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DEC 10 2019

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION, ESSEX COUNTY
DOCKET NO.: ESX- C-234-19

GURBIR S. GREWAL, Attorney General of the State of New Jersey, and PAUL R. RODRÍGUEZ, Acting Director of the New Jersey Division of Consumer Affairs,

Plaintiffs,

v.

ADVANTA MEDICAID LLC d/b/a ADVANTA MEDICAID SPECIALISTS; NISSIM "SAM" ARYEH and CHAIM E. FELLER, individually and as owners, officers, directors, founders, members, managers, representatives and/or agents of ADVANTA MEDICAID LLC d/b/a ADVANTA MEDICAID SPECIALISTS; JANE AND JOHN DOES 1-20, individually and as owners, officers, directors, founders, members, managers, employees, servants, agents, representatives and/or independent contractors of ADVANTA MEDICAID LLC d/b/a ADVANTA MEDICAID SPECIALISTS; and XYZ CORPORATIONS 1-20,

Defendants.

Civil Action

COMPLAINT

Plaintiffs Gurbir S. Grewal, Attorney General of the State of New Jersey ("Attorney General"), with offices located at 124 Halsey Street, Fifth Floor, Newark, New Jersey, and Paul R.

Rodríguez, Acting Director of the New Jersey Division of Consumer Affairs ("Director"), with offices located at 124 Halsey Street, Seventh Floor, Newark, New Jersey, by way of Complaint state:

PRELIMINARY STATEMENT

1. Advanta Medicaid LLC d/b/a Advanta Medicaid Specialists ("Advanta Medicaid") and its joint founders, owners, managers and members—Nissim "Sam" Aryeh and Chaim E. Feller—perpetrated a scheme to defraud some of New Jersey's most needy and vulnerable residents. Defendants held out Advanta Medicaid as providing a package of services to assist individuals in establishing their or their loved ones' eligibility for Medicaid benefits, including long-term care services. Advanta Medicaid charged New Jersey consumers thousands of dollars per case in upfront fees, but consistently failed to deliver the services they promised. Through their fraudulent conduct, Defendants raked in over $300,000, while leaving consumers without access to critical Medicaid benefits.

2. Among other things, Advanta Medicaid failed to complete and file Medicaid applications as promised in its contracts with numerous New Jersey consumers despite receiving up-front, complete payments for these services. And while Advanta Medicaid guaranteed customers they would be approved for Medicaid coverage or receive their money back, no consumers have reported to the Division of Consumer Affairs ("Division") that the company assisted them in actually obtaining Medicaid coverage and only a few consumers appear to have received a refund. To date, the Division has not identified a single consumer that received the entirety of the contracted-for services that Advanta Medicaid promised.

3. While Advanta Medicaid was failing to fulfill its promises to consumers, Aryeh and Feller transferred company funds to their personal accounts, and charged to the company

expenses with no apparent connection to Advanta Medicaid's business, including thousands of dollars in expenses at Harrah's Resort in Atlantic City, bicycle equipment stores, restaurants, car payments, high-end clothing stores, and various payments to local private schools, charities and/or synagogues. Aryeh and Feller's extensive personal use of business assets ultimately contributed to Advanta Medicaid's abrupt closure, leaving even more consumers without the services they were promised and without anyone at the company to turn for assistance.

4. Pursuant to the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 to -210 ("CFA") and the regulations promulgated thereunder, N.J.A.C. 13:45A-9.1 to -9.8, the Attorney General and Director commence this action to obtain restitution for injured consumers, to impose monetary penalties for Defendants' unfair and deceptive business practices, to halt any ongoing unfair and deceptive business practices by Defendants, and for other monetary and injunctive relief.

PARTIES AND JURISDICTION

5. The Attorney General is charged with the responsibility of enforcing the CFA. The Director is charged with the responsibility of administering the CFA on behalf of the Attorney General.

