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ATTORNEY GENERAL OF NEW JERSEY
Division of Law
124 Halsey Street - 5th Floor
P.O. Box 45029
Newark, New Jersey 07101
Attorney for Petitioner

FILED

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Division of Consumer Affairs

By: Nicholas Kant
Deputy Attorney General
(973) 648-4584

STATE OF NEW JERSEY
DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF CONSUMER AFFAIRS
Docket No.: 08-020

ANNE MILGRAM, Attorney General of
the State of New Jersey,

Petitioner,

v.

SAADE, INC. t/a CAIT & ABBY'S
DAILY BREAD BAKERY,

Respondent.

Administrative Action

CONSENT ORDER

The Parties to this action and Consent Order (the "Parties") are petitioner Anne Milgram, Attorney General of the State of New Jersey ("Petitioner"), and respondent Saade, Inc. t/a Cait and Abby's Daily Bread Bakery ("Respondent" or "Saade"). As evidenced by their signatures below, the Parties do voluntarily consent to entry of this Consent Order and its provisions without trial or adjudication of any issue of fact or law, and without an admission of liability or wrongdoing of any kind.

PRELIMINARY STATEMENT

Petitioner commenced this action on September 26, 2008, alleging that Respondent was engaged in the preparation and retail sale of food, including baked goods, and violated the applicable law by, among other things, failing to ensure that all ingredients used are produced under rabbinical supervision, despite representations to the contrary. Petitioner alleged violations of, and sought recovery under, the Kosher Food Consumer Protection Act, N.J.S.A. 56:8-61 et seq. (“Kosher Food Act”), and the accompanying Regulations Concerning the Sale of Food Represented as Kosher, N.J.A.C. 13:45A-21.1 et seq. (“Kosher Regulations”). Respondent denies the allegations.

IT IS HEREBY ORDERED AND AGREED AS FOLLOWS:

1. JURISDICTION

1.1 Pursuant to N.J.A.C. 13:45-2.1, the Parties admit jurisdiction of the New Jersey Division of Consumer Affairs (“Division”) over the Parties for the purpose of entering into this Consent Order. The Division retains jurisdiction for the purpose of enabling the Parties to apply to this Division at any time for such further orders and relief as may be necessary for the construction, modification, enforcement, execution or satisfaction of this Consent Order.

2. EFFECTIVE DATE

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

3. DEFINITIONS

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

3.1 “Action” shall refer to the matter entitled Anne Milgram, Attorney General of the State of New Jersey v. Saade, Inc. t/a Cait and Abby’s Daily Bread Bakery, New Jersey Division of Consumer Affairs, Docket No. 08-020, and all pleadings and proceedings related thereto, including the Complaint, filed September 26, 2008.

3.2 “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.

3.3 “Clearly and Conspicuously” shall mean a statement that, regardless of the medium in which it is made, is presented in such type, size, color, contrast, duration, location and audibility, compared to the other information with which it is presented, that it is readily apparent and understandable and in language and terms used in accordance with their common or ordinary usage and meaning. If such statement modifies, explains or clarifies other information with which it is presented, it must be presented in proximity to the information it modifies, explains or clarifies and in a manner that is readily apparent and understandable.

3.4 “Dealer” shall be defined in accordance with N.J.S.A. 56:8-62 and N.J.A.C. 13:45A-21.1.

3.5 “Disclosure” shall be defined in accordance with N.J.A.C. 13:45A-21.1.

3.6 “Food” shall be defined in accordance with N.J.S.A. 56:8-62 and N.J.A.C. 13:45A-21.1.

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

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

3.9 “Statement” shall refer to the Statement of Rabbinical Supervision form and/or poster provided by the Division and executed by a Dealer for the purpose of stating to Consumers and the Division practices relating to rabbinical supervision.

4. INJUNCTIVE RELIEF AND BUSINESS PRACTICES

4.1 Respondent shall not engage in any unfair and/or deceptive acts or practices in the conduct of its business in the State and shall comply with such State and/or Federal laws, rules and regulations as now constituted or as may hereinafter be amended, which are applicable to the conduct of its business including, but not limited to, the Kosher Food Act and the Kosher Regulations.

