

IN THE IOWA DISTRICT COURT FOR CLINTON COUNTY

STATE OF IOWA ex rel.  
THOMAS J. MILLER,  
ATTORNEY GENERAL OF IOWA,  
99AG25112,

Plaintiff,

v.

WASHINGTON BOULEVARD  
REBUILDERS,

JAMES SHORES,

and,

MELISSA REUTER,

Defendants.

EQUITY NO. ED 37941

PETITION

CLINTON DISTRICT COURT  
CLINTON COUNTY, IOWA

2011 MAR 30 AM 8:54

FILED

The State of Iowa ex rel. Attorney General Thomas J. Miller, by Special Assistant Attorney General William L. Brauch and Assistant Attorney General Jessica Whitney brings this action pursuant to the provisions of Iowa Code § 714.16, commonly known as the Iowa Consumer Fraud Act, and Iowa Code chapter 537, the Iowa Consumer Credit Code, and in support of its claims states as follows:

**PARTIES**

1. Plaintiff is the State of Iowa ex rel. Thomas J. Miller, the duly elected Attorney General of the State of Iowa and, as such, is the Administrator of the Iowa Consumer Credit Code.

2. Defendant Washington Boulevard Rebuilders ("Rebuilders") is a business entity located at 1321 S. Washington Boulevard, Camanche, IA 5270, that has engaged in the sale,

lease and advertisement of merchandise in the State of Iowa including motor vehicles, and in the extension of credit and collection of debts in the state of Iowa. Rebuilders was previously a licensed auto dealership, but no longer holds any license from the Iowa Department of Transportation ("IDOT"), nor has Rebuilders filed any paperwork or articles of incorporation with the Iowa Secretary of State.

3. Defendant James Shores ("Shores") is a resident of Camanche, Iowa, with a home residence of 133 Cedar Heights, Camanche, IA 52730. He regularly transacts business in Iowa and is the last known owner of Rebuilders. He has personally engaged in the sale, lease or advertisement of merchandise in the state of Iowa, including motor vehicles, and in the extension of credit and collection of debts in the state of Iowa.

4. Defendant Melissa Reuter ("Reuter") is a resident of Clinton, Iowa, with a home residence of 220 Ruth Place, Clinton, IA 52732. She goes by the first name of Lisa. She regularly transacts business in Iowa and is an employee of Rebuilders. She has signed paperwork and motor vehicle title applications and related documents on behalf of Rebuilders. She has personally engaged in the sale, lease or advertisement of merchandise in the state of Iowa, including motor vehicles, and in the extension of credit and collection of debts in the state of Iowa.

5. For the purposes of this Petition, the term, "Defendants," unless otherwise specified, shall refer to all Defendants; and when used in conjunction with allegations of unlawful conduct, shall mean that each defendant committed such act or is legally accountable for such act.

#### **JURISDICTION**

6. The Attorney General of Iowa has the authority to initiate an action for consumer

fraud in violation of Iowa Code § 714.16.

7. As Administrator, the Attorney General has authority to initiate an action for violations of chapter 537, Iowa Code § 537.6113.

#### VENUE

8. Venue is proper in Clinton County, pursuant to Iowa Code § 714.16(10), for the Consumer Fraud Act violations because the Defendants have conducted business in Clinton County, and one or more of the victims reside in Clinton County.

9. Venue is proper in Clinton County, pursuant to Iowa Code § 537.6116 because the Defendants have conducted business in Clinton County, and one or more of the victims reside in Clinton County.

#### FACTS AND CAUSES OF ACTION

10. Defendants violated Iowa Code § 714.16(2)(a) by selling motor vehicles without a license and failing to disclose to consumers who purchased from them that the business was not lawfully licensed to sell motor vehicles in Iowa, by deceptively holding themselves out as being a licensed motor vehicle dealership, by failing to disclose that the interest rates they were imposing in auto and personal loans were at unlawfully high rates of interest and by engaging in unfair debt collection practices.

11. Defendants violated the Iowa Consumer Credit Code, Iowa Code chapter 537, by engaging in consumer lending without filing notification with the office of the Attorney General as required by Iowa Code chapter 537, by imposing finance charges in excess of the legal limit, by failing to be a licensed lender to make consumer loans exceeding certain rates of interest, by failing to provide truth-in-lending disclosure statements to borrowers, and by engaging in

unlawful debt collection practices.

12. Neither all nor any part of the application for injunctive relief herein has been previously presented to or refused by any court or justice. Iowa R. Civ. P. 1.1504.

13. In an action by the state, no security shall be required of the state. Iowa R. Civ. P. 1.207.

### **REQUEST FOR RELIEF**

The State respectfully requests the Court grant relief against the Defendants as follows:

A. That the Court, pursuant to Iowa Code § 714.16(7), permanently enjoin each of the Defendants and (as applicable) each Defendant's directors, officers, principals, partners, employees, agents, representatives, subsidiaries, affiliates, successors, assigns, merged or acquired predecessors, parent or controlling entities, and all other persons, corporations, or other entities, acting in concert or participating with Defendants who have actual or constructive notice of the Court's injunction from engaging in the deceptive, misleading, unfair, and omissive acts and practices or otherwise violating the Iowa Consumer Fraud Act as alleged herein.

B. That the Court, pursuant to Iowa Code § 714.16(7), enter judgment against Defendants, jointly and severally, for amounts necessary to restore to consumers all money acquired by means of acts or practices that violate the Consumer Fraud Act.

C. That the Court, pursuant to Iowa Code § 714.16(7), enter judgment against Defendants, jointly and severally, for civil penalties up to \$40,000.00 for each separate violation of the Consumer Fraud Act, by each Defendant.

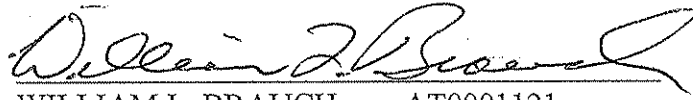
D. That the Court, pursuant to Iowa Code § 714.16(11), enter judgment against Defendants, jointly and severally, for mandatory attorney fees, state's costs and court costs.

E. That, pursuant to Iowa Code § 537.6110, permanently enjoin Defendants and their successors, assigns, transferees, officers, agents, servants, employees, representatives and all other persons or entities in active concert or participation with Defendants from making personal loans in the State of Iowa.

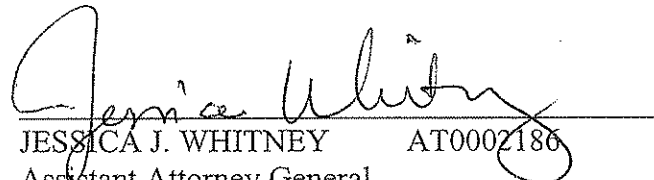
F. That the Court grant such additional relief as the Court deems just and equitable.

Respectfully submitted,

THOMAS J. MILLER  
Attorney General of Iowa



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