6. By this action, the Attorney General and Director seek monetary and injunctive relief for violations of the CFA and the regulations promulgated thereunder. Plaintiffs bring this action pursuant to their authority under the CFA, specifically N.J.S.A. 56:8-8, 56:8-11, 56:8-13 and 56:8-19.

7. Advanta Medicaid was formed as a Limited Liability Company ("LLC") under the laws of New Jersey on April 8, 2014.

8. Advanta Medicaid maintained its last known business address at 920 East County Line Road, Suite 203, Lakewood, New Jersey 08701.

9. On information and belief, Advanta Medicaid also used the following addresses in connection with its business operations: 133 Glen Avenue South, Lakewood, New Jersey 08701; 317 Monmouth Avenue, Lakewood, New Jersey 08701; 26 Main Street, Toms River, New Jersey 08753; and 21 West Main Street, 4th Floor, Waterbury, Connecticut 06702.

10. On information and belief, Aryeh's last known address is in Lakewood, New Jersey.

11. On information and belief, Feller's last known address is in Lakewood, New Jersey.

12. On information and belief, Aryeh and Feller owned and/or operated Advanta Medicaid at all relevant times. At all relevant times, Aryeh and Feller were the LLC's only members.

13. From April 9, 2014 until September 1, 2017, Feller was Advanta Medicaid's registered agent. From September 1, 2017 to the present, Aryeh has been Advanta Medicaid's registered agent.

14. Venue is proper in Essex County because it is a county in which Defendants have conducted business and it is a county in which Plaintiffs reside. R. 4:3-2.

15. Defendants John and Jane Does 1 through 20 are fictitious individuals meant to represent any other owners, officers, directors, founders, members, managers, agents, servants, employees and/or representatives of Advanta Medicaid who have been involved in the conduct that gives rise to this Complaint, but are heretofore unknown to Plaintiffs. As these defendants are identified, Plaintiffs shall amend the Complaint to include them.

16. Defendants XYZ Corporations 1 through 20 are fictitious corporations meant to represent any additional business entities who have been involved in the conduct that gives rise to

the Complaint, but are heretofore unknown to Plaintiffs. As these defendants are identified, Plaintiffs shall amend the Complaint to include them.

GENERAL ALLEGATIONS COMMON TO ALL COUNTS

17. Medicaid is a joint federal and state program that provides free or low-cost health coverage to certain low-income people, parents/caretakers and dependent children, pregnant women, the elderly, and individuals with disabilities. Medicaid also is the nation's largest public payer of long-term care services. Long-term care services include medical and non-medical services and supports, either in the community, in an assisted living facility, or in a nursing home, for people who require assistance with activities of daily living. Most long-term care services assist people with activities such as dressing, bathing, and using the bathroom.

18. To be eligible for Medicaid in the State of New Jersey, a person must meet certain eligibility requirements. Additional requirements may apply before a Medicaid beneficiary qualifies for long-term care services.

19. For an individual to receive long-term care services through Medicaid, an application requiring detailed financial, medical, and other information, including supporting documentation, must be submitted to the New Jersey Department of Human Services. Thus, applying to Medicaid for long-term care services can be time-consuming and challenging, particularly for the many applicants without experience navigating this often complex process.

20. As a result, an industry has developed in which businesses offer, for a fee, assistance with the Medicaid application process to individuals potentially eligible for long-term care services. Advanta Medicaid claimed to provide such services.

Advanta Medicaid's Business

21. Since at least April 2014, Advanta Medicaid has been engaged in the advertisement, offer for sale, sale, and performance of Medicaid-related services in New Jersey, including, but not limited to: (a) consulting with and assessing consumers' eligibility for Medicaid benefits; (b) advising consumers on how to "spend-down" their assets to become eligible for Medicaid benefits; (c) gathering the necessary documents and information from consumers to prepare Medicaid applications on their behalf; (d) assisting consumers in the preparation and submission of applications for Medicaid coverage; and (e) representing consumers throughout the Medicaid application process and fielding inquiries from the relevant Medicaid authorities.

