

STATE OF INDIANA
IN THE MARION COUNTY SUPERIOR/CIRCUIT COURT

CAUSE NO. _____

STATE OF INDIANA, by the
OFFICE OF THE ATTORNEY
GENERAL

and by the

INDIANA DEPARTMENT OF
FINANCIAL INSTITUTIONS,

Plaintiff,

v.

SYCAMORE COMPANIES, LLC,
operating under the assumed
business names HONEST ABE AUTO
SALES I, HONEST ABE AUTO
SALES II, HONEST ABE AUTO
SALES III, HONEST ABE AUTO
SALES IV,

Defendant.

CONSENT JUDGMENT

I. INTRODUCTION

1. The State of Indiana, by the Office of the Indiana Attorney General and *ex rel.* the Indiana Department of Financial Institutions, by Attorney General Todd Rokita and Deputy Attorneys General Mark M. Snodgrass and Steven A. Taterka, having filed its Complaint for Injunction, Restitution, Civil Penalties and Costs, and the Defendant, Sycamore Companies, LLC, operating under the assumed business names Honest Abe Auto Sales I, Honest Abe Auto Sales II,

Honest Abe Auto Sales III and Honest Abe Auto Sales IV, hereby enter into this Consent Judgment without trial and adjudication of any issue of fact or law.

2. The parties believe it is in their best interest to resolve the issues presented by the State of Indiana and avoid further litigation with regard to the issues addressed in this Consent Judgment.
3. The parties consent to entry of judgment in this proceeding by the Court and accept this Consent Judgment as the final adjudication of this civil action.
4. Upon execution by all required parties, the State will file a Motion to Approve this Consent Judgment with the Court.
5. The terms of this Consent Judgment shall have the full force and effect of a Judgment issued by the Court upon the Court's approval of this Consent Judgment. No agreement, understanding, representation, or interpretation not contained in the Consent Judgment may be used to vary or contradict its terms.
6. The Court's approval of this Consent Judgment shall not act as a bar to any private right of action.

II. RELIEF

7. The parties consent to the Court entering Judgment in favor of the State of Indiana for the relief described in Paragraphs 8 through 14 of this Consent Judgment.

8. Pursuant to Ind. Code § 24-5-0.5-4(c)(1) and Ind. Code § 24-4.5-6-110, the Defendant, Sycamore Companies, LLC, its agents, representatives, employees, successors, and assigns are permanently enjoined from engaging in the following:
 - 8.1. failing to provide accurate itemizations of amounts financed on all future retail installment contracts;
 - 8.2. failing to ensure all advertisements comply with Section 1026.24 of Federal Regulation Z and only include terms that are actually available to consumers;
 - 8.3. failing to disclose finance charges and annual percentage rates accurately on all future retail installment contracts;
 - 8.4. contracting for and imposing credit service/finance charges in excess of the maximum amount permitted under Ind. Code § 24-4.5-2-201 and as adjusted by Ind. Code § 24-4.5-1-106;
 - 8.5. advertising a vehicle for a specific price if a consumer cannot purchase the vehicle at the advertised price for either cash or credit;
 - 8.6. failing to include within the advertised price of its vehicles the costs of Honest Abe Auto's Documentation Fee; and
 - 8.7. committing an unfair, abusive, or deceptive act, omission, or practice in connection with a consumer transaction, in violation of Ind. Code § 24-5-0.5-3(a).

9. Pursuant to Ind. Code § 24-4.5 et. seq. and Ind. Code § 24-5-0.5-4(c)(2), judgment is granted in favor of the Plaintiff, State of Indiana, for consumer restitution in the total amount of four hundred twenty-five thousand, one hundred ninety-seven dollars (\$425,197.00) (“the Restitution Amount”) for the benefit of the consumers and corresponding amounts referenced in Exhibit A. The Restitution Amount, identified by Sycamore Companies, LLC, represents restitution for each consumer who entered an agreement to purchase a vehicle from Sycamore Companies, LLC where finance charges were not properly disclosed on credit agreements between February 27, 2021 and the date of the execution of this Consent Judgment, and has no remaining balance with Sycamore Companies, LLC, or finance charges in excess of amounts permitted between July 1, 2020 and February 26, 2021. The Restitution Amount will be paid as follows:

9.1. Sycamore Companies, LLC shall make an initial payment to the Office of the Attorney General at the time of the execution of this Consent Judgment in the amount of fifty-four thousand, five hundred seventeen dollars (\$54,517.00).

