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ACTING ATTORNEY GENERAL OF NEW JERSEY  
Division of Law  
124 Halsey Street - 5<sup>th</sup> Floor  
P.O. Box 45029  
Newark, New Jersey 07101  
Attorney for New Jersey Division of Consumer Affairs

**FILED**

FEB 27 2014

**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

AMERICAN EAGLE AUTOMOTIVE,  
LIMITED LIABILITY COMPANY, d/b/a  
LOMAN AUTO SALES AND SERVICE,

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”), and the Regulations Governing Automotive Repairs, N.J.A.C. 13:45A-26C.1 et seq. (“Automotive Repair Regulations”), have been or are being committed by American Eagle Automotive, Limited Liability Company, d/b/a Loman Auto Sales and Service as well by as its owners, officers, directors, managers, employees, representatives, agents, subsidiaries, successors and/or assigns (“Respondent”) in its operation as an Automotive Repair Dealer (hereinafter referred to as the “Investigation”);

**WHEREAS** the Division alleges that Respondent violated the CFA and the Automotive Repair Regulations by engaging in unlawful automotive repair practices, including, but not limited to, performing unnecessary automotive repairs and failing to make the required consumer disclosures;

**WHEREAS** Respondent denies having committed any violation of the CFA and/or the Automotive Repair Regulations;

**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") without having admitted any violation of law 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 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 "Automotive Repair Dealer" shall be defined in accordance with N.J.A.C. 13:45A-26C-1.

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 the Repair of Motor Vehicles.

2.5 “Motor Vehicle” shall be defined in accordance with N.J.A.C. 13:45A-26C.1, for purposes of the Automotive Repair Regulations.

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

2.7 “Repair of Motor Vehicles” shall be defined in accordance with N.J.A.C. 13:45A-26C.1

2.8 “State” and “New Jersey” mean the State of New Jersey.

### **3. REQUIRED AND PROHIBITED BUSINESS PRACTICES**

3.1 Respondent shall not engage in any unfair or deceptive acts or practices in the conduct of any business in the State, including its operation as an Automotive Repair Dealer, 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 and the Automotive Repair Regulations.

3.2 Respondent shall take all reasonable steps to ensure that each and every Motor Vehicle presented for repairs is evaluated and repaired in a manner consistent with all industry standards.

3.3 Respondent shall not charge Consumers for any unnecessary Motor Vehicle repairs.

3.4 Respondent shall provide Consumers with signed copies of estimates and/or invoices, as required by N.J.A.C. 13:45A-26C.2(a)(4).

3.5 Respondent shall conspicuously post the notice of Consumer rights, as required by N.J.A.C. 13:45A-26C.2(a)(11).

#### **4. SETTLEMENT AMOUNT**

4.1. The Parties have agreed to a settlement of the Investigation in the amount of Twenty Thousand and 00/100 Dollars (\$20,000.00).

4.2 The Settlement Amount comprises Fourteen Thousand Four Hundred Fifty-Seven and 00/100 Dollars (\$14,457.00) in civil penalties pursuant to N.J.S.A. 56:8-13; and Seven Hundred and 00/100 Dollars (\$700.00) in reimbursement of the Division's attorneys' fees, and Four Thousand Eight Hundred Forty Three and 00/100 Dollars (\$4,843.00) in reimbursement of the Division's investigative costs, pursuant to N.J.S.A. 56:8-11 and N.J.S.A. 56:8-19.

4.3 Defendant shall pay Twelve Thousand and 00/100 Dollars (\$12,000.00) of the Settlement Amount ("Settlement Payment") according to the following schedule:

- (a) Respondent shall pay One Thousand and 00/100 Dollars (\$1,000.00) on or before the Effective Date;
- (b) Commencing on March 1, 2014, Respondent shall make eleven (11) payments of One Thousand and 00/100 Dollars (\$1,000.00) on the first day of each month until January 1, 2015.

4.4 All payments made pursuant to satisfying the Settlement Payment shall be made by cashier's check, money order or other form of guaranteed funds payment made 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- 5<sup>th</sup> Floor  
Newark, New Jersey 07101

4.5 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.

