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**IN THE COURT OF COMMON PLEAS
CUYAHOGA COUNTY, OHIO FILED**

STATE OF OHIO, EX REL. MICHAEL DEWINE
Plaintiff

MEHDI MOAREFIAN, ET AL AND SERJ
GEUTSSOYAN, ET AL
Defendant

Case No: CV-15-849655

2016 FEB 22 P 12:42

Judge: MAUREEN CLANCY
CLERK OF COURTS
CUYAHOGA COUNTY

JOURNAL ENTRY

92 DEFAULT - FINAL

ORDER GRANTING DAMAGES AGAINST DEFENDANTS. O.S.J.
COURT COST ASSESSED TO THE DEFENDANT(S).

PURSUANT TO CIV.R. 58(B), THE CLERK OF COURTS IS DIRECTED TO SERVE THIS JUDGMENT IN A MANNER
PRESCRIBED BY CIV.R. 5(B). THE CLERK MUST INDICATE ON THE DOCKET THE NAMES AND ADDRESSES OF ALL
PARTIES, THE METHOD OF SERVICE, AND THE COSTS ASSOCIATED WITH THIS SERVICE.

O.S.J.

Judge Signature

Date

RECEIVED
ATTORNEY GENERAL OF OHIO

MAR 03 2016

CONSUMER PROTECTION SECTION
PUBLIC INSPECTION FILE

IN THE COURT OF COMMON PLEAS
CUYAHOGA COUNTY, OHIO

FILED

STATE OF OHIO ex rel.
OHIO ATTORNEY GENERAL
MICHAEL DEWINE

Plaintiff,

v.

MEHDI MOAREFIAN, individually
and
d/b/a GREEN TREE FINANCIAL GROUP
and
d/b/a SAVE POINT FINANCIAL, et al.

Defendants.

CASE NO. CV-15-849655

JUDGE MAUREEN CLANCY

2016 FEB 22 P 12:42
CLERK OF COURTS
CUYAHOGA COUNTY

Final Judgment Entry and Order
Against Defendants

This matter came to be heard upon the filing of Plaintiff's Motion for Default on October 8, 2015 based on Defendants' failure to defend Plaintiff's lawsuit. The Defendants failed to appear at the November 5, 2016 Default Judgment Hearing. On November 16, 2015, this Court issued an entry granting Plaintiff's Motion for a Default Judgment as to liability and further granted Plaintiff's request to submit evidence of consumer damages via affidavits. A damages hearing was scheduled for January 28, 2016.

On January 26, 2016, Plaintiff filed a Memorandum requesting injunctive relief, declaratory relief, and specified amounts of damages and civil penalties ("Damages Memo") along with the sworn affidavits of 16 consumers, all of whom suffered monetary damages due to the Defendants' unfair and deceptive acts and practices. The Plaintiff's Damages Memo also set forth the statutory basis for the imposition of a \$75,000 civil penalty and for granting injunctive and declaratory relief.

The Court continued the hearing until February 22, 2016. Plaintiff's counsel appeared before the Court but neither of the Defendants appeared.

The Court finds all of the Plaintiff's requests in its Damages Memo well-taken. The evidence establishes that the 16 Ohio consumers sustained monetary damages in the amounts set forth on the summary list attached as Exhibit I to Plaintiff's Damages Memo.

Based on the above, the Court hereby issues the following Findings of Fact, Conclusions of Law, and Orders:

FINDINGS OF FACT

1. Defendant Mehdi Moarefian is a natural person who resides at 8468 E. Kendra Loop, Orange, California, 92867.
2. Defendant Mehdi Moarefian registered the unincorporated, fictitious business name "Green Tree Financial Group" ("Green Tree") in Orange County, California. The registration listed Green Tree's address as 5000 Birch Street, Suite 3000, Newport Beach, California 92660.
3. Defendant Serj Geutssoyan is a natural person who resides at 9 MacArthur Place, Unit 2003, Santa Ana, California 92707.
4. Defendant Serj Geutssoyan registered the unincorporated, fictitious business name "Save Point Financial" ("Save Point") in Orange County, California. The registration listed Save Point's address as 1901 Newport Blvd #350, Costa Mesa, California 92627.
5. At all times relevant to this action, Save Point was never registered as a fictitious business name with the Ohio Secretary of State.
6. At all times relevant to this action, Green Tree was never registered as a fictitious business name with the Ohio Secretary of State.
7. Defendants Geussoyan and Moarefian did business as Green Tree and Save Point.

