FILED

AUG 18 2014

RAYMOND A. BATTEN, P.J.Ch.

JOHN J. HOFFMAN
ACTING 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 (015131999)
Deputy Attorney General
[redacted]

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION
ATLANTIC COUNTY
DOCKET NO.: ATL-C-89-12

JOHN J. HOFFMAN, Acting Attorney General of the State of New Jersey, and STEVE C. LEE, Acting Director of the New Jersey Division of Consumer Affairs. Plaintiffs, v. AMY HOTELS, L.L.C., d/b/a ECONO LODGE; JANE AND JOHN DOES 1-10, individually and as owners, officers, directors, shareholders, founders, managers, agents, servants, employees, representatives and/or independent contractors of AMY HOTELS, L.L.C., d/b/a ECONO LODGE and XYZ CORPORATIONS 1-10, Defendants.	Civil Action **FINAL CONSENT JUDGMENT**

WHEREAS the Parties to this Action and Final Consent Judgment ("Consent Judgment") are plaintiffs John J. Hoffman, Acting Attorney General of the State of New Jersey ("Attorney General"), and Steve C. Lee, Acting Director of the New Jersey Division of Consumer Affairs

("Director") (collectively, "Plaintiffs"),[1] and defendant Amy Hotels, L.L.C., d/b/a Econo Lodge ("Defendant" or "Amy Hotels") (collectively, "Parties");

WHEREAS Plaintiffs commenced this action on December 14, 2012 and filed a First Amended Complaint on December 17, 2012 alleging that Amy Hotels violated the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq. ("CFA"), specifically N.J.S.A. 56:8-109 and N.J.S.A. 56:8-2, in 545 instances by engaging in the Advertisement, offering for Sale and/or Sale of hotel accommodations at excessive and unjustified price increases (e.g. price gouging) after Governor Chris Christie declared a State of Emergency on October 27, 2012, just prior to Tropical Storm Sandy reaching New Jersey;

WHEREAS Defendant denied all the material allegations in the First Amended Complaint;

WHEREAS by a Final Judgment and Order, dated and filed February 7, 2014 ("Final Judgment and Order"), the Honorable Raymond A. Batten, P.J. Ch., granted Plaintiffs' Motion for Summary Judgment, finding that Defendant increased its prices by excessive amounts in 545 instances during a State of Emergency in violation of the CFA, issuing a permanent injunction as well as awarding civil penalties in the amount of $5,000, Restitution in the amount of $24,995.64, and reimbursement of attorneys' fees and investigative costs in the amount of $1,440.82;

WHEREAS by an Amended Final Judgment and Order, dated and filed April 28, 2014 ("Amended Final Judgment and Order"), Judge Batten granted in part and denied in part Plaintiffs' Motion for Reconsideration, awarding reimbursement of Plaintiffs' attorneys' fees in the amount of $13,107 and investigative costs in the amount of $1,440.82;

---

[1] This action was commenced on behalf of Jeffrey S. Chiesa, former New Jersey Attorney General, and Eric T. Kanefsky, former Director. Pursuant to R. 4:34-4, the caption has been revised to reflect the current Acting Attorney General and the current Acting Director.

WHEREAS by Notice of Appeal, dated and filed May 14, 2014, Plaintiffs appealed that part of the Final Judgment and Order and Amended Final Judgment and Order concerning the $5,000 civil penalty award to the Superior Court of New Jersey, Appellate Division ("Appellate Division), and the appeal was assigned Docket No. A-4138-13T1 ("Appeal");

WHEREAS the Parties have not yet filed briefs in the Appeal, and

WHEREAS the Parties desire to resolve the Appeal to avoid the costs, expenses, distractions, risks and delays associated therewith and reached an amicable agreement resolving the issues in controversy and concluding this matter without the need for further action.

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, Atlantic 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 Judgment:

4.1 "Action" refers to the action entitled John J. Hoffman, Acting Attorney General of the State of New Jersey, and Steve C. Lee, Acting Director of the New Jersey Division of Consumer Affairs v. Amy Hotels, LLC., d/b/a Econo Lodge, Superior Court of New Jersey, Chancery Division, Atlantic County, Docket No. C-89-12, and all pleadings and proceedings related thereto.

