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SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION, MORRIS COUNTY
DOCKET NO. MRS-C - 74-09

ANNE MILGRAM, Attorney General of the State of New Jersey, and DAVID M. SZUCHMAN, Director of the New Jersey Division of Consumer Affairs, Plaintiffs, v. DARYL T. TURNER, individually and d/b/a DREAMWORKS VACATION CLUB, DREAMWORKS VACATIONS, DREAMWORKS and BENTLEY TRAVEL; VACATION CLUBS LLC d/b/a LA BONNE VIE TRAVEL; FIVE POINTS TRAVEL COMPANY; and DREAM VACATIONS INTERNATIONAL, INC.; JANE AND JOHN DOES 1-20, individually and as owners, officers, directors, shareholders, founders, managers, agents, servants, employees representatives and/or independent contractors of DARYL T. TURNER, individually and d/b/a DREAMWORKS VACATION CLUB, DREAMWORKS VACATIONS, DREAMWORKS and BENTLEY TRAVEL; VACATION CLUBS LLC d/b/a LA BONNE VIE TRAVEL; FIVE POINTS TRAVEL COMPANY; and DREAM VACATIONS INTERNATIONAL, INC.; and XYZ CORPORATIONS, 1-20, Defendants.	Civil Action **SECOND AMENDED VERIFIED COMPLAINT**

Plaintiffs Anne Milgram, Attorney General of the State of New Jersey ("Attorney General"), with offices located at 124 Halsey Street, Fifth Floor, Newark, New Jersey, and David M. Szuchman, Director of the New Jersey Division of Consumer Affairs (" Director"), with offices located at 124 Halsey Street, Seventh Floor, Newark, New Jersey, by way of this Second Amended Verified Complaint state:

PRELIMINARY STATEMENT

1. Since at least January 2007, Daryl T. Turner ("Turner"), who has conducted business under the names Dreamworks Vacation Club, Dreamworks Vacations and Dreamworks (collectively, "Dreamworks") and Bentley Travel, as well as through Vacation Clubs LLC ("Vacation Clubs") d/b/a La Bonne Vie Travel, Five Points Travel Company ("Five Points Travel") and Dream Vacations International, Inc. ("DVI") (collectively, "Defendants"), have advertised, offered for sale and sold vacation club membership packages ("Vacation Package ") to consumers in the State of New Jersey ("State" or "New Jersey") and elsewhere. Defendants enticed consumers into making such purchases through the following: (a) direct mailings that included the trademarks of well-known and trusted airlines, hotels, car rental agencies and restaurants; (b) mail flyers and other solicitations that advised consumers that they were entitled to receive complimentary round trip tickets, hotel accommodations, dinners, car rentals and/or gas cards; (c) representations as to the Defendants' ability to secure for consumers large discounts on air fares, accommodations at luxury, five-star hotels; and (d) representations, during sales presentations, that consumers would receive free cruises and all-inclusive vacations in Mexico and other destinations if they purchased the Vacation Package. Consumers spent thousands of dollars up front for Vacation Packages, which, as they subsequently found, were really "too good to be true."

2. As detailed below, through their advertisement and sale of the Vacation Package, Defendants engaged in the unauthorized use of the company trademarks, failed to provide consumers with their complimentary items or services and failed to provide consumers with travel arrangements at the price and of the quality represented prior to purchase. In essence, the Vacation Packages were worthless. Once consumers realized that Defendants could not – or would not – provide the represented Vacation Package, they attempted to cancel their contracts, to no avail.

3. Defendants' conduct constitutes multiple violations of the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq. ("CFA"), as well as the Regulations Governing General Advertising, N.J.A.C. 13:45A-9.1 et seq. ("Advertising Regulations"). The Attorney General and Director submit this Second Amended Verified Complaint to prevent any more consumers from being victimized by Defendants' deceptive practices.

PARTIES AND JURISDICTION

4. The Attorney General is charged with the responsibility of enforcing the CFA, N.J.S.A. 56:8-1 et seq., and the regulations promulgated thereunder, N.J.A.C. 13:45A-1.1 et seq. ("CFA Regulations") including the Advertising Regulations, N.J.A.C. 13:45A-9.1 et seq. The Director is charged with the responsibility of administering the CFA and the CFA Regulations on behalf of the Attorney General.

5. By this action, the Attorney General and Director (collectively, "Plaintiffs") seek injunctive and other relief for violations of the CFA and the relevant Regulations. Plaintiffs bring this action pursuant to their authority under the CFA, specifically N.J.S.A. 56:8-8, 56:8-11, 56:8-13 and 56:8-19. Venue is proper in Morris County, pursuant to R. 4:3-2, because it is a county in which

Defendants have advertised and/or conducted business and in which they maintained a principal place of business address.

6. Upon information and belief, at all relevant times, Defendant Turner has been the sole proprietor, owner, officer, director and/or operator of Dreamworks and Bentley Travel and has transacted business as Dreamworks and Bentley Travel. At all relevant times, Turner has maintained a mailing address of 411 Kennebec Road, Cherry Hill, New Jersey 08002.

7. Upon information and belief, Defendant Turner applied for and obtained a mercantile license for Dreamworks in Westampton Township in or about October 31, 2007.

