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**AVISO**

Le han demandado a usted en la corte. Si usted quiere defenderse de estas demandas expuestas en las paginas siguientes, usted tiene veinte (20) dias de plazo al partir de la fecha de la demanda y la notificacion. Hace falta ascntar una comparencia escrita o en persona o con un abogado y entregar a la corte en forma escrita sus defensas o sus objeciones a las demandas en contra de su persona. Sea avisado que si usted no se defiende, la corte tomara medidas y puede continuar la demanda en contra suya sin previo aviso o notificacion. Ademas, la corte puede decidir a favor del demandante y requiere que usted cumpla con todas las provisiones de esta demanda. Usted puede perder dinero o sus propiedades u otros derechos importantes para usted.

*Lleve esta demanda a un abogado inmediatamente. Si no tiene abogado o si no tiene el dinero suficiente de pagar tal servicio. Vaya en persona o llame por telefono a la oficina cuya direccion se encuentra escrita abajo para averiguar donde se puede conseguir asistencia legal.*

**Asociacion De Licenciados  
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*Attorney for Plaintiff*

**THIS IS NOT AN ARBITRATION CASE**  
 This case has been brought by the  
 Commonwealth under the Pennsylvania  
*Unfair Trade Practices and Consumer*  
*Protection Law, 73 P.S. § 201-1, et seq.*  
**AN ASSESSMENT OF DAMAGES**  
**HEARING WILL BE REQUIRED**

**IN THE COURT OF COMMON PLEAS OF  
 PHILADELPHIA COUNTY, PENNSYLVANIA**

<b>COMMONWEALTH OF PENNSYLVANIA</b>	:	
<b>BY ATTORNEY GENERAL JOSH SHAPIRO</b>	:	<b>Term:</b> _____
	:	
<b>Plaintiff</b>	:	<b>Case No.:</b> _____
	:	
v.	:	
	:	
<b>CARSPOT, INC.</b>	:	<b>CIVIL ACTION - EQUITY</b>
<b>2375 Welsh Road</b>	:	
<b>Philadelphia, Pennsylvania 19114</b>	:	
	:	
<b>Defendant</b>	:	

**COMPLAINT**

**AND NOW**, comes the Commonwealth of Pennsylvania, by Attorney General Josh Shapiro (hereinafter “Commonwealth” and/or “Plaintiff”), which brings this action on behalf of the Commonwealth pursuant to the provisions of the Pennsylvania *Unfair Trade Practices and Consumer Protection Law, 73 P.S. §§ 201-1, et seq.* (hereinafter “Consumer Protection Law”) to restrain by permanent injunction unfair methods of competition or unfair or deceptive acts or

practices in the conduct of any trade or commerce declared unlawful by the Consumer Protection Law.

The Commonwealth believes that the public interest is served by seeking a permanent injunction from this Honorable Court to restrain the methods, acts, and practices of the Defendant. The Commonwealth believes that citizens of the Commonwealth are suffering and will continue to suffer harm unless the acts and practices complained of herein are permanently enjoined.

The Commonwealth seeks restitution pursuant to Section 201-4.1 of the Consumer Protection Law for any consumers who were harmed by Defendant's violations of the Consumer Protection Law. 73 P.S. § 201-4.1. Additionally, the Commonwealth seeks appropriate civil penalties pursuant to Section 201-8(b) of the Consumer Protection Law for all willful violations of said law and to recover its costs for enforcement of the Consumer Protection Law. 73 P.S. § 201-8(b).

In support thereof, the Commonwealth presents the following:

### **JURISDICTION**

1. This Court has original jurisdiction over this action pursuant to Section 931 of the *Judicial Code*. 42 Pa.C.S.A. § 931(a).

### **VENUE**

2. Venue lies with this Court pursuant to Pa.R.C.P. 2179(a).

### **THE PARTIES**

3. Plaintiff is the Commonwealth of Pennsylvania, acting by Attorney General Josh Shapiro, with offices located at 1600 Arch Street, Third Floor, Philadelphia, Pennsylvania 19103

and Strawberry Square, 15<sup>th</sup> Floor, Harrisburg, Pennsylvania 17120.

4. Defendant CARSPOT, INC. (hereinafter “CSI” or “Defendant”) is a Pennsylvania business corporation registered with the Pennsylvania Department of State, Bureau of Corporations and Charitable Organizations: Corporations Sections (hereinafter “Corporations Bureau”) with a registered business address of 1651 Fawn Lane, Huntingdon Valley, Pennsylvania 19006.

5. Defendant CSI has conducted and conducts business out of 2375 Welsh Road, Philadelphia, Pennsylvania 19114.

6. Defendant CSI’s principal place of business is located at 2375 Welsh Road, Philadelphia, Pennsylvania 19114.

### **FACTUAL BACKGROUND**

7. At all times relevant and material hereto, Defendant CSI engaged in trade or commerce within the Commonwealth of Pennsylvania through the operation of a used motor vehicle dealership, including the advertising for sale and sale of motor vehicles to consumers.

8. As more fully set forth below, Defendant violated the Consumer Protection Law, the *Automotive Industry Trade Practices*, 37 Pa. Code § 301.1, *et seq.* (hereinafter “Auto Regulations”), and the *Vehicle Code*, 75 Pa.C.S. § 101, *et seq.* (hereinafter “Vehicle Code”).

