

**IN THE COURT OF COMMON PLEAS  
SUMMIT COUNTY, OHIO**

<b>MARK E. DOTTORE, solely in his</b>	)	<b>CASE NO.</b>
<b>capacity as the Receiver for the</b>	)	
<b>Receivership Entities</b>	)	<b>JUDGE</b>
<b>2344 Canal Road</b>	)	
<b>Cleveland, Ohio 44113-2535</b>	)	
	)	
<b>Plaintiff,</b>	)	
	)	
<b>v.</b>	)	
	)	
<b>PREMIER HOMES INC.</b>	)	
<b>c/o Johannes Schlabach, Agent</b>	)	
<b>P. O. Box 36715</b>	)	
<b>Canton, OH 44735</b>	)	
	)	
<b>Also serve:</b>	)	
<b>PREMIER HOMES INC.</b>	)	
<b>c/o Rebecca Gingerich</b>	)	
<b>4864 Armandale Avenue</b>	)	
<b>Canton, OH 44718</b>	)	
	)	
<b>Also serve:</b>	)	
<b>PREMIER HOMES INC.</b>	)	
<b>c/o Johannes Schlabach, Agent</b>	)	
<b>3548 Moonlight Bay Drive, NW</b>	)	
<b>Canton, OH 44708</b>	)	
	)	
<b>and</b>	)	
	)	
<b>REBECCA GINGERICH</b>	)	
<b>4864 Armandale Avenue</b>	)	
<b>Canton, OH 44718</b>	)	
	)	
<b>Defendants.</b>	)	

**COMPLAINT TO AVOID AND TO RECOVER TRANSFERRED  
PROPERTY OR THE VALUE OF TRANSFERRED PROPERTY**

Comes now Mark E. Dottore, solely in his capacity as the Receiver for the Receivership Entities<sup>1</sup> (the “**Receiver**”), and for his complaint against the Defendants, Premier Homes, Inc. and Rebecca Gingerich (the “**Defendants**”), states as follows:

1. On June 22, 2022, the Summit County, Ohio Court of Common Pleas entered its order (the “**Order Appointing Receiver**”) in Case No. CV-2022-05-1754, *Christopher Longo v. The AEM Services, LLC, et al.* (the “**Receivership Case**”) appointing the Receiver “to take possession of and to manage all the affairs of . . . The AEM Services, LLC (“AEM”), and to further take control of all assets and real property held in or by that entity.” A copy of the Order Appointing Receiver is available from the Summit County Clerk’s Records.

2. On July 15, 2022, the State Court entered its order (the “**First Amended Order Appointing Receiver**”) appointing Mr. Dottore as the Receiver for AEM Investments and AEM Wholesale “and all their real and personal property . . .” Par. no. 1 of the First Amended Order Appointing Receiver provides, in pertinent part, that “all of [the] real and personal property [of AEM Investments and AEM Wholesale] . . . together with The AEM Services LLC . . . and all of its assets of the same kind and nature . . . shall hereafter constitute the Receivership

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<sup>1</sup> As of the date of the filing of this complaint, the “**Receivership Entities**” are The AEM Services, LLC (“**AEM Services**”), AEM Investments, LLC (“**AEM Investments**”), AEM Wholesale, LLC (“**AEM Wholesale**”), AEM Productions, LLC (“**AEM Productions**”), AEM Real Estate Group, LLC (“**AEM Real Estate**”), AEM Capital Fund, Ltd. (“**AEM Capital Fund**”), A&J RE Holdings, LLC (“**A&J**”), and Landmark Property Development f/k/a Landmark Real Estate Endeavors (“**Landmark**”).

Estate.” A copy of the First Amended Order Appointing Receiver is available from the Summit County Clerk’s Records.

3. On August 11, 2022, the State Court entered its order (the “**Second Amended Order Appointing Receiver**”) which (a) recognized the filing of the AG Case (as hereinafter described) and the request in the AG Case for the appointment of a receiver over, *inter alia*, AEM Services, AEM Funding, AEM Wholesale, AEM Investments, AEM Productions, AEM Capital Fund, and Landmark, (b) confirmed the appointment of Mr. Dottore as the receiver for AEM Services, AEM Investments, and AEM Wholesale, and (c) appointed Mr. Dottore as the receiver for Mark Dente, Sharon Dente, Anthony Dente, Unlimited Acquisitions, LLC (“**Acquisitions**”), AEM Productions, AEM Real Estate, AEM Capital Fund, The Mark and Sharon Dente Living Trust (the “**Dente Trust**”), A&J, and Landmark “and all their real and personal property.” A true and correct copy of the Second Amended Order Appointing Receiver is available from the Summit County Clerk’s Records.

4. On November 2, 2022, the State Court entered its order (the “**November 2, 2022 Order**”) vacating the Second Amended Order Appointing Receiver to the extent that the Second Amended Order Appointing Receiver applied to Mark Dente, Sharon Dente, Anthony Dente, Acquisitions, and the Dente Trust. A copy of the November 2, 2022 Order is available from the Summit County Clerk’s Records.

5. The Second Amended Order Appointing Receiver as modified by the November 2, 2022 Order is hereafter referred to as the “**Operative Receiver Order**”.

6. In paragraphs 1, 2, and 3.j., the Operative Receiver Order vests the Receiver with:

a. authority over “all of [the] real and personal property [of the named entities] . . . and all other assets arising out of, or pertaining to each entity, of whatever kind and nature . . . [which] shall hereinafter constitute the Receivership Estate;”

b. the ability to tak[e] possession and control of all of the property of the Receivership Entities including any real property and “all other assets of whatever kind or nature belonging to the Receivership Entities” (collectively, the “**Assets**” or “**Receivership Assets**”);

c. the continuing duty “to file litigation, including but not limited to, actions to recover property transferred or for turnover of any of the Assets when turnover is otherwise appropriate under Ohio law, actions to determine ownership of the Assets, actions to avoid liens and to recover transferred, alienated and consigned Assets; and actions to determine the extent and priority of lien interests in the Assets;” and

d. authority to “institute, prosecute, or intervene in any lawsuit or summary proceeding against any other person(s) or entity(ies) to preserve and/or

maximize the value of the Assets or to obtain possession of any of the Assets unlawfully in the possession of third parties.”