8. Upon information and belief, at all relevant times, Defendant Turner, doing business as Dreamworks and Bentley Travel, has maintained business and mailing addresses of: (a) 4 Century Drive Parsippany, New Jersey 07054; (b) 279 Egg Harbor Road, Suite C, Sewell, New Jersey 08080; (c) 122 Burrs Road, Westampton, New Jersey 08060; and (d) 600 Park Avenue Suite 200, Manalapan, New Jersey 07726.

9. Defendant Vacation Clubs is a Domestic Profit Limited Liability Corporation established in New Jersey on March 26, 2009. Upon information and belief, at all relevant times Vacation Clubs has maintained a business and mailing address of 600 Park Avenue, Suite 200, Manalapan, New Jersey 07726.

10. Defendant Vacation Clubs' registered agent in the State is Defendant Turner, who maintains a mailing address of 411 Kennebec Road, Cherry Hill, New Jersey 08002 and 865 Cooper Landing Road #122, Cherry Hill, New Jersey 08002. Upon information and belief, at all relevant times, Defendant Turner has been a member of Vacation Clubs.

11. Upon information and belief, Dreamworks Vacation Club, Dreamworks Vacations Dreamworks and Bentley Travel and La Bonne Vie Travel are not registered as trade names nor incorporated in the State.

12. Defendant Five Points Travel is a Domestic Profit Corporation established in New Jersey on July 18, 2008. Upon information and belief, at all relevant times Five Points Travel has maintained business and mailing addresses of: (a) 4 Century Drive Parsippany, New Jersey 07054; (b) 279 Egg Harbor Road, Suite C, Sewell, New Jersey 08080; (c) 122 Burrs Road, Westampton, New Jersey 08060; and (d) 600 Park Avenue Suite 200, Manalapan, New Jersey 07726.

13. Defendant Five Points Travel's registered agent in the State is Defendant Turner, who maintains a mailing address of 411 Kennebec Road, Cherry Hill, New Jersey 08002. Upon information and belief, at all relevant times, Defendant Turner has been the sole owner, officer, director and/or operator of Five Points Travel.

14. Defendant DVI is a Domestic Profit Corporation established in Nevada on September 29, 1997. Upon information and belief, at all relevant times, DVI has maintained business and mailing addresses of: (a) 4 Century Drive Parsippany, New Jersey 07054; (b) 279 Egg Harbor Road, Suite C, Sewell, New Jersey 08080; (c) 122 Burrs Road, Westampton, New Jersey 08060; and (d) 600 Park Avenue Suite 200, Manalapan, New Jersey 07726. Defendant Turner is the President and registered agent of DVI, with a current mailing address of 411 Kennebec Road, Cherry Hill, New Jersey 08002.

15. Upon information and belief, John and Jane Does 1 through 20 are fictitious individuals meant to represent the owners, officers, directors, shareholders, founders, managers, agents, servants, employees, representatives and/or independent contractors of Turner, Dreamworks,

Bentley Travel, Vacation Clubs d/b/a La Bonne Vie Travel, Five Points Travel and/or DVI who have been involved in the conduct that gives rise to this Second Amended Verified Complaint, but are heretofore unknown to the Plaintiffs. As these defendants are identified, Plaintiffs shall amend this Second Amended Verified Complaint to include them.

16. Upon information and belief, XYZ Corporations 1 through 20 are fictitious corporations meant to represent any additional corporations that have been involved in the conduct that gives rise to this Second Amended Verified Complaint, but are heretofore unknown to Plaintiffs. As these defendants are identified, Plaintiffs shall amend this Second Amended Verified Complaint to include them.

17. Turner, individually and d/b/a Dreamworks and Bentley Travel, Vacation Clubs d/b/a La Bonne Vie Travel, Five Points Travel and DVI are collectively referred to as "Defendants."

GENERAL ALLEGATIONS COMMON TO ALL COUNTS

18. At all relevant times Defendants have advertised, offered for sale and sold merchandise to consumers in this State and elsewhere, including, but not limited to, the sale of Vacation Packages.

19. At all relevant times, Defendants have advertised as "Dreamworks Vacation Club", "Dreamworks Vacations", "Dreamworks", "Bentley Travel", "La Bonne Vie Travel", "Five Points Travel Club" and "DVI".

20. At all relevant times, Dreamworks has maintained a website at http://dreamworksvacationclub.com/.

21. At all relevant times, Bentley Travel has maintained a website at http://www.bentleytravel.net/.

22. At all relevant times, La Bonne Vie Travel has maintained a website at http://labonnevietravel.net/.

23. At least since January 2007 and in their sale of Vacation Packages, Defendants have represented that consumers would have access to luxury five-star accommodations at discount prices. After consumers purchased these Vacation Packages, they discovered that they would not have access to luxury five-star accommodations at discount prices.

24. At least since January 2007 and in their sale of Vacation Packages, Defendants have represented that consumers are entitled to discounted airfares, hotel accommodations and car rentals. After consumers purchased these Vacation Packages, they discovered that they would not be entitled to these discounts.

25. Defendants offered for sale and/or sold these Vacation Packages through sales presentations. Many of these presentations were held at Defendants' business locations at: (a) 4 Century Drive Parsippany, New Jersey 07054; (b) 279 Egg Harbor Road, Suite C, Sewell, New Jersey 08080; (c) 122 Burrs Road, Westampton, New Jersey 08060; and (d) 600 Park Avenue Suite 200, Manalapan, New Jersey 07726. At least during the period of January 8, 2008 through February 16, 2008, Defendants held presentations at the Marriott Trenton at Lafayette Yard, located at 1 West Lafayette Street, Trenton, New Jersey 08608 ("Trenton Marriott").

