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FILED

APR 27 2010

Division of Consumer Affairs

By: Nicholas Kant
Deputy Attorney General
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STATE OF NEW JERSEY
DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF CONSUMER AFFAIRS

In the Matter of

E&D 2000, INC. t/a CAR PALACE
and SEADYA "EDDY" DARMONI,

Respondents.

Administrative Action

CONSENT ORDER

WHEREAS this matter having been opened by the New Jersey Division of Consumer Affairs, Office of Consumer Protection ("Division"), as an investigation to ascertain whether violations of the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq. ("CFA"), the Used Motor Vehicle Trade Regulation Rule, 16 C.F.R. 455.2, and the Regulations Governing Motor Vehicle Advertising, N.J.A.C. 13:45A-26A.1 et seq. ("Motor Vehicle Advertising Regulations"), have been or are being committed by E&D 2000, Inc. t/a Car Palace and Seadya "Eddy" Darmoni, as well as their owners, officers, directors, managers, agents, representatives, employees, successors, assigns, subsidiaries and/or independent contractors (collectively, "Respondents") (hereinafter referred to as the "Investigation");

WHEREAS Respondents, with a main business address of 300 Rahway Avenue, Elizabeth, New Jersey 07202, are engaged in the Advertisement and Sale of Used Motor Vehicles to Consumers;

WHEREAS the Division alleges that Respondents Advertised, offered for Sale and/or sold to Consumers Used Motor Vehicles without conspicuously posting the selling price;

WHEREAS the Division and Respondents (collectively, the “Parties”) have reached an amicable agreement hereby resolving the issues in controversy and concluding this Investigation without the need for further action, and Respondents having voluntarily cooperated with the Investigation and consented to the entry of the within order (“Consent Order”) without having admitted any fact or violation of law, and for good cause shown:

IT IS ORDERED AND AGREED as follows:

1. EFFECTIVE DATE

1.1 This Consent Order is effective on the date that it is filed with the Division (“Effective Date”).

2. DEFINITIONS

As used in this Consent Order, the following words or terms shall have the following meanings, which meanings shall apply wherever the words and terms appear in this Consent Order:

2.1 “Advertise” or “Advertisement” shall mean any written, oral or electronic statement, illustration or depiction that is designed to create interest in the purchase of, impart information about the attributes of, publicize the availability of, or effect the Sale or use of, goods or services, whether the statement appears in a brochure, newspaper, magazine, free-standing inset, bill board,

circular, mailer, package insert, package label, product instructions, electronic mail, website, homepage, television, cable television, radio, commercial or any other medium.

2.2 “Attorney General” shall refer to the Attorney General of the State of New Jersey and the Office of the Attorney General of the State of New Jersey.

2.3 “Consumer” shall refer to any Person, who is offered Merchandise for Sale.

2.4 “Merchandise” shall be defined in accordance with N.J.S.A. 56:8-1(c) and includes, but is not limited to, Used Motor Vehicles.

2.5 “Merchandise Pricing Statute” shall refer to the portion of the CFA concerning the Sale of Merchandise with a Tag or Label with the Total Selling Price, N.J.S.A. 56:8-2.5.

2.6 “Person[s]” shall be defined in accordance with N.J.S.A. 56:8-1(d).

2.7 “Sale” shall be defined in accordance with N.J.S.A. 56:8-1(e).

2.8 “State” shall refer to the State of New Jersey.

2.9 “Used Motor Vehicle” shall be defined in accordance with N.J.A.C. 13:45A-26A-3.

3. INJUNCTIVE RELIEF AND BUSINESS PRACTICES

3.1 Respondents shall not engage in any unfair acts or deceptive practices in the conduct of their business in the State and shall comply with all applicable State and/or Federal laws, rules and regulations, as now constituted or as may hereafter be amended, including, but not limited to, the CFA, the Merchandise Pricing Statute, the Used Motor Vehicle Trade Regulation Rule and the Motor Vehicle Advertising Regulations.

3.2 Respondents shall conspicuously post the selling price of all Used Motor Vehicles Advertised, offered for Sale and/or sold, as required by the Merchandise Pricing Statute, N.J.S.A. 56:8-2.5.

4. SETTLEMENT PAYMENT

4.1 The Parties have agreed to a settlement of the Investigation in the amount of One Thousand Five Hundred and 00/100 Dollars (\$1,500.00) ("Settlement Payment").