22. At all relevant times, Advanta Medicaid advertised its business and the Medicaid services it offered through its website, www.advantamedicaid.com ("Advanta Medicaid Website").

23. Advanta Medicaid marketed itself as a professional firm with the knowledge, "years of experience," and "working relationships" with the local Medicaid authorities to obtain Medicaid coverage for consumers/applicants.

24. Among other things, Advanta Medicaid represented, through its Advanta Medicaid Website, that it offered customers a "MONEY BACK GUARANTEE!" It further represented that, "We are so confident of the results that we guarantee it: If we do not get you approved for Medicaid coverage, you won't pay a penny!"

25. Consumers typically executed a pre-printed, form contract with Advanta Medicaid to retain Advanta Medicaid to perform Medicaid services for either themselves or their family member(s).

26. Advanta Medicaid's form contract required consumers to pay the entire upfront, nonrefundable fee before receiving services. Fees ranged from approximately $3,000.00 to $9,000.00.

27. Advanta Medicaid's form contract obligated Advanta Medicaid to, among other things: (a) provide the consumer with a list of documents needed for the application; (b) assist in preparing and review the completed application; (c) submit the completed application; and (d) monitor the status of the application.

28. Despite stating that the upfront fee was nonrefundable, Advanta Medicaid's form contract also provided that consumers may receive a refund if the applicant did not obtain Medicaid coverage because "of the insufficiency of [Advanta's] efforts . . . ."

29. On or around May 2018, Advanta Medicaid abruptly discontinued its business operations without providing already contracted and paid for Medicaid services to many, if not all, of its consumers.

30. To date, forty-nine individuals or relatives of individuals have reported to the Division that they contracted with Advanta Medicaid between 2014 and 2018 for Medicaid services, but did not receive the services they paid for.

31. Among other things, nearly all of these consumers generally state that Advanta Medicaid abruptly closed its doors without providing the Medicaid services promised or the refund it guaranteed. The forty-nine individuals mentioned above paid Advanta Medicaid an aggregate amount of $302,450.00 for services they did not receive in accordance with their contracts.

32. For example, Consumer R.H. contracted with Advanta Medicaid on September 9, 2015, for Medicaid services on behalf of her son. R.H. paid Advanta Medicaid $5,000.00 in anticipation of her son becoming eligible for Medicaid in late 2018. Only in 2018, when R.H.

needed the promised Medicaid services for her son did she learn that Advanta Medicaid had closed. And she only learned of this following numerous calls and visits to Advanta Medicaid's offices. R.H. explained that, "[Advanta Medicaid] never contacted us with this news, nor did they offer any refund of our $5,000.00 payment." R.H. later completed and submitted her son's Medicaid application with the assistance of another family member.

33. Consumer N.S. contracted with Advanta Medicaid on April 6, 2016, in advance of her elderly mother requiring Medicaid coverage for long-term care services, and paid $5,000.00 to Advanta Medicaid in anticipation of receiving Medicaid services. N.S. was told by Advanta Medicaid that "when [you] need[] [our] service . . . just call and [Advanta Medicaid] would start the application process." But when N.S.'s elderly mother began to require 24/7 skilled nursing home care, N.S. was unable to reach anyone at Advanta Medicaid to begin the application process to ensure that her mother would receive the necessary care. N.S. explained that it was "so disheartening for us that my mom's hard earned money was taken and no service was ever provided for her, as we had planned for."

34. Consumer M.A. contracted with Advanta Medicaid on September 26, 2016, to complete and file a Medicaid application on behalf of her elderly mother for long-term care services and paid $4,200.00 up-front to Advanta Medicaid. On May 9, 2018, M.A. was notified through her mother's Advanta Medicaid caseworker that Advanta Medicaid had closed and had never filed the Medicaid application on behalf of her mother.

