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5	IN THE CIRCUIT COURT (OF THE STATE OF OREGON
6	FOR THE COUNT	Y OF MULTNOMAH
7	STATE OF OREGON, ex rel. ELLEN F. ROSENBLUM, Attorney General for the State	Case No.
8	of Oregon,	COMPLAINT
9	Plaintiff,	(Unlawful Trade Practices Act, ORS 646.605, et. seq.)
10	v.	CLAIM NOT SUBJECT TO
11	US AIR DUCTS & SKY BUILDERS, INC. dba US AIR DUCTS & BUILDERS, a	MANDATORY ARBITRATION
12	Washington State Corporation; US AIR DUCTS & HVAC, LLC, a Washington State	ORS 20.140 - State fees deferred at filing; standard filing fee (ORS 21.135(2)(g))
13	Limited Liability Company; THE DUCTS TIGERS, LLC, a Colorado State Limited	
1415	Liability Company; DLM SERVICES INC, a Washington State Corporation; RAMI	
16	MORNEL, an individual; DAVID MOSHE, an individual; and, SUSANNA MORNEL, an	
17	individual, Defendants.	
18	'	OREGON ("the State") alleges as follows:
19	• , , ,	DUCTION
20		1.
21	Defendants advertise air duct cleaning s	ervices in Oregon and throughout the United
22	Į.	have made over 11 million unwanted robocalls to
23	•	nillion deceptive print advertisements to Oregon
24		ise cleaning unlimited vents at a special price as
25	• • •	based salesmen use deceptive and high pressure
26	sales tactics to trick consumers into spending hu	
Page	1 - COMPLAINT	-

1	cleaning, a sham VIP membership and services Defendants are not licensed to perform.
2	Defendants regularly change corporate names, move locations and spoof phone numbers to
3	evade angry consumers, bad reviews and regulators. The Attorney General brings this action to
4	permanently enjoin Defendants from engaging in these unlawful trade practices, to obtain
5	restitution for consumers, and to seek civil penalties for each willful violation of the Unlawful
6	Trade Practices Act ("UTPA").
7	PARTIES
8	2.
9	ELLEN F. ROSENBLUM is the Attorney General for the State of Oregon ("the Attorney
10	General") and, acting in her official capacity, brings this action pursuant to ORS 646.632.
11	3.
12	US Air Ducts and Sky Builders, Inc. ("US Air Ducts"), US Air Ducts & HVAC, LLC
13	("US HVAC"), The Ducts Tigers, LLC ("Ducts Tigers"), and DLM Services, Inc. ("DLM")
14	(collectively, the "Corporate Defendants") are each foreign entities that, through their agents,
15	employees, representatives, and in concert with others, have operated as a common enterprise
16	and regularly caused phone calls to be placed to Oregon, advertised in Oregon, and performed air
17	duct cleaning services in Oregon, including in Multnomah County.
18	4.
19	Rami Mornel and Susanna Mornel ("the Mornels") are the founders and owners of all
20	Corporate Defendants. Acting alone or in concert with others, the Mornels formulated, directed,
21	controlled, had the authority to control, and personally participated in the acts and practices set
22	forth in this Complaint.
23	5.
24	David Moshe ("Moshe") is the general manager of all Corporate Defendants. Acting
25	alone or in concert with others, Moshe formulated, directed, controlled, had the authority to
26	control, and participated in the acts and practices set forth in this Complaint.

1	6.
2	Each Defendant was served with a notice in writing that identified the alleged unlawful
3	conduct and relief the State would seek. No Defendant executed and delivered an assurance of
4	voluntary compliance as provided in ORS 646.632(2).
5	COMMON ALLEGATIONS OF FACT
6	Defendants' Air Duct Cleaning Business
7	7.
8	Beginning in or around 2010, Rami Mornel and a business partner, Baz Ozaky, owned
9	and operated Family Fresh Air, Inc. ("Family Fresh Air"), which offered air duct cleaning
10	services in Oregon and other states.
11	8.
12	Family Fresh Air's deceptive and high pressure tactics resulted in scathing reviews
13	online. A Yelp review by Andy B. in Portland dated November 3, 2014 stated: "Beware, and
14	consider yourself warned. This is a SCAM, and they try and do nothing but high pressure
15	upselling of more services."
16	9.
17	In or around late 2014 or early 2015, Ozaky left Family Fresh Air. The Mornels took over
18	the air duct cleaning business and formed two new entities, Family Fresh United, Inc. ("Family
19	Fresh United") and US HVAC. On information and belief, to protect against claims by Ozaky
20	and other creditors, the Mornels transferred assets of Family Fresh Air to US HVAC. The
21	Mornels transferred the monies in Family Fresh Air's account into their personal bank account.
22	10.
23	The Mornels named Moshe, an employee of Family Fresh Air, as general manager of the
24	businesses. Moshe is and has been responsible for most day-to-day operations of the enterprise
25	including hiring, training and supervising employees who advertise, sell and provide services to
26	consumers.

