

IN THE COURT OF COMMON PLEAS
WAYNE COUNTY, OHIO
WAYNE COUNTY, OHIO

THE VERA G. ZUERCHER TRUST

c/o Vera G. Zuercher, Trustee
2438 Armstrong Dr.
Wooster, OH 44691

2009 DEC 21 PM 1 31

Case No. 09-CV-0953

TIM NEAL
CLERK OF COURTS

Judge JUDGE WIEST

and

THE ROLLIN H. ZUERCHER TRUST

c/o Vera G. Zuercher, Trustee
2438 Armstrong Dr.
Wooster, OH 44691

and

INGRID DROWN
4126 Milbrook Rd.
Wooster, OH 44691

and

RICHARD DROWN
4126 Milbrook Rd.
Wooster, OH 44691

and

FRANCES C. GEORGE
203 Miller Lake Rd.
Wooster, OH 44691

and

KAREN HERCULES
1123 Perkins Ave.
Wooster, OH 44691

and

RAYMOND G. or CAROL JEAN JEFFRIES
4428 Deer Creek Dr.
Wooster, OH 44691

COMPLAINT

CRITCHFIELD,
CRITCHFIELD
& JOHNSTON

ATTORNEYS AT LAW

225 NORTH MARKET STREET

P.O. BOX 599

WOOSTER, OH 44691-0599

(330) 264-4444

and :

DONALD C. or SHARON M. BRILLHART :
15455 Fulton Rd. :
Marshallville, OH 44645 :

and :

KATHY HOCHSTETLER :
8259 Gable Rd. :
West Salem, OH 44287 :

and :

LARRY L. or FAYE I. LINGLE :
6344 Akron Rd. :
Smithville, OH 44677 :

and :

VIRGINIA E. LINGLE :
4868 N. Honeytown Rd. :
Smithville, OH 44677 :

and :

SALLY I. or ROGER A. MAAS :
2712 Secrest Rd. :
Wooster, OH 44691 :

and :

RONALD D. TRUEX :
1264 Glenview NE :
North Canton, OH 44721 :

and :

CHARLES E. or SANCHIA D. LANCE :
28 Prospect St. :
Seville, OH 44273 :

and :

FRANK P. BRILLHART
1740 Lynn Dr.
Orrville, OH 44667

and

FAIR RECOVERY, LLC
c/o CC&J Agents, its Statutory Agent
225 N. Market St.
Wooster, OH 44691

Plaintiffs,

v.

FAIR FINANCE COMPANY D/B/A/ FAIR
FINANCIAL SERVICES
c/o Keith Schaffer, Its Agent
815 East Market Street
Akron, Ohio 44305

and

FAIR HOLDINGS, INC.
c/o Joseph Hennigin, Its Agent
123 Hunt Club Drive 1A
Copley, Ohio 44321

and

FAIR FACILITY I, LLC
c/o CT Corporation System, Its Agent
1300 East Ninth Street
Cleveland, Ohio 44114

and

DC INVESTMENTS, LLC
111 Monument Cir. Ste. 4800
Indianapolis, IN 46204

and

OBSIDIAN ENTERPRISES, INC. :
c/o The Corporation Trust Company, Its Agent :
Corporation Trust Center :
1209 Orange St. :
Wilmington, DE 19801 :

and :

TIMOTHY S. DURHAM :
14353 East 113th Street :
Fortville, Indiana 46040 :

and :

JAMES F. COCHRAN :
13483 Marjac Way :
McCordsville, Indiana 46055 :

and :

DANIEL S. LAIKIN :
9920 Towne Rd. :
Carmel, IN 46032 :

and :

JEFFREY L. EGLIN :
1 N. Meridian St. :
Suite 400 :
Indianapolis, IN 46204 :

and :

KEITH E. SCHAFFTER :
618 Sally Circle :
Wadsworth, OH 44281 :

and :

RICK D. SNOW :
12976 Whitebridge Dr. :
Fishers, IN 46037 :

and :

JOHN J. HEAD :
7880 Pine Ridge St. NW :
North Canton, OH 44720 :

and :

CHARLES JAMES, JR. :
815 E. Market St. :
Akron, OH 44305 :

Defendants. :

Plaintiffs, The Vera G. Zuercher Trust, The Rollin H. Zuercher Trust, Ingrid Drown, Richard Drown, Frances C. George, Karen Hercules, Raymond G. or Carol Jean Jeffries, Donald C. or Sharon M. Brillhart, Kathy Hochstetler, Larry L. or Faye I. Lingle, Virginia Lingle, Sally I. or Roger A. Maas, Ronald D. Truex, Fair Recovery, LLC, Charles E. or Sancha D. Lance, and Frank P. Brillhart (“Plaintiffs”), aver as follows for their Complaint based upon information and belief:

PARTIES

1. Defendant Fair Finance Company d/b/a Fair Financial Services (“Fair Finance”) is a corporation organized under the laws of the State of Ohio that conducts business in Wayne County, Ohio.

2. Defendant Fair Holdings, Inc. (“Fair Holdings”) is a corporation organized under the laws of the State of Ohio and is the parent corporation of Fair Finance.

3. Defendant Fair Facility I, LLC (“Fair Facility”) is a domestic limited liability company organized under the laws of the State of Ohio, and is a wholly-owned subsidiary of Defendant Fair Finance.

4. Defendant D.C. Investments, LLC (“DC Investments”) is a foreign limited liability company organized under the laws of the State of Indiana, and is the parent company of Defendant Fair Holdings.

5. Defendant Obsidian Enterprises, Inc. (“Obsidian Enterprises”) is a foreign corporation organized under the laws of the State of Delaware.

6. Defendant Timothy S. Durham (“Durham”) is an individual residing in Fortville, Indiana and is also a co-owner of some other Defendants, an officer and director of Defendant Fair Finance and Defendant Fair Holdings, and a member of Defendant DC Investments.

7. Defendant James F. Cochran (“Cochran”) is an individual residing in McCordsville, Indiana and is also a co-owner of some other Defendants, an officer and director of Defendant Fair Finance and Defendant Fair Holdings, and a member of Defendant DC Investments.

