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ACTING ATTORNEY GENERAL OF NEW JERSEY
Division of Law
124 Halsey Street - 5th Floor
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FILED

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Division of Consumer Affairs

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

STATE OF NEW JERSEY
DEPARTMENT OF LAW AND PUBLIC
SAFETY
DIVISION OF CONSUMER AFFAIRS

In the Matter of

Wayne Health Club, LLC d/b/a Crunch
Fitness

Respondent.

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 in order to ascertain whether violations of the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq. (“CFA”), the Health Club Provisions of the CFA, N.J.S.A. 56:8-39 et seq. (“Health Club Provisions”) and the Health Club Regulations, N.J.A.C. 13:45A-25.1 et seq. (“Health Club Regulations”) have been or are being committed by Wayne Health Club, LLC d/b/a Crunch Fitness, a corporation with an address of 1055 Hamburg Turnpike Wayne, New Jersey 07470, as well as by its owners, officers, directors, managers, employees, representatives and/or agents (“Respondent”), (hereinafter referred to as the “Investigation”);

WHEREAS, on April 2, 2014, the Division issued a Notice of Violation (“NOV”) which found that Respondent had violated the CFA and the Health Club Regulations by failing to comply with the registration requirements, in violation of N.J.S.A. 56:8-40.

WHEREAS the Division and Respondent (collectively, “Parties”) have reached an amicable agreement thereby resolving the issues in controversy and concluding the Investigation without the need for further action, and Respondent having voluntarily cooperated with the Investigation and consented to the entry of the within order (“Consent Order”) and for good cause shown:

IT IS ORDERED AND AGREED as follows:

1. EFFECTIVE DATE

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

2. DEFINITIONS

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

2.1 “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.

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

2.3 “Director” shall be defined in accordance with N.J.S.A. 56:8-39(a).

2.4 “Health Club” shall be defined in accordance with N.J.S.A. 56:8-39(b). For purposes of the Health Club Regulations, “Health Club” shall be defined in accordance with N.J.A.C. 13:45A-25.1(a).

2.5 “Health Club Services” shall be defined in accordance with N.J.S.A. 56:8-39(c).

2.6 “New Jersey” and “State” shall refer to the State of New Jersey.

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

3. BUSINESS PRACTICES AND INJUNCTIVE RELIEF

3.1 Respondent shall not engage in any unfair or deceptive acts or practices in the conduct of any business in the State and shall comply with such 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 Health Club Provisions and the Health Club Regulations.

3.2 Respondent shall not sell or offer for Sale Health Club Services in the State without first registering with the Director, in accordance with N.J.S.A. 56:8-40.

3.3 Respondent shall not sell or offer for Sale Health Club Services in the State without first paying the Director the registration fee, as required by N.J.A.C. 13:45A-25.2(b).

4. SETTLEMENT PAYMENT

4.1 On or before the Effective Date, Respondent shall pay the amount of Five thousand and 00/100 Dollars (\$5,000.00) (“Settlement Payment”). The Settlement Payment comprises civil penalties pursuant to N.J.S.A. 56:8-13, reimbursement of the Division’s attorneys’ fees, pursuant to N.J.S.A. 56:8-19 and reimbursement of the Division’s investigative costs, pursuant to N.J.S.A. 56:8-11.

4.2 The Settlement Payment shall be satisfied according to the following schedule: (a) Respondent shall pay Five Hundred and 00/100 Dollars (\$500.00) on or before November 1, 2014; (b) Respondent shall pay Seven Hundred Fifty and 00/100 Dollars (\$750.00) on or before December 1, 2014; (c) Respondent shall pay Seven Hundred Fifty and 00/100 Dollars (\$750.00) on or before January 1, 2015; (d) Respondent shall pay Seven Hundred Fifty and 00/100 Dollars (\$750.00) on or before February 1, 2015; (e) Respondent shall pay Seven Hundred Fifty and 00/100 Dollars (\$750.00) on or before March 1, 2015; (f) Respondent shall pay Seven Hundred Fifty and 00/100 Dollars (\$750.00) on or before April 1, 2015; and (g) Respondent shall pay Seven Hundred Fifty and 00/100 Dollars (\$750.00) on or before May 1, 2015 .

4.3 The Settlement Payment shall be made by bank check, attorney trust account check or other guaranteed funds made payable to “New Jersey Division of Consumer Affairs” and shall be forwarded to the undersigned:

Jeffrey Koziar
Deputy Attorney General
State of New Jersey
Office of the Attorney General
Department of Law and Public Safety
Division of Law
124 Halsey Street - 5th Floor
P.O. Box 45029
Newark, New Jersey 07101

4.4 Upon making the Settlement Payment, Respondent 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.

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 Division and Respondent.

5.5 Except as otherwise explicitly provided for 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 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.

5.8 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 the Respondent; and (b) an admission by the 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) any 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) any action or proceeding involving a Released Claim (as defined in Section 6) to support a defense of res judicata, collateral estoppel, release or other theory of claim preclusion, issue preclusion or similar defense.

5.9 Nothing contained in this Consent Order shall be construed to limit or otherwise affect the rights of any Persons who are not Parties to this Consent Order with respect to any of the matters contained herein.

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

5.11 Unless otherwise prohibited by law, any signatures by the Parties required for entry of this Consent Order 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 Order.

6. RELEASE

6.1 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 4, the Division 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 Division could have brought prior to the Effective Date against Respondent for violations of the CFA (“Released Claims”).

6.2 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 Respondent by any other agency or subdivision of the State.

7. PENALTIES FOR FAILURE TO COMPLY

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

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

8. COMPLIANCE WITH ALL LAWS

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

- (a) Relieving Respondent of its obligations 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 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 the Division to obtain such information, documents or testimony.

9. NOTICES UNDER THIS CONSENT JUDGMENT

9.1 Except as otherwise provided herein, any notices or other documents required to be sent to the Parties pursuant to this Consent Order shall be sent by the 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:

Jeffrey Koziar
Deputy Attorney General
State of New Jersey
Office of the Attorney General
Department of Law and Public Safety
Division of Law
124 Halsey Street - 5th Floor
P.O. Box 45029
Newark, New Jersey 07101

For the Respondent:

Greg Fuchs, Owner
Wayne Health Club, LLC d/b/a Crunch Fitness
1055 Hamburg Turnpike Wayne, 07470

IT IS ON THE 9th DAY OF November 2014 SO ORDERED.

JOHN J. HOFFMAN
ACTING ATTORNEY GENERAL OF NEW JERSEY



STEVE C. LEE, ACTING DIRECTOR
DIVISION OF CONSUMER AFFAIRS

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

FOR THE DIVISION:

JOHN J. HOFFMAN
ACTING ATTORNEY GENERAL OF NEW JERSEY

By: Jeffrey Koziar

Jeffrey Koziar
Deputy Attorney General

Dated: 11/3, 2014

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

FOR RESPONDENT:

Wayne Health Club, LLC d/b/a Crunch Fitness

By: Greg Fuchs

Greg Fuchs
Owner

Dated: 10/29, 2014