35. Consumer C.A. contracted with Advanta Medicaid on May 1, 2017, for $4,250.00 to complete and file a Medicaid application on behalf of her sister for long-term care services. C.A. understood based on her discussions with Advanta Medicaid that Medicaid coverage for her sister would begin on January 1, 2018. C.A. relied on Advanta Medicaid and personally paid for

her sister's care in anticipation of reimbursement from Medicaid. After January 1, 2018, C.A. contacted Advanta Medicaid numerous times to inquire as to the status of the Medicaid application. Advanta Medicaid changed her "caseworker" repeatedly and failed to provide her any information as to if or when her sister's Medicaid application had been submitted. She later learned that Advanta Medicaid had closed in May 2018, and her sister's application had not been submitted.

36. On information and belief, many more still unidentified consumers contracted with and paid Advanta Medicaid for Medicaid services, but received nothing in return. To date, the Division has not identified a single consumer who has received the contracted-for Medicaid services and only a few appear to have received a refund.

37. In addition, on at least one occasion, Advanta Medicaid represented to a consumer that it had filed a Medicaid application on the consumer's behalf when, in fact, Advanta Medicaid had not submitted the application.

38. On at least one occasion, Advanta Medicaid also represented to a consumer that it would return certain personal and financial documentation to the consumer after failing to submit a Medicaid application on their behalf, but then failed to do so, thus causing the consumer to have to recreate and/or re-gather this information.

Aryeh and Feller's Involvement with Advanta Medicaid's Business

39. On April 8, 2014, Aryeh and Feller formed Advanta Medicaid as an LLC under the laws of New Jersey. Advanta Medicaid's Certificate of Formation names Aryeh and Feller as members/managers and authorized signatories for the business, and list its registered office at 133 Glen Avenue South, Lakewood, New Jersey 08701. According to Advanta Medicaid's Certificate of Formation, Aryeh and Feller were each 50% members/managers of Advanta Medicaid at all relevant times.

40. In addition to serving as registered agents, at all relevant times Aryeh and Feller have been owners, officers, directors, founders, members, managers, representatives and/or agents of Advanta Medicaid and have controlled, directed and/or participated in the management and/or operation of Advanta Medicaid.

41. On November 1, 2016, Aryeh and Feller signed a "Transfer Agreement" and a separate "Operating Agreement" whereby Feller would relinquish 80% of his ownership stake (or 40% of the LLC) to Aryeh, leaving Feller with a 10% ownership stake in Advanta Medicaid. Neither the Transfer Agreement nor the Operating Agreement state that money was exchanged for this transfer of equity. On information and belief, no documentation was filed with the State to reflect any change in ownership.

42. On August 16, 2017, Advanta Medicaid's accountant submitted a document entitled "Request for Change of Registration Information" to the State for tax purposes. Although this document reflects that as of January 1, 2017 Feller's ownership interest was 0% (not 10%) and Aryeh's ownership was 100%, the pre-printed portion of the State form provides, "DO NOT use this form for a change in ownership . . . ." On information and belief, no documentation was filed with the State to reflect Feller's claimed divestment in his ownership of Advanta Medicaid.

43. Aryeh, among other things, actively participated in Advanta Medicaid's management and operation including, but not limited to: (a) executing consumer contracts for Medicaid services on behalf of Advanta Medicaid; (b) supervising the Medicaid services for which consumers contracted with Advanta Medicaid; (c) meeting and communicating with consumers concerning the contracted-for Medicaid services; (d) endorsing consumer checks made out to Advanta Medicaid for contracted-for Medicaid services; and (e) managing Advanta Medicaid's bank accounts, credit cards and other finances.

44. Feller also actively participated in Advanta Medicaid's management and operation. Among other things, Feller: (a) was provided and utilized a corporate credit card in his name; (b) hired attorneys and accountants for Advanta Medicaid; (c) paid expenses on behalf of Advanta Medicaid, including credit card bills and monthly rents for Advanta Medicaid's office spaces; (d) ordered furniture, flooring, and other equipment; (e) rented cars; and (f) ordered displays and other advertising materials for use by Advanta Medicaid sales representatives.