8. Defendant Daniel S. Laikin (“Laikin”) is an individual residing in Carmel, Indiana and was at all times pertinent, a director and/or officer of Defendants Fair Finance and/or Fair Holdings.

9. Defendant Jeffrey L. Eglen (“Eglen”) is an individual residing in Indianapolis, Indiana and was at all times pertinent, a director and/or officer of Defendants Fair Finance and/or Fair Holdings.

10. Defendant Keith E. Schaffter (“Schaffter”) is an individual residing in Wadsworth, Ohio and was at all times pertinent, the president of Defendant Fair Finance.

11. Defendant Rick D. Snow (“Snow”) is an individual residing in Fishers, Indiana and was at all times pertinent, the chief financial officer of Defendant Fair Finance.

12. Defendant John J. Head (“Head”) is an individual residing in North Canton, Ohio and was at all times pertinent, a former president of Defendant Fair Finance. He served as president until 2008.

13. Defendant Charles James, Jr. (“James”) is an individual residing in Akron, Ohio and was at all times pertinent, a former director of Defendant Fair Finance.

VENUE

14. Venue is proper in Wayne County, Ohio, being a county where the Defendants conducted activity that gave rise to the claim for relief and being the county in which all or part of Plaintiffs’ claims for relief arose.

JURISDICTION

15. This Court has and may assert personal jurisdiction over Defendants pursuant to Ohio Revised Code § 2307.382 and Civil Rule 4.3(A)(1) since Defendants have purposely conducted and transacted business in the State of Ohio, including the transactions which are the subject of this lawsuit.

BACKGROUND

16. Fair Finance is headquartered in Akron, Ohio with office locations throughout Ohio, including in Akron, Canton, Cuyahoga Falls, Medina, Wooster, Wadsworth, and Ashland.

17. Fair Finance engages in, among other things, the business of consumer financing services.

18. Since 2000, Fair Finance has sought significant financial investments from individuals residing in Ohio through the offering of what Fair Finance has referred to as “investment certificates.”

19. Fair Finance has registered its investment certificates with the Ohio Division of Securities, but has not registered them under the Securities Act of 1933.

20. On or about January 16, 2009, Fair Finance issued an offering circular describing the offering of securities in the maximum aggregate amount of \$250,000,000.00, comprised of Series V6 Variable Rate Six-Month Certificates, Series V12 Variable Rate Twelve-Month Certificates, Series V-18 Variable Rate Eighteen-Month Certificates, and Series V24 Variable Rate Twenty-Four-Month Certificates (the "Offering Circular"). A true and accurate copy of the Offering Circular is attached hereto and incorporated herein as Exhibit A.

21. Plaintiffs are the owners of certain investment certificates (the "Investment Certificates") issued to them by Fair Finance under the Offering Circular and/or under other offerings or offering circulars previously issued by Fair Finance.

22. Some of the Investment Certificates have matured, while others have not.

23. Under the terms and conditions of the Investment Certificates, Fair Finance promised to pay the principal sum and interest set forth in each respective Investment Certificate to the corresponding registered owner of the Investment Certificate upon the maturity date stated therein.

24. Plaintiff The Vera G. Zuercher Trust has invested a total of \$90,000.00 with Fair Finance and is the owner of five Series V12 Variable Rate Twelve-Month Certificates with a total principal value of \$90,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V12-122863	\$10,000.00	8.25%	9/5/2009	9/5/2010
#V12-114108	\$20,000.00	8.50%	1/1/2009	1/1/2010

#V12-117213	\$20,000.00	8.50%	4/18/2009	4/18/2010
#V12-118576	\$20,000.00	8.25%	5/15/2009	5/15/2010
#V12-119243	\$20,000.00	8.25%	6/5/2009	6/5/2010

True and accurate copies of the Investment Certificates of Plaintiff The Vera G. Zuercher Trust are attached hereto and incorporated herein as Exhibit B.

25. Plaintiff The Rollin H. Zuercher Trust has invested a total of \$20,000.00 with Fair Finance and is the owner of one Series V12 Variable Rate Twelve-Month Certificate with a total principal value of \$20,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V12-122862	\$20,000.00	8.25%	9/3/2009	9/3/2010

A true and accurate copy of the Investment Certificate of Plaintiff The Rollin H. Zuercher Trust is attached hereto and incorporated herein as Exhibit C.

26. Plaintiff Ingrid Drown has invested a total of \$20,000.00 with Fair Finance and is the owner of one Series V60 Variable Rate Sixty-Month Certificate with a total principal value of \$20,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V60-85216	\$20,000.00	8.75%	4/4/2006	4/4/2011

A true and accurate copy of the Investment Certificate of Plaintiff Ingrid Drown is attached hereto and incorporated herein as Exhibit D.

27. Plaintiff Richard Drown has invested a total of \$110,216.53 with Fair Finance.

He is the owner of two Series V24 Variable Rate Twenty-Four-Month Certificates with a total principal value of \$20,216.53:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V24-117202	\$10,108.37	9.25%	4/20/2009	4/20/2011
#V24-124920	\$10,108.16	9.00%	10/22/2009	10/22/2011

Plaintiff Richard Drown is also the owner of three Series V60 Variable Rate Sixty-Month Certificates with a total principal value of \$90,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V60-83466	\$30,000.00	8.00%	1/23/2006	1/23/2011
#V60-93148	\$20,000.00	9.35%	1/23/2007	1/23/2012
#V60-94526	\$40,000.00	9.35%	3/15/2007	3/15/2012

True and accurate copies of the Investment Certificates of Plaintiff Richard Drown are attached hereto and incorporated herein as Exhibit E.

28. Plaintiff Frances C. George has invested a total of \$2,000.00 with Fair Finance and is the owner of one Series V6 Variable Rate Six-Month Certificate with a total principal value of \$2,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V6-124190	\$2,000.00	7.50%	9/30/2009	3/31/2010

A true and accurate copy of the Investment Certificate of Plaintiff Frances C. George is attached hereto and incorporated herein as Exhibit F.