1	11.
2	Under Moshe and the Mornels, the air duct cleaning business grew rapidly from around
3	four employees to more than twenty including an in-house staff of telemarketers. But the
4	business model remained the same. Defendants used deceptive teaser rates offered in calls and
5	print advertisements to lure consumers in, and once in the home, salesmen used deceptive and
6	high pressure tactics to meet sales targets.
7	12.
8	Consumers continued to post critical reviews online. On January 24, 2016, Yelp
9	published a review by Lila L. of Portland, Oregon of Family Fresh United:
10	"The worst company I have ever dealt with. Upsold in an extremely aggressive,
11	deceptive manner. The big hose they used to 'establish negative pressure' was leaky. My cold air returns were FILTHY when these people leftI ran a tissue
12	over them and wads and balls of dust came off. We installed a brand new furnace 48 hours after the so-called cleaning, and within 24 hours the new filter had wads
13	and chunks of dustabsolutely filthy."
14	13.
15	With negative reviews mounting, in or around May 2016, the Mornels and Moshe
16	formally changed the corporate name from Family Fresh United to US Air Ducts & Sky
17	Builders, Inc. ("US Air Ducts") At times, the company also advertised under the assumed name
18	US Air Ducts & Builders.
19	14.
20	Although the Mornels, Moshe and US Air Ducts changed the name, the business
21	practices did not change. Consumers complained to regulators and left more scathing reviews
22	online. On August 4, 2017, Yelp published a review by Arjun B. from Hillsboro, Oregon:
23	"45\$ AIR DUCT cleaning! FREE VENT DRYER cleaning INCLUDED!
24	Professional Service"
25	Do not fall for this ad you see in the mailer.
26	They come in, do a quick inspection and say your vents require a deep clean (their
Page	24 - COMPLAINT DM#9891238-v2

1	'Plan-A') which comes to about 825\$. They seem to be interested only in the money. Its pretty obvious when you start asking probing questions and look at the
2	way they do their work. They just wanted to get done with our house asap and don't really care about quality or service."
3	don't rearry care about quanty or service.
4	On September 15, 2018, Sean T. from Hillsboro, Oregon wrote: "AVOID THIS
5	BUSINESS at all costs. Simply put, they will overcharge you and use deceptive tactics to sell
6	you products/services that you don't need."
7	15.
8	By January 2019, the Mornels and Moshe knew that US Air Ducts was under active
9	investigation by the Oregon Department of Justice and the Washington Department of Justice for
10	deceptive trade practices and by the Oregon Construction Contractors Board for providing false
11	information on its license renewal application. US Air Ducts was also defending a civil lawsuit
12	filed by an Oregon consumer.
13	16.
14	Seeking to evade the state investigations, bad reviews, and consumer complaints the
15	Mornels and Moshe registered a new entity, DLM. DLM was merely a continuation of US Air
16	Ducts under a different name. The Mornels and Moshe even described the change to employees
17	as a name change and re-branding.
18	17.
19	There was no gap in operations. Defendants stopped doing business as US Air Ducts the
20	same day they started doing business as DLM. Defendants continued to advertise and offer
21	services without interruption. On information and belief, DLM continued to service the US Air
22	Ducts contracts, continued to collect installment payments from US Air Ducts customers, and
23	used or acquired the assets of US Air Ducts to conduct business without paying consideration.
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Page	5 - COMPLAINT