9. Defendant CSI holds a Pennsylvania Vehicle Dealer License, number VD031010, issued on April 3, 2013, last renewed on April 2, 2021, with an expiration date of May 31, 2023. The location listed on this license is 2375 Welsh Road, Space A, Philadelphia, Pennsylvania 19114.

## Wrongful Conduct by Defendant

### *Defendant's Sale of Unroadworthy Vehicles*

10. In certain instances, Defendant advertised for sale via its website and other methods, and sold, motor vehicles to consumers that were not roadworthy.

11. In certain instances, Defendant did not disclose the unroadworthy condition of vehicles to consumers prior to sale when Defendant knew or should have known the conditions existed and/or that the motor vehicle needed repairs, in violation of Section 301.2(5) of the Auto Regulations.

12. The Pennsylvania Office of Attorney General, Bureau of Consumer Protection (hereinafter "Bureau"), received multiple complaints from consumers regarding the sale of unroadworthy vehicles. The following are examples of what has been alleged in such complaints:

- a. On or about April 10, 2017, consumer M.S. purchased a 2008 Volkswagen Passat from Defendant for \$4,400.00. Within ten (10) hours of M.S. having the car, the check engine light came on. An hour later, the car started to overheat. Within two (2) days of purchase, as M.S. was taking the car back to Defendant's place of business, the engine went up in flames, the whole car burned to the ground, and a passenger was rushed to the hospital with burns.
- b. On or about June 6, 2020, Pennsylvania consumer M.A. purchased a 2006 Acura MDX from Defendant for \$5,700.00. Within two (2) days of purchase, the vehicle was shifting hard and a malfunction indicator light related to the transmission was blinking. Prior to purchase, Defendant did not inform M.A. that the vehicle had transmission issues. Consumer M.A. immediately notified Defendant of these transmission issues, and brought the vehicle to Defendant's location for repair. Defendant's sales representative drove the vehicle and verified the hard shift and malfunction indicator light blinking, but told M.A. to drive the vehicle while Defendant arranged an appointment with a mechanic. The next day, the vehicle had problems getting up to speed and getting into gear. After a stop, the engine RPMs would increase but the vehicle would not go into gear or get up to speed. Consumer M.A. then noticed a burning smell and a malfunction indicator light that indicated the transmission was overheating. Consumer M.A. called Defendant and informed them of these new issues. Defendant had the vehicle towed to a

mechanic. Defendant's sales representative then told M.A. that the transmission was the issue, but Defendant refused to cover the full cost of the transmission replacement. Instead, Defendant offered to cover only 50% of the cost to replace the transmission under warranty and M.A. was forced to pay \$950.00 for 50% of the transmission replacement cost.

- c. On or about July 3, 2020, Pennsylvania consumer N.T. purchased a 2007 Jeep Grand Cherokee from Defendant for \$7,588.60. Defendant's sales representative told N.T. that it was a great vehicle with no issues and a clean CARFAX report. Within a day of purchase, the check engine light came on, every light on the dashboard would go on and off as if there were electrical issues, the front end would shake going over 60mph, and the brakes were "bad." Consumer N.T. then learned that the check engine light had been cleared prior to N.T.'s purchase, and that Defendant had sold the vehicle in 2019 and just recently took it back for a trade. When N.T. attempted to return the vehicle for a refund on the next day that Defendant was open, Defendant refused and claimed there would be a 25% restocking fee. After N.T. involved the State Police, Defendant agreed to fix everything or return N.T.'s money and signed an agreement with N.T. promising that if the repair work exceeded \$500.00 in cost, Defendant would instead refund N.T. in full. However, Defendant refused to refund N.T. until negative online reviews were removed.
- d. On or about September 2, 2021, Pennsylvania consumer D.M. purchased a 2009 Ford F-150 from Defendant for \$20,074.08. When D.M. attempted to get an inspection completed, Defendant insisted that D.M. use only Defendant's mechanic. The vehicle was completely rusted underneath, with the gas tank falling out, and the rear spring on the driver side completely rotted, broken, and falling off. The interior lights, high beams, and horn did not work. D.M. took the vehicle to another mechanic after purchase, and learned that the vehicle should have never passed inspection.
- e. On or about February 3, 2022, consumer C.J. purchased a 2010 Buick Enclave from Defendant for \$11,218.00. The vehicle broke down the next day. Defendant could not fix the vehicle, so Defendant's sales representative cancelled the sale. Defendant repeatedly promised C.J. that they would provide a refund. Approximately two (2) months passed and C.J. had not yet received a refund. Consumer C.J. was paying a car note for a vehicle she no longer had, and paid over \$1,000 for a warranty on a car she no longer had.

### ***Defendant's Deceptive Warranty Practices***

- 13. In at least one instance, Defendant represented to a consumer that a warranty or service contract was "bumper to bumper," when in fact the warranty or service contract was not



“bumper to bumper” but, rather, had numerous exclusions, leaving the consumer unable to use the warranty or service contract for necessary repairs that otherwise would have been covered under a bumper to bumper warranty.

14. In certain instances, Defendant made representations to consumers regarding the benefits of a third-party warranty or service contract, received payment from consumers for same, but then never submitted the necessary information and payment to the third-party warranty company, leaving the consumers without the benefit of the warranty or service contract that Defendant represented the consumers would receive.