4.2 "Advertisement" shall be defined in accordance with N.J.S.A. 56:8-1(c). This definition applies to other forms of the word "Advertisement" including, without limitation, "Advertising."

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 "Consumer" shall refer to any Person who is offered Merchandise for Sale.

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

4.6 "Excessive Price Increase" shall be defined in accordance with N.J.S.A. 56:8-108.

4.7 "Merchandise" shall be defined in accordance with N.J.S.A. 56:8-1(c) and includes hotel rooms.

4.8 "New Jersey" and "State" shall refer to the State of New Jersey.

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

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

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

4.12 "State of Emergency" shall be defined in accordance with N.J.S.A. 56:8-108.

5. INJUNCTIVE AND ANCILLARY RELIEF

5.1 Defendant shall not engage in any unfair or deceptive acts in the conduct of its 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.

5.2 Defendant shall be permanently enjoined from Advertising, offering for Sale and/or selling Merchandise, specifically hotel rooms, at a price constituting an Excessive Price Increase during a State of Emergency or within thirty (30) days after termination of the State of Emergency, in violation of N.J.S.A. 56:8-109.

6. SETTLEMENT AMOUNT

6.1 The Parties have agreed to a settlement of the Action in the amount of Eighty-Nine Thousand Five Hundred Forty-Three and 96/100 Dollars ($89,543.96) ("Settlement Amount").

6.2 The Settlement Amount comprises civil penalties of Fifty Thousand and 00/100 Dollars ($50,000.00), pursuant to N.J.S.A. 56:8-13, Twenty-Four Thousand Nine Hundred Ninety-Five and 64/100 Dollars ($24,995.064) in Restitution pursuant to N.J.S.A. 56:8-8, Thirteen Thousand One Hundred Seven and 00/100 Dollars ($13,107.00) in reimbursement of the Plaintiffs' attorneys' fees, pursuant to N.J.S.A. 56:8-19, and One Thousand Four Hundred Forty and 82/100

Dollars ($1,440.82) in reimbursement of the Plaintiffs' investigative costs, pursuant to N.J.S.A. 56:8-11.

6.3 Plaintiffs agree to suspend Twenty-Five Thousand and 00/100 Dollars ($25,000.00) of the civil penalty portion of the Settlement Amount ("Suspended Penalty"), subject to the conditions set forth in Section 6.7.

6.4 Defendant shall pay Sixty-Four Thousand Five Hundred Forty-Three and 96/100 Dollars ($64,543.96) of the Settlement Amount ("Settlement Payment") within thirty (30) days of the Effective Date.

6.5 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
Consumer Fraud Prosecution Section
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

6.6 Upon making the Settlement Payment, Defendant 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 Plaintiffs pursuant to the terms herein.

6.7 For a period of one (1) year from the Effective Date, the Suspended Penalty shall be suspended and automatically vacated at the end of that period, provided:

(a) Defendant complies in all material respects with the injunctive and anciallary relief set forth in Section 5; and

(d) Defendant makes the Settlement Payment in the manner required under Sections 6.4 and 6.5.

6.8 In the event Defendant materially fails to comply with Section 6.67, Plaintiffs shall provide Defendant with notice seeking payment of the entire Suspended Penalty. In any such notice, however, Plaintiffs shall provide Defendant with the specific details of Defendants' alleged noncompliance, as well as any supporting documents. Defendant shall be afforded a fifteen day (15) day period from receipt of such notice within which to cure any such noncompliance.

6.9 In the event of Defendants' failure to cure any such noncompliance, Plaintiffs may move on notice or by Order to Show Cause to have a Judgment entered for the Suspended Penalty. Defendant shall have the right to submit opposition to any motion or Order to Show Cause application filed by Plaintiffs and to contest same on any return date. Upon entry by the Court of any such Judgment, Plaintiffs shall then arrange for entry of such Judgment upon the Statewide docket.