7. The Receiver is in the process of marshalling the Assets. However, such Assets will not be sufficient to reimburse the people who thought they were investing in AEM Services or any of the other Receivership Entities. Consequently, the Receiver must use his authority to pursue recovery from both those investors in the AEM Services who received fictitious profits to the detriment of other defrauded investors; and the people who received transfers from AEM Services or any of the Receivership Entities but did not give value for said transfers.

8. This action is brought pursuant to the Ohio Uniform Fraudulent Transfer Act (Ohio Revised Code Chapter 1336<sup>2</sup>) and other applicable law to avoid the transfers specifically identified herein and to recover the value of the transfers, to be equitably distributed among all the victims of the Dente-AEM Ponzi Scheme (defined below).

9. This Court has jurisdiction over the subject matter of this action pursuant to Section 2305.01 of the Ohio Revised Code.

10. Venue for this matter is proper in this Court pursuant to Rule 3(C) of the Ohio Rules of Civil Procedure, including, but not limited to Rule (3)(C)(1), (3) and (6).

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<sup>2</sup> Unless otherwise indicated, all Section, Chapter, and Title references are to the Ohio Revised Code, all references to the Civil Rules are to the Ohio Rules of Civil Procedure (the “**Civil Rules**”), and all references to the “Summit County Rules” or to the “Local Rules” are to the Rules of the Court of Common Pleas, General Division of Summit County, Ohio.

11. Premier Homes Inc. (“**Premier Homes**”) is a corporation organized and existing under the laws of the State of Ohio.

12. Rebecca Gingerich (“**Gingerich**”) is an individual and shareholder and owner of Premier Homes; she exercised authority and control over Premier Homes.

### **THE FRAUDULENT PONZI SCHEME AND THE BACKGROUND FOR THIS PROCEEDING**

13. On July 1, 2022, Sheryl Maxfield, the Director of the State of Ohio Department of Commerce, through the office of the State of Ohio Attorney General, David Yost (the “**Ohio AG**”) filed a complaint (the “**Department’s Complaint**”) against Mark Dente and other named defendants thereby commencing Summit County Court of Common Pleas Case No. CV-2022-07-2228, entitled Sheryl Maxfield, Director State of Ohio Department of Commerce v. Mark Dente, et al. (the “**AG Case**”). A copy of the Department’s Complaint is attached hereto as Exhibit A.

14. In the Department’s Complaint, the Director of the State of Ohio Department of Commerce (the “**Director**”) alleged, *inter alia*,

1. The Director brings this action to stop an ongoing fraudulent scheme in which Defendants<sup>3</sup> have raised millions of dollars from dozens of investors throughout the State of Ohio. Since at least June 2016, Defendants have engaged in and continue to engage in a pattern and practice of misusing investor funds that were supposed to be earmarked solely for investment purposes to instead enrich themselves personally and fund a lavish lifestyle.

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<sup>3</sup> The “Defendants” named in the Department’s Complaint are Mark Dente, individually and as Trustee of the Mark and Sharon Dente Living Trust dated February 22, 2000, Sharon Dente, individually and as Trustee of the Mark and Sharon Dente Living Trust dated February 22, 2000, AEM Services, AEM Funding, AEM Wholesale, AEM Productions, AEM Investments, AEM Capital Fund, and Landmark.

2. Defendant Mark Dente purports to manage a portfolio of real estate investments. He entices investors, some of them elderly and on fixed incomes, with promises of significant returns, including in some instances returns as high as 36% over nine months. Dente sells investors securities primarily in the form of promissory notes and LLC interests. The investments are issued from various entities that Dente and his wife, Sharon Dente, own or control.

3. The Dentes own or control numerous purported investment businesses, many with similar names, all of which are referred to collectively herein as the “**Dente Businesses.**” Since 2016, the primary Dente Businesses through which Defendants have raised investor funds include AEM Services, LLC; The AEM Services, LLC d/b/a AEM Funding; and AEM Capital Fund, Ltd. In addition to these entities, the Dentes also own or control AEM Wholesale, LLC; AEM Investments, LLC; AEM Productions, LLC; and Landmark Property Development, Ltd. f/k/a Landmark Real Estate Endeavors [sic], Ltd. Upon information and belief, all the Dente Business have been used by Dente to improperly commingle and misappropriate investor funds. (**emphasis added**).

4. Dente tells investors that their money will be used solely to purchase and renovate real estate properties owned or operated by the Dente Businesses. In reality, a significant portion of the money that investors entrust to Dente is not used for investment purposes but rather treated by Dente as his own personal slush fund. Dente transfers and commingles investor funds into his personal banking accounts and improperly uses those funds to make numerous non-business purchases or other payments benefiting only himself or his family or friends.

...

7. Dente also uses newly-acquired Investor funds to repay prior investors in classic Ponzi-scheme fashion. Dente deposits investor funds directly into various business and personal accounts, including accounts in the name of Mark and Sharon Dente and accounts in the name of the Dente Businesses. Of approximately \$13 million that was raised from investors since November 2016, much of the money was either improperly used by Dente for non-business purposes or paid to earlier investors.

15. The Receiver’s forensic accountant has conducted an independent investigation of the banking records and the reconstructed books and records related to the Dente Businesses and concluded from his investigation that Dente

was operating a classic Ponzi scheme using the Dente Businesses and the Receivership Entities for the period from late 2019 through its collapse in mid-2022.

16. Based on his years of experience and the report of his forensic accountant, the Receiver has concluded that Dente operated a classic Ponzi scheme using the Dente Businesses and the Receivership Entities for the period from at least mid-2019 through its collapse in mid-2022.

17. After reviewing the report of his forensic account, and based on his own experience, the Receiver concurs with his forensic accountant that, at all times relevant to the allegations made herein, Dente operated a classic Ponzi scheme using the Dente Businesses and the Receivership Entities (the “**Dente-AEM Ponzi Scheme**”).

18. In reviewing the activities of the Receivership Entities, especially AEM Services, the Receiver’s forensic accountant’s analysis shows that AEM Services’ cash flow was insufficient to sustain a valid business enterprise.

