



# BBB Connecticut Investigation Prompts Attorney General to Take Action

Better Business Bureau Connecticut, April 22, 2008

URL: <http://www.pr9.net/business/services/7937april.html>

## *State Lawsuit Launched Against Two Companies and their President for "Illegal Loan Scheme"*

PR9.NET April 22, 2008 - Wallingford, CT - Better Business Bureau investigations have prompted the Connecticut Attorney General to take legal action against two Hartford-based companies, Mediations, Inc. and Innovations NE, LLC, and their President, Michael Petriccione for a loan scheme that has bilked consumers nationwide out of tens of thousands of dollars.

Better Business Bureau of Connecticut investigators determined that Mediations, LLC (also doing business under the names Northeast, LLC and Innovations N.E., LLC), asks for hefty up-front fees for construction loans, ranging from \$1,500 to \$26,000, and requires applicants to pay by wire transfer or cashiers check only. To date, complaints to BBB Connecticut reveal losses topping \$110,000.

According to the Attorney General's office, Petriccione claimed to provide legal services even though he is not licensed to practice law in the State of Connecticut.

Attorney General Richard Blumenthal emphasized, "Mediations and Innovations innovated nothing more than bogus claims and an illegal loan scam that cheated consumers out of thousands of dollars."

"This company," says Blumenthal, "blatantly disregarded consumer rights and unconscionably exploited various individuals...by naming "references" who never gave permission that their names be used in order to lure victims into the illegal scheme." These "references" included the CT Attorney General himself, and the late president of Southern Connecticut State University, Michael Adanti.

The Attorney General's lawsuit, based on an investigation and materials provided by Connecticut Better Business Bureau to the A.G.'s office, alleges the companies' practices violate consumer protection laws, including public policies prohibiting a loan broker from collecting an advance fee as a condition for provision of services, as well as prohibitions against falsely representing that an individual is entitled to practice law in the state.

BBB Connecticut began its investigation of the companies' practices in January 2008, based on consumer complaints.

Better Business Bureau President Paulette Hotton reminds consumers and business owners alike that "This is a perfect example of why we urge anyone involved in any kind of business transaction to log on to our web site, x, enter the company's name and obtain a Reliability Report. If you take a few minutes to investigate, it could end up preventing the loss of money and time to unscrupulous con artists."

###

## **About Better Business Bureau Connecticut**

Founded in 1912, BBB is an unbiased non-profit organization that sets and upholds high standards for fair and honest business behavior. BBB offers objective advice and a wide range of education on topics affecting marketplace trust. BBB also offers complaint and dispute resolution support for consumers and businesses. Today, 128 BBBs serve communities across the U.S. and Canada, evaluating and monitoring more than three million local and national businesses and charities. For more advice on finding companies and businesses, start your search with trust at [www.bbb.org](http://www.bbb.org).

**Phone:** 203-269-2700 x 103  
**FAX:** 203-294-6882  
**Website:** <http://www.bbb.org>  
**E-Mail:** [hschwartz@ct.bbb.org](mailto:hschwartz@ct.bbb.org)  
**Address:** Better Business Bureau Connecticut  
94 South Turnpike Rd  
Wallingford, CT 06492