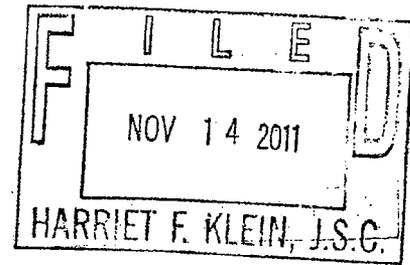


PAULA T. DOW
ATTORNEY GENERAL OF NEW JERSEY
Division of Law
124 Halsey Street - 5th Floor
P.O. Box 45029
Newark, New Jersey 07101
Attorney for Plaintiffs



By: Jeffrey Koziar
Deputy Attorney General
(973) 648-7819

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION,
ESSEX COUNTY
DOCKET NO.: C-137-11

PAULA T. DOW, Attorney General of the State of
New Jersey, and THOMAS R. CALCAGNI,
Acting Director of the New Jersey Division of
Consumer Affairs,

Plaintiffs,

v.

GILLIAM TOWING SERVICE, INC. and
MARLIN GILLIAM, individually and as owner
and operator of GILLIAM TOWING SERVICE,
INC. and JANE and JOHN DOES 1-10,
individually and as owners, officers, directors,
shareholders, founders, managers, agents,
servants, employees, representatives and/or
independent contractors of GILLIAM TOWING
SERVICE, INC. and XYZ CORPORATIONS 1-
10,

Defendants.

Civil Action

FINAL CONSENT JUDGMENT

The Parties to this Action and Final Consent Judgment (the "Parties") are plaintiffs Paula T. Dow, Attorney General of the State of New Jersey ("Attorney General"), and Thomas R. Calcagni,

Director of the New Jersey Division of Consumer Affairs (“Director”) (collectively “Plaintiffs”), and Gilliam Towing Service, Inc. (“Gilliam Towing”) and Marlin L. Gilliam (“Defendants”). As evidenced by their signatures below, the Parties do consent to the entry of this Final Consent Judgment (hereinafter “Consent Judgment”) and its provisions without trial or adjudication of any issue of fact or law, and without an admission of any liability or wrongdoing of any kind.

PRELIMINARY STATEMENT

On June 3, 2011, Plaintiffs commenced this Action, alleging that Defendants engaged in predatory towing practices in violation of the Predatory Towing Prevention Act, N.J.S.A. 56:13-17 et seq. (“PTPA”), and its accompanying regulations, N.J.A.C. 13:45A-31.1 et. seq. (“PTPA Regulations”) as well as the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et. seq. (“CFA”). Specifically, Plaintiffs alleged that Defendants, among other things, : (1) engaged in non-consensual private property towing in locations lacking the proper warning signs; (2) engaged “spotters” to identify towing targets; and (3) failed to include the times of non-consensual tows on its bills. Defendants denied the allegations.

IT IS HEREBY ORDERED, ADJUDGED AND AGREED AS FOLLOWS:

1. JURISDICTION

1.1 The Parties admit jurisdiction of this Court over the subject matter and over the Parties for the purpose of entering into this Consent Judgment. The Court retains jurisdiction for the purpose of enabling the Parties to apply to this Court at any time for such further orders and relief as may be necessary for the construction, modification, enforcement, execution or satisfaction of this Consent Judgment.

2. VENUE

2.1 Pursuant to N.J.S.A. 56:8-8, venue as to all matters between the Parties hereto relating to or arising out of this Consent Judgment shall lie exclusively in the Superior Court of New Jersey, Chancery Division, Essex County.

3. EFFECTIVE DATE

3.1 This Consent Judgment shall be effective on the date that it is entered with the Court ("Effective Date").

4. DEFINITIONS

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

4.1 "Action" refers to the action entitled Paula Dow, et al. v. Gilliam Towing Service, Inc., Superior Court of New Jersey, Chancery Division, Essex County, Docket No. C-137-11, and all pleadings and proceedings related thereto.

4.2 "Consumer" shall refer to any Person whose Motor Vehicle has been subject to Non-Consensual Towing.

4.3 "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.

4.4 "Basic Towing Services" shall be defined in accordance with N.J.S.A. 56:13-9.

4.5 "Division" shall refer to the Division of Consumer Affairs in the Department of Law and Public Safety.