29. Plaintiff Karen Hercules has invested a total of \$10,076.44 with Fair Finance, and is the owner of one Series V12 Variable Rate Twelve-Month Certificate with a total principal value of \$10,076.44:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V12-119433	\$10,076.44	8.25%	6/11/2009	6/11/2010

A true and accurate copy of the Investment Certificate of Plaintiff Karen Hercules is attached hereto and incorporated herein as Exhibit G.

30. Plaintiff Raymond G. or Carol Jean Jeffries has invested a total of \$100,000.00 with Fair Finance and is the owner of one Series V24 Variable Rate Twenty-Four-Month Certificate with a total principal value of \$100,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V24-102395	\$100,000.00	9.25%	11/30/2007	11/30/2009

A true and accurate copy of the Investment Certificate of Plaintiff Raymond G. or Carol Jean Jeffries is attached hereto and incorporated herein as Exhibit H.

31. Plaintiff Donald C. or Sharon M. Brillhart has invested a total of \$42,013.26 with Fair Finance and is the owner of three Series V24 Variable Rate Twenty-Four-Month Certificates with a total principal value of \$42,013.26:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V24-113898	\$21,012.30	9.25%	12/29/2008	12/29/2010
#V24-116970	\$11,000.96	9.25%	4/15/2009	4/15/2011
#V24-124168	\$10,000.00	9.00%	9/29/2009	9/29/2011

True and accurate copies of the Investment Certificates of Plaintiff Donald C. or Sharon M. Brillhart are attached hereto and incorporated herein as Exhibit I.

32. Plaintiff Kathy or Roy Hochstetler has invested a total of \$12,544.11 with Fair Finance.

Plaintiff Kathy or Roy Hochstetler is the owner of one Series V6 Variable Rate Six-Month Certificate with a total principal value of \$2,500.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V6119150	\$2,500.00	8.25%	6/1/2009	12/1/2009

Plaintiff Kathy or Roy Hochstetler is also the owner of four Series V12 Variable Rate Twelve-Month Certificates with a total principal value of \$10,544.11:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V12-114246	\$2,500.00	8.50%	1/8/2009	1/8/2010
#V12-117706	\$2,500.00	8.50%	5/2/2009	5/2/2010
#V12-117705	\$2,500.00	8.50%	5/2/2009	5/2/2010
#V12-124047	\$2,544.11	8.00%	9/30/2009	9/30/2010

True and accurate copies of the Investment Certificates of Plaintiff Kathy or Roy Hochstetler are attached hereto and incorporated herein as Exhibit J.

33. Plaintiff Larry L. or Faye I. Lingle has invested a total of \$21,197.90 with Fair Finance and is the owner of two Series V18 Variable Rate Eighteen-Month Certificates with a total principal value of \$21,197.90:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V18-117688	\$15,197.90	9.00%	5/2/2009	11/2/2010
#V18-117395	\$6,000.00	9.00%	4/25/2009	10/25/2010

True and accurate copies of the Investment Certificates of Plaintiff Larry L. or Faye I. Lingle are attached hereto and incorporated herein as Exhibit K.

34. Plaintiff Virginia E. Lingle has invested a total of \$10,000.00 with Fair Finance and is the owner of one Series V24 Variable Rate Twenty-Four-Month Certificate with a total principal value of \$10,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V24-121880	\$10,000.00	9.50%	8/15/2009	8/15/2011

A true and accurate copy of the Investment Certificate of Plaintiff Virginia E. Lingle is attached hereto and incorporated herein as Exhibit L.

35. Plaintiff Sally I. or Roger A. Maas has invested a total of \$105,067.92 with Fair Finance and is the owner of three Series V24 Variable Rate Twenty-Four-Month Certificates with a total principal value of \$105,067.92:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V24-118242	\$70,000.00	9.00%	5/9/2009	5/9/2011
#V24-113367	\$5,067.92	9.00%	12/4/2008	12/4/2010
#V24-117187	\$30,000.00	9.25%	4/18/2009	4/18/2010

True and accurate copies of the Investment Certificates of Plaintiff Sally I. or Roger A. Maas are attached hereto and incorporated herein as Exhibit M.

36. Plaintiff Ronald D. Truex has invested a total of \$16,200.00 with Fair Finance and is the owner of one Series V6 Variable Rate Six-Month Certificate with a total principal value of \$16,200.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V6-122971	\$16,200.00	8.00%	9/6/2009	3/6/2010

A true and accurate copy of the Investment Certificate of Plaintiff Ronald D. Truex is attached hereto and incorporated herein as Exhibit N.

37. Plaintiff Fair Recovery, LLC (“Fair Recovery”) is a limited liability company that consists of twenty members who have invested a total of \$1,359,719.10 with Fair Finance. True and accurate copies of the Investment Certificates for the following Fair Recovery Members #1-#20 are attached hereto and incorporated herein as Exhibits O-1 through O-20:

a. Fair Recovery Member #1 has invested a total of \$15,000.00 with Fair Finance and is the owner of one Series V24 Variable Rate Twenty-Four-Month Certificate with a total principal value of \$15,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V24-116135	\$15,000.00	9.25%	3/19/2009	3/19/2011

A true and accurate copy of the Investment Certificate of Fair Recovery Member #1 is attached hereto and incorporated herein as Exhibit O-1.

b. Fair Recovery Member #2 has invested a total of \$31,301.71 with Fair Finance and is the owner of one Series V6 Variable Rate Six-Month Certificate with a total principal value of \$31,301.71:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V6-118714	\$31,301.71	8.25%	5/24/2009	11/24/2009

A true and accurate copy of the Investment Certificate of Fair Recovery Member #2 is attached hereto and incorporated herein as Exhibit O-2.

c. Fair Recovery Member #3 has invested a total of \$20,000.00 with Fair Finance and is the owner of one Series V24 Variable Rate Twenty-Four-Month Certificate with a total principal value of \$20,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V24-110168	\$20,000.00	8.00%	8/19/2008	8/19/2010

A true and accurate copy of the Investment Certificate of Fair Recovery Member #3 is attached hereto and incorporated herein as Exhibit O-3.

d. Fair Recovery Member #4 has invested a total of \$14,000.00 with Fair Finance and is the owner of one Series V6 Variable Rate Six-Month Certificate with a total principal value of \$14,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V6-121166	\$14,000.00	8.00%	7/24/2009	1/24/2010

A true and accurate copy of the Investment Certificate of Fair Recovery Member #4 is attached hereto and incorporated herein as Exhibit O-4.

e. Fair Recovery Member #5 has invested a total of \$500,000.00 with Fair Finance.