4.6 For a period of one (1) year from the Effective Date, the Eight Thousand and 00/100 Dollars (\$8,000.00) balance of the Settlement Amount, which comprises civil penalties, pursuant to N.J.S.A. 56:8-13 ("Suspended Penalty), shall be suspended and automatically vacated at the end of that period, provided:

- (a) Respondent complies with the restraints and conditions set forth in this Consent Order;
- (b) Respondent makes the Settlement Payment as required under Section 4.3.

4.7 In the event Respondent fails to comply with Section 4.6, the entire Suspended Penalty shall be immediately due and payable upon notice by the Division. In any such notice, however, the Division shall provide Respondent with the specific details of the alleged noncompliance and Respondent shall be afforded a fifteen (15) day period within which to cure any noncompliance concerning non-monetary issues and a ten (10) day period within which to cure any such noncompliance concerning a monetary issue ("Cure Period"). In the event that Respondent cures the noncompliance within the Cure Period, the Suspended Penalty shall return to its suspended status. If the Division contends that Respondent has not cured any alleged noncompliance during the Cure Period, the Division may move on Notice of Motion or by Order to Show Cause to have a Judgment entered for the Suspended Penalty. Respondent shall have the right to submit opposition to any Motion or Order to Show Cause application filed by the Division and to contest same on the return date.

## **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 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 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 between 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 in this Consent Order 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 Respondent as well as its 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.

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 be used to avoid compliance with this Consent Order.

5.9 This Consent Order is entered into by the Parties 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 Attorney General, the Division or any

other governmental unit of the State of any act or practice of Respondent; and (b) an admission by Respondent that any of its acts or practices described in or prohibited by this Consent Order are unlawful or unconscionable or violate the CFA and/or the Automotive Repair Regulations. Neither the existence of, nor the terms of this Consent Order, 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 6) to support a defense of res judicata, collateral estoppel, release or other theory of claim preclusion, issue preclusion or similar defense.

5.10 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.

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 as specified 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 and/or the Automotive Repair Regulations arising out of the Investigation, as well as the matters specifically addressed in this Consent Order (the "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 injunctive provisions of this Consent Order or to seek sanctions for violations hereof or both.

#### **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 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 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 ORDER**

9.1 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:

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

For the Respondent:

Gregg F. Paster, Esq.  
18 Railroad Avenue  
Rochelle Park, New Jersey 07662

IT IS ON THE 27<sup>th</sup> DAY OF February, 2014  
SO ORDERED.

JOHN J. HOFFMAN  
ACTING ATTORNEY GENERAL OF NEW JERSEY

By:   
ERIC T. KANEFSKY, 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:

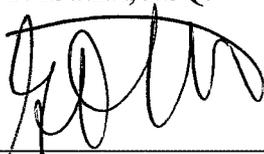
JOHN J. HOFFMAN  
ACTING ATTORNEY GENERAL OF NEW JERSEY

By:  Dated: 2/26, 2014  
Jeffrey Koziar, Deputy Attorney General  
Consumer Fraud Prosecution Section

124 Halsey Street - 5<sup>th</sup> Floor  
P.O. Box 45029  
Newark, New Jersey 07101  
(973) 648-7819

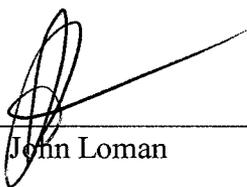
FOR RESPONDENT:

GREG F. PASTER, ESQ.

By:  Dated: 2/21, 2014  
Gregg F. Paster, Esq.

18 Railroad Avenue  
Rochelle Park, New Jersey 07662  
(201) 489-0078

AMERICAN EAGLE AUTOMOTIVE, LLC  
d/b/a LOMAN AUTO SALES AND SERVICE

By:  Dated: 2/7, 2014  
John Loman

Print Title/Position: Member mgt

By:   
David Loman

Dated: 2-17-, 2014

Print Title/Position: member / MGR.