45. During the roughly four years Advanta Medicaid was in operation, Aryeh and Feller repeatedly utilized Advanta Medicaid's business funds for their personal use, including transferring funds from Advanta Medicaid's business accounts to their personal accounts and using corporate credit cards paid by Advanta Medicaid for personal expenses.

46. Aryeh and Feller had access to and/or control over the bank accounts associated with Advanta Medicaid. Large sums of money were transferred from Advanta Medicaid's business accounts into Aryeh's and Feller's personal accounts and transferred from their personal accounts into Advanta Medicaid's business accounts.

47. Between June 2014 and May 2017, various monetary transfers were initiated from two of Advanta Medicaid's business accounts at Wells Fargo Bank, N.A. (XXXX3824 and XXXX0716) to bank accounts owned/maintained by Aryeh totaling $183,339.70. Upon information and belief, Advanta Medicaid closed its Wells Fargo business accounts on or about July 31, 2017. From June 2014 until the closure of the accounts, Aryeh transferred $92,637.00 from his personal accounts back to Advanta Medicaid's business accounts.

48. Between January 2017 and May 2018, monetary transfers were initiated from Advanta Medicaid's business account at JPMorgan Chase Bank, N.A. (XXXX3696) to a bank account owned/maintained by Aryeh at JPMorgan Chase Bank, N.A. (XXXX3706), totaling

$202,487.00. During this time, Aryeh transferred $40,100.00 from his personal account back to Advanta Medicaid's business account.

49. Between April 2014 and January 2017, Aryeh deposited twenty-two checks totaling $92,902.26, made payable to Advanta Medicaid, into his own personal account maintained at Wells Fargo Bank, N.A. (XXXX7554).

50. Between December 2014 and November 2016, Feller transferred $294,875.00 to Advanta Medicaid's business account at Wells Fargo Bank, N.A. (XXXX3824). Between June 2014 and June 2016, monetary transfers were initiated from Advanta Medicaid's business account to bank accounts owned/maintained by Feller, totaling $178,698.00.

51. Between November 2016 and February 2017, at least four checks were drawn between two of Aryeh's personal accounts payable to Feller, totaling $110,000.00. Two checks were drawn from Aryeh's personal account maintained at JPMorgan Chase Bank, N.A. (XXXX3706) and two checks were drawn from Aryeh's personal account maintained at Wells Fargo Bank, N.A. (XXXX7554).

52. Between February 2017 and April 2017, seven online transfers totaling $74,200.00 were made from Advanta Medicaid's business account at JPMorgan Chase Bank, N.A. (XXXX3696) to a bank account ending in (XXXX0857). Thereafter, $27,137.00 was transferred from the bank account ending in (XXXX0857) back to the account ending in (XXXX3696). The owner of the bank account ending in (XXXX0857) is unknown at this time.

53. Aryeh and Feller also had individual business credit cards for Advanta Medicaid through American Express Company ("AMEX"). Charges to these AMEX credit cards were paid by Advanta Medicaid.

54. Between June 2014 and May 2017, monetary transfers were initiated from Advanta Medicaid's business account at Wells Fargo Bank, N.A. (XXXX3824) to AMEX for an Advanta Medicaid credit card owned/maintained by Aryeh. Between February 2017 and May 2018, monetary transfers were initiated from Advanta Medicaid's business account at JPMorgan Chase Bank, N.A. (XXXX3696) to AMEX for that same credit card owned/maintained by Aryeh. Some of the AMEX credit card charges included:

(a) Charges at Harrah's Resort in Atlantic City, New Jersey for $14,871.13.

(b) Charges at numerous professional bicycle equipment stores for $12,626.78.

(c) Charges at Reserve Cut and Prime, two high-end steakhouses in New York, New York, totaling $6,119.56.