26. During the sales presentations, Defendants represented to consumers that they specialized in wholesale vacation travel.

27. During the sales presentations, Defendants led consumers to believe that if they purchased the Vacation Packages, they would be: (a) purchasing vacations in advance at a discount

and receiving other benefits such as condominium timeshare discounts; and (b) they would be paying less for their vacations than the general public.

28. During the sales presentations, Defendants represented to consumers that, as part of the Vacation Package, they could travel almost anywhere in the world.

29. Consumers paid $1,200 to $8,000 upfront for the Vacation Packages.

30. During the sales presentations, Defendants failed to inform consumers that the price of the Vacation Package did not include an annual renewal fee.

31. During the sales presentations, Defendants showed consumers glossy brochures from other vacation club companies describing and depicting resort areas throughout the world and represented that consumers would be able to select vacations at those areas. After consumers entered into contracts for the Vacation Packages, they discovered that the specific resorts, areas and packages shown during the presentation were not available to them.

32. At least since January 2007, Defendants have sold consumers Vacation Packages which Defendants represented would provide specific discounts at specific hotels. After consumers purchased the Vacation Packages, they discovered that they did not have access to the specific discounts at the specific hotels.

33. At varying times, Defendants have told consumers prior to purchase of a Vacation Package that they would have the ability to select specific resorts at which to stay. After purchase, consumers learned that they were not able to select specific resorts, but only specific regions.

34. At varying times, Defendants sold consumers Vacation Packages which were represented to include the ability to book cruises for up to 65% off the regular price. Consumers

who purchased these Vacation Packages discovered that the cruises available to members were actually higher in price than those offered through free travel sites open to the general public.

35. Consumers who contracted with Defendants for Vacation Packages subsequently discovered that if they accessed a free website such as Expedia, they could book airline flights and hotel accommodations at a discount greater than that offered by Defendants.

36. At varying times, Defendants distributed to consumers through the United States mail postcards and flyers utilizing the trademark, service mark and trade name of well known corporations, including: Jet Blue Airlines, United Airlines, American Airlines, U.S. Airways, Spirit Airlines, Southwest Air Lines Company, Delta Airlines, Marriott, Sheraton, Ritz-Carlton, Enterprise Rent-A-Car, Avis Budget Group, Inc., Dollar Rent A Car, Hertz, Olive Garden, Red Lobster and Bahama Breeze.

37. At no time did Defendants have the authorization to use the trademark, service mark and/or trade name of Jet Blue Airlines, United Airlines, American Airlines, U.S. Airways, Spirit Airlines, Southwest Air Lines Company, Delta Airlines, Marriott, Sheraton, Ritz-Carlton, Enterprise Rent -A-Car, Avis Budget Group, Inc., Dollar Rent A Car, Hertz, Olive Garden, Red Lobster and Bahama Breeze.

38. At varying times, during their oral and visual presentations to consumers, Defendants represented that they are members of the Better Business Bureau ("BBB") in good standing. Defendants have also displayed the BBB plaque at their place of business.

39. At all relevant times, Defendants were not members in good standing with the BBB.

40. At varying times, Defendants represented to consumers that they had been in business for 17 years.

41. In an effort to entice consumers to purchase Vacation Packages, Defendants advised consumers that such would entitle them to receive a free seven (7) day cruise on a Celebrity Cruise Ship. After purchase, Defendants did not offer consumers the free seven (7) day cruise on a Celebrity Cruise Ship, but rather a one (1) day local cruise on a line by the name of "Fantaseaa Cruise" for which consumers would be required to pay $299.00 per person.

42. At varying times, Defendants advertised through direct mailers to consumers in which they represented that they would receive free of charge and/or without any obligation items and/or services, which included: (a) two (2) free round trip airline tickets to any major international airport in the continental United States; (b) three (3) day /two (2) night getaway to be used at well known resorts and hotel chains such as Marriott, Ritz-Carlton and Sheraton; (c) dinner for two at well-known restaurant chains such as Red Lobster, Olive Garden and Bahama Breeze; (d) complimentary seven (7) day car rental with companies such as Enterprise Rent-A-Car, Hertz, Avis Budget Group, Inc. and Dollar Rent A Car; and (e) free gas coupons ranging in value anywhere from $50.00 to $200.00.

43. Defendants' mailers instructed consumers who sought to claim these items or services to place a telephone call. When consumers did, they were told that in order to receive the items or services, they were required to attend a 90 minute presentation about a pre-paid vacation package program to obtain the gift. Consumers who attended the presentation were not provided with the items or services.

COUNT I

VIOLATION OF THE CFA BY DEFENDANTS (UNCONSCIONABLE COMMERCIAL PRACTICES AND DECEPTION)

44. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 43 above as if more fully set forth herein.

45. The CFA, N.J.S.A. 56:8-2, prohibits:

> The act, use or employment by any person of any unconscionable commercial practice, deception, fraud, false pretense, false promise, misrepresentation, or the knowing[] concealment, suppression, or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale or advertisement of any merchandise. . .

46. Since at least January 2007, Defendants, through their owners, officers, directors, shareholders, founders, managers, agents, servants, employees, representatives and/or independent contractors, have advertised, offered for sale and/or sold Vacation Packages to consumers in this State and elsewhere.