9.2. Sycamore Companies, LLC will make four additional payments, each in the amount of eighty-five thousand, thirty-nine dollars and forty cents (\$85,039.40), to the Office of the Attorney General. Payments will be due on August 1, 2024, September 1, 2024, October 1, 2024, and November 1, 2024, respectively.

- 9.3. Sycamore Companies, LLC has previously paid thirty thousand, five hundred twenty-two dollars and forty cents (\$30,522.40) of the Restitution Amount directly to consumers prior to the date of the execution of this Consent Judgment.
- 9.4. In the event Sycamore Companies, LLC does not make a payment within ten (10) days after a date specified in the payment schedule set forth in Paragraph 9.2 above, any unpaid portion of the Restitution Amount will become immediately due and owing and all remedies for collection of judgements may be implemented.
- 9.5. The Office of the Attorney General shall distribute checks for the consumers and amounts referenced in Exhibit A upon receiving all payments from Sycamore Companies, LLC, or at its discretion.
10. Pursuant to Ind. Code § 24-4.5 et. seq., and Ind. Code § 24-5-0.5-4(c)(2), additional judgment is granted in favor of the Plaintiff, State of Indiana, in the total amount of forty-five thousand, four hundred forty-nine dollars (\$45,449.00). This restitution amount will be paid in the form of account credits applied by Sycamore Companies, LLC to open accounts held by Sycamore Companies, LLC for consumers referenced in Exhibit B. This amount, as identified by Sycamore Companies, LLC, represents restitution for each consumer who entered an agreement to purchase a vehicle from Sycamore Companies, LLC where finance charges were not properly disclosed on credit agreements between February 27, 2021 and the date of the execution of this

Consent Judgment, and still has an outstanding balance with Sycamore Companies, LLC. Sycamore Companies, LLC shall apply such account credits prior to the execution of this Consent Judgment and provide proof of such account credits to the State of Indiana at the time of execution of this Consent Judgment.

11. Sycamore Companies, LLC agrees to refrain from pursuing any consumer, either through demands, collections, or litigation, for any deficiency balance on a vehicle repossessed prior to the date of the execution of this Consent Judgment. Should Sycamore Companies, LLC have any outstanding demands, collections or litigation pursuing deficiency balances at the time of the execution of this Consent Judgment, Sycamore Companies, LLC agrees to cease any further demands or collection efforts and dismiss any such litigation with prejudice.
12. At the time of execution of this Consent Judgment, Sycamore Companies, LLC will provide to the Office of the Attorney General two electronic spreadsheets in Microsoft XLS format. Spreadsheet One will include the consumer name, last known address, dollar amount owed, and VIN of the consumer's vehicle purchased from Sycamore Companies, LLC for each consumer referenced in Exhibit A. Spreadsheet Two will include the consumer name, last known address, dollar amount credited to the consumer's account, and VIN of the consumer's vehicle purchased from Sycamore Companies, LLC for each consumer referenced in Exhibit B.

13. Sycamore Companies, LLC represents and affirms the consumers referenced in Exhibits A and B are the complete universe of consumers who are owed restitution under the terms of the Consent Judgment as a result consumers purchasing vehicles where finance charges were not properly disclosed on credit agreements between February 27, 2021 and the date of the execution of this Consent Judgment. The State of Indiana has relied upon Sycamore Companies, LLC's representations regarding the consumers eligible for restitution. Sycamore Companies, LLC stipulates that failure to identify and disclose any affected consumer owed Restitution beyond those referenced in Exhibits A and B shall constitute a knowing deceptive act, as defined by Ind. Code § 24-5-0.5-4(g), and subject Sycamore Companies, LLC to a penalty of up to five thousand dollars (\$5,000.00) for each consumer that was not previously disclosed.
14. Pursuant to Ind. Code § 24-5-0.5-4(c)(4), judgment is granted in favor of the Plaintiff, State of Indiana, for costs in the amount of two thousand dollars (\$2,000.00) for its reasonable expenses incurred in the investigation and prosecution of this action. Such costs shall be payable to the Office of the Attorney General and paid at the time of the execution of this Consent.