Fair Recovery Member #5 is the owner of one Series V6 Variable Rate Six-Month Certificate with a total principal value of \$200,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V6-117439	\$200,000.00	8.75%	4/22/2009	10/22/2009

Fair Recovery Member #5 is also the owner of one Series V18 Variable Rate Eighteen-Month Certificate with a total principal value of \$100,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V18-117440	\$100,000.00	9.00%	4/22/2009	10/22/2010

Fair Recovery Member #5 is also the owner of one Series V24 Variable Rate Twenty-Four-Month Certificate with a total principal value of \$200,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V24-117441	\$200,000.00	9.25%	4/22/2009	4/22/2011

True and accurate copies of the Investment Certificates of Fair Recovery Member #5 is attached hereto and incorporated herein as Exhibit O-5.

f. Fair Recovery Member #6 has invested a total of \$87,000.00 with Fair Finance.

Fair Recovery Member #6 is the owner of one Series V6 Variable Rate Six-Month Certificate with a total principal value of \$2,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V6-122589	\$2,000.00	8.00%	8/28/2009	2/28/2010

Fair Recovery Member #6 is also the owner of two Series V12 Variable Rate Twelve-Month Certificates with a total principal value of \$25,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V12-118498	\$15,000.00	8.25%	5/17/2009	5/17/2010
#V12-114166	\$10,000.00	8.50%	1/6/2009	1/6/2010

Fair Recovery Member #6 is also the owner of four Series V18 Variable Rate Eighteen-Month Certificates with a total principal value of \$40,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V18-123137	\$10,000.00	9.00%	9/9/2009	3/9/2011
#V18-125430	\$5,000.00	8.75%	10/28/2009	4/28/2011
#V18-122588	\$10,000.00	9.25%	8/28/2009	2/28/2011
#V18-117394	\$15,000.00	9.00%	4/23/2009	10/23/2010

Fair Recovery Member #6 is also the owner of two Series V24 Variable Rate Twenty-Four-Month Certificates with a total principal value of \$20,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V24-124250	\$5,000.00	9.00%	10/2/2009	10/2/2011
#V24-110945	\$15,000.00	8.50%	9/17/2008	9/17/2010

True and accurate copies of the Investment Certificates of Fair Recovery Member #6 are attached hereto and incorporated herein as Exhibit O-6.

g. Fair Recovery Member #7 has invested a total of \$35,500.00 with Fair Finance.

Fair Recovery Member #7 is the owner of one Series V12 Variable Rate Twelve-Month Certificate with a total principal value of \$7,500.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V12-113236	\$7,500.00	8.25%	12/1/2008	12/1/2009

Fair Recovery Member #7 is also the owner of four Series V24 Variable Rate Twenty-Four-Month Certificates with a total principal value of \$28,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V24-121515	\$8,000.00	9.50%	8/5/2009	8/5/2011
#V24-119666	\$5,000.00	9.50%	6/16/2009	6/16/2011
#V24-117260	\$5,000.00	9.25%	4/21/2009	4/21/2011
#V24-110946	\$10,000.00	8.50%	9/17/2008	9/17/2010

True and accurate copies of the Investment Certificates of Fair Recovery Member #7 are attached hereto and incorporated herein as Exhibit O-7.

h. Fair Recovery Member #8 has invested a total of \$13,000.00 with Fair Finance and is the owner of one Series V24 Variable Rate Twenty-Four-Month Certificate with a total principal value of \$13,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V24-103827	\$13,000.00	9.25%	1/17/2008	1/17/2010

A true and accurate copy of the Investment Certificate of Fair Recovery Member #8 is attached hereto and incorporated herein as Exhibit O-8.

i. Fair Recovery Member #9 has invested a total of \$36,000.00 with Fair Finance.

Fair Recovery Member #9 is the owner of one Series V24 Variable Rate Twenty-Four-Month Certificate with a total principal value of \$11,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V24-110491	\$11,000.00	8.00%	9/2/2008	9/2/2010

Fair Recovery Member #9 is also the owner of one Series V60 Variable Rate Sixty-Month Certificate with a total principal value of \$25,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V60-84744	\$25,000.00	8.25%	3/14/2006	3/14/2011

True and accurate copies of the Investment Certificates of Fair Recovery Member #9 are attached hereto and incorporated herein as Exhibit O-9.

j. Fair Recovery Member #10 has invested a total of \$6,000.00 with Fair Finance and is the owner of one Series V60 Variable Rate Sixty-Month Certificate with a total principal value of \$6,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V60-94821	\$6,000.00	9.35%	3/27/2007	3/27/2012

A true and accurate copy of the Investment Certificate of Fair Recovery Member #10 is attached hereto and incorporated herein as Exhibit O-10.

j. Fair Recovery Member #11 has invested a total of \$50,000.00 with Fair Finance.