47. In so doing, Defendants, through their owners, officers, directors, shareholders, founders, managers, agents, servants, employees, representatives and/or independent contractors, have engaged in the use of unconscionable commercial practices, deception, false promises, misrepresentations and/or the knowing concealment, suppression or omission of material facts.

48. Defendants' conduct in violation of the CFA includes, but is not limited to, the following unconscionable commercial practices:

a. During sales presentations, inducing consumers to purchase Vacation Packages by stating that they will receive a free seven (7) day cruise on a Celebrity Line Cruise Ship and then failing to provide the cruise once the consumers purchase the Vacation Package;

b. During sales presentations, inducing consumers to purchase Vacation Packages by stating that they will receive an all inclusive free Mexico vacation and then failing to provide the vacation once the consumers purchase the Vacation Package;

c. During sales presentations, inducing consumers to purchase Vacation Packages by showing them brochures with resort areas and packages that, in fact, were not available through the Vacation Package;

d. Entering into contracts with and accepting payment from consumers for lifetime Vacation Packages and then failing to provide consumers with the contracted for Vacation Packages;

e. Failing to honor the advertised sale terms for Vacation Packages;

f. Failing to honor a negotiated contract;

g. Advising consumers prior to purchase that they would have the right to cancel the contract if they were not satisfied with the Vacation Packages and then failing to permit consumers to cancel the contract;

h. Failing to provide consumers with written cancellation forms prior to either entering into contracts with or accepting payments from consumers;

i. Unilaterally changing the negotiated contract terms and then failing to honor the consumer's request for cancellation of the contract;

j. Unilaterally changing the negotiated contract terms and then failing to return the consumer's deposit;

k. Charging consumers' credit cards for fees and services that were not authorized by the consumers;

l. Failing to reverse the charges on consumers' credit cards after the consumers complained that Defendants made unauthorized charges;

m. Requiring consumers to sign contracts permitting Defendants to debit the consumers' checking or savings accounts, without Defendants being licensed by the New Jersey Department of Banking and Insurance to do so;

n. Submitting bills to collection agencies after consumers have cancelled the contract and formally disputed the charges;

o. Hanging up on consumers who call Defendants to complain about the Vacation Packages they either did or did not receive; and

p. Failing to respond to consumer complaints, inquiries and/or requests for refunds in a timely manner or at all.

49. Defendants' conduct in violation of the CFA includes, but is not limited to, the following acts of deception:

a. Utilizing the term "Bailout" on the envelope of the mailer sent to consumers to falsely imply that the mailing is related to the Federal bailout program;

b. Utilizing the term "Division of Revenue" on the envelope of the mailer sent to consumers to falsely imply that the mailing has originated from a State or Federal agency;

c. Utilizing the term "Department of Funding" on the envelope of the mailer sent to consumers to falsely imply that the mailing has originated from a State or Federal department;

d. Utilizing the term "Travel Itinerary" on the mailer sent to consumers along with a travel date, confirmation number and check-in time to falsely imply that the document represented a travel itinerary;

e. Utilizing the Marriott trademark along with the inclusion of a specific room number to falsely imply that a particular room was being held for the consumer at the Marriott;

f. In mail solicitations and/or advertising materials, utilizing, without authorization, the trademarks of Jet Blue Airways, United Airlines, American Airlines, US Airways, Spirit Airlines, Southwest Air Lines Company, Delta Airlines, Marriott, Sheraton, Ritz-Carlton, Enterprise Rent-A-Car, Avis Budget Group, Inc., Dollar Rent A Car, Hertz, Olive Garden, Red Lobster and/or Bahama Breeze, to falsely imply that the offer was from Jet Blue Airways, United Airlines, American Airlines, US Airways, Spirit Airlines, Southwest Air Lines Company, Delta Airlines, Marriott, Sheraton, Ritz-Carlton, Enterprise Rent-A-Car, Avis Budget Group, Inc., Dollar Rent A Car, Hertz, Olive Garden, Red Lobster and/or Bahama Breeze or that Defendants were in some way affiliated with Jet Blue Airways, United Airlines, American Airlines, US Airways, Spirit Airlines, Southwest Airlines Company, Delta Airlines, Marriott, Sheraton, Ritz-Carlton, Enterprise Rent-

A-Car, Avis Budget Group, Inc., Dollar Rent A Car, Hertz, Olive Garden, Red Lobster and/or Bahama Breeze; and

g. Forwarding mail flyers to consumers which indicated that they were entitled to receive free items (i.e. round trip tickets for two (2) anywhere in the continental United States, vacation for two (2), gas coupons, seven (7) day car rental, gift certificates to Red Lobster, Olive Garden and/or Bahama Breeze and/or hotel stay at the Marriott, Sheraton and/or Ritz-Carlton), when receipt of such items was actually conditioned upon, among other things, attendance at a presentation for Defendants' Vacation Packages.

50. Each unconscionable commercial practice and/or act of deception by Defendants constitutes a separate violation of the CFA, N.J.S.A. 56:8-2.

COUNT II

VIOLATION OF THE CFA BY DEFENDANTS (FALSE PROMISES OR MISREPRESENTATIONS AND KNOWING OMISSIONS OF MATERIAL FACT)

51. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 50 above as if more fully set forth herein.