15. The Bureau has received consumer complaints pertaining to Defendant’s deceptive warranty practices. The following are examples of what has been alleged in such complaints:

- a. On or about March 23, 2019, Pennsylvania consumer L.S. purchased a 2007 Acura MDX from Defendant for \$10,700.00, plus a warranty for an additional \$1,500.00 that Defendant represented was “bumper to bumper.” Consumer L.S. had brought her own mechanic with her when purchasing the vehicle from Defendant. Defendant’s sales representative told L.S. she needed to get a warranty on the vehicle, and in front of L.S.’s mechanic Defendant’s representative said the warranty was bumper to bumper. L.S. was not happy with the additional \$1,500.00 warranty cost, but as Defendant’s representative assured L.S. it was bumper to bumper, and L.S.’s mechanic said for bumper to bumper that was a good price, L.S. agreed. L.S. was not given a copy of her warranty. L.S. later learned that the vehicle had a very bad oil leak from a crankshaft seal, plus other issues, which would cost approximately \$2,400.00 to repair. The warranty company informed L.S. that it would not cover any of these issues, as L.S. did not in fact have a bumper to bumper warranty, contrary to what Defendant represented to her previously. Defendant then suggested that L.S. should go to another mechanic, have the mechanic perform repairs that are not covered under warranty, but have the mechanic bill the warranty company for different repairs, not actually performed, that are covered under the warranty.
- b. On or about October 18, 2019, Pennsylvania consumer B.M. purchased a 2011 Cadillac SRX from Defendant for a total cash sale price of \$17,144.00, which included a warranty for which B.M. paid Defendant \$2,153.00. In March of 2020, B.M. called the warranty company and was informed that

Defendant never completed necessary steps and therefore B.M.'s warranty contract was voided in January 2020. Consumer B.M. also learned the warranty company did not receive payment for the warranty from Defendant, despite the fact that B.M. paid Defendant \$2,153.00 for the warranty.

***Defendant's Deceptive Title and Registration Practices***

16. In certain instances, Defendant failed to provide the title or registration for vehicles sold to consumers, leaving the consumers without the benefit of the promised, legally mandated, and already paid for, title and registration services.

17. The Bureau has received consumer complaints pertaining to Defendant's deceptive title and registration practices. The following are examples of what has been alleged in such complaints:

- a. On or about February 24, 2019, Pennsylvania consumer S.B. purchased a 2006 Ford Fusion from Defendant for \$2,400.00. More than seven (7) months after purchase, S.B. still had not received the title to the vehicle from Defendant. Defendant's representative told S.B. that Defendant could not obtain the title, and stopped answering S.B.'s calls. S.B. learned through a third party that the vehicle's title was in some other person's name.
- b. On or about March 4, 2019, Pennsylvania consumer A.N. purchased a 2005 Ford Focus from Defendant for \$2,139.00, with this price including fees for "Registration[,] "Title[,] and "Plate / Tag[.]" See A.N. Buyer's Order, Exhibit "A." More than eight (8) months after purchase, A.N. still had not received the title to the vehicle. A.N. spoke with Defendant's sales representative for six (6) months and continued to get excuses as to why the title had not been transferred to A.N. A.N. even went into Defendant's dealership and spoke with three of Defendant's representatives. Defendant admitted the paperwork they received from the seller was not the original paperwork and that Defendant could not fix the problem, could not refund A.N., and could not accommodate A.N. with another vehicle with a readily available title. A.N. was unable to register the vehicle and was later pulled over by police with a vehicle that comes up under a different owner's name. Defendant also used a false address on paperwork, KOB Auto Sales, 1801 Bethlehem Pike, Hatfield, PA 19440.
- c. On or about June 6, 2019, Pennsylvania consumer E.C. purchased a 2016 Jeep Cherokee from Defendant for \$17,400.00. After approximately six (6) months from the time of purchase, E.C. had still not received the title to the

vehicle, or a renewed registration. In September of 2019, E.C. spoke to Defendant's representatives and was told that Defendant was having problems getting the vehicle titled. Defendant then wrote E.C. a second bill of sale. E.C. spoke with Defendant's representatives again and got more excuses. E.C. also spoke with representatives from the Department of Transportation, and E.C. learned that Defendant had not filed the documents necessary to complete the title transfer.

- d. On or about October 2, 2021, Pennsylvania consumer E.P. purchased a 2008 Ford Explorer from Defendant for \$9,600.00, with this price including fees for "Registration[,] "Title[,] and "Plate / Tag[.]" See E.P. Buyer's Order, Exhibit "B." After approximately six (6) months from the time of purchase, E.P. had still not received the title or registration to the vehicle. When purchasing the vehicle, E.P. asked whether Defendant had the title for the vehicle, and Defendant answered yes. After negotiating on the price, E.P. paid for the vehicle in cash. Defendant told E.P. that the Department of Transportation of the Commonwealth (hereinafter "PennDOT") was going to send E.P. a hard copy of his registration for the vehicle in two to three weeks, with the title to follow within thirty days. After waiting for this time frame and not receiving either of these documents, E.P. went back to Defendant's dealership, where Defendant said PennDOT was responsible for the delay. After approximately 90 days from purchase, and when the temporary tags were about to expire, E.P. went back to Defendant's dealership, and Defendant again told E.P. PennDOT was the problem and that E.P. would get another 90 day temporary registration. In February of 2022, E.P. called PennDOT and learned that the documents Defendant sent to PennDOT were not accurate and that they were sent back to Defendant for rectification on January 7, 2022.