4.6 "Motor Vehicle" shall be defined in accordance with N.J.S.A. 56:13-9. For purposes of the PTPA Regulations, "Motor Vehicle" shall be defined in accordance with N.J.A.C. 13:45A-31.2.

4.7 "Non-consensual Towing" shall be defined in accordance with N.J.S.A. 56:13-9. For purposes of the PTPA Regulations, "Non-consensual Towing" shall be defined in accordance with N.J.A.C. 13:45A-31.2.

4.8 "Person" shall be defined in accordance with N.J.S.A. 56:13-9.

4.9 "Restitution" shall refer to all methods undertaken by Defendants to resolve Consumer complaints including, but not limited to, the issuance of refunds, reversal of credit card or debit card charges.

4.10 "State" means the State of New Jersey.

4.11 "Towing" shall be defined in accordance with N.J.S.A. 56:13-9.

5. REQUIRED AND PROHIBITED BUSINESS PRACTICES

5.1 Defendants shall not engage in any unlawful acts or unconscionable 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 PTPA and the PTPA Regulations.

5.2 Defendants shall maintain liability insurance which meets or exceeds the requirements of N.J.S.A. 56:13-12, including: (a) in the case of each light-medium duty tow truck, motor vehicle liability insurance coverage for the death of, or injury to, Persons and damage to property for each accident or occurrence in the amount of at least \$750,000 single limit; (b) in the case of each heavy-duty tow truck, Motor Vehicle liability insurance coverage for the death of or injury to Persons and damage to property for each accident or occurrence in the amount of at least

\$ 1,000,000 single limit; and © in the case of every tow truck, insurance coverage for garage keeper legal liability in the amount of \$100,000, and "on-hook" coverage, either as an endorsement on the coverages required by (a) and (b) above or in the amount of \$100,000. The coverages required by (a) to © above shall be obtained from an insurance company authorized to do business in New Jersey.

5.3 Defendants shall cease and desist from Towing any Motor Vehicle parked for an unauthorized purpose or during a time at which such parking is not permitted from any privately owned parking lot, from other private property or from any common driveway without the consent of the Motor Vehicle owner or operator, unless they comply with the following requirements set forth in N.J.S.A. 56:13-13(a):

- (1) Defendants shall have entered into a contract for private property towing with the owner of the property;
- (2) There is posted in a conspicuous place at all vehicular entrances to the property which can easily be seen by the public, a sign no smaller than 36 inches high and 36 inches wide stating:
 - (a) the purpose or purposes for which parking is authorized and the times during which such parking is permitted;
 - (b) that unauthorized parking is prohibited and unauthorized Motor Vehicles will be towed at the owner's expense;
 - © Gilliam Towing's name, address, and telephone number;
 - (d) Gilliam Towing's charges for the towing and storage of towed Motor Vehicles;
 - (e) the street address of the storage facility where the towed Motor Vehicles can be redeemed after payment of the posted charges and the times during which the Motor Vehicle may be redeemed; and

- (f) the Division of Consumer Affairs's telephone number (1-800-242-5846; prompt number 4);
- (3) the property owner has authorized Gilliam Towing to remove the particular Motor Vehicle; and
- (4) Gilliam Towing tows the Motor Vehicle to a secure storage facility that is located within a reasonable distance of the property from which the Motor Vehicle was towed.

5.4 Defendants shall cease and desist from Towing a Motor Vehicle to a storage facility or store such Motor Vehicle at a storage facility unless the storage facility:

- (1) has a business office open to the public between 8 a.m. and 6 p.m. at least five (5) days a week, excluding holidays; and
- (2) is secured and, if it is an outdoor storage facility, lighted from dusk to dawn.

5.5 Defendants shall provide reasonable accommodations for after-hours release of stored Motor Vehicles from a storage facility to which a Motor Vehicle has been towed.

5.6 Defendants shall cease and desist from failing to release a stored Motor Vehicle to its owner, or other Person authorized to take the Motor Vehicle, during normal business hours when requested, and then charging a fee for after-hours release of the stored Motor Vehicle.

5.7 Defendants shall cease and desist from any conduct in violation of N.J.S.A. 56:13-16 including, but not limited to:

- (1) Giving any benefit or advantage, including a pecuniary benefit, to any Person for providing information about Motor Vehicles parked for unauthorized purposes on privately owned property or otherwise in connection with private property towing of Motor Vehicles parked without authorization or during a time at which such parking is not permitted;
- (2) Failing, when so requested by the owner or operator of a Motor Vehicle subject to Non-consensual Towing, to release a Motor Vehicle to the owner or operator that has been, or is about to be, hooked or lifted but has not actually been moved or removed from the property when the vehicle owner or operator returns to the Motor Vehicle,

or to charge the owner or operator requesting release of the Motor Vehicle an unreasonable or excessive decoupling fee.