III. TAX DISCLOSURES

15. For the purposes of 26 U.S.C. § 162(f) and its associated regulations, the settlement payment made by Sycamore Companies, LLC shall be considered by the State of Indiana as restitution, remediation, or cost of compliance with the

law. Specifically, the State of Indiana identifies four hundred seventy thousand, six hundred forty-six dollars (\$470,646.00) as restitution (including remediation of property) for damage or harm which was or may be caused by the violation or potential violation of the Indiana Deceptive Consumer Sales Act, Indiana Code § 24-5-0.5-1 *et seq.*, and the Indiana Uniform Consumer Credit Code, Ind. Code § 24-4.5-1-101 *et seq.* This restitution amount is paid by Sycamore Companies, LLC to restore impacted consumers damaged by the violation or potential violation of these laws to the same or substantially similar position or condition as existed prior to such damage. The State of Indiana also identifies four hundred seventy thousand, six hundred forty-six dollars (\$470,646.00) as money paid to come into compliance with the Indiana Deceptive Consumer Sales Act, Indiana Code § 24-5-0.5-1 *et seq.*, and the Indiana Uniform Consumer Credit Code, Ind. Code § 24-4.5-1-101 *et seq.* This compliance amount is paid by Sycamore Companies, LLC to effectuate the injunctive terms set out in this settlement agreement so that Sycamore Companies, LLC is in compliance with these laws.

16. The State of Indiana agrees that, in accordance with 26 U.S.C. § 6050X and its associated regulations, the State of Indiana shall furnish a written statement or a copy of Form 1098-F to Sycamore Companies, LLC on or before January 31, 2025 and the State of Indiana shall file an information return with the Internal Revenue Service utilizing Form 1098-F or any successor form. For the

purpose of this filing, Sycamore Companies, LLC designates the following entity as the payer:

Sycamore Companies, LLC
3201 West 16th Street
Indianapolis, IN 46222
Tax ID No. [REDACTED]

17. The State of Indiana agrees to cooperate with any questions or requests for a copy of this settlement agreement or other documents made by the Internal Revenue Service, and the State of Indiana agrees to notify Sycamore Companies, LLC as soon as practicable of any such requests made by the Internal Revenue Service.
18. The State of Indiana takes no position on whether the Internal Revenue Service will allow any deduction by Sycamore Companies, LLC of any amounts paid under this settlement agreement. Sycamore Companies, LLC agrees that Sycamore Companies, LLC is fully responsible for the payment of all applicable taxes, including in the event any deductions for amounts paid under this settlement agreement are disallowed, as well as any fines or penalties imposed by the Internal Revenue Service. Sycamore Companies, LLC agrees that Sycamore Companies, LLC shall comply fully with this settlement agreement and not seek any modification regardless of the treatment by the Internal Revenue Service of amounts paid.

IV. CONTINUING JURISDICTION

19. The Court shall retain jurisdiction for the purpose of issuing such orders as may be necessary to interpret or enforce the provisions herein.

IN WITNESS WHEREOF, the parties have executed this Consent Judgment this

7th day of July, 2024.

STATE OF INDIANA

DEFENDANT

THEODORE E. ROKITA
Indiana Attorney General
Attorney No. 18857-49

SYCAMORE COMPANIES, LLC

By: 

Mark M. Snodgrass
Deputy Attorney General
Attorney No. 29495-49

By: 

Name: Ibrahim S. Alfaran

Steven A. Taterka
Deputy Director,
Consumer Protection Division
Attorney Number 14160-49

Title: President

Office of Attorney General
Indiana Government Center South
302 West Washington St., 5th Floor
Indianapolis, IN 46204
Telephone: (317) 234-6784
Fax: (317) 233-4393
Mark.Snodgrass[atg.in.gov