52. Defendant's conduct in violation of the CFA includes, but is not limited to, the following false promises and/or misrepresentations:

a. During sales presentations, misrepresenting to consumers that the contract amount paid for Vacation Packages represented the total amount due for a lifetime Dreamworks membership;

b. Misrepresenting to consumers that Dreamworks would be responsible for providing them with Vacation Packages;

c. During sales presentations, representing to consumers that their enrollment in Dreamworks at that time would entitle them to two (2) complimentary airline tickets anywhere in the continental United States, when such was not the case;

d. During sales presentations, representing to consumers that their enrollment in Dreamworks at that time would entitle them to a free Mexico vacation, when such was not the case;

e. During sales presentations, representing to consumers that their enrollment in Dreamworks at that time would entitle them to a free seven (7) day cruise on a Celebrity Cruise Ship, when such was not the case;

f. Representing in direct mail flyers to consumers that they would receive a free prize or gift (i.e. round trip tickets for two (2) anywhere in the continental United States, vacation for two (2), gas coupons, seven (7) day car rental, gift certificates to Red Lobster, Olive Garden and/or Bahama Breeze and/or hotel stay at the Marriott, Sheraton and/or Ritz-Carlton), when such was not the case;

g. Representing to consumers that Defendants have been in business for 17 years, when such is not the case; and

h. Representing to consumers that Defendants were members of the BBB in good standing, when such was not the case.

53. Defendants' conduct in violation of the CFA includes, but is not limited to, the following knowing omissions of material fact:

a. Failing to disclose to consumers prior to their purchase of a Vacation Package that all vacation club services would be provided by another vacation club provider;

b. Failing to disclose to consumers prior to their purchase of a Vacation Package that an additional yearly membership fee would be payable to another company;

c. Failing to disclose to consumers prior to their purchase of a Vacation Package that they would not be able to access the website to even view available Vacation Packages without first paying the additional yearly membership fee to another provider;

d. Failing to disclose to consumers prior to their purchase of a Vacation Package that they would be required to pay additional fees prior to utilizing the service;

e. Failing to disclose to consumers prior to their purchase of a Vacation Package the available number of condominiums available for rental; and

f. Failing to provide consumers with a written contract which includes a clear and detailed description of all the terms and conditions of the vacation packages.

54. Each false promise, misrepresentation and/or knowing omission of material fact by Defendants constitutes a separate violation of the CFA, N.J.S.A. 56:8-2.

COUNT III

VIOLATION OF THE CFA BY DEFENDANTS SIMULATING GOVERNMENTAL AGENCY

55. Plaintiffs repeat and reallege the allegations contained in Paragraphs 1 through 54 above as if more fully set forth herein.

56. The CFA, N.J.S.A. 56:8-2.1, provides as follows

> It shall be an unlawful practice for any person to operate under a name or in a manner which wrongfully implies that such person is a branch of or associated with any department or agency of the Federal Government or of this State or any of its political subdivisions, or use any seal, insignia, envelope or other format which simulates that of any governmental department or agency.

57. In the operation of their business, Defendants have wrongfully implied that they are associated with a department or agency of the Federal or State government including but not limited to the following:

a. Mailing to consumers envelopes that include the term "Division of Revenue" which wrongfully implies that the correspondence has originated from a State or Federal agency;

b. Mailing to consumers envelopes that include the term "Department of Funding" which wrongfully implies that the correspondence has originated from a State or Federal department; and

c. Mailing to consumers correspondence that includes the term "Bailout" which wrongfully implies that the correspondence is related to an economic relief program administered by Federal agency.

58. Each act by Defendants which implies that Defendants are associated with the Federal or State government constitutes a separate of the CFA, N.J.S.A. 56:8-2.1.

COUNT IV

VIOLATION OF THE CFA BY DEFENDANTS (REQUIRING CONSUMERS TO PERFORM AN ACT AFTER NOTIFICATION THAT THEY WILL RECEIVE A PRIZE)

59. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 58 above as if more fully set forth at length herein.

60. The CFA, N.J.S.A. 56:8-2.3, provides as follows:

> The notification to any person by any means, as a part of an advertising plan or scheme, that he has won a prize and requiring him to do any act, purchase any other item or submit to a sales promotion effort is an unlawful practice and a violation of the act to which this act is a supplement.

61. Since at least January 2007, Defendants have mailed flyers to consumers indicating that whey won a prize and when consumers call the telephone number listed on the flyer, Defendants wrongfully require consumers to perform some act, namely attend a presentation.

62. Defendants' conduct in violation of the CFA includes, but is not limited to, the following:

a. Mailing flyers to consumers indicating that they had been selected to receive complimentary round trip tickets for two (2) anywhere in the continental United States, and then advising them when they call to claim their tickets that they are required to first attend a 90 minute presentation;

b. Mailing flyers to consumers indicating that they had been selected to receive a free vacation for two (2), and then advising them when they call to claim their vacation that they are required to first attend a 90 minute presentation;

c. Mailing flyers to consumers indicating that they had been selected to receive free gas coupons ranging from $50.00 to $200.00, and then advising them

when they call to claim their coupons that they are required to first attend a 90 minute presentation;

d. Mailing flyers to consumers indicating that they had been selected to receive a complimentary seven (7) day car rental with Enterprise-Rent-A-Car, Avis Budget Group, Inc., Dollar Rent A Car and/or Hertz, and then advising them when they call to claim their rental that they are required to first attend a 90 minute presentation;

e. Mailing flyers to consumers indicating that they had been selected to receive a free gift certificate to Red Lobster, Olive Garden and/or Bahama Breeze, and then advising them when they call to claim their gift certificate that they are required to first attend a 90 minute presentation; and

f. Mailing flyers to consumers indicating that they had been selected to receive a free hotel stay at a Marriott, Sheraton and/or Ritz-Carlton, and then advising them when they call to claim their hotel stay that they are required to first attend a 90 minute presentation.