4.2 Respondent shall not fail to Clearly and Conspicuously post a general Disclosure poster, in accordance with N.J.S.A. 56:8-63(a) and N.J.A.C. 13:45A-21.2(a).

4.3 Respondent shall not possess Food not in conformance with posted Disclosures, in accordance with N.J.A.C. 13:45A-21.2(e); N.J.A.C. 13:45A-21.7(a)(1); and N.J.A.C. 13:45A-21.7(a)(3).

4.4 Respondent shall conform sales practices to posted Disclosures, in accordance with N.J.A.C. 13:45A-21.2(e); N.J.A.C. 13:45A-21.7(a)(1); and N.J.A.C. 13:45A-21.7(a)(3).

4.5 Respondent shall conform sales practices to Disclosures filed with the Division, in accordance with N.J.A.C. 13:45A-21.2(e); N.J.A.C. 13:45A-21.7(a)(1); and N.J.A.C. 13:45A-21.7(a)(3).

4.6 Respondent shall conform sales practices to posted Statements, in accordance with N.J.A.C. 13:45A-21.2(e); N.J.A.C. 13:45A-21.7(a)(1); and N.J.A.C. 13:45A-21.7(a)(3).

4.7 Respondent shall conform sales practices to Statements filed with the Division, in accordance with N.J.A.C. 13:45A-21.2(e); N.J.A.C. 13:45A-21.7(a)(1); and N.J.A.C. 13:45A-21.7(a)(3).

5. SETTLEMENT PAYMENT

5.1 The Parties have agreed to a settlement of the Action in the amount of Twenty-Seven Thousand and 00/100 Dollars (\$27,000.00) ("Settlement Payment").

5.2 The Settlement Payment consists of a civil penalty of Ten Thousand and 00/100 Dollars (\$10,000.00), pursuant to N.J.S.A. 56:8-13, and Seventeen Thousand and 00/100 Dollars (\$17,000.00), as reimbursement of Petitioner's attorneys' fees and investigative costs, pursuant to N.J.S.A. 56:8-11 and N.J.S.A. 56:8-19.

5.3 On or before the Effective Date, Respondent shall pay the amount of Five Thousand and 00/100 Dollars (\$5,000.00).

5.4 Respondent shall pay the remaining Twenty-Two Thousand and 00/100 Dollars (\$22,000.00) in twenty-two (22) equal installments of One Thousand and 00/100 Dollars (\$1,000.00). Respondent shall make the twenty-two (22) installment payments on the first day of each month beginning January 1, 2010 and ending October 1, 2011.

5.5 The payments referenced in Sections 5.3 and 5.4 shall be made by certified or cashier's checks made payable to "New Jersey Division of Consumer Affairs" and shall be forwarded to:

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

5.6 In the event that Respondent fails to make any installment payment referenced in Section 5.4 within fifteen (15) days of its due date, all unpaid amounts due and payable under this Consent Order shall immediately be accelerated and due and payable.

5.7 Upon making the Settlement Payment in the manner described in Sections 5.3 and 5.4, Respondent 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 State pursuant to the terms herein.

6. DISMISSAL OF ACTION

6.1 The entry of this Consent Order constitutes a dismissal with prejudice of the Action.

7. GENERAL PROVISIONS

7.1 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.

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

7.3 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.

7.4 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 Petitioner and Respondent.

7.5 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.

7.6 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.

7.7 This Consent Order shall be binding upon Respondent as well as its principals, officers, directors, agents, employees, successors and assigns, and any entity or device through which it may now or hereafter act, as well as any persons who have authority to control or who, in fact, control and direct its business.

7.8 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.

7.9 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, nor any action taken hereunder, shall constitute or be construed as: (a) an approval, sanction or authorization by the Attorney General, the Division or any other governmental unit of the State of any act or practice of Respondent; or (b) an admission by Respondent that any of its acts or practices described in or prohibited by this Consent Order are unfair or deceptive or violate any of the consumer protection laws of the State. 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 or affirm any or all of the terms of this Consent Order; or (b) an action or proceeding involving a Released Claim (as defined in Section 9) to support a defense

of res judicata, collateral estoppel, release or other theory of claim preclusion, issue preclusion or similar defense.