18. The Commonwealth believes and therefore avers that there are additional consumers who have not filed complaints with the Bureau who have been harmed due to the methods, acts, and practices of the Defendant, including, but not limited to, those alleged in this Complaint.

**COUNT I – VIOLATIONS OF THE CONSUMER PROTECTION LAW AND THE  
AUTO REGULATIONS**

**DEFENDANT SOLD UNROADWORTHY MOTOR VEHICLES TO CONSUMERS**

19. The averments and allegations of the preceding paragraphs are incorporated as though the same were fully set forth herein.

20. The Auto Regulations prohibit the representation in an advertisement or sales presentation that a motor vehicle is of a particular style, model, quality or grade if it is another or if the representation conflicts with a written notice or disclosure required by the Auto Regulations. 37 Pa. Code § 301.2(5).

21. Under the Auto Regulations, a motor vehicle which is offered for sale is represented to be roadworthy, and the advertiser or seller is required to disclose prior to sale the following conditions if the advertiser or seller knows or should know the conditions exist in the motor vehicle:

- (i) Frame bent, cracked or twisted.
- (ii) Engine block or head cracked.
- (iii) Vehicle unable to pass State inspection.
- (iv) Transmission damaged, defective or so deteriorated as to require replacement.
- (v) Vehicle flood damaged.
- (vi) Differential damaged, defective or so deteriorated as to require replacement.

37 Pa. Code § 301.2(5).

22. In certain instances, Defendant advertised vehicles for sale via its website and otherwise and sold vehicles to consumers, without disclosing to consumers the defects that made those motor vehicles unroadworthy, where Defendant knew or should have known the vehicles would not be able to pass state inspection.

23. For example, consumer D.M., whose narrative is described in paragraph 12.d., herein above, purchased a vehicle from Defendant and shortly thereafter learned from another mechanic that the vehicle had major issues and should have never passed inspection.

24. In certain instances, Defendant failed to disclose to consumers that certain motor vehicles had defective conditions related to the transmission or differential, as required by the Auto Regulations, when Defendant knew or should have known such conditions existed in the

vehicle.

25. For example, consumer M.A., whose narrative is described in paragraph 12.b., herein above, purchased a vehicle from Defendant and shortly thereafter experienced transmission issues which she learned from Defendant's sales representative would require the replacement of the transmission, and the transmission was then replaced.

26. The aforesaid methods, acts, or practices constitute violations of Section 301.2(5) of the Auto Regulations. 37 Pa. Code § 301.2(5).

27. A violation of Section 301.2(5) of the Auto Regulations is considered an unfair method of competition and an unfair or deceptive act or practice. 37 Pa. Code § 301.2.

28. The aforesaid methods, acts or practices constitute unfair methods of competition and unfair acts or practices in the conduct of trade or commerce prohibited by Section 201-3 of the Consumer Protection Law, as defined by Section 201-2(4) of said Law, including, but not limited to, the following:

- a. Section 201-2(4)(ii), causing likelihood of confusion or of misunderstanding as to the source, sponsorship, approval, or certification of goods or services;
- b. Section 201-2(4)(v), representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation or connection that he does not have;
- c. Section 201-2(4)(ix), advertising goods or services with intent not to sell them as advertised; and
- d. Section 201-2(4)(xxi), engaging in any other fraudulent or deceptive conduct creating a likelihood of confusion or of misunderstanding.

73 P.S. §§ 201-3 and 201-2(4)(ii), (v), (ix), and (xxi).

29. The Commonwealth alleges that all of the methods, acts and practices described above were performed willfully by Defendant.

30. The Commonwealth believes that the public interest is served by seeking before this Court a permanent injunction to restrain the methods, acts and practices described herein, as well as seeking restitution for consumers and civil penalties for violations of the law. The Commonwealth believes that citizens of the Commonwealth are suffering and will continue to suffer harm unless the acts and practices complained of herein are permanently enjoined.

**WHEREFORE**, the Commonwealth of Pennsylvania respectfully requests this Honorable Court to issue an order:

A. Declaring Defendant's conduct as described in the Complaint to be in violation of the Consumer Protection Law and Auto Regulations.

B. Permanently enjoining the Defendant, and its officers, agents, employees and all other persons acting on its behalf, directly or indirectly, from violating the Consumer Protection Law and any amendments thereto, including, but not limited to:

1. Causing likelihood of confusion or of misunderstanding as to the source, sponsorship, approval, or certification of goods and services, as prohibited by Section 201-2(4)(ii) of the Consumer Protection Law;
2. Representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation or connection that he does not have, as prohibited by Section 201-2(4)(v) of the Consumer Protection Law;

3. Advertising goods or services with intent not to sell them as advertised, as prohibited by Section 201-2(4)(ix) of the Consumer Protection Law; and
4. Engaging in any other fraudulent or deceptive conduct creating a likelihood of confusion or of misunderstanding, as prohibited by Section 201-2(4)(xxi) of the Consumer Protection Law.