63. Each instance in which Defendants required consumers to perform some act after notifying them that they won a prize constitutes a separate violation of the CFA, N.J.S.A. 56:8-2.3.

COUNT V

VIOLATION OF THE CFA BY DEFENDANTS (FAILURE TO PROVIDE COPIES OF SALES CONTRACTS)

64. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 63 above as if more fully set forth herein.

65. The CFA, specifically, N.J.S.A. 56:8-2.22, provides:

> It shall be an unlawful practice for a person in connection with a sale of merchandise to require or request the consumer to sign any document as evidence or acknowledgment of the sales transaction, of the existence of the sales contract, or of the discharge by the person of any obligation to the consumer specified in or arising out of the transaction or contract, unless he shall at the same time provide the consumer with a full and accurate copy of the document so presented for signature but this section shall not be applicable to orders placed through the mail by the consumer for merchandise.

66. From at least January 2007, Defendants required consumers to sign incomplete or blank sales contracts, many of which obligated the consumers to the purchase of various vacation packages or the sale of their time share condominiums, and then failed to provide consumers with full and accurate copies of such contracts.

67. Each instance in which Defendants required consumers to sign incomplete or blank sales contracts constitutes a separate violation of the CFA, N.J.S.A. 56:8-2.22.

COUNT VI

VIOLATION OF THE ADVERTISING REGULATIONS BY DEFENDANTS

68. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 67 above as if more fully set forth herein.

69. The Advertising Regulations, N.J.A.C. 13:45A-9.1 et seq., promulgated pursuant to the CFA, among other things, address general advertising practices.

70. Specifically, the Advertising Regulations govern general advertising practices and provide, in pertinent part:

> (a) Without limiting the application of N.J.S.A. 56:8-1 et seq., the following practices shall be unlawful with respect to all advertisements:
>
> . . . .
>
> 9. The making of false or misleading representations of facts concerning the reasons for, existence or amounts of price reductions, the nature of an offering or the quantity of advertised merchandise available for sale.
>
> [N.J.A.C. 13:45A-9.2 (a)(9).]

71. In their advertisement of vacation packages, Defendants violated the Advertising Regulations including, but not limited to, the following:

a. The unauthorized use of the Jet Blue Airways trademark to falsely imply that the offer was from Jet Blue Airways or that Defendants were in some way affiliated with Jet Blue Airways;

b. The unauthorized use of the United Airlines trademark to falsely imply that the offer was from United Airlines or that Defendants were in some way affiliated with United Airlines;

c. The unauthorized use of the American Airlines trademark to falsely imply that the offer was from American Airlines or that Defendants were in some way affiliated with American Airlines;

d. The unauthorized use of the US Airways trademark to falsely imply that the offer was from US Airways or that Defendants were in some way affiliated with US Airways;

e. The unauthorized use of the Spirit Airlines trademark to falsely imply that the offer was from Spirit Airlines or that Defendants were in some way affiliated with Spirit Airlines;

f. The unauthorized use of the Southwest Air Lines Company trademark to falsely imply that the offer was from Southwest Air Lines Company or that Defendants were in some way affiliated with Southwest Air Lines Company;

g. The unauthorized use of the Delta Airlines trademark to falsely imply that the offer was from Delta Airlines or that Defendants were in some way affiliated with Delta Airlines;

h. The unauthorized use of the Marriott trademark to falsely imply that the offer was from Marriott or that Defendants were in some way affiliated with Marriott;

i. The unauthorized use of the Sheraton trademark to falsely imply that the offer was from Sheraton or that Defendants were in some way affiliated with Sheraton;

j. The unauthorized use of the Ritz-Carlton trademark to falsely imply that the offer was from Ritz-Carlton or that Defendants were in some way affiliated with Ritz-Carlton;

k. The unauthorized use of the Enterprise Rent-A-Car trademark to falsely imply that the offer was from Enterprise Rent-A-Car or that Defendants were in some way affiliated with Enterprise Rent-A- Car;

l. The unauthorized use of the Avis Budget Group, Inc. trademark to falsely imply that the offer was from Avis Budget Group, Inc. or that Defendants were in some way affiliated with Avis Budget Group, Inc;

m. The unauthorized use of the Dollar Rent A Car trademark to falsely imply that the offer was from Dollar Rent A Car or that Defendants were in some way affiliated with Dollar Rent A Car;

n. The unauthorized use of the Hertz trademark to falsely imply that the offer was from Hertz or that Defendants were in some way affiliated with Hertz;

o. The unauthorized use of the Olive Garden trademark to falsely imply that the offer was from Olive Garden or that Defendants were in some way affiliated with the Olive Garden;

p. The unauthorized use of the Red Lobster trademark to falsely imply that the offer was from Red Lobster or that Defendants were in some way affiliated with Red Lobster; and

q. The unauthorized use of the Bahama Breeze trademark to falsely imply that the offer was from Bahama Breeze or that Defendants were in some way affiliated with Bahama Breeze.

72. Each violation of the Advertising Regulations by Defendants constitutes a per se violation of the CFA, N.J.S.A. 56:8-2.