4.2 The Settlement Payment consists of a civil penalty of One Thousand and 00/100 Dollars (\$1,000.00), pursuant to N.J.S.A. 56:8-13, and investigative costs of Five Hundred and 00/100 Dollars (\$500.00), pursuant to N.J.S.A. 56:8-11.

4.3 Respondents shall make the Settlement Payment in ten (10) installments as follows:

- a. One Hundred Fifty and 00/100 Dollars (\$150.00) shall be paid on or before the Effective Date; and
- b. The remaining One Thousand Three Hundred-Fifty and 00/100 Dollars (\$1,350.00) shall be paid in nine (9) equal installments of One Hundred Fifty and 00/100 Dollars (\$150.00), with each installment due on the first day of each month, beginning June 1, 2010, with the final installment due on February 1, 2011.

4.4 The payments referenced in Section 4.3 shall be made by certified check, attorney trust account check, or other guaranteed funds made payable to the "New Jersey Division of Consumer Affairs" and forwarded to the undersigned:

Attention: Supervisor
Case Management Tracking
New Jersey Department of Law and Public Safety
Division of Consumer Affairs
124 Halsey Street - 7th Floor
P.O. Box 45025
Newark, New Jersey 07101

4.5 Upon making the payments referenced in Section 4.3, Respondents shall immediately be fully divested of any interest in, or ownership of, the moneys paid. All interest in the moneys, and

any subsequent interest or income derived therefrom, shall inure entirely to the benefit of the Division pursuant to the terms herein.

5. GENERAL PROVISIONS

5.1 This Consent Order is entered into by the Parties as their own free and voluntary act and with full knowledge and understanding of the obligations and duties imposed by this Consent Order.

5.2 This Consent Order shall be governed by, and construed and enforced in accordance with, the laws of the State.

5.3 The Parties have negotiated, jointly drafted and fully reviewed the terms of this Consent Order and the rule that uncertainty or ambiguity is to be construed against the drafter shall not apply to the construction or interpretation of this Consent Order.

5.4 This Consent Order contains the entire agreement among the Parties. Except as otherwise provided herein, this Consent Order shall be modified only by a written instrument signed by or on behalf of the Parties.

5.5 Except as otherwise explicitly provided in this Consent Order, nothing herein shall be construed to limit the authority of the Attorney General to protect the interests of the State or the people of the State.

5.6 If any portion of this Consent Order is held invalid or unenforceable by operation of law, the remaining terms of this Consent Order shall not be affected.

5.7 This Consent Order shall be binding upon Respondents as well as their owners, principals, officers, directors, managers, agents, employees, successors and assigns, and any Person

through which they may now or hereafter act, as well as any Person who has authority to control or who, in fact, controls and directs their business.

5.8 This Consent Order shall be binding upon the Parties and their successors in interest. In no event shall assignment of any right, power or authority under this Consent Order avoid compliance with this Consent Order.

5.9 This Consent Order is agreed to by the Parties and entered into for settlement purposes only. Neither the fact of, nor any provision contained in this Consent Order shall constitute or be construed as: (a) an approval, sanction or authorization by the Division or any other governmental unit of the State of any act or practice of Respondents; or (b) an admission by Respondents that any of their acts or practices described in or prohibited by this Consent Order are unfair, or deceptive or violate the CFA and/or the Merchandise Pricing Statute. This Consent Order is not intended, and shall not be deemed, to constitute evidence or precedent of any kind except in: (a) an action or proceeding by one of the Parties to enforce, rescind or otherwise implement any or all of the terms herein; or (b) an action or proceeding involving a Released Claim (as defined in Section 7) to support a defense of res judicata, collateral estoppel, release or other theory of claim preclusion, issue preclusion or similar defense.

5.10 This Consent Order is a public document subject to the New Jersey Open Public Records Act.

5.11 This Consent Order constitutes a final agency action and shall be effective upon filing.

5.12 Unless otherwise prohibited by law, any signatures by the Parties required for filing of this Consent Order may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Consent Order.

6. REPRESENTATIONS AND WARRANTIES

6.1 The Parties represent and warrant an authorized representative of each has signed this Consent Order with full knowledge, understanding and acceptance of its terms and that the representative has done so with authority to legally bind the respective Party.

6.2 Respondents represent and warrant they have fully read and understand this Consent Order, that they understand the legal consequences involved in signing the Consent Order and that there are no other representations or agreements not stated in writing herein.