19. For example, in November 2020, 87% of deposits into AEM Services’ operating account were comprised of investor funds, while only 12% came from AEM Services’ real estate business revenue. After the payment of expenses, the bulk of which included extravagant salaries to the AEM Services’ executive staff, 67% of total withdrawals were paid back to investors.

20. AEM Services’ regular business activity was to deposit money from investors and then pay that money to other investors on the same day.



21. Over \$200 million moved in and out of AEM Services' operating account from July 2020 through June 2022. The average monthly cash balance was only \$1.1 million.

22. In addition to the overwhelming evidence that new investor money paid earlier investors, the Dente-AEM Ponzi Scheme manifested the following typical characteristics of a classic Ponzi scheme:

a. AEM Services did not keep books and records. There were no comprehensive and/or accurate accounting books or records, and no coherent financial statements. The Receiver's forensic accountant harvested the information supporting this Complaint from AEM Services' bank statements.

b. AEM Services did not complete or file any federal or state tax returns for the years 2019 through 2022.

c. AEM Services commingled its funds between and among the Receivership Entities, as well as between Dente's personal bank accounts, and the bank accounts of his wife and children.

d. Dente and his family members lived lavish lifestyles. During the pendency of the Dente-AEM Ponzi Scheme, Dente transferred between \$1 million and \$2 million from AEM Services to his personal bank accounts to support his lifestyle.

e. Dente spent hundreds of thousands of dollars improving his primary residence, purchased a vacation home, funded numerous trips to Las Vegas for family and friends, enjoyed season tickets to the Cleveland

Cavaliers, and paid expensive private tuition to Ohio Wesleyan and Kent State University.

23. The scheme collapsed when investors already trapped in AEM Services refused to accept increasingly higher interest rates as a further incentive to remain invested and demanded an exit instead.

24. By May 2022, Dente could no longer find new investors willing to contribute enough money to sustain the outflow of funds required to pay existing investors whose notes had matured.

25. When the scheme collapsed AEM Services had fewer than 25 real properties in its portfolio.

#### **NATURE OF THIS PROCEEDING**

26. This action is brought pursuant to the Ohio Uniform Fraudulent Transfer Act (Ohio Revised Code Chapter 1336) and other applicable law to avoid the transfers specifically identified below and to recover the value of the transfers so that the value of the transfers can be equitably distributed among all the victims of the Dente-AEM Ponzi Scheme.

#### **ALLEGATIONS COMMON TO ALL COUNTS**

27. At all times relevant hereto, the liabilities of AEM Services and the related Receivership Entities were greater than the assets of AEM Services and the related Receivership Entities.

28. At all times relevant hereto, AEM Services was insolvent because the sum of its debts was greater than all its assets at fair valuation. *See* O.R.C. § 1336.02(A)(1).

29. At all times relevant hereto, AEM Services was insolvent because it was not generally paying its debts as they became due. *See* O.R.C. § 1336.02(A)(2).

30. AEM Services never had sufficient assets to pay all its obligations to its investors.

31. Because AEM Services never had sufficient assets to pay all its obligations to its investors, every transfer of any asset by AEM Services or any of the Receivership Entities to any other person was made with actual intent to hinder, delay, or defraud creditors of the Dente-AEM Ponzi Scheme. *See* R.C. § 1336.04(A)(1).

32. Because the Dente/AEM Ponzi Scheme never had sufficient assets to pay all its obligations to investors, at the time of each and every transfer of any asset by AEM Services or any of the Receivership Entities to any person, AEM Services and the Receivership Entities were engaged in a business for which their remaining assets were unreasonably small in relation to its business. *See* R.C. § 1336.04(A)(2)(a).

33. Because the Dente-AEM Ponzi Scheme never had sufficient assets to pay all its obligations to investors, at the time of each and every transfer of any asset by AEM Services or any of the Receivership Entities to any person, AEM Services and the Receivership Entities intended to incur, or believed or reasonably

should have believed that AEM Services and the Receivership Entities would incur, debts beyond their ability to pay as those debts became due. *See* R.C.

§ 1336.04(A)(2)(b).

### **THE TRANSFERS**

34. According to the bank records of AEM Services, AEM Services made various transfers (collectively, the “**Transfers**”), to Premier Homes totaling at least Eight Million Five Hundred Ninety-three Thousand One Hundred Eighty-eight Dollars (\$8,593,188.00). The individual Transfers are set forth in detail in the attached Exhibit B.

35. The transfers were made to or for the benefit of Premier Homes and Gingerich.

36. AEM Services received less than reasonably equivalent value for each of the Transfers.

37. The Receiver’s investigation is ongoing. During this proceeding, the Receiver may learn, through discovery or otherwise, of additional transfers made to Premier Homes and/or by Premier Homes to Gingerich and other subsequent transferees that are avoidable.

38. To the extent that any of the recovery counts that follow are inconsistent with each other, they are to be treated as being pled in the alternative.

### **COUNT I**

#### **Avoidance of Fraudulent Transfer – O.R.C. § 1336.07**

39. The Receiver incorporates by reference all the allegations contained in the preceding paragraphs as if fully rewritten herein.

40. The Receiver is entitled to avoid the Transfers pursuant to O.R.C. § 1336.07(A)(1).

### **COUNT II**

#### **Judgment for the Value of Avoided Transfers – O.R.C. § 1336.08(B)(1)**

41. The Receiver incorporates by reference all the allegations contained in all the preceding paragraphs as if fully rewritten herein.

42. Premier Homes was the first transferee of each of the Transfers.

43. Pursuant to O.R.C. § 1336.08(B)(1)(a), the Receiver is entitled to a judgment against Premier Homes for the value of the assets transferred to Premier Homes.

### **COUNT III**

#### **Judgment for the Value of Avoided Transfers – O.R.C. § 1336.08(B)(1)**

1. The Receiver incorporates by reference all the allegations contained in all the preceding paragraphs as if fully rewritten herein.

2. Gingerich was a subsequent transferee of the Transfers and/or the person for whose benefit the Transfers were made.

3. Pursuant to O.R.C. § 1336.08(B)(1)(a), the Receiver is entitled to a judgment against Gingerich for the value of the assets transferred to Premier Homes and/or Gingerich.