(d) Charges at numerous high-end clothing stores, including Nordstrom, Neiman Marcus, Charles Tyrwhitt, Quails, Hugo Boss and Zara, totaling $5,533.94.

(e) Thousands of dollars in miscellaneous charges for bars, restaurants, bakeries, grocery stores, liquor stores, taxis, plane tickets, gift cards, limousine services, children's and women's clothing, and donations to local private schools, charities and/or synagogues.

55. Monetary transfers were also initiated from Advanta Medicaid's business account at Wells Fargo Bank, N.A. (XXXX3824) to AMEX for an Advanta Medicaid credit card owned/maintained by Feller between June 2014 and April 2017 totaling $34,401.24. These AMEX credit card charges included charges for:

(a) Rental cars.

(b) Furniture and flooring.

(c) Restaurants and bakeries.

(d) Donations to local private schools, charities and/or synagogues.

56. In addition, between June 2015 and May 2017, payments were made from Advanta Medicaid's business account Wells Fargo Bank, N.A. (XXXX3824) to Hyundai Motor Finance by or on behalf of Feller totaling $12,998.90.

57. Between July 2015 and February 2016, payments were made from Advanta Medicaid's business account maintained at Wells Fargo Bank, N.A. (XXXX3824) to Toyota Motor Corp. by or on behalf of Aryeh totaling $6,006.45.

58. Between February 2016 and January 2017, payments were made from Advanta Medicaid's business account at Wells Fargo Bank, N.A. (XXXX3824) to Toyota Financial Lease by or on behalf of Aryeh totaling $10,768.65.

59. On January 30, 2017, Aryeh initiated and signed for a withdrawal in the amount of $14,810.96 from Advanta Medicaid's business account maintained at JPMorgan Chase Bank, N.A. (XXXX3696) for what appears to be the purchase of a cashier's check payable to "Priority Auto Mall Inc/Yeshiva of Philadelphia."

60. Between March 2017 and June 2018, fourteen payments were made from Advanta Medicaid's business account maintained at JPMorgan Chase Bank, N.A. (XXXX3696) to Toyota Financial by or on behalf of Aryeh totaling $11,507.83.

COUNT I

VIOLATION OF THE CFA BY ADVANTA MEDICAID (UNCONSCIONABLE COMMERCIAL PRACTICES)

61. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 60 above as if more fully set forth herein.

62. The CFA, N.J.S.A. 56:8-2, prohibits:

> The act, use or employment by any person of any unconscionable commercial practice, deception, fraud, false pretense, false promise, misrepresentation, or the knowing[] concealment, suppression, or

> omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale or advertisement of any merchandise or real estate, or with the subsequent performance of such person as aforesaid, whether or not any person has in fact been misled, deceived or damaged thereby . . . .

63. The CFA defines "merchandise" as including "any objects, wares, goods, commodities, services or anything offered, directly or indirectly to the public for sale." N.J.S.A. 56:8-1(c). "Merchandise" includes the Medicaid services offered by Advanta Medicaid.

64. At all relevant times, Advanta Medicaid has been engaged in the advertisement and sale of merchandise within the meaning of N.J.S.A. 56:8-1(c) including, but not limited to, Medicaid services.

65. In the operation of its business, Advanta Medicaid employed and engaged in the use of unconscionable commercial practices by, among other things:

(a) Entering into contracts to provide Medicaid services, accepting consumer payments for such services, and then failing to complete the contracted-for services;

(b) Failing to respond to consumers' telephone calls and/or e-mails inquiring when Advanta Medicaid would continue and/or complete the contracted-for Medicaid services; and/or

(c) Abruptly ceasing operations without providing sufficient advance notice to affected consumers.

66. As a result of Advanta Medicaid's unconscionable commercial practices, consumers were forced to expend additional time and money to complete the originally contracted-for Medicaid services and/or had the effective date of their Medicaid benefits unduly delayed.

67. Each instance of each unconscionable commercial practice by Advanta Medicaid constitutes a separate violation of the CFA.

