

IN THE COURT OF COMMON PLEAS
GEAUGA COUNTY, OHIO

STATE OF OHIO, ex rel.)	CASE NO. 17P000766
MICHAEL DEWINE,)	
Plaintiff,)	JUDGE FORREST W. BURT
)	
-vs-)	CONSENT JUDGMENT AND
)	AGREED FINAL ENTRY
AMBROSE, INC., et al.,)	AND ORDER
Defendants)	

PREAMBLE

This matter came upon the filing of a complaint by Plaintiff, State of Ohio, charging Defendants Ambrose, Inc. dba Ambrose Auto Sales and John Ambrose (collectively, "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 Final Entry and Order ("Consent Judgment"), Defendants waive any claims they have or may have regarding 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 Consent Judgment pursuant to R.C. 1345.07(F), and to the rights of Plaintiff to enforce this Consent Judgment.

FINDINGS OF FACT

1. Defendant Ambrose, Inc. ("Ambrose") is an Ohio corporation most recently operating dba Ambrose Auto Sales, 510 Center Street, Chardon, Ohio 44024.
2. Defendant John Ambrose is a principal and the Agent for Ambrose, Inc. Defendant John Ambrose's address is 11858 Storybook Lane, Chesterland, OH 44026.

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3. At all times relevant herein, Defendant John Ambrose has had an ownership interest in and operated the business known as Ambrose, Inc. dba Ambrose Auto Sales and dominated, controlled and directed the business activities and sales conduct of Ambrose, Inc. and exercised the authority to establish, implement or alter the policies of Ambrose, Inc., and 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 action, engaged in the business of soliciting, promoting, purchasing, selling, and financing used motor vehicles, as well as collecting the proceeds of those sales to consumers residing in Geauga and other Ohio counties.

5. Defendants, operating under the name Ambrose, Inc., solicited individual consumers to enter into consumer transactions, specifically for the sale of used motor vehicles.

6. At all times relevant hereto, Defendants held a used motor vehicle dealer permit number license #UD0001255 issued by the State of Ohio under R.C. 4517.01 *et seq.*, allowing them to engage in the business of displaying or selling, at retail or wholesale, used motor vehicles.

7. At all times relevant hereto, Defendants displayed and sold used motor vehicles at addresses associated with Ambrose, Inc., including its last known location on 510 Center Street, Chardon, OH 44024.

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

9. Defendants failed to obtain certificates of title on or before the fortieth (40th) day after the sale of motor vehicles.

10. The Title Defect Rescission ("TDR") Fund, which is administered by the Ohio

Attorney General's Office, paid consumer claims totaling Sixty-five Thousand, Eight Hundred Eighty-three dollars and ninety cents (\$65,883.90) thus far because Defendants failed to obtain certificates of title on or before the fortieth (40th) day after the sale of motor vehicles.

11. Defendants continued to operate after failing to post a bond in the amount of Twenty-Five Thousand Dollars (\$25,000.00) as required by R.C. 4505.181 after the Attorney General paid a retail purchaser of the Defendants from the TDR Fund due to Defendants' failure to deliver titles to the purchasers.

CONCLUSIONS OF LAW

12. 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).

13. 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).

14. Defendants committed unfair and deceptive acts and 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 of delivery of motor vehicles as required by R.C. 4505.06(A)(5)(b).

15. 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 sale of the motor vehicles as required by R.C. 4505.181(B)(1).

16. Such acts or practices are in violation of the CSPA and the Certificate of Motor Vehicle Title Act.

17. 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 TDR Fund due to Defendants' failure to deliver titles to the purchasers as required by R.C. 4505.181(A)(2).

18. Such acts or practices are in violation of 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

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

- 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.
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- B. Defendants, doing business under Ambrose Auto Sales, Ambrose, Inc. 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, OAC 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. **ORDER** Defendants jointly and severally liable for reimbursement to the TDR Fund for funds expended to resolve title defects caused by Defendants' motor

vehicle title violations, in the amount of Sixty-five Thousand, Eight Hundred Eighty-three dollars and ninety cents (\$65,883.90). Payment of the \$65,883.90 shall be made at the rate of Two Hundred Dollars (\$200.00) per month with the first payment due on or before February 15, 2018, and monthly payments will be due and owing on or before the 15th of each successive month until repayment has been made in full. All payments shall be made payable to "Ohio Attorney General" and sent to:

Ohio Attorney General's Office
Compliance Officer
30 E. Broad St., 14th fl.
Columbus, OH 43215

- D. ASSESS, FINE AND IMPOSE** upon Defendants, jointly and severally, a civil penalty of Fifteen Thousand Dollars (\$15,000.00), pursuant to R.C. 1345.07(D) and in accordance with R.C. 1345.07(G). Such payment shall be made to the Ohio Attorney General via certified check or money order, made payable to "Ohio Attorney General" and delivered to the address listed in Paragraph C.
- E.** Defendants hereby agree that the reimbursement to the TDR Fund ordered above in Paragraph C is not dischargeable under 11 USC §523(a)(2) in any current or any future bankruptcy proceedings. Defendants further agree that if any Bankruptcy Court determines that the TDR reimbursement amount described in Paragraph C is indeed dischargeable, then the suspended portion of the civil penalty described in Paragraph D will no longer be given effect, and payment of the full civil penalty of \$15,000.00 shall be immediately due and owing within

thirty (30) days of the Bankruptcy Court's determination, without need for any further petition to this Court.

- F. It is further **ORDERED** that if the Defendants fail to deliver any payment due hereunder in accordance with the payment schedule herein, all remaining payments shall immediately become due and payable hereunder.
- G. It is further **AGREED** that the acceptance of any payment by the Plaintiff subsequent to the time it is due pursuant to Paragraphs C-E or the failure of the Plaintiff to insist on strict performance of any order contained within this Consent Judgment including, but not limited to, the obligation created by the acceleration provision in Paragraph F of this Consent Judgment, shall not be construed as a waiver of any of the obligations created by this Consent Judgment.
- H. It is further **ORDERED** that the Defendants be enjoined from engaging in consumer transactions as suppliers in the State of Ohio until they have satisfied all reimbursement, civil penalties, and any court costs ordered herein.
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- I. It is further **ORDERED** that Defendant John Ambrose be prohibited from applying for or granted a salesperson or auto dealer license under R.C. 4517.
- J. Defendants are further **ORDERED**, jointly and severally, to pay all court costs.
- K. This Court shall retain jurisdiction to enforce compliance with this Consent Judgment.

IT IS SO ORDERED.

Forrest W. Burt

JUDGE FORREST W. BURT