73 P.S. § 201-2(4)(ii), (v), (ix), and (xxi).

C. Permanently enjoining the Defendant, and its officers, agents, employees and all other persons acting on its behalf, directly or indirectly, from violating the Auto Regulations and any amendments thereto, including, but not limited to, failing to disclose prior to sale the following conditions if the advertiser or seller knows or should know that certain conditions exist in the motor vehicle, including, the frame is bent, cracked or twisted, engine block or head is cracked, the vehicle is unable to pass State inspection, or the transmission or differential is damaged, defective, or so deteriorated as to require replacement, as prohibited by Section 301.2(5) of the Auto Regulations. 37 Pa. Code § 301.2(5).

D. Directing Defendant to make full restitution pursuant to Section 201-4.1 of the Consumer Protection Law to all consumers who have suffered losses as a result of the acts and practices alleged in this Complaint and any other acts or practices which violate the Consumer Protection Law.

E. Directing Defendant to pay to the Commonwealth civil penalties of One Thousand and 00/100 Dollars (\$1,000.00) for each instance of a past or present violation of the Consumer Protection Law and Three Thousand and 00/100 Dollars (\$3,000.00) for each instance of a past or present violation of the Consumer Protection Law involving consumers age sixty (60) or older as victims.

F. Permanently enjoining the Defendant, in any capacity, from doing business in the Commonwealth of Pennsylvania involving sales of motor vehicles.

G. Requiring Defendant to pay the Commonwealth's investigative and litigation costs in this matter.

H. Granting such other and further relief as this Court may deem just, proper, and equitable under the circumstances.

**COUNT II – VIOLATIONS OF THE CONSUMER PROTECTION LAW**  
**DEFENDANT MISREPRESENTED THE EXISTENCE OF AND COVERAGE OF**  
**WARRANTIES**

31. The averments and allegations of the preceding paragraphs are incorporated as though the same were fully set forth herein.

32. At all times material and relevant hereto, Defendant advertised and sold vehicle warranties or service contracts to consumers.

33. In at least one instance, a consumer purchased a third-party warranty or service contract from Defendant and completed the application for the warranty or service contract and paid Defendant for same, but Defendant never submitted the necessary information and payment to the third-party warranty or service contract company, leaving the consumer without the benefit of the warranty or service contract that Defendant represented the consumer would receive.

34. For example, consumer B.M., whose narrative is described in paragraph 15.b., herein above, purchased a vehicle and warranty from Defendant, and paid Defendant for the warranty, only to later learn that Defendant failed to complete necessary steps and that the third-party warranty company never received the warranty payment from Defendant, and the warranty was therefore voided.

35. In at least one instance, Defendant represented to a consumer that a warranty or



service contract was “bumper to bumper,” when in fact the warranty or service contract was not “bumper to bumper” but instead had numerous exclusions, leaving the consumer unable to use the warranty or service contract for necessary repairs the consumer expected, based on Defendant’s representation, to be covered.

36. For example, consumer L.S., whose narrative is described in paragraph 15.a., herein above, purchased a vehicle and warranty from Defendant, where Defendant represented the warranty as “bumper to bumper,” only for L.S. to later learn that this warranty was not actually a “bumper to bumper” warranty, and repair of certain issues in the vehicle that would have been covered by a “bumper to bumper” warranty would not be covered under the warranty sold by Defendant.

37. The aforesaid methods, acts or practices constitute unfair methods of competition and unfair acts or practices in the conduct of trade or commerce prohibited by Section 201-3 of the Consumer Protection Law, as defined by Section 201-2(4) of said Law, including, but not limited to, the following:

- a. Section 201-2(4)(ii), causing likelihood of confusion or of misunderstanding as to the source, sponsorship, approval, or certification of goods or services;
- b. Section 201-2(4)(v), representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation or connection that he does not have;
- c. Section 201-2(4)(ix), advertising goods or services with intent not to sell them as advertised; and
- d. Section 201-2(4)(xxi), engaging in any other fraudulent or deceptive conduct

creating a likelihood of confusion or of misunderstanding.

73 P.S. §§ 201-3 and 201-2(4)(ii), (v), (ix), and (xxi).

38. The Commonwealth alleges that all of the methods, acts and practices described above were performed willfully by Defendant.

39. The Commonwealth believes that the public interest is served by seeking before this Court a permanent injunction to restrain the methods, acts and practices described herein, as well as seeking restitution for consumers and civil penalties for violation of the law. The Commonwealth believes that citizens of the Commonwealth are suffering and will continue to suffer harm unless the acts and practices complained of herein are permanently enjoined.

**WHEREFORE**, the Commonwealth of Pennsylvania respectfully requests this Honorable Court issue an order:

A. Declaring Defendant's conduct as described in the Complaint to be in violation of the Consumer Protection Law.

B. Permanently enjoining the Defendant, and its officers, agents, employees and all other persons acting on its behalf, directly or indirectly, from violating the Consumer Protection Law and any amendments thereto, including, but not limited to:

1. Causing likelihood of confusion or of misunderstanding as to the source, sponsorship, approval, or certification of goods and services, as prohibited by Section 201-2(4)(ii) of the Consumer Protection Law;
2. Representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation or connection that he does not have, as prohibited by Section 201-2(4)(v) of

the Consumer Protection Law;

3. Advertising goods or services with intent not to sell them as advertised, as prohibited by Section 201-2(4)(ix) of the Consumer Protection Law; and
4. Engaging in any other fraudulent or deceptive conduct creating a likelihood of confusion or of misunderstanding, as prohibited by Section 201-2(4)(xxi) of the Consumer Protection Law.