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1 18. 2 DLM offers the same services as US Air Ducts; relies on the same print advertising 3 contract entered into under the Family Fresh Air name; had the same employees, managers, and principals as US Air Ducts; and uses the same vans, equipment, materials and supplies as US Air 4 5 Ducts. 19. 6 7 In February 2019, a reporter from television station KGW-8 confronted Moshe in the 8 office parking lot. The reporter pressed Moshe about consumer complaints against US Air Ducts 9 asking: "How do you respond to those complaints about aggressive sales and marketing?" Moshe 10 replied "That company doesn't exist anymore. I don't have to [respond]. That's the beauty of it!",[1] 11 12 20. 13 In March through May 2019, Defendants also advertised and offered services in Oregon 14 under the name "The Ducts Tigers, LLC." Ducts Tigers is a Colorado limited liability company that lists the Mornels' home address in Vancouver as its principal office. On information and 15 16 belief, Ducts Tigers does not have its own offices, employees, vans, equipment, materials and 17 supplies, or vendor contracts. All operations, including marketing, accounting, customer service, 18 scheduling, and cleaning air ducts, are managed by Moshe and the Mornels out of the same 19 office and using the employees and assets used by US Air Ducts and subsequently DLM. 20 /// 21 /// 22 /// 23 24 [1] Kyle Iboshi, Customers left with \$1000+ bills after responding to air duct cleaning ad, KGW (Feb. 14, 2019, 7:46 PM), https://www.kgw.com/article/news/investigations/customers-left-with-25 1000-bills-after-responding-to-air-duct-cleaning-ad/283-2f8d7767-46ae-43f1-a6c2-413242ec4853. 26

1	21.
2	At all material times, Rami and Susanna Mornel consulted on all significant business
3	decisions and disregarded corporate formalities. On information and belief, the Mornels
4	regularly transferred funds from the businesses into their personal bank accounts.
5	Defendants' Unwanted and Unlawful Robocalls
6	22.
7	In 2007, the Legislature expanded Oregon's do-not-call law to better protect Oregon
8	consumers from unwanted and deceptive telephone solicitations. The Legislature found that
9	unwanted telephone solicitations cause economic harm to Oregon consumers, invading their
10	privacy and threatening their welfare, particularly when the telephone solicitation is deceptive.
11	The law, codified at ORS 646.561, et. seq., prohibits calls to consumers who place their names
12	on a do-not-call registry.
13	23.
14	Between September 1, 2017 and August 13, 2019, Defendants made over 11 million
15	unwanted calls to Oregon phone numbers. Even after Oregon served formal notice of its intent to
16	sue, Defendants continued to make, and are continuing to make, calls to Oregon phone numbers
17	included on a do-not-call registry.
18	24.
19	Defendants employ automatic dialing software capable of calling thousands of telephone
20	numbers every minute. The software delivers a pre-recorded message, approved by Rami
21	Mornel, to a list of phone numbers, including Oregon phone numbers, selected and uploaded to
22	the software by Defendants. Rami Mornel purchased the lists of phone numbers used for the
23	autodialing and telemarketing campaigns.
24	25.
25	The pre-recorded messages used by Defendants have varied little over time. One
26	message, representative of the pre-recorded messages Defendants have used, states:

COMPLAINT

DM#9891238-v2

Page 7 -

1	Dear residents: to improve your indoor air quality we are offering an air duct
2	cleaning service for \$39.95 for unlimited vents to a single furnace. We will also include a free dryer vent cleaning to prevent fire hazard and a free furnace
3	inspection. To hear more about this offer please press "1," or press "2" to be removed."
4	26.
5	
6	The pre-recorded messages fail to identify the caller by name, as required by Oregon law.
7	The messages falsely represent that Defendants will clean "unlimited vents" for the advertised
8	price. The messages fail to disclose that the consumer will receive a "free dryer vent cleaning"
9	only if certain conditions are met.
	27.
10	On information and belief, when the consumer presses "2" to be removed, the consumer
11	is not removed from the call list. Defendants have repeatedly called individual consumers,
12	including consumers in the do-not-call registry. From September 1, 2017 through August 13,
13	2019, Defendants called 2,426 Oregon phone numbers over 75 times each. Defendants made
14	unsolicited calls to four numbers more than 170 times each during that same period. In some
15	
16	cases, Defendants repeatedly called the same number on the same day.
17	28.
18	Defendants also employ telemarketers to place live cold calls to Oregon consumers,
19	including consumers on the do-not-call registry.
	Defendants' Deceptive Print Ads
20	29.
21	Defendants' regularly advertise their air duct cleaning services in colorful weekly mailers
22	filled with promotional offers. Since January 2015, the advertisements have been published in
23	145 separate weekly mailers sent to Oregon consumers, totaling more than 46 million individual
24	ads. All of the ads were substantially similar in layout and content.
25	
26	30.
Page	From December 2014 through April 2016, Defendants continuously advertised a 8 - COMPLAINT
- 450	DM#9891238-v2