Fair Recovery Member #11 is the owner of one Series V6 Variable Rate Six-Month Certificate with a total principal value of \$15,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V6-116052	\$15,000.00	9.0%	3/16/2009	9/16/2009

Fair Recovery Member #11 is also the owner of one Series V24 Variable Rate Twenty-Four-Month Certificate with a total principal value of \$15,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V24-124817	\$15,000.00	9.0%	10/16/2009	10/16/2011

Fair Recovery Member #11 is also the owner of one Series V60 Variable Rate Sixty-Month Certificate with a total principal value of \$20,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V60-94818	\$20,000.00	9.35%	3/27/2007	3/27/2012

True and accurate copies of the Investment Certificates of Fair Recovery Member #11 are attached hereto and incorporated herein as Exhibit O-11.

j. Fair Recovery Member #12 has invested a total of \$5,000.00 with Fair Finance and is the owner of one Series V6 Variable Rate Six-Month Certificate with a total principal value of \$5,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V6-120590	\$5,000.00	8.0%	7/10/2009	1/10/2010

A true and accurate copy of the Investment Certificate of Fair Recovery Member #12 is attached hereto and incorporated herein as Exhibit O-12.

k. Fair Recovery Member #13 has invested a total of \$2,000.00 with Fair Finance and is the owner of one Series V24 Variable Rate Twenty-Four-Month Certificate with a total principal value of \$2,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V24-106037	\$2,000.00	7.75%	3/31/2008	3/31/2010

A true and accurate copy of the Investment Certificate of Fair Recovery Member #13 is attached hereto and incorporated herein as Exhibit O-13.

l. Fair Recovery Member #14 has invested a total of \$15,917.39 and is the owner of two Series V24 Variable Rate Twenty-Four-Month Certificates with a total principal value of \$15,917.39:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V24-107541	\$10,556.56	8.00%	5/19/2008	5/19/2010
#V24-116366	\$5,360.83	9.25%	3/27/2009	3/27/2011

True and accurate copies of the Investment Certificates of Fair Recovery Member #14 is attached hereto and incorporated herein as Exhibit O-14.

m. Fair Recovery Member #15 has invested a total of \$200,000.00 and is the owner of one unknown Series Certificate with a total principal value of \$200,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#117214	\$200,000.00	Unknown	Unknown	Unknown

Fair Recovery Member #15 is not in possession of the Investment Certificate, but its contents are known to Defendants.

n. Fair Recovery Member #16 has invested a total of \$20,000.00 with Fair Finance and is the owner of one Series V24 Variable Rate Twenty-Four-Month Certificate with a total principal value of \$20,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V24-95719	\$20,000.00	9.10%	4/26/2007	4/26/2009

A true and accurate copy of the second page of the Investment Certificate of Fair Recovery Member #16 is attached hereto and incorporated herein as Exhibit O-16. Fair Recovery Member #16 is not in possession of the front page of the Investment Certificate, but its contents are known to Defendants.

o. Fair Recovery Member #17 has invested a total of \$54,000.00 with Fair Finance and is the owner of one Series V24 Variable Rate Twenty-Four-Month Certificate with a total principal value of \$27,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V24-100928	\$27,000.00	Unknown	Unknown	Unknown

Fair Recovery Member #17 is also the owner of one Series V60 Variable Rate Sixty-Month Certificate with a total principal value of \$27,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V60-91958	\$27,000.00	Unknown	Unknown	Unknown

Fair Recovery Member #17 is not in possession of the Investment Certificates, but their contents are known to Defendants.

p. Fair Recovery Member #18 has invested a total of \$100,000.00 with Fair Finance and is the owner of one Series V24 Variable Rate Twenty-Four-Month Certificate with a total principal value of \$100,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V2478905	\$100,000.00	Unknown	Unknown	Unknown

Fair Recovery Member #18 is not in possession of the Investment Certificate, but its contents are known to Defendants.

q. Fair Recovery Member #19 has invested a total of \$100,000.00 with Fair Finance and is the owner of eight Series V24 Variable Rate Twenty-Four-Month Certificates with a total principal value of \$84,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V24-101648	\$10,000.00	Unknown	Unknown	Unknown
#V24-101649	\$50,000.00	Unknown	Unknown	Unknown
#V24-102747	\$5,000.00	9.25%	12/14/2007	12/14/2009
#V24-116939	\$7,000.00	9.25%	4/16/2009	4/16/2011
#V24-119137	\$3,000.00	9.00%	6/1/2009	6/1/2011
#V24-120287	\$3,000.00	9.50%	7/5/2009	7/5/2011
#V24-121389	\$3,000.00	9.50%	8/1/2009	8/1/2011
#V24-122851	\$3,000.00	9.50%	9/7/2009	9/7/2011

Fair Recovery Member #19 is also the owner of one Series V60 Variable Rate 60-Month Certificate with a total principal balance of \$16,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V60-86645	\$16,000.00	9.00%	5/25/2006	5/25/2011

True and accurate copies of the Investment Certificates (with the exception of #V24-101648 and #V24101649) of Fair Recovery Member #19 are attached hereto and incorporated herein as Exhibit O-19. Fair Recovery Member #19 is not in possession of Investment Certificates #V24-101648 and #V24101649, but their contents are known to Defendants.

r. Fair Recovery Member #20 has invested a total of \$55,000.00 with Fair Finance and is the owner of two Series V24 Variable Rate Twenty-Four-Month Certificates with a total principal value of \$55,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V24-110939	\$35,000.00	8.50%	9/17/2008	9/17/2010
#V24-108569	\$20,000.00	8.00%	6/25/2008	6/25/2010

True and accurate copies of the Investment Certificates of Fair Recovery Member #20 are attached hereto and incorporated herein as Exhibit O-20.

38. Plaintiff Charles E. or Sancha D. Lance has invested a total of \$246,016.60 with Fair Finance and is the owner of six Series V6 Variable Rate Six-Month Certificates with a total principal value of \$246,016.60:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V6-112562	\$58,559.41	9.00%	11/8/2008	5/8/2009
#V6-119470	\$27,719.05	8.00%	6/11/2009	12/11/2009

#V6-123131	\$48,975.20	7.75%	9/9/2009	3/9/2010
#V6-119063	\$60,762.94	8.25%	6/2/2009	12/2/2009
#V6-119206	\$25,000.00	8.00%	6/3/2009	12/3/2009
#V6-118236	\$25,000.00	8.25%	5/12/2009	11/12/2009

True and accurate copies of the Investment Certificates of Plaintiff Charles E. or Sancha D. Lance are attached hereto and incorporated herein as Exhibit P.

