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SUPERIOR COURT OF NEW JERSEY,  
CHANCERY DIVISION, ESSEX COUNTY  
DOCKET NO. C-144-17

CHRISTOPHER S. PORRINO, Attorney General of the  
State of New Jersey, and STEVE C. LEE, Director of  
the New Jersey Division of Consumer Affairs,

Plaintiffs,

v.

CARS ON ROUTE 21 OF NEWARK, LLC d/b/a  
CARS ON ROUTE 21 NORTH d/b/a CARS ON  
ROUTE 21; DAVID PEREIRA a/k/a DANIEL  
PEREIRA individually and as owner, officer, director,  
founder, member, manager, representative and/or agent  
of CARS ON ROUTE 21 OF NEWARK, LLC;  
HIRAM ORTIZ individually and as owner, officer,  
director, founder, member, manager, representative  
and/or agent of CARS ON ROUTE 21 OF NEWARK,  
LLC; JANE AND JOHN DOES 1-10, individually and  
as owners, officers, directors, shareholders, founders,  
members, managers, employees, servants, agents,  
representatives and/or independent contractors of  
CARS ON ROUTE 21 OF NEWARK, LLC; and XYZ  
CORPORATIONS 1-10,

Defendants.

Civil Action

**COMPLAINT**



Christopher S. Porrino, Attorney General of the State of New Jersey (“Attorney General”), with offices located at 124 Halsey Street, Fifth Floor, Newark, New Jersey, and Steve C. Lee, Director of the New Jersey Division of Consumer Affairs (“Director”), with offices located at 124 Halsey Street, Seventh Floor, Newark, New Jersey (collectively, “Plaintiffs”), by way of Complaint state:

### **PRELIMINARY STATEMENT**

1. Consumers are particularly vulnerable to deceptive advertising and sales practices when purchasing a used motor vehicle. Most do not have independent access to information such as the condition and prior use of the used motor vehicles offered for sale. Accordingly, dealerships that offer for sale and sell used motor vehicles have a responsibility to provide accurate and complete information to prospective purchasers and to ensure their vehicles are in good working order. The State of New Jersey (“State” or “New Jersey”) has recognized the dangers of consumers being exploited by deceptive sales practices and has enacted a comprehensive set of statutes and regulations aimed at ensuring that consumers have access to all relevant information when purchasing a used motor vehicle.

2. At all relevant times, Cars on Route 21 of Newark, LLC d/b/a Cars on Route 21 North d/b/a Cars on Route 21 (“Cars on Route 21”); David Pereira a/k/a Daniel Pereira (“Pereira”); and Hiram Ortiz (“Ortiz”) (collectively, “Defendants”) have been engaged in the advertisement, offer for sale and sale of used motor vehicles to consumers at the Cars on Route 21 dealership located in Newark, New Jersey as well as through the dealership website and other online advertising. In so doing, Defendants have committed multiple violations of the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq. (“CFA”), the Regulations Governing Motor Vehicle Advertising Practices, N.J.A.C. 13:45A-26A.1 et seq. (“Motor Vehicle Advertising

Regulations”), the Regulations Governing Automotive Sales Practices, N.J.A.C. 13:45A-26B.1 et seq. (“Automotive Sales Regulations”), the Used Car Lemon Law, N.J.S.A. 56:8-67 et seq. (“UCLL”) and/or the Used Car Lemon Law Regulations, N.J.A.C. 13:45A-26F.1 et seq. (“UCLL Regulations”), by, among other things: (a) misrepresenting the price of used motor vehicles; (b) failing to disclose prior damage to used motor vehicles; (c) failing to honor advertised prices; (d) failing to include required information in used motor vehicle advertisements; and (e) failing to submit UCLL fees.

3. As such, the Attorney General and the Director commence this action to halt Defendants’ unconscionable and deceptive business practices and to obtain consumer restitution and other monetary relief.

#### **PARTIES AND JURISDICTION**

4. The Attorney General is charged with the responsibility of enforcing the CFA, the Motor Vehicle Advertising Regulations, the Automotive Sales Regulations, the UCLL and the UCLL Regulations. The Director is charged with the responsibility of administering the CFA, the Motor Vehicle Advertising Regulations, the Automotive Sales Regulations, the UCLL and the UCLL Regulations on behalf of the Attorney General.

5. By this action, Plaintiffs seek injunctive and other relief for violations of the CFA, the Motor Vehicle Advertising Regulations, the Automotive Sales Regulations, the UCLL and the UCLL Regulations. Plaintiffs bring this action pursuant to their authority under the CFA, specifically, N.J.S.A. 56:8-8, N.J.S.A. 56:8-11, N.J.S.A. 56:8-13 and N.J.S.A. 56:8-19.

6. Venue is proper in Essex County, pursuant to R. 4:3-2, because it is a county in which Defendants have maintained their principal place of business.