1	"seasonal special" for \$39, \$45 or \$49. The "special" price varied by the region to which ads
2	were targeted. Defendants falsely represented in each ad that the "regular" price for the same
3	service was \$169. The ads appeared under the Family Fresh Air, Family Fresh United, and US
4	HVAC business names.
5	31.
6	From May 2016 through at least September 2019, Defendants continuously advertised a
7	"seasonal special" for \$39, \$45 or \$55, varying by the region to which ads were targeted.
8	Defendants falsely represented in each ad that the "regular" price for the same service was \$225.
9	The ads appeared under the US HVAC, US Air Ducts, Ducts Tigers and DLM business names.
10	32.
11	In each print advertisement, Defendants falsely represent that consumers were receiving a
12	discount off the regular price when in fact Defendants have never sold the advertised service for
13	\$169 or \$225. Examples of two advertisements are attached as Exhibit 1.
14	Defendants' Deceptive and Unconscionable Sales Tactics
	Defendants' Deceptive and Unconscionable Sales Tactics 33.
14	
14 15	33.
141516	The sole purpose of the deceptive advertising is to get commissioned salesmen into
14151617	The sole purpose of the deceptive advertising is to get commissioned salesmen into consumers' homes so Defendants can engage in misleading and high pressure sales tactics. When
14 15 16 17 18	The sole purpose of the deceptive advertising is to get commissioned salesmen into consumers' homes so Defendants can engage in misleading and high pressure sales tactics. When a consumer responds to one of the calls or print advertisements, Defendants schedule and
141516171819	The sole purpose of the deceptive advertising is to get commissioned salesmen into consumers' homes so Defendants can engage in misleading and high pressure sales tactics. When a consumer responds to one of the calls or print advertisements, Defendants schedule an appointment to perform a furnace inspection and a basic air duct cleaning service.
14 15 16 17 18 19 20	The sole purpose of the deceptive advertising is to get commissioned salesmen into consumers' homes so Defendants can engage in misleading and high pressure sales tactics. When a consumer responds to one of the calls or print advertisements, Defendants schedule an appointment to perform a furnace inspection and a basic air duct cleaning service. 34.
14 15 16 17 18 19 20 21	The sole purpose of the deceptive advertising is to get commissioned salesmen into consumers' homes so Defendants can engage in misleading and high pressure sales tactics. When a consumer responds to one of the calls or print advertisements, Defendants schedule an appointment to perform a furnace inspection and a basic air duct cleaning service. 34. Two employees arrive at the home and introduce themselves to the consumer as a
14 15 16 17 18 19 20 21 22	The sole purpose of the deceptive advertising is to get commissioned salesmen into consumers' homes so Defendants can engage in misleading and high pressure sales tactics. When a consumer responds to one of the calls or print advertisements, Defendants schedule an appointment to perform a furnace inspection and a basic air duct cleaning service. 34. Two employees arrive at the home and introduce themselves to the consumer as a "technician" and a "helper." In fact, the "technician" is a salesman who remains with the
14 15 16 17 18 19 20 21 22 23	The sole purpose of the deceptive advertising is to get commissioned salesmen into consumers' homes so Defendants can engage in misleading and high pressure sales tactics. When a consumer responds to one of the calls or print advertisements, Defendants schedule an appointment to perform a furnace inspection and a basic air duct cleaning service. 34. Two employees arrive at the home and introduce themselves to the consumer as a "technician" and a "helper." In fact, the "technician" is a salesman who remains with the consumer while the helper quickly inspects the system and begins performing a very limited

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Once in the home, the "technician" informs the consumer that not all vents are included as advertised and to adequately clean the HVAC system, the consumer must purchase expensive, additional services. If the dryer vent is over 10 feet high or not accessible from outside the house, the "technician" informs the consumer that the dryer vent cleaning will not be free as advertised.