39. Plaintiff Frank P. Brillhart has invested a total of \$25,000.00 with Fair Finance and is the owner of one Series V24 Variable Rate Twenty-Four-Month Certificate with a total principal value of \$25,000.00:

<u>Certificate No.</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
#V24-113347	\$25,000.00	9.00%	12/4/2008	12/4/2010

A true and accurate copy of the Investment Certificate of Plaintiff Frank P. Brillhart is attached hereto and incorporated herein as Exhibit Q.

COUNT I
(Breach of Contract)

40. Plaintiffs incorporate by reference the allegations set forth in the preceding paragraphs as if fully rewritten herein.

41. Some of the Investment Certificates owned by Plaintiffs have matured as of the filing of Plaintiffs' Complaint.

42. Fair Finance has failed to redeem those Investment Certificates.

43. For some of the Investment Certificates which have not yet matured, Fair Finance has failed to make interest payments as promised.

44. Fair Finance has failed to perform its obligations under these Investment Certificates.

45. The Plaintiffs who are the owners of these Investment Certificates have performed all of their obligations under the Investment Certificates.

46. Despite these Plaintiffs' requests for payment from Fair Finance, Fair Finance has failed to pay in accordance with the terms and conditions set forth in the matured Investment Certificates.

47. Fair Finance's failure to perform its obligations under the Investment Certificates has caused the respective Plaintiffs, who are owners of these Investment Certificates, to suffer damages in an amount exceeding \$25,000, plus interest at the respective rates set forth in the Investment Certificates.

COUNT II
(Anticipatory Breach of Contract)

48. Plaintiffs incorporate by reference the allegations set forth in the preceding paragraphs as if fully rewritten herein.

49. Plaintiffs who own Investment Certificates that have not yet matured as of the filing of Plaintiff's Complaint have already fully performed their obligations under the Investment Certificates and/or stand ready, willing, and able to perform their remaining obligations (if any) under the Investment Certificates.

50. Fair Finance is unable and/or unwilling to complete its obligations under the Investment Certificates.

51. Fair Finance has repudiated its obligations under the Investment Certificates.

52. Fair Finance has failed to pay other Plaintiffs' matured Investment Certificates as well as other investment certificates of other Ohio residents who have purchased investment certificates from Fair Finance under the Offering Circular.

53. On or about October 16, 2009, Fair Finance issued an interest payment check to the Vera G. Zuercher Trust which was returned to her by her bank for insufficient funds. A copy of the return check notice and returned check is attached hereto and incorporated herein as Exhibit B-1.

54. Fair Finance's offices throughout Ohio, including in Wooster, Wayne County, Ohio have been closed from November 23, 2009 to at least December 18, 2009.

55. As a direct and proximate result of Fair Finance's anticipatory breach, Plaintiffs have suffered damages in the amount exceeding \$25,000, plus interest at the respective rates set forth in the Investment Certificates.

COUNT III
(Violation of Ohio Revised Code § 1707.41)

56. Plaintiffs incorporate by reference the allegations set forth in the preceding paragraphs as if fully rewritten herein.

57. The Investment Certificates are securities as defined by Ohio Revised Code § 1707.01(B).

58. The issuance of the Investment Certificates to the Plaintiffs by Fair Finance constitutes a sale as defined by Ohio Revised Code § 1707.01(C)(1).

59. Fair Finance is a dealer as defined by Ohio Revised Code § 1707.01(E)(1).

60. Fair Finance is an issuer as defined by Ohio Revised Code § 1707.01(G).

61. Fair Finance issued printed circulars, prospectuses, advertisements and/or other writings offering to sell the Investment Certificates to Plaintiffs, among others.

62. The printed circulars, prospectuses, advertisements and/or other writings contained false material statements and or omitted material facts related to the Investment Certificates.

63. Defendants failed to disclose the following material facts, including by way of example but without limitation:

- (a) That the funds taken from the Plaintiffs would be used to make high-risk insider loans to related third-parties, without independent evaluation of the loans or the risks involved in making such loans;
- (b) That the funds taken from the Plaintiffs would be used to make high-risk insider loans without obtaining adequate security;
- (c) That the funds taken from the Plaintiffs would be used to make high-risk insider loans to related third-parties who were already in default or at a high risk for default on other prior loans which had been made to the same related third-parties;
- (d) That the "financial statements" in the Offering Circular did not comply with generally accepted accounting principles;
- (e) The criteria and/or methods used to create the "financial statements" in the Offering Circular.
- (f) That the funds taken from Plaintiffs would be primarily used for high-risk insider loans to related third-parties rather than responsibly investing the funds in low-risk, short-term, high-yield consumer debt;
- (g) That the Defendants had changed Fair Finance's prior business model which it had used for more than 60 years from investing responsibly in low-risk, short-term, high-yield consumer debt to making high-risk insider loans to related third parties;
- (h) That the high-risk insider loans to related third-parties created a substantial risk to Plaintiffs;

64. Plaintiffs purchased the Investment Certificates in reliance upon the circulars, prospectuses, advertisements and/or other writings.

65. As a result of Fair Finance's violation of Ohio Revised Code § 1707.41, Plaintiffs have suffered damages in excess of \$25,000 plus interest at the respective rates set forth in the Investment Certificates.

66. As a result of Fair Finance's violation of Ohio Revised Code § 1707.41, the directors of Fair Finance, including Durham, Cochran, Laikin, Eglen, and James are also liable to the Plaintiffs.

COUNT IV
(Violation of Ohio Revised Code § 1707.43)

67. Plaintiffs incorporate by reference the allegations set forth in the preceding paragraphs as if fully rewritten herein.

68. Fair Finance, Fair Holdings, Fair Facility, DC Investments, Obsidian Enterprises, Durham, Cochran, Laikin, Eglen, Schaffter, Snow, Head, and James sold, participated in, abetted, aided in and/or rendered substantial assistance in the execution of the sale of the Investment Certificates to the Plaintiffs.