WHEREFORE, the Receiver prays that this Court enter judgment in favor of the Receiver and against Premier Homes and Gingerich:

i. avoiding all the Transfers pursuant to O.R.C. § 1336.07(A);

- ii. in the amount of Eight Million Five Hundred Ninety-three Thousand One Hundred Eighty-eight Dollars (\$8,593,188.00) pursuant to O.R.C. § 1336.08(B)(1);
- iii. for post-judgment interest as allowed by Ohio law;
- iv. for his costs in this action including his reasonable attorneys' fees; and
- v. granting such other and further relief as the Court deems just and equitable.

Dated: December 13, 2023

Respectfully submitted,

/s/ Mary K. Whitmer

Mary K. Whitmer (0018213)  
James W. Ehrman (0011006)  
Robert M. Stefancin (0047184)  
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*Counsel for Mark E. Dottore, Receiver*

EXHIBIT A

IN THE COURT OF COMMON PLEAS  
SUMMIT COUNTY

<p><b>SHERYL MAXFIELD, DIRECTOR STATE OF OHIO DEPARTMENT OF COMMERCE 23RD FLOOR 77 SOUTH HIGH STREET COLUMBUS, OH 43215</b></p> <p style="text-align: center;"><b>PLAINTIFF,</b></p> <p>v.</p> <p><b>MARK DENTE, INDIVIDUALLY AND AS TRUSTEE OF THE MARK AND SHARON DENTE LIVING TRUST DATED FEBRUARY 22, 2000 498 WESTON COURT COPLEY, OHIO 44321</b></p> <p>and</p> <p><b>SHARON M DENTE, INDIVIDUALLY AND AS TRUSTEE UNDER THE MARK AND SHARON DENTE LIVING TRUST DATED FEBRUARY 22, 2000 498 WESTON COURT COPLEY, OHIO 44321</b></p> <p>and</p> <p><b>THE AEM SERVICES, LLC 2998 W. MARKET STREET</b></p>	<p>CASE NO. _____</p> <p>JUDGE _____</p> <p><b>VERIFIED COMPLAINT FOR TEMPORARY, PRELIMINARY, AND PERMANENT INJUNCTIVE RELIEF, AND APPLICATION FOR THE APPOINTMENT OF A RECEIVER AND ORDER OF RESTITUTION</b></p>
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**FAIRLAWN, OHIO 44333**  
**and**

**THE AEM SERVICES, LLC D/B/A AEM FUNDING**  
**2998 W. MARKET STREET**  
**FAIRLAWN, OHIO 44333**

**and**

**AEM WHOLESALE, LLC**  
**2998 W. MARKET STREET**  
**FAIRLAWN, OHIO 44333**

**and**

**AEM PRODUCTIONS, LLC**  
**2998 W. MARKET STREET**  
**FAIRLAWN, OHIO 44333**

**and**

**AEM INVESTMENTS, LLC**  
**2998 W. MARKET STREET**  
**FAIRLAWN, OHIO 44333**

**and**

**AEM CAPITAL FUND, LTD**  
**2998 W. MARKET STREET**  
**FAIRLAWN, OHIO 44333**

**and**

**LANDMARK PROPERTY DEVELOPMENT, LTD F/K/A LANDMARK REAL ESTATE ENDEAVERS, LTD.**  
**C/O MARK DENTE, STATUTORY AGENT**  
**498 WESTON COURT**  
**COPLEY, OHIO 44321,**

**DEFENDANTS.**



Plaintiff, the Director of the Ohio Department of Commerce (the “Director”), alleges as follows:

**SUMMARY OF ALLEGATIONS AND RELIEF SOUGHT**

1. The Director brings this action to stop an ongoing fraudulent scheme in which Defendants have raised millions of dollars from dozens of investors throughout the State of Ohio. Since at least June 2016, Defendants have engaged in and continue to engage in a pattern and practice of misusing investor funds that were supposed to be earmarked solely for investment purposes to instead enrich themselves personally and fund a lavish lifestyle.

2. Defendant Mark Dente purports to manage a portfolio of real estate investments. He entices investors, some of them elderly and on fixed incomes, with promises of significant returns, including in some instances returns as high as 36% over nine months. Dente sells investors securities primarily in the form of promissory notes and LLC interests. The investments are issued from various entities that Dente and his wife, Sharon Dente, own or control.

3. The Dentes own or control numerous purported investment businesses, many with similar names, all of which are referred to collectively herein as the “Dente Businesses.” Since 2016, the primary Dente Businesses through which Defendants have raised investor funds include AEM Services, LLC; The AEM Services, LLC d/b/a AEM Funding; and AEM Capital Fund, Ltd. In addition to these entities, the Dentes also own or control AEM Wholesale, LLC; AEM Investments, LLC; AEM Productions, LLC; and Landmark Property Development, Ltd. f/k/a Landmark Real Estate Endeavors [sic], Ltd. Upon information and belief, all the Dente Business have been used by Dente to improperly commingle and misappropriate investor funds.

4. Dente tells investors that their money will be used solely to purchase and renovate real estate properties owned or operated by the Dente Businesses. In reality, a significant portion of the money that investors entrust to Dente is not used for investment purposes but rather treated

by Dente as his own personal slush fund. Dente transfers and commingles investor funds into his personal banking accounts and improperly uses those funds to make numerous non-business purchases or other payments benefiting only himself or his family or friends.

5. By way of example, such improper payments include, but are not limited to, the following:

- \$217,454 of investors' funds have been used to make mortgage payments on the personal residence of Mark and Sharon Dente between December 2016 and May 2022.
- \$197,337.50 of investors' funds have been used to purchase a vacation house for Dente and his wife on or about May 31, 2019.
- \$518,901.25 of investors' funds have used to purchase a personal residence for Dente's business partner on or about October 11, 2019.

6. In addition, Dente has used investor funds to purchase multiple personal watercrafts registered in the names of either the Dentes or their children; make college tuition payments; pay personal medical bills; purchase gas and groceries; make debit purchases at local restaurants; and even pay personal subscriptions for Spotify and Amazon Prime.