6 36.

Helpers are paid a flat \$100 per day, but "technicians" are paid solely on commission. Moshe sets the commission for each "technician." The highest paid "technicians" receive 40% of the total sale. If a consumer buys only the \$39 special, even the highest paid "technician" would earn only \$15.60 from the appointment. On average, "technicians" are scheduled to clean three to four houses per day. "Technicians" also must meet sales goals. When they do not meet sales goals, "technicians" are given fewer assignments, resulting in even lower earnings.

13 37.

Rami Mornel and Moshe train each "technician" how to pressure consumers into purchasing unnecessary goods and services. Defendants provide "technicians" with written materials to use during the sales process, including a VIP membership card and a brochure describing three alternative "Cleaning Plans," the least expensive of which is Plan A for \$825.

18 38.

Defendants falsely represent that the "regular price" of Plan B is \$3,500 and that Plan B is on "promotion" for \$2,370. Defendants falsely represent that the "regular price" of Plan C is \$2,500 and that Plan C is on "promotion" for \$1,794. Defendants do not sell Plans B and C at the "regular" price and the offering price is not a "promotion."

23 39.

There are no set prices for the additional services that "technicians" sell. Instead, "technicians" are concerned only with hitting a total sales target. The high prices set a ceiling. When the consumer balks at the high prices, the "technician" negotiates a lower price, leading

1	the consumer to falsely believe that she has successfully negotiated a substantial discount and is
2	receiving a bargain.
3	40.
4	Defendants' invoices have empty boxes in three side-by-side columns. The first column
5	is labeled "QTY." In the second column, labeled "RATE," the "technician" writes in a dollar
6	amount falsely represented to be the price at which Defendants regularly sell the good or service.
7	In the third column, labeled "PRICE," the "technician" writes in the price the consumer will pay.
8	Because there is no set rate, the invoice misleads consumers into believing they are getting a
9	discount off a fixed rate even when the consumer is paying substantially more than other
10	customers.
11	41.
12	For example, Defendants have sold a UV light to some consumers for \$40 and to others
13	for \$775. Defendants have sold application of an inexpensive sanitizing spray to some consumers
14	for \$1 and to other consumers for over \$300. Before a "technician" completes the sale, the
15	"technician" must call Rami Mornel or Moshe for approval.
16	42.
17	To entice consumers to pay more, Rami Mornel and Moshe teach "technicians" to pitch a
18	"VIP membership" to consumers as an added value. The membership is marketed as a prepaid
19	annual air duct maintenance plan. Defendants lead consumers to falsely believe that they are
20	receiving a high value, high cost membership at a heavily discounted price.
21	43.
22	The prices consumers pay for VIP memberships vary widely. For example, Defendants
23	have charged Oregon consumers: \$627 for a 10-year membership; \$0 for a 12-year membership;
24	\$50 for a 20-year membership; \$175 for a 25-year membership; and \$0 for a lifetime
25	membership.
26	///

1	44.
2	The VIP membership card, which Moshe designed, represents that membership includes
3	all of the following goods and services (italics in original):
4	(a) Annual Filter Service - \$150 Value
5	(b) Annual Furnace Service - \$195 Value
6	(c) Annual Dryer Vent Cleaning - \$100 Value
7	(d) Annual Sanitizing For Ducts System - \$129 Value
8	(e) Electrostatic Filter;
9	(f) U.V.C. Filter System
10	(g) Transfers (house/furnace/customer) - \$250 Value
11	(h) \$49 Locked Price for Basic Duct Cleaning
12	(i) Contractor Prices for Repairs / New Furnaces
13	45.
14	Defendants do not tell consumers that the "annual filter service" means rinsing out the
15	electrostatic filter in the sink. The manufacturer describes the process of cleaning the filter as
16	"quick & easy" and something that should be performed every four to six weeks, not annually
17	Defendants falsely represent that this service has a \$150 value.
18	46.
19	Defendants do not tell consumers that the "annual furnace service" is merely a visual
20	inspection and does not include any cleaning or maintenance. Defendants falsely represent tha
21	this service has a \$195 value.
22	47.
23	Defendants falsely represent that the "annual dryer vent cleaning" is a \$100 value, when
24	Defendants have continuously offered a free dryer vent cleaning since 2010. Similarly, the
25	membership locks in a \$49 price for the "Basic Duct Cleaning," which is the same service
26	Defendants have continuously advertised for as little as \$39 since 2010.