69. The sales of the Investment Certificates to the Plaintiffs violated the Ohio Revised Code Chapter 1707 and said violations materially affected the protections contemplated by Ohio Revised Code Chapter 1707.

70. At the time of the sales, Plaintiffs had no reason to know of the violations of the Ohio Revised Code, Chapter 1707 by such Defendants.

71. As a result of Fair Finance, Fair Holdings, Fair Facility, DC Investments, Obsidian Enterprises, Durham, Cochran, Laikin, Eglen, Schaffter, Snow, Head, and James'

violations of Ohio Revised Code Chapter 1707, Plaintiffs are entitled to rescind their purchases of the Investment Certificates and are entitled to damages equaling the purchase price of the Investment Certificates, plus interest at the respective rates set forth in the Investment Certificates.

COUNT V
(Fraud)

72. Plaintiffs incorporate by reference the allegations set forth in the preceding paragraphs as if fully rewritten herein.

73. Fair Finance, Fair Holdings, Fair Facility, DC Investments, Obsidian Enterprises, Durham, Cochran, Laikin, Eglen, Schaffter, Snow, Head, and James, its agents and/or employees made misrepresentations of facts to the Plaintiffs of a material nature and/or failed to disclose material facts.

74. Among the misrepresentations, Fair Finance represented to the Plaintiffs that the proceeds from the Plaintiffs' purchases of the Investment Certificates would be invested responsibly in low-risk, short-term, high-yield consumer debt, when in fact, the proceeds were not used for that purpose, but were used instead for other purposes such as to make high-risk, unsecured and/or under-collateralized loans to related third-parties, including Durham, Cochran and entities controlled by and/or owned by the Defendants. Furthermore, Fair Finance represented to various Plaintiffs that they could redeem the principal balance of their investment at any time by presenting the Investment Certificate to Fair Finance.

75. Fair Finance knew or should have known that these misrepresentations were false.

76. The misrepresentations were made by Fair Finance with the intent to mislead the Plaintiffs and to induce them to purchase the Investment Certificates.

77. The Plaintiffs relied upon the misrepresentations when they purchased the Investment Certificates to the detriment of the Plaintiffs.

78. The Plaintiffs have been damaged as a result of this fraud in amount which exceeds \$25,000, plus interest at the respective rates stated in the Investment Certificates, plus punitive damages.

COUNT VI
(Negligent Misrepresentation)

79. Plaintiffs incorporate by reference the allegations set forth in the preceding paragraphs as if fully rewritten herein.

80. Fair Finance, Fair Holdings, Fair Facility, DC Investments, Obsidian Enterprises, Durham, Cochran, Laikin, Eglen, Schaffter, Snow, Head, and James negligently, carelessly, falsely, and without due care misrepresented to the Plaintiffs that it would invest the proceeds from the Investment Certificates in low-risk, high-yield, short-term consumer debts and that Plaintiffs could redeem the principal balance of their Investment Certificates at any time by presenting their Investment Certificate to Fair Finance.

81. Fair Finance knew or should have known that the Plaintiffs would believe such representations to be true and that the Plaintiffs would act in reliance thereupon.

82. Plaintiffs did, in fact, rely upon the misrepresentations above to their detriment.

83. As a direct and proximate result of Fair Finance's misrepresentations, Plaintiffs have suffered damages in excess of \$25,000 plus interest at the respective rates stated in the Investment Certificates.

COUNT VII
(Ohio Corrupt Practices Act)

84. Plaintiffs incorporate by reference the allegations set forth in the preceding paragraphs as if fully rewritten herein.

85. Under Title 18, United States Code, Section 1956, it is unlawful for any person, knowing that the property involved in a financial transaction represents the proceeds of some form of unlawful activity, to conduct or attempt to conduct such financial transaction which in fact involves the proceeds of specified unlawful activity with the intent to promote the carrying on of specified unlawful activity, or with intent to evade or defeat payment of income taxes, or to conceal or disguise the nature, the location, the source, the ownership, or the control of the proceeds of specified unlawful activity.

86. Upon information and belief, all of the Defendants have used the proceeds of unlawful activity (fraud) with the intent of the carrying on of specified unlawful activity and/or to conceal and/or disguise the nature, location, source, ownership and/or control of the proceeds of specified unlawful activity.

87. All of the Defendants have been involved in a scheme to defraud Plaintiffs of their money by inducing them to buy the Investment Certificates from Fair Finance upon the representations that the proceeds from the Plaintiffs' purchases of the Investment Certificates would be invested by Fair Finance in low-risk, high-yield, short-term consumer debts.

88. Instead, Fair Finance used the proceeds from Plaintiffs' investments to make interest and redemption payments to earlier victims of the Defendants' scheme, to make high-risk loans to related individuals and business entities, including but not limited to, Durham, Cochran,

Fair Holdings, DC Investments and other entities owned and/or controlled by the Defendants, and other purposes.

89. As of June 30, 2009, the unaudited financial statements for Fair Finance showed total assets of approximately \$241 million, with loans to Durham and his various businesses totaling approximately \$192 million.

90. Federal Reserve Bank records show 6,400 FEDWIRE transactions between May 2004 and May 2009 for 21 companies under the control of Durham and Cochran. The FEDWIRE transactions also detail money transfers from Fair Finance to Fair Holdings. In 907 separate FEDWIRE transactions during that time period, Fair Finance sent approximately \$84.2 million to Fair Holdings bank account with First Indiana Bank.

91. Of the approximately \$84.2 million sent to Fair Holdings by Fair Finance, Fair Holdings, in turn, wired money to nearly 50 individuals and businesses over a five year period. Among the more significant transactions noted, approximately \$20 million went to related entities or individuals, including Durham, Cochran and/or entities that were controlled by the Defendants.

92. Defendants have violated and/or conspired to violate Ohio Revised Code § 2923.32.

93. Defendants did, being employed by, or associated with, an enterprise, conduct or participate in, directly or indirectly, the affairs of the enterprise through a pattern of corrupt activity.