- (3) Charging a fee for a private property or other Non-consensual Towing or related storage service not in accordance with the schedule of services for which a fee may be charged as established by N.J.A.C. 13:45A-31.4;
- (4) Charging an unreasonable or excessive fee or a presumptively unreasonable or excessive fee as set forth in N.J.A.C. 13:45A-31.5;
- (5) Refusing to accept for payment in lieu of cash or an insurance company check for towing or storage services a debit card, charge card or credit card if Gilliam Towing ordinarily accepts these cards at its place of business, unless Gilliam Towing's refusal is authorized in accordance with N.J.S.A. 56:13-4; and
- (6) Monitoring, patrolling or otherwise surveilling private property for the purposes of identifying Motor Vehicles parked for unauthorized purposes and towing a Motor Vehicle parked for an unauthorized purpose from such private property without having been specifically requested to tow such Motor Vehicle by the owner of the property.

6. RESTITUTION

6.1 On or before the Effective Date, Defendants shall provide Restitution in the amount of One Hundred Ninety One and 00/100 Dollars (\$191.00) to Consumer without any admission of any wrong doing.

7. SETTLEMENT PAYMENT

7.1. Defendants shall make a payment of Seven Thousand Five Hundred and 00/100 Dollars (\$7,500.00) ("Settlement Payment"). The Settlement Payment comprises civil penalties of Four Thousand Six Hundred Eighty Seven and 00/100 Dollars (\$4,687.00), pursuant to N.J.S.A. 56:8-13, One Thousand Three Hundred and 00/100 Dollars (\$1,300.00) in reimbursement of the Division's attorneys' fees, and One Thousand Five Hundred Thirteen and 00/100 Dollars

(\$1,513.00) in reimbursement of the Division's investigative costs, pursuant to N.J.S.A. 56:8-19 and N.J.S.A. 56:8-11.

7.2 Defendants shall satisfy the Settlement Payment according to the following schedule:

- (a) Defendant shall pay Five Thousand and 00/100 Dollars (\$5,000.00) on or before the Effective Date; and
- (b) Commencing on December 1, 2011, Defendant shall make ten (10) payments of Two Hundred Fifty Dollars (\$250.00) by the first day of each month until September 1, 2012. Defendants shall have a five (5) day grace period for receipt of payments.

7.3 All payments made to satisfy the Settlement Payment shall be made by bank check, money order or other guaranteed funds payable to "New Jersey Division of Consumer Affairs" and shall be forwarded to the undersigned:

Jeffrey Koziar, Deputy Attorney General
Consumer Fraud Prosecution Section
State of New Jersey
Department of Law and Public Safety
Division of Law
124 Halsey Street- 5th Floor
Newark, New Jersey 07101

7.4 Upon making the Settlement Payment, Defendants shall immediately be fully divested of any interest in, or ownership of, the monies paid and all interest in the monies, and any subsequent interest or income derived therefrom, shall inure entirely to the benefit of the Division pursuant to the terms herein.

7.5 In the event that any installment payment hereunder is not made within fifteen (15) days of its due date, all unpaid amounts due and payable under this Consent Judgment 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 the Plaintiffs'

cost of collection. In addition to the relief provided for in this paragraph, this default shall also Plaintiffs to make application to the court for an order directing compliance and any other relief in aid of litigant's rights including the imposition of attorney's fees for said application.

8. GENERAL PROVISIONS

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

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

8.3 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 Judgment.

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

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

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

8.7 This Consent Judgment shall be binding upon the Defendants as well as their owners, officers, directors, shareholders, founders, managers, agents, servants, employees, representatives,

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 their business.

8.8 This Consent Judgment 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 be used to avoid compliance with this Consent Order.

8.9 This Consent Judgment is entered into by the Parties for settlement purposes only. Neither the fact of, nor any provision contained in this Consent Judgment 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 Defendants; and (b) an admission by Defendants that any of their acts or practices described in or prohibited by this Consent Judgment are unlawful or unconscionable or violate the CFA, the PTPA and/or the PTPA Regulations. Neither the existence of, nor the terms of this Consent Judgment, shall be deemed to constitute evidence or precedent of any kind except in: (a) any action or proceeding by one of the Parties to enforce, rescind or otherwise implement or affirm any or all of the terms herein; or (b) any 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.