73 P.S. § 201-2(4)(ii), (v), (ix), and (xxi).

C. Directing Defendant to make full restitution pursuant to Section 201-4.1 of the Consumer Protection Law to all consumers who have suffered losses as a result of the acts and practices alleged in this Complaint and any other acts or practices which violate the Consumer Protection Law.

D. Directing Defendant to pay to the Commonwealth civil penalties of One Thousand and 00/100 Dollars (\$1,000.00) for each instance of a past or present violation of the Consumer Protection Law and Three Thousand and 00/100 Dollars (\$3,000.00) for each instance of a past or present violation of the Consumer Protection Law involving consumers age sixty (60) or older as victims.

E. Permanently enjoining the Defendant, in any capacity, from doing business in the Commonwealth of Pennsylvania involving sales of motor vehicles.

F. Requiring Defendant to pay the Commonwealth's investigative and litigation costs in this matter.

G. Granting such other and further relief as this Court may deem just, proper, and equitable under the circumstances.

**COUNT III – VIOLATIONS OF THE CONSUMER PROTECTION LAW  
AND THE VEHICLE CODE**

**DEFENDANT ENGAGED IN UNFAIR AND DECEPTIVE ACTS OR PRACTICES BY  
FAILING TO PROVIDE VEHICLE TITLE AND REGISTRATION**

40. The averments and allegations of the preceding paragraphs are incorporated as though the same were fully set forth herein.

41. Under the Vehicle Code, no vehicle may be driven on any highway or roadway open to the public unless it is registered in Pennsylvania, or exempt from registration (*i.e.*, exemptions for non-residents). 75 Pa.C.S. § 1301(a).

42. Before a vehicle can be registered in Pennsylvania, a certificate of title must have been applied for or issued. 75 Pa.C.S. § 1301(c).

43. For vehicles purchased from a dealer, the dealer must mail or deliver applications for certificate of title to the Department of Transportation of the Commonwealth (hereinafter “PennDOT”) within 20 days of date of purchase. 75 Pa.C.S. § 1103.1(d).

44. In at least once instance, Defendant failed to mail or deliver applications for certificate of title to PennDOT within 20 (twenty) days of purchase.

45. For example, consumer S.B, whose narrative is described in paragraph 17.a., herein above, purchased a vehicle from Defendant and still had not received the title to the vehicle more than seven (7) months after purchase, and learned from Defendant’s representative that Defendant could not obtain the title.

46. In another example, consumer E.C., whose narrative is described in paragraph 17.c., herein above, purchased a vehicle from Defendant and still had not received the title to the vehicle after approximately six (6) months from the time of purchase, and learned from representatives of PennDOT that Defendant had not filed the documents necessary to complete

the title transfer. Defendant's failure to mail or deliver timely applications for certificate of title to PennDOT violated Section 1103.1(d) of the Vehicle Code. 75 Pa.C.S. § 1103.1(d).

47. In certain instances, Defendant failed to provide the title or registration for vehicles sold to consumers, leaving the consumers without the benefit of the promised, legally mandated, and already paid for, title and registration services.

48. For example, consumer E.P., whose narrative is described above in paragraph 17.d., herein above, purchased a vehicle from Defendant and still had not received the title to the vehicle after approximately six (6) months from the time of purchase, despite the purchase price including fees for "Registration[,] "Title[,] and "Plate / Tag[.]"

49. In certain instances, Defendant failed to provide the title or registration for vehicles sold to consumers, leaving the consumers without the most basic and implicit benefit of the vehicle they had purchased: the ability to legally drive the vehicle on a highway or roadway open to the public.

50. For example, consumer A.N, whose narrative is described in paragraph 17.b., herein above, purchased a vehicle from Defendant and still had not received the title to the vehicle more than eight (8) months after purchase, despite the purchase price including fees for "Registration[,] "Title[,] and "Plate / Tag[.]" Defendant's representative admitted paperwork they received from the seller was not the original paperwork and that Defendant could not fix the problem, leaving A.N. unable to register the vehicle, with A.N. later being pulled over by the police.

51. The aforesaid methods, acts or practices constitute unfair methods of competition and unfair acts or practices in the conduct of trade or commerce prohibited by Section 201-3 of

the Consumer Protection Law, as defined by Section 201-2(4) of said Law, including, but not limited to, the following:

- a. Section 201-2(4)(v), representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation or connection that he does not have;
- b. Section 201-2(4)(ix), advertising goods or services with intent not to sell them as advertised; and
- c. Section 201-2(4)(xxi), engaging in any other fraudulent or deceptive conduct creating a likelihood of confusion or of misunderstanding.

73 P.S. §§ 201-3 and 201-2(4)(v), (ix), and (xxi).

52. The Commonwealth alleges that all of the methods, acts and practices described above were performed willfully by Defendant.

53. The Commonwealth believes that the public interest is served by seeking before this Court a permanent injunction to restrain the methods, acts and practices described herein, as well as seeking restitution for consumers and civil penalties for violation of the law. The Commonwealth believes that citizens of the Commonwealth are suffering and will continue to suffer harm unless the acts and practices complained of herein are permanently enjoined.