7. Dente also uses newly-acquired investor funds to repay prior investors in classic Ponzi-scheme fashion. Dente deposits investor funds directly into various business and personal accounts, including accounts in the name of Mark and Sharon Dente and accounts in the name of the Dente Businesses. Of approximately \$13 million that was raised from investors since November 2016, much of the money was either improperly used by Dente for non-business purposes or paid to earlier investors.

8. By virtue of the misconduct further described herein, Defendants Dente and the Dente Businesses engaged in securities fraud in violation of Sections 1707.44(B)(4) and 1707.44(G) of the Ohio Securities Act, R.C. §§ 1707.01 *et seq.*

9. The Director requests, pursuant to R.C. § 1707.261, that the Court order Defendants to make restitution to any purchasers or holders of securities who have been damaged by Defendants' violations of the Ohio Securities Act.

10. The Director also requests, pursuant to R.C. § 1707.26 and Rule 65 of the Ohio Rules of Civil Procedure, that the Court temporarily, preliminarily, and permanently restrain and enjoin Defendants' unlawful actions. Filed concurrently with this Verified Complaint is the Director's Motion for Temporary Restraining Order and Preliminary Injunctive Relief. As explained in that Motion, the Director is statutorily entitled to a temporary restraining order and preliminary injunction under R.C. § 1707.26, and the requirements for temporary and preliminary injunctive relief under Civil Rule 65 are satisfied, as well.

11. In particular, emergency relief is necessary to stop the fraud, maintain the status quo, and preserve assets sufficient for Defendants to make restitution to any purchasers or holders of securities pursuant to R.C. § 1707.261 and any final judgment of this Court.

12. Furthermore, the Director requests the Court's appointment of a receiver, pursuant to R.C. § 1707.27, to help ensure that all assets unlawfully procured and held by Defendants are recovered and to establish a process for the fair and equitable distribution of such assets among those who have been harmed by Defendants' scheme. The issuance of a TRO will maintain the status quo of Defendants' assets and business records until this Court can consider and rule on the Director's application for the appointment of a receiver.<sup>1</sup>

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<sup>1</sup> On June 22, 2022, Judge Cosgrove issued an *ex parte* Order Appointing Receiver in the pending matter of *Christopher Longo v. The AEM Services, LLC, et al.*, Summit Cty. C.P. Case No. CV-2022-05-1754. The *Longo* case involves a sole individual plaintiff asserting cognovit claims against AEM Services and Mark Dente. The receiver appointment is limited to AEM Services and was made pursuant to R.C. §§ 2735.01 *et seq.* Here, the Director seeks the appointment of a receiver over all the Dente Businesses, not just AEM Services, pursuant to R.C. § 1707.27.

### **JURISDICTION AND VENUE**

13. This Court has jurisdiction over this matter pursuant to R.C. §§ 1707.26, 1707.261, and 1707.27.

14. Venue lies in this Court pursuant to Civ.R. 3(B) and Civ.R. 3(E) in that, at all relevant times one or more Defendants have been located or have resided in Summit County, Ohio, and have engaged in activities that violate R.C. Chapter 1707, the Ohio Securities Act, in Summit County, Ohio.

### **PARTIES**

15. Plaintiff is the Director of the Ohio Department of Commerce and in that official capacity as Director, is responsible through the Division of Securities (the "Division") to regulate securities sales in the State of Ohio, including enforcing the Ohio Securities Act.

16. Defendant Mark Dente ("Dente") is an Ohio resident. He is the managing member, President, and Owner of the Dente Businesses, and is a trustee for the Mark and Sharon Dente Living Trust Dated February 22, 2000.

17. Defendant Sharon Dente ("S. Dente") is an Ohio resident. Upon information and belief, she is or was a member of Defendant Landmark Property Development, Ltd. f/k/a Landmark Real Estate Endeavors, Ltd., and is a trustee for the Mark and Sharon Dente Living Trust Dated February 22, 2000.

18. Defendant The AEM Services, LLC ("AEM Services") is a domestic limited liability company that was registered with the State of Ohio on June 15, 2016. Dente is the Managing Member, President, and Owner of AEM Services. On June 28, 2017, AEM Services filed with the State of Ohio a Trade Name Registration for AEM Funding.

19. Defendant AEM Wholesale, LLC (“AEM Wholesale”) is a domestic limited liability company registered with the State of Ohio on March 20, 2019, by Dente, the Managing Member, President, and Owner of AEM Wholesale.

20. Defendant AEM Productions, LLC (“AEM Productions”) is a domestic limited liability company registered with the State of Ohio on March 14, 2019, by Dente, the Managing Member, President, and Owner of AEM Productions.

21. Defendant AEM Investments, LLC (“AEM Investments”) is a domestic limited liability company registered with the State of Ohio on March 14, 2019, by Dente, the Managing Member, President, and Owner of AEM Investments.

22. Defendant AEM Capital Fund, Ltd (“AEM Capital”) is a domestic limited liability company registered with the State of Ohio on October 30, 2019. Dente is the Managing Member of AEM Services, which is the Managing Member of AEM Capital.

23. Defendant Landmark Property Development, Ltd. f/k/a Landmark Real Estate Endeavors, Ltd. (“Landmark”) is a domestic limited liability company registered with the State of Ohio on December 10, 1998. On the date of filing, Dente and S. Dente were members of Landmark. On January 25, 1999, Landmark Real Estate Endeavors, Ltd. filed a Certificate of Amendment with the State of Ohio changing its name to Landmark Property Development, Ltd.

24. The Dente Businesses operate from a primary business location of 2998 West Market Street, Fairlawn, Ohio 44333 in Summit County, Ohio. There is a virtual office for the Dente Businesses which receives mail located at 20 S. Third Street, Suite 210, Columbus, Ohio 43215. The Dente Businesses also, at times relevant, operated from the personal residence of Mark and Sharon Dente at 489 Weston Court, Copley, Ohio 44321.

### THE FRAUDULENT OFFERINGS

25. **Promissory Notes Issued by AEM Services and Mark Dente:** Dente has induced investors to invest in promissory notes issued by both AEM Services and Dente personally. The notes are typically signed by Dente both individually and in his capacity as Manager of AEM Services.