1	48.
2	Defendants list an "Electrostatic Filter" as a benefit of membership, but consumers must
3	pay for the electrostatic filter, which comes with a lifetime warranty provided by the
4	manufacturer.
5	49.
6	Defendants include a "U.V. Filter System" in the list of membership benefits, but
7	consumers must pay separately to have a UV light filter installed. If the UV light bulb goes out,
8	the consumer must pay for a new bulb. Only the cost of screwing in a new light bulb is free with
9	membership.
10	50.
11	If a consumer moves or sells the home, the membership can be transferred to the new
12	house or to the new owner. Defendants falsely represent that the right to transfer the prepaid
13	membership is a \$250 value.
14	51.
15	Defendants falsely represent that they have negotiated special "contractor rates" with
16	licensed contractors in Oregon. If furnace repairs are required, Defendants represent that
17	members will be able to have the work performed at these special "contractor rates." On
18	information and belief, Defendants have not entered into agreements with local contractors to
19	charge VIP members special rates.
20	52.
21	Some services that Defendants have advertised and performed require a contractor
22	license, which Defendants did not always maintain. Defendants knew that a license was required
23	because they have been fined by the Oregon Construction Contractors Board on multiple
24	occasions for advertising and performing services without a license.
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Page 13 - **COMPLAINT** DM#9891238-v2

1	FIRST CLAIM FOR RELIEF
2	(ORS 646.608(1)(ff))
3	53.
4	The State re-alleges and incorporates each and every allegation contained in the
5	preceding paragraphs as though set forth herein.
6	54.
7	Pursuant to ORS 646.572, the Attorney General has designated the federal "do not call"
8	registry ("Registry") in lieu of an Oregon do not call registry.
9	55.
10	Defendants, acting in the course of a business, vocation or occupation, engaged in
11	prohibited telephone solicitations by calling Oregon consumers included on the then-current
12	Registry for the purpose of encouraging consumers to purchase air duct cleaning goods and
13	services.
14	56.
15	The calls were not placed in response to a request or inquiry by consumers and were not
16	limited to customers of Defendants' businesses.
17	57.
18	Defendants knew or should have known that their conduct is a violation of ORS 646.569
19	and ORS 646.608(1)(ff).
20	SECOND CLAIM FOR RELIEF
21	(ORS 646A.372)
22	58.
23	The State re-alleges and incorporates each and every allegation contained in the
24	preceding paragraphs as though set forth herein.
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Page	14 - COMPLAINT DM#9891238-v2

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1	59.			
2	Defendants, in the course of their business, vocation or occupation, used automatic			
3	dialing software that selected and dialed telephone numbers and, working alone or in conjunction			
4	with another device, contacted or attempted to contact Oregon subscribers by telephone or a			
5	telephone line and disseminated a prerecorded or synthesized voice message to the telephone			
6	number called.			
7	60.			
8	The individuals called are "subscribers" as defined by ORS 646A.374(7) because they			
9	obtained residential or wireless telephone services from a telecommunications provider or			
10	otherwise live with such an individual.			
11	61.			
12	The pre-recorded messages delivered to subscribers did not provide a method by which a			
13	subscriber, within the first 10 seconds after a call began, could enter a single dual-tone			
14	multifrequency signal or otherwise enter or speak a one-digit code to notify the caller that the			
15	subscriber does not want to receive any future calls from the caller in violation of ORS			
16	646A.372(1)(a)(B).			
17	62.			
18	Some or all of the calls were made to Oregon consumers with whom Defendants did not			
19	have an established business relationship.			
20	63.			
21	Violation of ORS 646A.372 is an unlawful trade practice subject to enforcement under			
22	ORS 646.632.			
23				
24				
25				
26				
Page 15 - COMPLAINT				