94. Defendants did, through a pattern of corrupt activity, acquire or maintain, directly or indirectly, an interest in, or control of an enterprise and/or real property.

95. Defendants did knowingly receive proceeds derived, directly or indirectly, from a pattern of corrupt activity, and used or invested, directly or indirectly, a part of those proceeds, or proceeds derived from the use or investment of any of those proceeds, in the acquisition of a title to, or a right, interest, or equity in, real property or in the establishment of operations of an enterprise.

96. As a result of the Defendants' violations of Ohio Revised Code § 2923.32, Plaintiffs are entitled to damages in excess of \$25,000, plus interest at the respective rates set forth in the Investment Certificates, and/or triple damages (pursuant to Ohio Revised Code § 2923.34(E)).

COUNT VIII
(Unjust Enrichment)

97. Defendants have been unjustly enriched, to the Plaintiffs' detriment, by the receipt and/or use of the proceeds from the funds that were transferred to Fair Finance by the Plaintiffs for the purchase of the Investment Certificates.

98. As a result of the Defendants unjust enrichment, Plaintiffs have suffered damages in excess of \$25,000.

WHEREFORE, Plaintiff demands judgment as follows:

a. As to Count I, judgment in favor of the Plaintiffs and against the Defendant Fair Finance Company in an amount in excess of \$25,000 plus interest at the respective rates set forth in the Investment Certificates, together with court costs and reasonable attorneys' fees.

b. As to Count II, judgment in favor of the Plaintiffs and against the Defendant Fair Finance Company in an amount in excess of \$25,000 plus interest at the respective rates set forth in the Investment Certificates, together with court costs and reasonable attorneys' fees.

c. As to Count III, judgment in favor of the Plaintiffs and against the Defendants, Fair Finance Company, Timothy S. Durham, James F. Cochran, Daniel S. Laikin, and Jeffrey L. Eglen, and Charles James, Jr., jointly and severally, for rescission of the respective purchases of Investment Certificates, and damages in an amount in excess of \$25,000, plus interest at the respective rates set forth in the Investment Certificates, together with court costs and reasonable attorneys' fees.

d. As to Count IV, judgment in favor of the Plaintiffs and against the Defendants, Fair Finance Company, Fair Holdings, Inc., Fair Facility I, LLC, DC Investments, LLC, Obsidian Enterprises, Inc., Timothy S. Durham, James F. Cochran, Daniel S. Laikin, Jeffrey L. Eglen, Keith E. Schaffter, Rick D. Snow, John J. Head, and Charles James, Jr., jointly and severally, for rescission of the respective purchases of Investment Certificates, and damages in an amount in excess of \$25,000, plus interest at the respective rates set forth in the Investment Certificates, together with court costs and reasonable attorneys' fees.

e. As to Count V, judgment in favor of the Plaintiffs and against the Defendants, Fair Finance Company, Fair Holdings, Inc., Fair Facility I, LLC, DC Investments, LLC, Obsidian Enterprises, Inc., Timothy S. Durham, James F. Cochran, Daniel S. Laikin, Jeffrey L. Eglen, Keith E. Schaffter, Rick D. Snow, John J. Head, and Charles James, Jr., jointly and severally, in an amount in excess of \$25,000, plus interest at the respective rates set forth in the Investment Certificates, together with court costs, reasonable attorneys' fees and punitive damages.

f. As to Count VI, judgment in favor of the Plaintiffs and against the Defendants, Fair Finance Company, Fair Holdings, Inc., Fair Facility I, LLC, DC Investments, LLC, Obsidian Enterprises, Inc., Timothy S. Durham, James F. Cochran, Daniel S. Laikin, Jeffrey L. Eglen, Keith E. Schaffter, Rick D. Snow, John J. Head, and Charles James, Jr., jointly and severally, in

an amount in excess of \$25,000, plus interest at the respective rates set forth in the Investment Certificates, together with court costs and reasonable attorneys' fees.

g. As to Count VII, judgment in favor of the Plaintiffs and against the Defendants, Fair Finance Company, Fair Holdings, Inc., Fair Facility I, LLC, DC Investments, LLC, Obsidian Enterprises, Inc., Timothy S. Durham, James F. Cochran, Daniel S. Laikin, Jeffrey L. Eglan, Keith E. Schaffter, Rick D. Snow, John J. Head, and Charles James, Jr., jointly and severally, in an amount exceeding \$25,000 and/or triple damages, plus interest at the respective rates set forth in the Investment Certificates, court costs, investigative costs, and reasonable attorneys' fees.

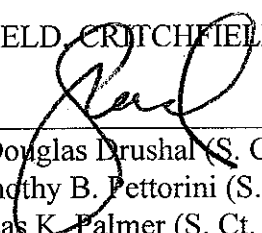
h. As to Count VIII, judgment in favor of the Plaintiffs and against the Defendants, Fair Finance Company, Fair Holdings, Inc., Fair Facility I, LLC, DC Investments, LLC, Obsidian Enterprises, Inc., Timothy S. Durham, James F. Cochran, Daniel S. Laikin, Jeffrey L. Eglan, Keith E. Schaffter, Rick D. Snow, John J. Head, and Charles James, Jr., jointly and severally, in an amount exceeding \$25,000 plus interest at the respective rates set forth in the Investment Certificates, together with court costs and reasonable attorneys' fees.

i. Any other relief, whether in law or in equity, which this Court deems appropriate.

Respectfully submitted,

CRITCHFIELD, CRITCHFIELD & JOHNSTON, LTD.

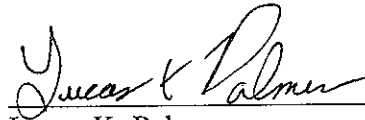
By: _____


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ENDORSEMENT

TO THE CLERK:

Please issue and serve summons, together with a copy of the Complaint, upon the Defendants at the addresses given in the caption, by CERTIFIED MAIL, RETURN RECEIPT REQUESTED, in accordance with Civ. R. 4.1(A). Please notify the undersigned immediately if service is not obtained.



Lucas K. Palmer