**WHEREFORE**, the Commonwealth of Pennsylvania respectfully requests this Honorable Court issue an order:

- A. Declaring Defendant's conduct as described in the Complaint to be in violation of the Consumer Protection Law and Vehicle Code.
- B. Permanently enjoining the Defendant, and its officers, agents, employees and all

other persons acting on its behalf, directly or indirectly, from violating the Consumer Protection Law and any amendments thereto, including, but not limited to:

1. Representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation or connection that he does not have, as prohibited by Section 201-2(4)(v) of the Consumer Protection Law;
2. Advertising goods or services with intent not to sell them as advertised as prohibited by Section 201-2(4)(ix) of the Consumer Protection Law; and
3. Engaging in any other fraudulent or deceptive conduct creating a likelihood of confusion or of misunderstanding, as prohibited by Section 201-2(4)(xxi) of the Consumer Protection Law.

73 P.S. § 201-2(4)(v), (ix), and (xxi).

C. Permanently enjoining the Defendant, and its officers, agents, employees and all other persons acting on their behalf, directly or indirectly, from violating the Vehicle Code and any amendments thereto, including, but not limited to, failing to mail or deliver applications for certificate of title to PennDOT within 20 days of date of purchase, as prohibited by Section 1103.1(d) of the Vehicle Code. 75 Pa.C.S. § 1103.1(d).

D. Directing Defendant to make full restitution pursuant to Section 201-4.1 of the Consumer Protection Law to all consumers who have suffered losses as a result of the acts and practices alleged in this Complaint and any other acts or practices which violate the Consumer Protection Law.

E. Directing Defendant to pay to the Commonwealth civil penalties of One

Thousand and 00/100 Dollars (\$1,000.00) for each instance of a past or present violation of the Consumer Protection Law and Three Thousand and 00/100 Dollars (\$3,000.00) for each instance of a past or present violation of the Consumer Protection Law involving consumers age sixty (60) or older as victims.

F. Permanently enjoining the Defendant, in any capacity, from doing business in the Commonwealth of Pennsylvania involving sales of motor vehicles.

G. Requiring Defendant to pay the Commonwealth's investigative and litigation costs in this matter.

H. Granting such other and further relief as this Court may deem just, proper, and equitable under the circumstances.

Respectfully submitted:

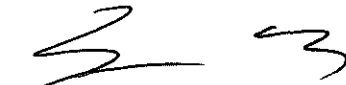
COMMONWEALTH OF PENNSYLVANIA  
OFFICE OF ATTORNEY GENERAL

JOSH SHAPIRO  
ATTORNEY GENERAL

Date:

7/20/2022

By:



Shawn Bachman  
Deputy Attorney General  
PA Attorney I.D. #325860  
Pennsylvania Office of Attorney General  
1600 Arch Street, Third Floor  
Philadelphia, Pennsylvania 19103  
Telephone: (215) 560-2414  
sbachman@attorneygeneral.gov  
*Attorney for Plaintiff*



**VERIFICATION**

I, Lauren Oleckna, hereby state that I am a Consumer Protection Agent with the Office of Attorney General, Bureau of Consumer Protection, and am authorized to make this verification on behalf of the Commonwealth in the within action. I hereby verify that the facts set forth in the foregoing *Complaint* are true and correct to the best of my knowledge, or information and belief. I understand that the statements contained herein are subject to the penalties of 18 Pa.C.S.A. § 4904, relating to unsworn falsification to authorities.

Date: 7/18/2022



\_\_\_\_\_  
LAUREN OLECKNA  
*Consumer Protection Agent*

**CERTIFICATE OF COMPLIANCE**

I certify that this filing complies with the provisions of the *Public Access Policy of the Unified Judicial System of Pennsylvania: Case Records of the Appellate and Trial Courts* that require filing confidential information and documents differently than non-confidential information and documents.

Date: 7/20/2022

By: 

Shawn Bachman  
Deputy Attorney General  
PA Attorney I.D. #325860  
Pennsylvania Office of Attorney General  
1600 Arch Street, Third Floor  
Philadelphia, Pennsylvania 19103  
Telephone: (215) 560-2414  
sbachman@attorneygeneral.gov  
*Attorney for Plaintiff*

Filed and Attested by the  
Office of Judicial Records  
21 JUL 2022 09:34 am  
A. STAMATO

The seal of the Prothonotary, Judicial District of Pennsylvania, is circular. It features a central figure, likely a personification of Justice, holding a scale and a sword. The text "PROTHONOTARY" is at the top, and "JUDICIAL DISTRICT OF PENNSYLVANIA" is at the bottom.

# EXHIBIT A

# Buyer's Order

Dealer/Seller Name and Address

KOB Auto Sales  
1801 Bethlehem Pike  
Hatfield, PA 19440

(215) 834-0454

Buyer/Co-Buyer Name(s) and Address(es)



Date 3/4/2019  
App No.

Stock No. 284582  
Contract No. 5841

Salesperson

### Vehicle Information

New     Used     Demo  
Year 2005    Lic. No.  
Make Ford    Odometer Reading 154001  
Model Focus    Color  
Body Style Sedan  
VIN 1FAFP34N85W284582  
Other

### Insurance Information

Buyer has arranged insurance on the motor vehicle.  
Insurance Company  
Policy No.