1	THIRD CLAIM FOR RELIEF
2	(ORS 646.608(1)(n))
3	64.
4	The State re-alleges and incorporates each and every allegation contained in the
5	preceding paragraphs.
6	65.
7	Defendants, acting in the course of a business, vocation or occupation, solicited potential
8	customers by using a telephone or an automatic dialing-announcing device to initiate contact
9	with potential customers.
10	66.
11	Defendants failed to provide all information required by ORS 646.611 within 30 seconds
12	after beginning the recording or conversation.
13	67.
14	Defendants knew or should have known that their conduct is a violation of ORS 646.611
15	and ORS 646.608(1)(ff).
16	FOURTH CLAIM FOR RELIEF
17	(ORS 646.608(1)(j))
18	68.
19	The State re-alleges and incorporates each and every allegation contained in the
20	preceding paragraphs.
21	69.
22	Defendants willfully violated ORS 646.608(1)(j) when, in the course of their business,
23	they made false or misleading representations in the advertisements and phone calls that the
24	"special" air duct cleaning price was (a) temporal, or seasonal, and not the regularly offered
25	price, and (b) a price reduction from a "regular" price.
26	///

Page 16 - **COMPLAINT** DM#9891238-v2

1	70.			
2	Defendants willfully violated ORS 646.608(1)(j) when, in the course of their business,			
3	they made false or misleading representations concerning the "rate" of goods and services			
4	compared to the "price" charged to the consumer for those same goods and services, giving the			
5	misleading impression that consumers were receiving price reductions.			
6	FIFTH CLAIM FOR RELIEF			
7	(ORS 646.608(1)(ee))			
8	71.			
9	The State re-alleges and incorporates each and every allegation contained in the			
10	preceding paragraphs.			
11	72.			
12	Defendants used oral, written and graphic statements and representations in connection			
13	with the solicitation of business, including in their print advertisements, telephone solicitations,			
14	and in written materials provided or shown to consumers.			
15	73.			
16	Defendants failed to clearly and conspicuously identify the origin of the regular price that			
17	Defendants were comparing to the special or promotional prices Defendants advertised.			
18	74.			
19	Defendants knew or should have known that their conduct is a violation of ORS 646.883			
20	and ORS 646.608(1)(ee).			
21	SIXTH CLAIM FOR RELIEF			
22	(ORS 646.607(1))			
23	75.			
24	Plaintiff re-alleges and incorporates each and every allegation contained in the preceding			
25	paragraphs.			
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Page 17 - COMPLAINT DM#9891238-v2				

1 76. 2 Defendants willfully employed unconscionable tactics in violation of ORS 646.607(1) 3 when, in the course of business, Defendants used high pressure sales tactics to knowingly take advantage of consumers' ignorance regarding the price and value of VIP memberships and, on 4 5 information and belief, target older consumers. PRAYER FOR RELIEF 6 7 77. 8 WHEREFORE, Plaintiff, the State of Oregon, by and through the Attorney General, 9 prays for a judgment in favor of the State and against Defendants, jointly and severally, as 10 follows: 11 1. Entering a permanent injunction to prevent future violations of the unlawful trade 12 practices act by Defendants; 13 2. Awarding such relief as the Court finds necessary to redress harm to consumers as 14 a result of the unlawful trade practices, including disgorgement of unlawfully 15 obtained profits; 3. On the Second Claim for Relief, awarding civil penalties up to \$5,000 for each 16 willful violation of ORS 646A.372; 17 18 On the First, Third, Fourth, Fifth and Sixth Claims for Relief, awarding civil 19 penalties up to \$25,000 for each willful violation of ORS 646.607 and 646.608. 20 /// 21 /// 22 /// 23 /// 24 /// 25 /// 26 /// Page 18 - **COMPLAINT**

1	5.	Awarding reasonable attorney fees and costs pursuant to ORS 646.632(8); and,
2	6.	For such other relief as the court deems equitable and just.
3	DATED this 1	6 th day of October, 2019.
4		Respectfully submitted,
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Page 19 - **COMPLAINT** DM#9891238-v2