6.10 Upon request by or on behalf of the Defendant and the vacating of the Suspended Penalty, Plaintiffs shall then provide Defendant with a Warrant of Satisfaction of the Settlement Amount. Such Warrant of Satisfaction shall have no effect upon Defendant's continuing obligations under any other provision of this Consent Judgment.

7. WITHDRAWAL OF APPEAL

7.1 Plaintiffs have delivered a letter to the Appellate Division advising that the Appeal has been resolved by settlement. The Parties shall execute and file such other documents, if any, as may be necessary to effectuate the withdrawal of the Appeal.

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 Judgment.

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 Judgment 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 Plaintiffs and Defendant.

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 Defendant 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 its 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 Judgment be used to avoid compliance with this Consent Judgment.

8.9 This Consent Judgment is agreed to by the Parties and entered into 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 Defendant; and (b) an admission by Defendant that any of its acts or practices described in or prohibited by this Consent Judgment are unfair or deceptive or violated the CFA. This Consent Judgment 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 Judgment; and/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 Nothing contained in this Consent Judgment shall be construed to limit or otherwise affect the rights of any Persons who are not Parties to this Consent Judgment with respect to any of the matters contained herein.

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

8.12 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 injunctive and anciallary relief, payments, undertakings, mutual promises and obligations provided for in this Consent Judgment and conditioned on Defendant making the Settlement Payment in the manner referenced in Section 6, Plaintiffs hereby agree to release Defendant from any and all civil claims or Consumer related administrative claims, to the extent permitted by State law, which Plaintiffs could have brought prior to the Effective Date against Defendant for violations of the CFA as alleged in the Action, as well as the matters specifically addressed in Section 5.2 of 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, provided, however, that nothing herein shall prevent Defendant from raising the defense of set-off against a Consumer who has received Restitution; (b) actions to enforce this Consent Judgment; and (c) any claims against Defendant 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 injunctive provisions of this Consent Judgment and/or the CFA shall constitute a second or succeeding violation under N.J.S.A. 56:8-13 and that Defendant 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 Defendant 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 Plaintiffs may otherwise have to obtain information, documents or testimony from Defendant 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 Defendant 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 JUDGMENT

12.1 Except as otherwise provided herein, any notices or other documents required to be sent to Plaintiffs or Defendant 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 Plaintiffs:

Jeffrey Koziar, Deputy Attorney General
Consumer Fraud Prosecution Section
State of New Jersey
Office of the Attorney General
Department of Law and Public Safety
Division of Law
124 Halsey Street-5th Floor
PO Box 45029
Newark, New Jersey 07101

For the Defendant:

Robert T. Cohen, Esq.
Trobman & Cohen, LLC
102 Browning Lane
Building C-3
Cherry Hill, New Jersey 08003

IT IS ON THE 18th DAY OF August, 2014 SO ORDERED, ADJUDGED AND DECREED.

Raymond A. Batten

HON. RAYMOND A. BATTEN, P.J. CH.

JOINTLY APPROVED AND
SUBMITTED FOR ENTRY:

FOR THE PLAINTIFFS:

JOHN J. HOFFMAN
ACTING ATTORNEY GENERAL OF NEW JERSEY

By: Jeffrey Koziar

Dated: 8/13, 2014

Jeffrey Koziar
Deputy Attorney General
Consumer Fraud Prosecution Section

124 Halsey Street - 5th Floor
P.O. Box 45029
Newark, New Jersey 07101
[redacted]

FOR DEFENDANT:

TROUBMAN & COHEN, LLC

By: Robert T. Cohen Dated: August 12, 2014
Robert T. Cohen, Esq.

102 Browning Lane
Building C-3
Cherry Hill, New Jersey 08003
(856) 216-7300

AMY HOTELS, L.L.C., d/b/a ECONO LODGE

By: P Wankawala MEMBER/OWNER Dated: 08-08-, 2014
[add name and title and address]

PRAVIN. M. WANKAWALA

[redacted]