and deceptive acts or practices in violation of the CSPA, R.C. 1345.02(A), by selling motor vehicles to consumers, in the ordinary course of business, and then failing to obtain certificates of title on or before the Fortieth (40th) day of the sale of the motor vehicles as required by R.C. 4505.181(B)(1).
8. The actions, as set forth above, are in violation of the CSPA, and the Certificate of Motor Vehicle Title Act.
9. The Defendants committed unfair and deceptive acts or practices in violation of the CSPA, R.C. 1345.02(A) by continuing to operate after failing to post a bond after the Attorney General paid retail purchasers of the Defendants from the Title Defect Recision Fund due to Defendants’ failure to deliver titles to the purchasers as required by R.C. 4505.181(A)(2).
10. Such acts or practices have been previously determined by Ohio courts to violate the CSPA, R.C. 1345.01 *et seq.* The Defendants committed said violations after such decisions were available for public inspection pursuant to R.C. 1345.05(A)(3).

#### ORDER

- A. The court hereby DECLARES that the acts and practices described above violate the CSPA, and the Certificate of Motor Vehicle Title Act in the manner set forth herein.

- B. Defendants, doing business under the name KJNS Enterprise, LLC or any other name, their officers, agents, representatives, salespersons, employees, successors, or assigns, and all persons acting in concert and participation with them, directly or indirectly, through any corporate device, partnership or association, are hereby PERMANENTLY ENJOINED from engaging in unfair, deceptive, or unconscionable acts or practices that violate the CSPA, R.C. 1345.01 *et seq.*, and its Substantive Rules, 109:4-3-01 *et seq.*, or the Certificate of Motor Vehicle Title Act, R.C. 4505.01 *et seq.*, including, without limitation, violations of the specific statutes described in this Consent Judgment.
- C. Pursuant to R.C. 1345.07(D), Defendants, jointly and severally, shall pay a civil penalty in the amount of Fifteen Thousand Dollars and no Cents (\$15,000.00). All of the civil penalty is suspended so long as Defendants are in compliance with all of the provisions of this entry and have made full and complete reimbursement to the TDR Fund in the amount of Fourteen Thousand Nine Hundred Thirty-Nine Dollars and Forty-Four Cents (\$14,939.44) prior to the time of the execution of this Consent Judgment.
- D. IT IS FURTHER ORDERED that the Defendants, jointly and severally, shall reimburse the Title Defect Rescission fund, which is administered by the Ohio Attorney General, in the amount of Fourteen Thousand Nine Hundred Thirty-Nine Dollars and Forty-Four Cents (\$14,939.44). Payment shall be made in full prior to the time of the execution of this Consent Judgment. Payment shall be made to the Ohio Attorney General Finance Specialist, 30 E. Broad St., 14th Floor, Columbus, Ohio 43215.
- E. IT IS FURTHER ORDERED that Defendant Stauffer shall be prohibited from applying for or obtaining an auto dealer or salesperson license under Chapter 4517 of the Revised Code if he is not in compliance with all of the provisions of this Consent Judgment.

F. Defendants shall not represent, directly or indirectly, that the Ohio Attorney General has sanctioned, condoned, or approved any part or aspect of their business operations.

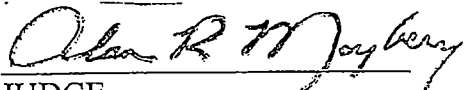
G. IT IS FURTHER ORDERED that, in the event that the Ohio Attorney General must initiate legal action or otherwise incur any costs to compel Defendants to abide by this Consent Judgment, and the Attorney General should prevail in that action, then Defendants, jointly and severally, shall be liable to the Ohio Attorney General for all related enforcement costs, including but not limited to, a reasonable sum for attorney fees and investigative costs.

H. Defendants, jointly and severally, shall pay all court costs associated with this action.

**IT IS SO ORDERED**

**Judgment for court costs  
rendered to Wood County**

\_\_\_\_\_  
DATE

  
JUDGE

CLERK TO FURNISH TO ALL COUNSEL OF  
RECORD AND UNREPRESENTED PARTIES  
NOT IN DEFAULT FOR FAILURE TO APPEAR  
WITH A COPY OF THIS ENTRY INCLUDING  
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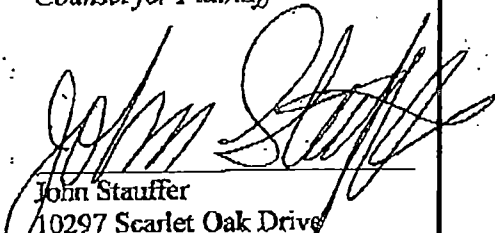
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Agreed to by:

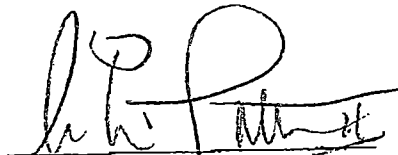
MICHAEL DEWINE  
Attorney General



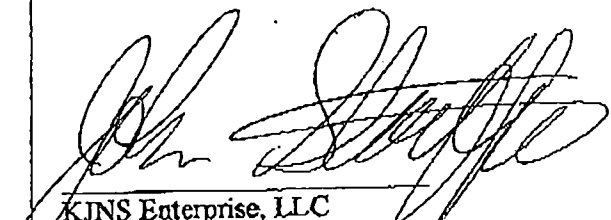
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*Counsel for Defendants*



KJNS Enterprise, LLC  
Statutory Agent: John Stauffer  
*Defendant*

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