26. The promissory notes sold by Dente and AEM Services contain a variety of maturity dates and interest rates. An example of a promissory note that Dente and AEM Services has sold to numerous investors contains a nine-month term and promises investors a "Total Profit" return of 36% on the principal investment amount.

27. When selling promissory notes to investors, Dente tells investors that their funds will be used to purchase and renovate real estate discounted through foreclosure and bank sales or through Dente's contacts in the real estate business. Dente does not tell investors that he commingles investor funds in his own personal accounts or that he uses investor funds for his own personal use and to repay prior investors.

28. An analysis of records obtained from the Dente Businesses and a third-party custodian finds that at least 79 people have invested \$13.6 million or more in promissory notes issued by Defendants since June 15, 2016.

29. **LLC Membership Interests Issued by AEM Capital Fund:** Dente has induced investors to invest in LLC membership interests issued by AEM Capital Fund.

30. An Offering Memorandum for AEM Capital Fund dated November 5, 2019, indicates that the AEM Capital Fund offers investors units of membership interest at \$25,000 per units and requires a minimum investment of \$100,000.

31. The Offering Memorandum claims that the purpose of the fund is to invest in single-family real estate in the City of Cleveland and the surrounding metropolitan area. The fund purportedly seeks to “[f]ind above average market returns acquiring undervalued in- and off-market properties and quickly turn them into cash.”

32. The Offering Memorandum further claims that the fund “may own interests in real property including fixtures, attachments, personal property, etc. [The fund] may also hold partnership, LLC, or other forms of equity or revenue interests in joint ventures or other forms of real estate ownership. [The fund] and/or our affiliates may also own equipment, supplies and other material in connection with our planned activities.”

33. Nowhere does the Offering Memorandum disclose that Dente commingles investor funds in his own personal accounts or that he uses investor funds for his own personal use.

34. Records obtained from the Dente Businesses disclosed that at least 18 people have invested at least \$2.7 million or more in the membership interests sold by AEM Capital Fund through Dente and others since October 30, 2019.

**DEFENDANTS’ MISREPRESENTATIONS, OMISSIONS, AND MISUSE OF  
INVESTOR FUNDS**

35. Dente and the Dente Businesses have misrepresented to investors and potential investors that the money they invest in the Dente Businesses is used to conduct the purported business of each respective issuer. Investors are not told that, in fact, a significant portion of investor proceeds is used to repay redeeming investors or is used for personal expenditures to benefit Mark and Sharon Dente, their family members, and associates.

36. Rather than depositing and using investors’ funds for business purposes, Dente commingled investors’ funds. After receiving investor funds, Dente transferred those funds through multiple accounts held in the name of various entities that he controlled, including

accounts held in the name of the various Dente Businesses and personal accounts held at various third-party banks. Substantial amounts of the funds that Dente received from new investors was transferred to redeeming investors or to Dente himself. In some instances, Dente transferred nearly all the investor money to himself. In other cases, the transfers were more complex, with Dente commingling funds in different accounts and transferring the money elsewhere, including to himself and redeeming investors.

37. An analysis of bank records show that Dente has used \$217,454 of investors' funds to make mortgage payments on his personal residence between December 2016 and May 2022.

38. An analysis of property records in Northeast Ohio shows that investor funds were used to purchase a private lake house that Dente holds out to investors as his own property. Specifically, real estate located in Summit County at 4163 Melcher Avenue, Fairlawn, Ohio 44319 titled in the name of AEM Services was used by and held out to investors by Defendants Dente and S. Dente as their personal lake house. Approximately \$197,337.50 of investors' funds were used for this purchase.

39. Investor funds were used to purchase a private residence for one of Dente's business associates. Specifically, Stark County records show property located at 4870 Shady Knoll Avenue N.W., Massillon, Ohio 44646, is titled in the name of AEM Investments, LLC. This property was, at times relevant, the personal residence of Jason Ramus, the Vice President of Business Development for one or more of Dente's Businesses. Approximately \$518,901.25 of investors' funds were used for this purchase.

40. Investor funds were used to purchase multiple personal watercrafts registered in the names of either the Dentes or their children. On or about June 1, 2020, Sharon Dente and Mark Dente purchased a Bennington boat for personal use, HIN ETWJ4839D020. The bank records



show that on June 1, 2020, check number 2948 from bank account number ending xx3937, in the name of The AEM Services, LLC, was written to Boat Masters Marina in the amount of \$44,365.47 for purchase of the boat. The title and buyer's order for the boat are in the name of Sharon Dente. The check for purchase bears the signature of Mark Dente.

41. On or about May 30, 2019, investors' funds were used to purchase a jet ski that is registered in the name of Dente's son.

42. On about August 8, 2018, investors' funds were used to make a tuition payment to the College of Wooster in the amount of \$19,800.

43. Dente and the Dente Businesses tout their alleged business acumen to investors and prospective investors by claiming a history of investment success. For example, on a website that Dente operates, [www.theaemservices.com](http://www.theaemservices.com) [last visited June 30, 2022], Dente claims to have achieved above-average returns for nearly 20 years. Any such claim is unfounded. Since 2004, Dente, his spouse, and various Dente Businesses have been the subject of not less than 193 civil suits filed in Summit and Stark Counties alone. Most of these lawsuits prior to 2022 involve bank and tax foreclosures. More recent lawsuits involve investors asserting claims based on the promissory notes that Defendants sold.

44. Dente and the Dente Businesses also misrepresented to investors the ongoing performance – or lack thereof – of their investments. Dente falsely told investors that their funds were invested and generating investment returns. In certain cases, Dente and the Dente Businesses provided investors with interest payments. In other cases, Dente and the Dente Businesses provided investors with all or part of their funds, with returns. These were Ponzi scheme payments derived from new investor funds rather than actual investment returns. Defendants would solicit investors to rollover and/or reinvest their investments into new promissory notes in lieu of

providing returns of principal and interest in order to keep the scheme afloat. Dente and the Dente Businesses have failed to fulfill the requests of numerous investors to redeem their investments. Just recently, between May 9, 2022 and June 6, 2022, 21 civil cases have been filed in Summit County by investors naming Dente and AEM Services as defendants.