### Trade-In Information

#### Trade-in 1

Year    Lic. No.  
Make    Odometer Reading  
Model    Color  
Body Style  
VIN  
Lienholder Name  
Address

Phone    Payoff N/A  
Payoff good through  
Approved

#### Trade-in 2

Year    Lic. No.  
Make    Odometer Reading  
Model    Color  
Body Style  
VIN  
Lienholder Name  
Address

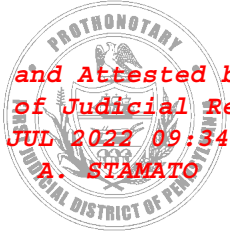
Phone    Payoff N/A  
Payoff good through  
Approved

### Itemization of Sale

1. Vehicle Sales Price	\$ 1800.00
2. Sales Tax	\$ 144.00
3. Subtotal (Add lines 1 + 2)	\$ 1944.00
<b>Title, License &amp; Other Fees</b>	
4. Carspot Inc. for Doc Fee	\$ 80.00
5. License	\$ N/A
6. Registration	\$ 37.00
7. Title	\$ 53.00
8. Lien / Filing	\$ N/A
9. County Fee	\$ 5.00
10. Increase	\$ N/A
11. Plate / Tag	\$ 20.00
12. Messenger Fee	\$ N/A
13. Notary Fee	\$ N/A
14. Lender Processing	\$ 195.00
15. Total Other Fees (Add lines 4 through 14)	\$ 195.00
<b>Additional Products</b>	
16.	\$ N/A
17.	\$ N/A
18.	\$ N/A
19.	\$ N/A
20.	\$ N/A
21.	\$ N/A
22.	\$ N/A
23.	\$ N/A
24. Total Products (Add lines 16 through 23)	\$ 2139.00
25. Cash Sale Price (Add lines 3 + 15 + 24)	\$ N/A
26. Trade-in Allowance	\$ N/A
27. Less Payoff	\$ 2139.00
28. Net Trade Allowance (Line 26-27)	\$ N/A
29. Cash Down Payment	\$ 2139.00
30. Deferred Down Payment	\$ N/A
31. Total Down Payment (Line 28 + 29 + 30)	\$ N/A
32. Total Balance Due (Line 25-31)	\$ N/A

*[Signature]*

Filed and Attested by the  
Office of Judicial Records  
21 JUL 2022 09:34 am  
A. STAMATO

The seal of the Prothonotary, Judicial District of Pennsylvania, is circular. It features a central figure, likely a personification of Justice or a similar allegorical figure, holding a scale and a sword. The text "PROTHONOTARY" is at the top, and "JUDICIAL DISTRICT OF PENNSYLVANIA" is at the bottom.

# EXHIBIT B

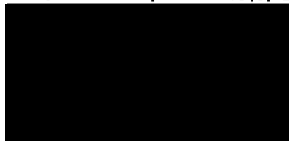
## Buyer's Order

**Dealer/Seller Name and Address**

Carspot Inc.  
2375 Welsh Rd Spc A  
Philadelphia, PA 19114

(215) 904-7912

**Buyer/Co-Buyer Name(s) and Address(es)**



Date 10/2/2021  
App No.

Stock No. B06513  
Contract No. 8990

Salesperson Daniel Watt

**Vehicle Information**

New     Used     Demo  
Year 2008    Lic. No.  
Make Ford    Odometer Reading 135292  
Model Explorer    Color Black  
Body Style SUV  
VIN 1FMEU75878UB0513  
Other

**Insurance Information**

Buyer has arranged insurance on the motor vehicle.  
Insurance Company  
Policy No.

**Trade-In Information**

**Trade-In 1**

Year    Lic. No.  
Make    Odometer Reading  
Model    Color  
Body Style  
VIN  
Lienholder Name  
Address

Phone    Payoff N/A  
Payoff good through  
Approved

**Trade-In 2**

Year    Lic. No.  
Make    Odometer Reading  
Model    Color  
Body Style  
VIN  
Lienholder Name  
Address

Phone    Payoff N/A  
Payoff good through  
Approved

**Itemization of Sale**

1. Vehicle Sales Price	\$ 8450.00
2. Sales Tax	\$ 676.00
3. Subtotal (Add lines 1 + 2)	\$ 9126.00
<b>Title, License &amp; Other Fees</b>	
4. Carspot Inc. for Doc Fee	\$ 325.00
5. License	\$ N/A
6. Registration	\$ 39.00
7. Title	\$ 58.00
8. Lien / Filing	\$ N/A
9. County Fee	\$ 5.00
10. Increase	\$ N/A
11. Plate / Tag	\$ 42.00
12. Messenger Fee	\$ N/A
13. Notary Fee	\$ 5.00
14.	\$ N/A
15. Total Other Fees (Add lines 4 through 14)	\$ 474.00
<b>Additional Products</b>	
16.	\$ N/A
17.	\$ N/A
18.	\$ N/A
19.	\$ N/A
20.	\$ N/A
21.	\$ N/A
22.	\$ N/A
23.	\$ N/A
24. Total Products (Add lines 16 through 23)	\$ N/A
25. Cash Sale Price (Add lines 3 + 15 + 24)	\$ 9600.00
26. Trade-in Allowance	\$ N/A
27. Less Payoff	\$ N/A
28. Net Trade Allowance (Line 26-27)	\$ N/A
29. Cash Down Payment	\$ 9600.00
30. Deferred Down Payment	\$ N/A
31. Total Down Payment (Line 28 + 29 + 30)	\$ 9600.00
32. Total Balance Due (Line 25-31)	\$ N/A