8. Defendants also did business under the unincorporated, fictitious business names Rescue Firm, Hardship Solutions, and Loan Retention Firm, which were not registered in California or Ohio.
9. At all times relevant to this action, Defendants were engaged in the business of soliciting, offering for sale, and selling mortgage loan modification services to consumers.
10. Defendants represented that they could help consumers avoid foreclosure by negotiating a loan modification or other loan adjustment with the consumers' lenders or mortgage servicers.
11. Defendants advertised their debt settlement services via telephone calls to consumers wherein Defendants solicited consumers to purchase loan modification services.
12. Defendants advertised loan modification services to consumers through the Internet web site www.greentreefg.com.
13. Defendants told some consumers that they could help the consumers obtain federal grants that could help the consumers with their payments. Defendants did not obtain the federal grants as promised.
14. Defendants accepted money from consumers for the purpose of obtaining mortgage loan modifications for consumers.
15. Defendants charged Ohio consumers initial fees—prior to the initiation of any services—in amounts ranging from \$995 to \$5,495.
16. Defendants failed to provide services that were promised to consumers.
17. Defendants failed to obtain loan modifications for consumers.
18. Defendants told some consumers that their mortgage loans had been modified although they had not.

19. Consumers who did not receive the service of having their mortgage loans modified requested refunds of the money they had paid to Defendants.
20. Many consumers who did not receive mortgage loan modifications attempted to contact the Defendants to request refunds but were unable to reach the Defendants after the Defendants took their money.
21. Defendants failed to provide refunds to consumers for whom they were unable to obtain loan modifications.
22. Defendants failed to make full refunds of money consumers paid for undelivered services, despite requests from consumers to either deliver the services or make full refunds.
23. Consumers who did business with the Defendants and never received loan modifications or refunds were left in worse financial situations than the consumers were in before doing business with Defendants.

CONCLUSIONS OF LAW

24. The actions of Defendants have occurred in the State of Ohio, in Cuyahoga County and other counties, and are in violation of the Consumer Sales Practices Act ("CSPA"), R.C. 1345.01 et seq., its Substantive Rules, Ohio Administrative Code ("O.A.C.") 109:4-3-01 et seq., and the Debt Adjuster's Act ("DAA"), R.C. 4710.01 et seq.
25. The Attorney General, acting on behalf of the State of Ohio and in the public interest, is the proper party to this action by virtue of the authority vested in the Attorney General by R.C. 1345.07 of the CSPA.
26. Jurisdiction over the subject matter of this action lies with this Court pursuant to R.C. 1345.04 of the CSPA.

27. This Court has venue to hear this case pursuant to Ohio Civ. R. 3(B)(3), in that Cuyahoga County is where Defendants conducted some of the transactions complained of herein.
28. Defendants are "suppliers" as that term is defined in R.C. 1345.01(C) as Defendants were, at all times relevant herein, engaged in the business of effecting consumer transactions either directly or indirectly by soliciting and selling goods or services to consumers in Cuyahoga County and other counties in the State of Ohio for purposes that were primarily for personal, family, or household use within the meaning specified in R.C. 1345.01(A) and (D).
29. Defendants engage in "debt adjusting" as defined in R.C. 4710.01(B) in that Defendants held themselves out as providing services to debtors in the management of their mortgages by effecting the adjustment, compromise, or discharge of any account, note or other indebtedness of the debtor.
30. Defendants engaged in unfair and deceptive acts and practices in violation of R.C. 1345.02 of the CSPA and the Failure to Deliver Rule, O.A.C. 109:4-3-09, by accepting money from consumers for services, failing to make full delivery of the promised services, and failing to provide full refunds.
31. Defendants committed unfair and deceptive acts and practices in violation of R.C. 1345.02(A) of the CSPA by failing to register their fictitious business names with the Ohio Secretary of State.
32. Defendants committed unfair and deceptive acts and practices in violation of R.C. 1345.02(A), by operation of R.C. 4710.04, by engaging in debt adjusting activities, including holding out that they could effect the adjustment, compromise, or discharge of any account, note, or other indebtedness of consumers who signed up for their services, while charging fees in excess of those permitted by R.C. 4710.02(B) of the DAA.

