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Media Contacts: press@oag.state.md.us 410-576-7009

## Attorney General Frosh Announces Charges and Preliminary Injunction Against Frederick County Furniture Sellers

Charges Include Failure to Provide Ordered Furniture or Deposit Refunds in Violation of the Consumer Protection Act

BALTIMORE, MD (May 19, 2022) – Maryland Attorney General Brian E. Frosh announced that his Consumer Protection Division has filed <u>charges</u> against Christopher Engel, Karol Engel, Matthew Dihel, MOCHA Furniture Limited Liability Company, Urbana custom décor Limited Liability Company, and Farmstead Custom Furniture LLC for collecting deposits and other monies from consumers to build custom furniture, and then failing to either provide consumers their ordered goods or to refund their money. A hearing on the charges is scheduled to begin on July 27, 2022, in the Maryland Office of Administrative Hearings.

On May 5, 2022, Frederick County Circuit Court Judge Richard Sandy entered a preliminary injunction against the Defendants enjoining them from offering and selling furniture while taking any advance payments and requiring them to pay to the Consumer Protection Division all amounts above the cost of the materials used to build items they sell in "cash and carry" transactions.

The Division alleges that Chris and Karol Engel have been taking orders and deposits for custom furniture, misleading consumers with false promises of delivery, and failing to deliver the furniture or provide consumers' owed refunds since at least late 2019. Periodically, to evade consumers requesting refunds, Defendants changed their company's name without telling the consumers to whom they owed money. The Division alleges that Christopher Engel would tell consumers who tracked him down that there was a "new" company under "new" ownership that owed them nothing when, in fact, Mr. Engel owned and operated each of the companies involved. In March 2022, the most recent company, MOCHA, of which Dihel is a co-owner, told consumers that it no longer had the resources to make their ordered furniture or to pay back their deposits. The charges state that these, and other trade practices by the Defendants, violate the Consumer Protection Act, and the Division is seeking, in addition to a permanent injunction, monetary relief including restitution for impacted consumers, costs, and penalties.

"Taking deposits for goods, failing to deliver the goods, and refusing to provide owed refunds are all violations of Maryland's consumer protection laws," said Attorney General Frosh. "We

are seeking relief for consumers who didn't receive their furniture, and we have gotten an order from the court that will stop the Defendants from hurting any more consumers until this case can be adjudicated."

Consumers with complaints against any of the Defendants may call the Consumer Protection Division at 410-528-8662, file a complaint online at <a href="www.marylandattorneygeneral.gov">www.marylandattorneygeneral.gov</a>, or write to the Consumer Protection Division at 200 St. Paul Place, 16th Floor, Baltimore, MD 21202.

https://www.marylandattorneygeneral.gov/press/2022/051922.pdf