6.3 Respondents represent and warrant that they have been advised by the Division to seek legal counsel to review this Consent Order and that they have voluntarily chosen not to do so.

7. RELEASE

7.1 In consideration of the injunctive relief, payments, undertakings, mutual promises and obligations provided for in this Consent Order and conditioned on Respondents making the Settlement Payment in the manner specified in Section 4, the Division hereby agrees to release Respondents from any and all civil claims or Consumer related administrative claims, to the extent permitted by State law, which the Division could have brought against Respondents for violations of the CFA, the Merchandise Pricing Statute, the Used Motor Vehicle Trade Regulation Rule and the Motor Vehicle Advertising Regulations, prior to the Effective Date arising out of the Investigation as well as the matters addressed in this Consent Order (the "Released Claims").

7.2 Notwithstanding any term of this Consent Order, the following do not comprise Released claims: (a) private rights of action; (b) actions to enforce this Consent Order; and (c) any claims against Respondents by any other agency or subdivision of the State.

8. PENALTIES FOR FAILURE TO COMPLY

8.1 The Attorney General (or designated representative) shall have the authority to enforce the injunctive provisions of this Consent Order or to seek sanctions for violations hereof or both.

8.2 The Parties agree that any future violations of the injunctive provisions of this Consent Order, the CFA and/or the Merchandise Pricing Statute shall constitute a second or succeeding violation pursuant to N.J.S.A. 56:8-13 and that Respondents may be liable for enhanced civil penalties.

9. COMPLIANCE WITH ALL LAWS

9.1 Except as provided in this Consent Order, no provision herein shall be construed as:

- (a) Relieving Respondents of their obligation to comply with all State and Federal laws, regulations or rules, as now constituted or as may hereafter be amended, or as granting permission to engage in any acts or practices prohibited by any such laws, regulations or rules; or
- (b) Limiting or expanding any right the Division may otherwise have to obtain information, documents or testimony from Respondents pursuant to any State or Federal law, regulation or rule, as now constituted or as may hereafter be amended, or limiting or expanding any right Respondents may otherwise have pursuant to any State or Federal law, regulation or rule, to oppose any process employed by the Division to obtain such information, documents or testimony.

10. NOTICES UNDER THIS CONSENT ORDER

10.1 Except as otherwise provided herein, any notices or other documents required to be sent to the Division or Respondent pursuant to this Consent Order shall be sent by United States mail, Certified Mail Return Receipt Requested, or other nationally recognized courier service that provides for tracking services and identification of the Person signing for the documents. The notices and/or documents shall be sent to the following addresses:

For the Division:

Bureau Chief, Office of Consumer Protection
Division of Consumer Affairs
State of New Jersey
Office of the Attorney General
Department of Law and Public Safety
124 Halsey Street - 7TH Floor
P.O. Box 45028
Newark, New Jersey 07101

For the Respondents:

Seadya "Eddy" Darmoni
E&D 2000, Inc. t/a Car Palace
300 Rahway Avenue
Elizabeth, New Jersey 07202

IT IS ON THE 2nd DAY OF April, 2010 SO ORDERED.

PAULA T. DOW
ATTORNEY GENERAL OF NEW JERSEY

By: _____

SHARON M. JOYCE, ACTING DIRECTOR
DIVISION OF CONSUMER AFFAIRS

THE PARTIES CONSENT TO THE FORM, CONTENT AND ENTRY OF THIS CONSENT ORDER ON THE DATES UNDER THEIR RESPECTIVE SIGNATURES.

FOR THE DIVISION:

PAULA T. DOW
ATTORNEY GENERAL OF NEW JERSEY

By: Nicholas Kant

Nicholas Kant
Deputy Attorney General
Consumer Fraud Prosecution Section
124 Halsey Street - 5th Floor
P.O. Box 45029
Newark, New Jersey 07101
Telephone: (973) 648-4584

Dated: April 26, 2010

FOR THE RESPONDENT:

E&D 2000, INC. t/a CAR PALACE

By: Eddy Darmoni
Seadya "Eddy" Darmoni, Owner and President
E&D 2000, Inc. t/a Car Palace
300 Rahway Avenue
Elizabeth, New Jersey 07202

Dated: April 17th, 2010

SEADYA "EDDY" DARMONI

By: Eddy Darmoni
Seadya "Eddy" Darmoni
300 Rahway Avenue
Elizabeth, New Jersey 07202

Dated: April 17th, 2010