COUNT II

VIOLATION OF THE CFA BY ADVANTA MEDICAID (FALSE PROMISES AND/OR MISREPRESENTATIONS)

68. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 67 above as if more fully set forth herein.

69. In the operation of its business, Advanta Medicaid engaged in the use of false promises and/or misrepresentations by, among other things:

(a) Representing to consumers that it would submit applications for Medicaid on their behalf, and then failing to do so in a timely manner or at all;

(b) Representing to consumers that applications for Medicaid had been submitted when, in fact, they had not been submitted;

(c) Representing to consumers that it would provide refunds for Medicaid services not provided, but then failing to do so; and/or

(d) Representing to consumers that it would return their sensitive personal and financial documentation provided to Advanta Medicaid in connection with their contracts for Medicaid services, but then failing to do so which required consumers to recreate and/or re-gather this information.

70. Each false promise and/or misrepresentation by Advanta Medicaid constitutes a separate violation of the CFA.

COUNT III

VIOLATION OF THE ADVERTISING REGULATIONS BY ADVANTA MEDICAID

71. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 70 above as if more fully set forth herein.

72. The Regulations Governing General Advertising Practices, N.J.A.C. 13:45A-9.1 to -9.8 ("Advertising Regulations"), are regulations that have been promulgated under the CFA and

are designed to promote the disclosure of relevant information to enable the consumer to make intelligent decisions in the selection of products and services.

73. The Advertising Regulations, N.J.A.C. 13:45A-9.2(9), prohibit:

> The making of false or misleading representations of facts concerning the reasons for, existence or amounts of price reductions, the nature of an offering or the quantity of advertised merchandise available for sale.

74. The Advertising Regulations define "advertisement" as "any attempt by an advertiser . . . to directly or indirectly induce the purchase or rental of merchandise at retail, appearing in any . . . electronic medium or delivered to or through any computer." N.J.A.C. 13:45A-9.1

75. At all relevant times, the Advanta Medicaid Website serves as an "advertisement" within the definition of the Advertising Regulations, N.J.A.C. 13:45A-9.1.

76. In the operation of its business, Advanta Medicaid, through the Advanta Medicaid Website, made false or misleading representations of facts concerning the merchandise it made available for sale, specifically its Medicaid services by, among other things:

(a) Advertising a money-back guarantee on the Advanta Medicaid Website, specifically "MONEY BACK GUARANTEE! We are so confident of the results that we guarantee it: If we do not get you approved for Medicaid coverage, you won't pay a penny!" Advanta Medicaid then failed to honor this money-back guarantee for some consumers.

77. Each false or misleading representation of facts by Advanta Medicaid on the Advanta Medicaid Website is a violation of the Advertising Regulations and constitutes a separate violation of the CFA.

COUNT IV

VIOLATION OF THE CFA AND ADVERTISING REGULATIONS (BY ARYEH AND FELLER)

78. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 77 above as if more fully set forth herein.

79. Upon information and belief, other than the Certificate of Formation, the Transfer Agreement and the Operating Agreement, and the Request for Change of Registration Information" referred to above, there is no other documentation outlining Aryeh and Feller's purported financial and managerial rights and duties.

80. The closing of Advanta Medicaid was a direct result of Aryeh and Feller's extensive personal use of business assets, as outlined above, and directly affected Advanta Medicaid's ability to fulfill its contracts with and promises to its consumers.

81. The conduct of Aryeh and Feller make them personally liable for the violations of the CFA committed by Advanta Medicaid.

82. The conduct of Aryeh makes him personally liable for the violations of the Advertising Regulations committed by Advanta Medicaid.