7. On September 22, 2010, Cars on Route 21 was established as a Limited Liability Company in the State. At all relevant times, Cars on Route 21 has maintained a principal business and mailing address of 525 McCarter Highway, Newark, New Jersey 07102 (“525 McCarter Highway”).

8. Pereira is the sole member of Cars on Route 21.

9. Cars on Route 21’s registered agent in the State is Pereira, with a mailing address of 525 McCarter Highway.

10. Upon information and belief, Pereira resides at 95 Monroe Street, Newark, New Jersey 07105.

11. At all relevant times, Pereira has been an owner, officer, director, founder, member, manager, representative and/or agent of Cars on Route 21 and has controlled, directed and/or participated in the management and operation of Cars on Route 21.

12. Upon information and belief, Ortiz resides at 142 Bloomfield Avenue, Bloomfield, New Jersey 07003.

13. At all relevant times, Ortiz has been an owner, officer, director, founder, member, manager, representative and/or agent of Cars on Route 21 and has controlled, directed and/or participated in the management and operation of Cars on Route 21.

14. Upon information and belief, John and Jane Does 1 through 10 are fictitious individuals meant to represent the owners, officers, directors, shareholders, founders, managers, agents, servants, employees, representatives and/or independent contractors of Defendants who have been involved in the conduct that gives rise to this Complaint, but are heretofore unknown to the Plaintiffs. As these defendants are identified, Plaintiffs shall amend the Complaint to include them.

15. Upon information and belief, XYZ Corporations 1 through 10 are fictitious corporations meant to represent any additional corporations who have been involved in the conduct that gives rise to this Complaint, but are heretofore unknown to the Plaintiffs. As these defendants are identified, Plaintiffs shall amend the Complaint to include them.

### **GENERAL ALLEGATIONS COMMON TO ALL COUNTS**

#### **A. Defendants' Business Generally**

16. Since at least September 2010, Defendants have operated a motor vehicle dealership located at 525 McCarter Highway and have engaged in the retail sale of used motor vehicles at that location.

17. At all relevant times, Defendants have maintained a website at carsonroute21.com and/or carsonroute21.net ("Cars on Route 21 Website").

18. Upon information and belief, Defendants have advertised and otherwise offered used motor vehicles for sale to consumers in this State and elsewhere through various media including, but not limited to, the Cars on Route 21 Website, newarkbuyherepayhere.com, and magazines such as Auto Shopper.

#### **B. Defendants' Administrative Fee Compliance**

19. Defendants failed to submit to the Used Car Lemon Law Unit of the New Jersey Division of Consumer Affairs ("Division") the required documentation and the total sum of administrative fees collected from consumers for the calendar years 2010, 2011, 2012, 2013, 2014, 2015 and 2016.

#### **C. Defendants' Advertisement of Used Motor Vehicles:**

20. On numerous occasions, Defendants failed to honor the advertised sales prices of used motor vehicles.

21. At varying times, Defendants misrepresented the price of used motor vehicles in dealership advertisements (e.g. advertising prices that include misleading discounts concerning recent college graduates, military personnel and/or owner loyalty incentives).

22. At varying times, Defendants advertised used motor vehicles and failed to include the following required statement: “price include(s) all costs to be paid by a consumer, except for licensing costs, registration fees and taxes.”

23. At varying times, Defendants failed to prominently and conspicuously post the Federal Trade Commission’s Used Car Buyers Guides on or in used motor vehicles available for sale at the dealership’s business location.

24. At varying times, Defendants failed to plainly mark the total selling price of used motor vehicles by a stamp, tag, label or sign either affixed to the used motor vehicles or located at the point where the used motor vehicles are offered for sale.

25. At varying times, Defendants advertised used motor vehicles and failed to disclose the advertised price of the used motor vehicle.

26. At varying times, Defendants advertised used motor vehicles and failed to include the last eight digits of the vehicle identification number, preceded by the letters “VIN.”

27. At varying times, Defendants advertised used motor vehicles and failed to include the actual odometer reading of the advertised motor vehicle as of the date the advertisement was placed for publication.

28. At varying times, Defendants advertised used motor vehicles and failed to include the year, make, model, and/or number of engine cylinders of the advertised motor vehicle.

29. At varying times, Defendants advertised used motor vehicles at an advertised price that failed to disclose, adjacent to the advertised price, that it has been calculated by deducting a manufacturer's rebate or dealer's discount.

30. At varying times, Defendants advertised used motor vehicles that failed to disclose prior damage to the used motor vehicle that required substantial repair and body work (e.g. failing to disclose that the used motor vehicle had been in an accident resulting in rear end damage and tow).

31. At varying times, Defendants advertised used motor vehicles that misrepresented the UCLL warranty available on the used motor vehicle.

**D. Defendants' Offering For Sale and Sale of Used Motor Vehicles**

32. At varying times, Defendants represented to consumers that they would provide vehicle license plates, title and/or registration prior to the expiration of temporary title and/or registration, but then failed to do so.