**SPECIFIC MISREPRESENTATIONS AND OMISSIONS TO INVESTORS NO. 1 AND 2**

45. In the course of its investigation, the Division has interviewed numerous investors, including persons described herein as Investors No. 1 and 2. The allegations of misrepresentations and omissions with respect to these two particular investors are provided here as specific examples of the type of misconduct in which Defendants have engaged in. It should not be inferred from these allegations that Defendants' misconduct is limited to these two investors only. The fact is, Defendants have engaged in similar misconduct with respect to dozens of other investors, as well.

46. Investor No. 1 is a 77-year-old resident of Ohio who has known Dente for over 36 years. She has more than \$1.5 million invested with Dente and his businesses and received promissory notes in return for her investments.

47. Dente told Investor No. 1 that her investments would be used to purchase and rehabilitate properties, that he had personally invested the same amount as her in each investment, and that they would split the profits received when the properties were sold. She continued to rollover the investment and returns into new investments with Dente and his companies. Investor No. 1 invested with Dente in order to secure funds for long term care as she aged. Dente touted his success by showing her pictures of "his" lake house, which he said he owned.

48. On April 25, 2019, an investment check from Investor No. 1 in the amount of \$32,500 was deposited into Dente's personal bank account ending XX9912. The balance in the account on the prior day was \$4,519.69. After Investor No. 1's check was deposited, Dente took

cash withdrawals exceeding \$10,000, and used funds from the account for purchases at various restaurants (often making debit card purchases at several different restaurants in the same day), gas stations, Amazon Prime, Sports Clips, Best Buy, Hondros College, Spotify, ALDI supermarket, and CVS. On May 3, 2019, two mortgage payments totaling over \$3,500 for the mortgage secured by the personal residence of Dente and S. Dente at 498 Weston Court, Copley, Ohio, were paid from the XX9912 account.

49. Investor No. 1 received some returns early on, but has had difficulty receiving any returns or a return of principal since then.

50. Investor No. 2 is a 70-year-old Ohio resident who invested over \$750,000 with Dente after a presentation Dente made in Napoleon, Ohio, to a group of potential investors in 2019. Investor No. 2 began investing with \$100,000, for which returns were paid. Dente offered short-term promissory notes that paid returns from 14% to over 27% over the term of the notes. Dente told Investor No. 2 that his investment would be used to purchase discounted homes at wholesale from lenders, which would then be quickly sold for a profit. During the presentation, Dente told the investors that he had significant success in his businesses generating returns of 40-50%. Dente's business model then morphed to include purchase of real estate, rehabilitation, and resale, or "flipping" homes.

51. Investor No. 2 received some returns on his investment shortly after his initial investments, but he has two investments totaling \$950,000 still outstanding. Dente did not tell Investor No. 2 that his investment would be used to pay prior investors. Specifically, on February 27, 2020, an investment check of \$750,000 was deposited into a bank account ending XX3937 in the name of The AEM Services, LLC. On February 27, 2020, there were payments made from

account XX3937 in excess of \$822,000 including checks in the amounts of \$132,373, \$6,171.77 and \$50,000 to prior investors.

**FIRST CAUSE OF ACTION – FALSE REPRESENTATION IN SELLING SECURITIES**

52. Plaintiff restates paragraphs 1 through 51 as if fully rewritten herein.

53. The investments sold by Dente and the Dente Businesses are securities as defined by R.C. § 1707.01(B).

54. When selling these securities to investors, Defendants knowingly made or caused to be made false representations or omissions concerning material and relevant facts, in oral statements or in writing, in violation of R.C. § 1707.44(B)(4).

55. As a result of Defendants' violations of Ohio law, the Director is entitled under the Ohio Securities Act to seek injunctive relief; request restitution for all injured investors; and request the appointment of a receiver.

**SECOND CAUSE OF ACTION – SELLING BY MEANS OF ILLEGAL, FRAUDULENT OR PROHIBITED ACT OR PRACTICE**

56. Plaintiff restates paragraphs 1 through 55 as if fully rewritten herein.

57. When selling securities to investors, Defendants knowingly engaged in acts or practices that are declared illegal, defined as fraudulent, or prohibited under Ohio law, in violation of R.C. § 1707.44(G).

58. As a result of Defendants' violations of Ohio law, the Director is entitled under the Ohio Securities Act to seek injunctive relief; request restitution for all injured investors; and request the appointment of a receiver.

**PRAYER FOR RELIEF**

WHEREFORE, pursuant to R.C. § 1707.26, R.C. § 1707.261, and R.C. § 1707.27, Plaintiff demands the Court order the following relief:

1. Temporarily, preliminarily, and permanently enjoin Defendants, under their names or any other names, and any of their agents, servants, representatives, employees, partners, officers, directors, successors and assigns, personally or through any other device, from engaging in the following acts:
  - a. Selling, offering to sell, or otherwise transferring securities, in violation of R.C. § 1707.44, and/or any other provision of the Ohio Securities Act, R.C. §§ 1707.01 through 1707.45;
  - b. Selling, offering to sell, or otherwise issuing securities that are not in compliance with the provisions of the Ohio Securities Act, R.C. §§ 1707.01 through 1707.45, *et seq.* without prior approval of this court;
  - c. Buying, selling or transferring any real estate without prior approval of this court;
  - d. Transferring, selling, converting, disposing of, spending, or otherwise exercising authority over any funds or property belonging to Defendants, or that which was created, paid for, or financed by investors in the Dente Businesses;
  - e. Transferring any funds to or from any bank account held in the name of any Defendant or any other persons or entities owned or controlled by them without the approval of the Court, except for paying ordinary living expenses, ordinary business expenses, any medical expenses, attorney fees, or any costs associated with this litigation;

- f. Engaging in any deceptive, fraudulent or manipulative act, practice or transaction in connection with the sale of securities in violation of R.C. §§ 1707.01 to 1707.45;
  - g. Destroying, mutilating, concealing, or altering or disposing of in any manner, any of the books, records, documents, correspondence, sales literature or other property of Defendants including, but not limited to, property that relates to or refers to sales of securities; and
  - h. Returning money to investors in any Dente Businesses.
2. Appoint a receiver to manage and operate Defendants, The AEM Services, LLC, The AEM Services, LLC D/B/A AEM Funding, AEM Wholesale, LLC, AEM Investments, LLC, AEM Productions, LLC, AEM Capital Fund, Ltd., Landmark Property Development, Ltd. f/k/a Landmark Real Estate Endeavors and their subsidiaries, under their names or any other names, their agents, servants, representatives, employees, partners, officers, directors, affiliates, successors and assigns, with the authority granted pursuant to R.C. § 1707.27 and with the authority, if necessary, to liquidate the assets of them for the benefit of investors and creditors.
  3. Order restitution pursuant to R.C. § 1707.261.
  4. Any other necessary and appropriate relief.