COUNT VII

VIOLATION OF THE CFA BY DEFENDANTS (VIOLATION OF THE COOLING-OFF PERIOD FOR SALES)

73. Plaintiffs repeat and reallege the allegations contained in Paragraphs 1 through 72 above as if more fully set forth herein.

74. The Rule Concerning the Cooling-Off Period for Sales made at Homes or at Certain Other Locations, Title 16, Code of Federal Regulations ("C.F.R.") §429 et seq. ("Rule Concerning Cooling-Off Period For Sales"), addresses the cooling-off period for sales and provides, in pertinent part:

In connection with any door-to-door sale, it constitutes an unfair and deceptive act or practice for any seller to:

(a) Fail to furnish the buyer with a fully completed receipt or copy of any contract pertaining to such sale at the time of its execution, which is in the same language, e.g. Spanish, as that principally used in the oral sales presentation and which shows the date of the transaction and contains the name and address of the seller, and in immediate proximity to the space reserved in the contract for the signature of the buyer or on the front page of the receipt if a contract is not used and in bold face type of a minimum size of 10 points, a statement in substantially the following form:

> 'You, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. See the attached notice of cancellation form for an explanation of this right.'

The seller may select the method of providing the buyer with the duplicate notice of cancellation form set forth in paragraph (b) of this section, *provided however,* that in the event of cancellation the buyer must be able to retain a complete copy of the contract or receipt. Furthermore, if both forms are not attached to the contract or receipt, the seller is required to alter the last sentence in the statement above to conform to the actual location of the forms.

(b) Fail to furnish each buyer, at the time the buyer signs the door-to-door sales contract or otherwise agrees to buy consumer goods or services from the seller, a completed form in duplicate, captioned either 'NOTICE OF RIGHT TO CANCEL' or 'NOTICE OF CANCELLATION', which shall (where applicable) contain in ten point bold face type the following information and statements in the same language, e.g. Spanish, as that used in the contract.

> Notice of Cancellation
>
> [enter date of transaction]
>
> _____
>
> (Date)
>
> You may CANCEL this transaction, without Penalty or Obligation, within THREE BUSINESS DAYS from the above date.
>
> If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by

you will be returned within TEN BUSINESS DAYS following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your Notice of Cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this Cancellation Notice or any other written notice, or send a telegram, to *[Name of seller]*, at *[address of seller's place of business]* NOT LATER THAN MIDNIGHT OF *[date]*.

I HEREBY CANCEL THIS TRANSACTION.

(Date) _____
(Buyer's signature) _____

. . . .

(e) Fail to inform each buyer orally, at the time the buyer signs the contract or purchases the goods or services, of the buyer's right to cancel.

(f) Misrepresent in any manner the buyer's right to cancel.

(g) Fail or refuse to honor any valid notice of cancellation by a buyer and within 10 business days after the receipt of such notice, to (I) Refund all payments made under the contract or sale; (ii) return any goods or property traded in, in substantially as good condition as when received by the seller; (iii) cancel and return any negotiable instrument executed by the buyer in connection with the contract or sale and take any action necessary or appropriate to terminate promptly any security interest created in the transaction. . . .

[16 C.F.R. §429.1.]

75. 16 C.F.R. §429.0 defines "Door-to-Door Sale" as follows:

> (a) Door to Door Sale - A sale, lease, or rental of consumer goods or services with a purchase price of $25.00 or more, whether under single or multiple contracts, in which the seller or his representative personally solicits the sale, including those in response to or following an invitation by the buyer, and the buyer's agreement or offer to purchase is made at a place other than the place of business of the seller (e.g. sales at the buyer's residence or at facilities rented on a temporary or short term basis, such as hotel or motel rooms, convention centers, fairgrounds and restaurants, or sales at the buyers workplace or in dormitory lounges).
>
> [Emphasis added.]

76. Defendants have conducted "door-to-door sales" within the meaning of 16 C.F.R. §429.0, in that at least during the period of January 8, 2008 through February 16, 2008, they conducted presentations for the vacation club packages at the Marriott Trenton.

77. In conducting such presentations, Defendants have engaged in unfair and deceptive acts or practices in violation of the Rule Concerning Cooling-Off Period For Sales, including but not limited to, the following:

a. Failing to provide consumers with a fully completed contract pertaining to any Vacation Packages purchased at the time of its execution;

b. Failing to include within the contract the language a statement advising the consumer of the right to cancel prior to midnight of the third business day after execution of the contract;

c. Failing to furnish consumers with a copy of the "NOTICE OF RIGHT TO CANCELLATION";

d. Failing to inform each consumer orally, at the time the contract is signed and/or the Vacation Package is purchased, of the consumer's right to cancel;

e. Representing to consumers at the time they sign the contract and/or purchase the Vacation Package, that they had no right to cancel the contract;

f. Failing to honor a consumer's request for cancellation within the three-day period;

g. Failing to return the deposit to a consumer who cancelled the contract within the three-day period; and

h. Charging additional and unauthorized fees to consumers who have cancelled the contract within the three-day period.

78. Defendants' conduct constitutes multiple violations of the Rule Concerning Cooling-Off Period For Sales, 16 C.F.R. §429 et seq., all of which comprise multiple unconscionable commercial practices in violation of the CFA, N.J.S.A. 56:8-2.