7.10 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.

8. REPRESENTATIONS AND WARRANTIES

8.1 The Parties represent and warrant that their signatories to this Consent Order have authority to act for and bind the respective Parties.

8.2 Respondent represents and warrants that it has fully read and understood this Consent Order, that it understands the legal consequences involved in signing the Consent Order and that there are no other representations or agreements not stated in writing herein.

8.3 Respondent represents and warrants that it has been advised by Petitioner to seek legal counsel to review this Consent Order that it has voluntarily chosen not to do so.

9. RELEASE

9.1 In consideration of the injunctive relief, payments, undertakings, mutual promises and obligations provided for in this Consent Order and conditioned on Respondent making the Settlement Payment in the manner referenced in Section 5, Petitioner hereby agrees to release Respondent from any and all civil claims or consumer related administrative claims, to the extent permitted by State law, which the Petitioner could have brought prior to the Effective Date against Respondent for violations of the Kosher Food Act and Kosher Regulations, as alleged in the Action, as well as matters specifically addressed in this Consent Order (the "Released Claims").

9.2 Notwithstanding any provision 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 Respondent by any other entity or subdivision of the State.

10. FORBEARANCE ON EXECUTION AND DEFAULT

10.1 In the event that Respondent fails to make any of the payments referenced in Section 5.4 within fifteen (15) days of the due date, all unpaid amounts due and payable under this Consent Order shall immediately be accelerated and due and payable without the need for notice and presentment, with interest calculated in accordance with R. 4:42-11 from the date of default, and with Petitioner's cost of collection. Such default shall also entitle Petitioner to make an application to the Division for an order directing compliance and any other relief in aid of litigant's rights, including an award of attorneys' fees.

11. PENALTIES FOR FAILURE TO COMPLY

11.1 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.

11.2 The Parties agree that any future violations of the injunctive provisions of this Consent Order as well as the Kosher Food Act and/or the Kosher Regulations shall constitute a second or succeeding violation under N.J.S.A. 56:8-13 and that Respondent may be liable for enhanced civil penalties.

12. COMPLIANCE WITH ALL LAWS

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

- (a) Relieving Respondent of its 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 Petitioner may otherwise have to obtain information, documents or testimony from Respondent 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 Respondent may otherwise have pursuant to any State or Federal law, regulation or rule, to oppose any process employed by Petitioner to obtain such information, documents or testimony.

13. NOTICES UNDER THIS CONSENT ORDER

13.1 Except as otherwise provided herein, any notices or other documents required to be sent to Petitioner 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 Petitioner:

Nicholas Kant, Deputy Attorney General
State of New Jersey
Office of the Attorney General
Department of Law and Public Safety
Division of Law
Consumer Fraud Prosecution Section
124 Halsey Street - 5th Floor
P.O. Box 45029
Newark, New Jersey 07101

For Respondent:

Raul Saade
Cait & Abby's Daily Bread Bakery
15 Sloan Street
South Orange, New Jersey 07079

IT IS ON THE 15th DAY OF Dec., 2009 SO ORDERED.

ANNE MILGRAM
ATTORNEY GENERAL OF NEW JERSEY

By: David M. Szuchman
DAVID M. SZUCHMAN, 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 PETITIONER:

ANNE MILGRAM
ATTORNEY GENERAL OF NEW JERSEY

By: Nicholas Kant
Nicholas Kant
Deputy Attorney General

Dated: Nov. 30, 2009

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

FOR RESPONDENT:

SAADE, INC. t/a CAIT AND ABBY'S DAILY BREAD BAKERY

By: Raúl Saade
Raúl Saade,
Owner and President, Saade, Inc.
t/a Cait and Abby's Daily Bread Bakery
15 Sloan Street
South Orange, New Jersey 07079

Dated: 11/30, 2009