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

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

9. RELEASE

9.1 In consideration of the business practices relief, payments, undertakings, mutual promises and obligations provided for in this Consent Judgment and conditioned on Defendants providing Restitution as specified in Section 6 and making the Settlement Payment as specified in Section 7, the Division hereby agrees to release Defendants from any and all civil claims or Consumer related administrative claims, to the extent permitted by State law, which the Division could have brought prior to the Effective Date against Defendants for violations of the CFA, the PTPA and/or the PTPA Regulations, as well as the matters specifically addressed in this Consent Judgment ("Released Claims").

9.2 Notwithstanding any term of this Consent Judgment, the following do not comprise Released Claims: (a) private rights of action; (b) actions to enforce this Consent Judgment; and © any claims against Defendants by any other agency or subdivision of the State.

10. PENALTIES FOR FAILURE TO COMPLY

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

10.2 The Parties agree that any future violations of the provisions Section 5 of this Consent Judgment, the CFA, the PTPA and/or the PTPA Regulations shall constitute a second or succeeding violation pursuant to N.J.S.A. 56:8-13 and that Defendants may be liable for enhanced civil penalties.

11. COMPLIANCE WITH ALL LAWS

11.1 Except as provided in this Consent Judgment, no provision herein shall be construed as:

- (a) Relieving Defendants 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 Defendants 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 Defendants 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.

12. NOTICES UNDER THIS CONSENT ORDER

12.1 Except as otherwise provided herein, any notices or other documents required to be sent to the Division or Defendants pursuant to this Consent Judgment 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:

Assistant Deputy of Enforcement
Officer of Consumer Protection
New Jersey Division of Consumer Affairs
124 Halsey Street - 7th Floor
P.O. Box 45025
Newark, New Jersey 07101

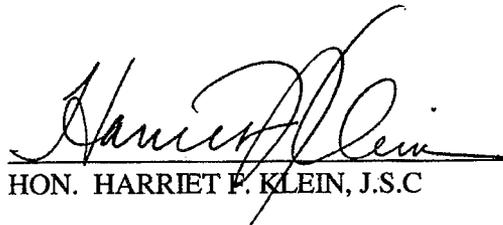
For the Respondents:

Harvey Fruchter, Esq.

Fruchter & Associates, LLC
726 Boulevard, Suite 19
Kenilworth, New Jersey 07033

Marlin Gilliam
Gilliam Towing Service, Inc.
545 Chancellor Avenue
Irvington, New Jersey 07111

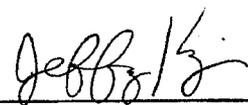
IT IS ON THE 14th DAY OF November, 2011 SO ORDERED, ADJUDGED
AND DECREED.


HON. HARRIET F. KLEIN, J.S.C

JOINTLY APPROVED AND
SUBMITTED FOR ENTRY:

FOR THE PLAINTIFFS:

PAULA T. DOW
ATTORNEY GENERAL OF NEW JERSEY

By: 

Jeffrey Koziar
Deputy Attorney General
Consumer Fraud Prosecution Section

Dated: 11/10, 2011

124 Halsey Street - 5th Floor
P.O. Box 45029
Newark, New Jersey 07101
Telephone: (973) 648-7819

FOR DEFENDANTS:

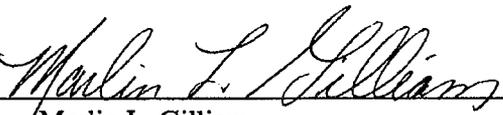
FRUCHTER & ASSOCIATES, LLC

By: 

Harvey Fruchter, Esq.
Fruchter & Associates, LLC
726 Boulevard Suite 19
Kenilworth, New Jersey 07033
(908) 241-2626

Dated: November 7, 2011

GILLIAM TOWING SERVICE, INC.

By: 

Marlin L. Gilliam
President
Gilliam Towing Services, Inc.
467 Chancellor Avenue
Irvington, New Jersey 07111

Dated: 11-7-, 2011

By: 

Marlin L. Gilliam
Individually

1415 Van Wickle Drive
Franklin Park, New Jersey 08823

Dated: 11/7/, 2011