COUNT VIII

VIOLATION OF THE CFA AND/OR THE ADVERTISING REGULATIONS BY DEFENDANT TURNER

79. Plaintiffs repeat and reallege the allegations contained in Paragraphs 1 through 78 above as if more fully set forth herein.

80. At all relevant times, Turner has been the sole owner, officer, director and/or operator of Dreamworks, Bentley Travel, Vacation Clubs d/b/a La Bonne Vie Travel, Five Points Travel and DVI and has controlled and directed the activities of those entities.

81. Turner is personally liable for the violations of the CFA and/or the Advertising Regulations committed by Dreamworks, Bentley Travel, Vacation Clubs d/b/a La Bonne Vie Travel, Five Points Travel and DVI.

PRAYER FOR RELIEF

WHEREFORE, based upon the foregoing allegations, Plaintiffs respectfully request that the Court enter judgment against Defendants:

(a) Finding that the acts, and omissions of Defendants constitute multiple instances of unlawful practices in violation of the CFA, N.J.S.A. 56:8-1 et seq., and the regulations promulgated thereunder, specifically the Advertising Regulations, N.J.A.C. 13:45A-9.1 et seq.;

(b) Permanently enjoining Defendants and their owners, officers, directors, shareholders, founders, managers, agents servants, employees, representatives, independent contractors and all other persons or entities directly under their control, from engaging in, continuing to engage in, or doing any acts or practices in violation of the CFA, N.J.S.A. 56:8-1 et seq., and the regulations promulgated thereunder, specifically the Advertising Regulations, N.J.A.C. 13:45A-9.1 et seq., including, but not limited to, the acts and practices alleged in this Second Amended Verified Complaint;

(c) Permanently enjoining Defendants and their owners, officers, directors, shareholders, founders, managers, agents, servants, employees, representatives, independent contractors and all other persons or entities directly under their control, from engaging in the activity that is the subject of Plaintiffs' request for temporary and preliminary injunctive relief, as set forth in the accompanying Order to Show Cause with Temporary Restraints Pursuant to Rule 4:52;

(d) Freezing all assets of Defendants and preventing Defendants from engaging in any act of disposition of those assets, in accordance with N.J.S.A. 56:8-8;

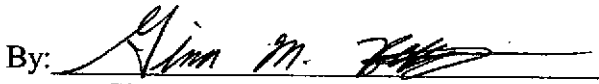
(e) Directing the assessment of restitution amounts against Defendants, jointly and severally, to restore to any affected person, whether or not named in this Second Amended Verified Complaint, any money or real or personal property acquired by means of any alleged practice herein to be unlawful and found to be unlawful, as authorized by the CFA, N.J.S.A. 56:8-8;

(f) Assessing the maximum statutory civil penalties against Defendants, jointly and severally, for each and every violation of the CFA, in accordance with N.J.S.A. 56:8-13;

(g) Directing the assessment of costs and fees, including attorneys' fees, against Defendants, jointly and severally, for the use of the State of New Jersey, as authorized by the CFA, N.J.S.A. 56:8-11 and N.J.S.A. 56:8-19; and

(h) Granting such other relief as the interests of justice may require.

ANNE MILGRAM
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs

By: 
Gina M. Betts
Deputy Attorney General
Consumer Fraud Prosecution Section

Dated: July 15, 2009
Newark, New Jersey

RULE 4:5-1 CERTIFICATION

I certify, to the best of my information and belief, that the matter in controversy in this action involving the aforementioned violations of the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq., and the Regulations Governing General Advertising, N.J.A.C. 13:45A-9.1 et seq., is not the subject of any other action pending in any other court of this State. I am aware that an action titled Grant, et al. v. Darryl J. Turner, et al., alleging violations of the Racketeer Influenced and Corrupt Organization Act ("RICO"), 18 U.S.C. §§ 1961-1968, has been commenced in the United States District Court for the District of New Jersey, Case No. 2:09-cv-02381-JAG-ES. In addition, I am aware that private contract and other actions have been brought against the Defendants, but have no direct information that any such actions involve consumer fraud allegations. I further certify that the matter in controversy in this action is not the subject of a pending arbitration proceeding in this State, nor is any other action or arbitration proceeding contemplated. I also certify that there is no other party who should be joined in this action at this time.

ANNE MILGRAM
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs

By: _____
Gina M. Betts
Deputy Attorney General
Consumer Fraud Prosecution Section

Dated: July 15, 2009
Newark, New Jersey

DESIGNATION OF TRIAL COUNSEL

Pursuant to R. 4:25-4, Deputy Attorney General Gina M. Betts is hereby designated as trial counsel on behalf of Plaintiffs in this action.

ANNE MILGRAM
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs

By: _____
Gina M. Betts
Deputy Attorney General
Consumer Fraud Prosecution Section

Dated: July 15, 2009
Newark, New Jersey

VERIFICATION

I, John R. Janowiak, of full age, hereby certifies as follows:

1. I am a Team Leader of Investigations with the New Jersey Division of Consumer Affairs ("Division"), Office of Consumer Protection.

2. I have read the foregoing Second Amended Verified Complaint and on my own personal knowledge and review of documents in possession of the Division, I know that the facts set forth herein are true and they are incorporated in this certification by reference, except for those alleged upon information and belief.

3. I certify that the above statements made by me are true. I am aware that if any of the foregoing statements made by me are wilfully false, I am subject to punishment.

JOHN R. JANOWIAK

Dated: July 15, 2009
Newark, New Jersey