THEREFORE, IT IS ORDERED, ADJUDGED, AND DECREED THAT:

- A. Defendants Mehdi Moarefian and Serj Geutssoyan, doing business under their own names, the names Save Point Financial, Green Tree Financial Group, Rescue Firm, Hardship Solutions, or Loan Retention Firm, or any other names, their agents, representatives, salespeople, employees, successors, or assigns, and all persons acting in concert or participating with them, directly or indirectly, are **PERMANENTLY ENJOINED** from engaging in the acts and practices described in this order and from committing any unfair, deceptive, or unconscionable acts or practices that violate the CSPA, R.C. 1345.01 et seq., its Substantive Rules, O.A.C 109:4-3-01 et seq., or the DAA, R.C. 4710.01 et seq., including, but not limited to, violating the specific statutes and rules described in this order.
- B. It is **DECLARED** that the acts and practices committed by the Defendants, as set forth above, violate the CSPA, R.C. 1345.01 et seq., its Substantive Rules, O.A.C. 109:4-3-01 et seq., and the DAA, R.C. 4710.01 et seq.
- C. Pursuant to R.C. 1345.07(B), Defendants are **ORDERED**, jointly and severally, to pay consumer damages in the total amount of \$43,370.06. Such payment shall be made to the Attorney General via a certified check or money order payable to the "Ohio Attorney General" and delivered to:

Compliance Officer
Consumer Protection Section
Office of the Ohio Attorney General
30 East Broad Street, 14th Floor
Columbus, Ohio 43215

The consumer damages will be distributed to the following 16 consumers in the amounts set forth below:

| Last Name | First Name | City | State | Amount |
|-----------|------------|---------------|--------------|---------------------|
| Brice | Julius | Columbus | OH | \$ 2,295.00 |
| Brooks | Sherry | Galion | OH | \$ 2,495.00 |
| Cross | Pamela | Cincinnati | OH | \$ 4,434.58 |
| Dinkins | Donita | Maple Heights | OH | \$ 2,695.00 |
| Falasco | Dianne | Tallmadge | OH | \$ 2,295.00 |
| Johnston | Janet | Wooster | OH | \$ 1,995.00 |
| Malleo | Angie | Strongsville | OH | \$ 2,798.00 |
| Marks | Michael | Fleming | OH | \$ 2,995.00 |
| Morris | Sam | Crestline | OH | \$ 2,495.00 |
| Osman | Eric | West Union | OH | \$ 2,895.00 |
| Parks | Shirley | Willoughby | OH | \$ 2,895.00 |
| Pollard | Neketta | Lucasville | OH | \$ 1,300.00 |
| Richmond | Richard | Hamilton | OH | \$ 2,390.00 |
| Ruhl | Heather | Blufton | SC | \$ 5,494.98 |
| Sydlo | Diana | Brookpark | OH | \$ 997.50 |
| Wood | Barbara | Kenton | OH | \$ 2,900.00 |
| | | | TOTAL | \$ 43,370.06 |

D. Based on the above findings that Defendants committed unfair and deceptive acts and practices in violation of the CSPA, Defendants are **ORDERED**, jointly and severally, pursuant to R.C. 1345.07(D), to pay a civil penalty of \$75,000. Such payment shall be

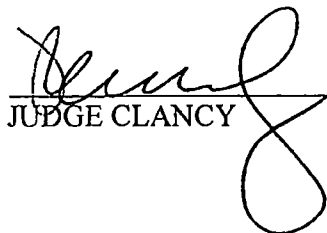
made to the Attorney General via a certified check or money order payable to the "Ohio Attorney General" and delivered to:

Compliance Officer
Consumer Protection Section
Office of the Ohio Attorney General
30 East Broad Street, 14th Floor
Columbus, Ohio 43215

- E. Defendants are **ORDERED**, jointly and severally, to pay all court costs.
- F. Defendants are **ENJOINED** from engaging in business as suppliers in any consumer transaction in the State of Ohio until such time as they have satisfied all monetary obligations due hereunder.

IT IS SO ORDERED

2.22.2016
DATE


JUDGE CLANCY

Submitted by:

MICHAEL DEWINE
Attorney General of Ohio

/s/ Tracy Morrison Dickens
Tracy Morrison Dickens
Bar Number 0082898
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