(signature on next page)

Respectfully submitted,

DAVE YOST (0056290)  
Attorney General of Ohio

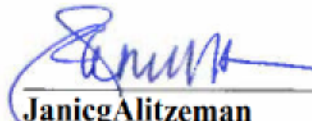
/s/ Chad M. Kohler

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*Counsel for Plaintiff*

**VERIFICATION**

I, Janice Hitzeman, Attorney Inspector for the Division of Securities, Ohio Department of Commerce, having read the foregoing complaint hereby certify that to the best of my knowledge and belief the allegations contained therein are true and correct.

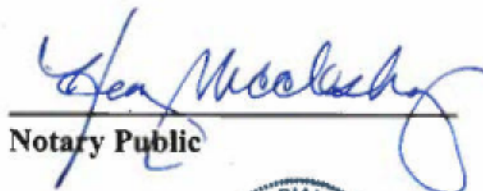


**Janice Alitzeman**  
Attorney Inspector  
Division of Securities  
Ohio Department of Commerce  
77 South High Street – 22<sup>nd</sup> Floor  
Columbus, Ohio 43215  
(614) 644-7381

**STATE OF OHIO            )**  
**COUNTY OF FRANKLIN    )**

Before me, the undersigned notary public, personally appeared **Janice Hitzeman**, who, upon being duly sworn, states that she has read and understood the foregoing Verified Complaint and voluntarily signed same.

Sworn to and subscribed before me this 30<sup>th</sup> day of JUNE, 2022.



**Notary Public**



HaJveyN. McCleskey, Jr.  
ATTORNEY AT LAW  
Notary Public, State of Ohio  
My Commission Has No Expiration Date  
Section 147.03 ORC



**EXHIBIT B**

Transfers from KeyBank acct. no. \*\*\*\*\*3937 to Premier Homes Inc.

<b>Date of Transfer</b>	<b>Amount of Transfer</b>
11/15/2019	\$36,000.00
12/11/2019	32,500.00
12/13/2019	96,750.00
12/26/2019	21,500.00
12/26/2019	21,500.00
12/31/2019	53,250.00
1/22/2020	36,500.00
1/29/2020	244,250.00
2/19/2020	91,500.00
3/4/2020	66,000.00
3/6/2020	1,500.00
3/11/2020	48,500.00
3/25/2020	18,250.00
4/15/2020	19,250.00
4/21/2020	13,000.00
4/24/2020	118,500.00
6/11/2020	34,500.00
6/17/2020	16,750.00
7/30/2020	10,000.00
8/4/2020	85,250.00
8/11/2020	49,250.00
8/13/2020	191,000.00
9/2/2020	30,000.00
9/16/2020	162,750.00
10/7/2020	198,250.00
10/22/2020	138,000.00
10/29/2020	37,250.00
11/5/2020	158,000.00

<b>Date of Transfer</b>	<b>Amount of Transfer</b>
11/23/2020	203,250.00
12/18/2020	170,000.00
12/29/2020	30,000.00
1/4/2021	119,250.00
1/8/2021	184,500.00
2/11/2021	290,250.00
2/26/2021	228,500.00
3/24/2021	225,750.00
4/5/2021	203,750.00
4/6/2021	11,500.00
4/12/2021	109,250.00
4/21/2021	150,000.00
4/22/2021	173,000.00
4/27/2021	110,000.00
4/29/2021	133,750.00
5/4/2021	35,500.00
5/11/2021	80,000.00
5/13/2021	104,000.00
5/25/2021	125,000.00
5/27/2021	189,000.00
6/2/2021	75,990.00
6/25/2021	194,500.00
6/29/2021	204,000.00
7/8/2021	70,000.00
7/12/2021	3,750.00
7/12/2021	64,000.00
7/14/2021	94,250.00
7/20/2021	50,000.00
7/22/2021	51,500.00
8/3/2021	50,000.00

<b>Date of Transfer</b>	<b>Amount of Transfer</b>
8/23/2021	80,000.00
9/1/2021	10,500.00
9/7/2021	58,000.00
9/20/2021	76,500.00
9/22/2021	12,000.00
10/8/2021	200,000.00
10/14/2021	163,000.00
10/15/2021	100,000.00
10/22/2021	12,000.00
10/27/2021	60,000.00
10/29/2021	35,000.00
11/1/2021	33,000.00
11/2/2021	30,000.00
11/3/2021	25,000.00
11/5/2021	55,000.00
11/8/2021	45,000.00
11/9/2021	93,200.00
11/24/2021	32,000.00
12/2/2021	35,000.00
12/3/2021	54,000.00
12/17/2021	50,000.00
12/22/2021	50,000.00
1/6/2022	105,000.00
1/12/2022	70,000.00
1/13/2022	72,000.00
1/19/2022	50,000.00
1/21/2022	177,000.00
2/1/2022	75,000.00
2/2/2022	78,998.00
2/4/2022	103,000.00

<b>Date of Transfer</b>	<b>Amount of Transfer</b>
2/11/2022	100,000.00
2/23/2022	75,000.00
2/25/2022	43,000.00
3/1/2022	50,000.00
3/4/2022	75,000.00
3/8/2022	50,000.00
3/9/2022	45,000.00
3/10/2022	40,000.00
3/16/2022	45,000.00
3/17/2022	23,000.00
3/18/2022	70,000.00
3/22/2022	50,000.00
3/24/2022	50,000.00
3/31/2022	50,000.00
4/5/2022	23,000.00
	<b>\$8,593,188.00</b>