PRAYER FOR RELIEF

WHEREFORE, based upon the foregoing allegations, Plaintiffs respectfully request that the Court enter judgment against Defendants:

a) Finding that the acts of Defendants constitute multiple instances of unlawful practices in violation of the CFA, N.J.S.A. 56:8-2, and the Advertising Regulations, N.J.A.C. 13:45A-9.2(a)(9);

b) Permanently enjoining Defendants and their owners, officers, directors, founders, members, managers, agents, servants, employees, representatives, independent contractors and all other persons or entities directly under their control, from engaging in, continuing to engage in or doing any acts or practices in violation of the CFA, N.J.S.A. 56:8-1 to -210, and the

Advertising Regulations, N.J.A.C. 13:45A-9.1 to -9.8, including, but not limited to, the acts and practices alleged in this Complaint, as authorized by the CFA, N.J.S.A. 56:8-8;

c) Permanently enjoining Defendants from owning, operating or otherwise managing any business or other entity in the State that advertises, offers for sale, sells and/or performs Medicaid services within the State, as authorized by the CFA, N.J.S.A. 56:8-8;

d) Directing Aryeh and Feller to file a Certificate of Cancellation and Termination in the State for Advanta Medicaid, as authorized by the CFA, N.J.S.A. 56:8-8;

e) Directing Aryeh and Feller to disable the Advanta Medicaid Website and/or ensure that the Advanta Medicaid Website remains disabled, and to use all reasonable means to delete any other digital or online presence of Advanta Medicaid, as authorized by the CFA, N.J.S.A. 56:8-8;

f) Permanently enjoining Aryeh and Feller from managing or owning any business organization within this State and from serving as an officer, director, trustee, member of an executive board or similar governing body, principal, manager, stockholder owning 10% or more of the aggregate outstanding capital stock of all classes of any corporation doing business in the State, as authorized by the CFA, N.J.S.A. 56:8-8;

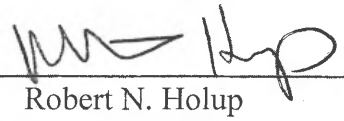
g) Directing Defendants, jointly and severally, to restore to any affected person, whether or not named in this Complaint, any money acquired by means of any alleged practice herein to be unlawful and found to be unlawful, as authorized by the CFA, N.J.S.A. 56:8-8;

h) Directing Defendants, jointly and severally, to pay the maximum statutory civil penalties for each and every violation of the CFA and the Advertising Regulations, in accordance with N.J.S.A. 56:8-13;

i) Directing Defendants, jointly and severally, to pay costs and fees, including attorneys' fees and investigative costs, as authorized by the CFA, N.J.S.A. 56:8-11 and N.J.S.A. 56:8-19; and

j) Granting such other relief as the interests of justice may require.

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs

By: 
Robert N. Holup
Deputy Attorney General

Dated: December 10, 2019
Newark, New Jersey

RULE 4:5-1 CERTIFICATION

I certify, to the best of my information and belief, that the matter in this action involving the aforementioned violations of the CFA, N.J.S.A. 56:8-1 to -210, is not the subject of any other action pending in any other court of this State. I further certify, to the best of my information and belief, that the matter in controversy in this action is not the subject of a pending arbitration proceeding in this State, nor is any other action or arbitration proceeding contemplated. I certify that there is no other party who should be joined in this action at this time.

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs

By: _____
Robert N. Holup
Deputy Attorney General
Consumer Fraud Prosecution Section

Dated: December 10, 2019
Newark, New Jersey

RULE 1:38-7(c) CERTIFICATION OF COMPLIANCE

I certify that confidential personal identifiers have been redacted from documents now submitted to the court, and will be redacted from all documents submitted in the future in accordance with R. 1:38-7(b).

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs

By: _____
Robert N. Holup
Deputy Attorney General
Consumer Fraud Prosecution Section

Dated: December 10, 2019
Newark, New Jersey

DESIGNATION OF TRIAL COUNSEL

Pursuant to R. 4:25-4, Deputy Attorney General Robert N. Holup is hereby designated as trial counsel for the Plaintiffs in this action.

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs

By: _____
Robert N. Holup
Deputy Attorney General
Consumer Fraud Prosecution Section

Dated: December 10, 2019
Newark, New Jersey