33. At varying times, Defendants failed to disclose to consumers that a used motor vehicle sustained prior damage that required substantial repair and body work (e.g. failing to disclose that the used motor vehicle had been in an accident resulting in rear end damage).

34. At varying times, Defendants represented that they would submit a service contract purchased by a consumer to the provider of the service contract, but then failed to do so.

35. On at least one occasion, Defendants represented that they would pay off the indebtedness on a trade-in motor vehicle, but then failed to do so.

36. At varying times, Defendants charged fees for documentary services without itemizing the price for each actual documentary service performed.

37. On at least one occasion, Defendants failed to provide, at the time of signing, a full and accurate copy of all documents presented to the consumer for his or her signature (e.g. finance documents).

38. On at least one occasion, Defendants misrepresented the fees charged to a consumer (e.g. fee charged by financial institution).

39. On at least one occasion, Defendants represented that a used motor vehicle would pass inspection, when in fact the car had sustained significant damage that would not pass inspection (e.g. rusted out frame).

40. On at least one occasion, Defendants represented that they would respond to a consumer's complaint, but then failed to do so.

41. At varying times, Pereira and/or Ortiz executed documents utilized during the sale of used motor vehicles to consumers (e.g. retail buyer orders, credit applications, and odometer statements).

42. At varying times, Pereira and Ortiz interacted with consumers and conducted the sale of used motor vehicles to consumers.

43. At varying times, Pereira and Ortiz sold used motor vehicles to consumers and failed to disclose prior damage to the used motor vehicle.

### COUNT I

#### **VIOLATION OF THE CFA BY DEFENDANTS (UNCONSCIONABLE COMMERCIAL PRACTICES)**

44. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 43 above as if more fully set forth herein.

45. 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 . . .

46. 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).

47. At all relevant times, Defendants have been engaged in the advertisement, offer for sale and sale of merchandise within the meaning of N.J.S.A. 56:8-1(c), specifically, used motor vehicles.

48. In the operation of the dealership’s business, Defendants have engaged in the use of unconscionable commercial practices and/or misrepresentations.

49. Defendants’ conduct in violation of the CFA includes, but is not limited to, the following unconscionable commercial practices:

- a. Failing to honor the advertised sales price of a used motor vehicle; and
- b. Failing to disclose prior damage to a used motor vehicle offered for sale.

50. Each unconscionable commercial practice by Defendants constitutes a separate violation of the CFA, N.J.S.A. 56:8-2.

## COUNT II

### **VIOLATION OF THE CFA BY DEFENDANTS (MISREPRESENTATIONS)**

51. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 50 above as if more fully set forth herein.

52. Defendants' conduct in violation of the CFA includes, but is not limited to, the following misrepresentations:

- a. Misrepresenting the price of used motor vehicles (e.g. advertising prices that include misleading discounts concerning recent college graduates, military personnel and/or owner loyalty incentives);
- b. Misrepresenting the warranty available on a used motor vehicle;
- c. Misrepresenting the fees charged to a consumer (e.g. fee charged by financial institution);
- d. Representing that they would provide vehicle license plates, title and/or registration prior to the expiration of temporary title and/or registration, but then failing to do so;
- e. Representing that they would submit a service contract purchased by a consumer to the provider of the service contract, but then failing to do so;
- f. Representing that they would pay off the indebtedness of a trade-in motor vehicle, but then failing to do so;
- g. Representing that a used motor vehicle would pass inspection, when in fact the car had sustained significant damage that would not pass inspection (e.g. rusted out frame); and
- h. Representing that they would respond to a consumer's complaint, but then failing to do so.

53. Each misrepresentation by Defendants constitutes a separate violation of the CFA, N.J.S.A. 56:8-2.

### COUNT III

#### **VIOLATION OF THE CFA AND THE MOTOR VEHICLE ADVERTISING REGULATIONS BY DEFENDANTS (BAIT AND SWITCH)**

54. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 53 above as if more fully set forth at length herein.

55. The CFA and the Motor Vehicle Advertising Regulations prohibit the use of an advertisement of a motor vehicle as part of a plan or scheme not to sell or lease the motor vehicle at the advertised price. N.J.S.A. 56:8-2, N.J.S.A. 56:8-2.2 and N.J.A.C. 13:45A-26A.4. This practice is commonly known as “bait and switch.”

56. Defendants have engaged in unlawful “bait and switch” conduct by advertising a motor vehicle with a low sales price and then refusing to sell that motor vehicle at the advertised price.

57. Such unlawful acts, in violation of the CFA and the Motor Vehicle Advertising Regulations, include, but are not limited to, the following plan or scheme: Refusing to sell advertised motor vehicles at their advertised price.

58. Each instance where Defendants advertised a used motor vehicle as part of a plan or scheme not to sell or lease the motor vehicle at the advertised price constitutes a separate violation of the CFA, N.J.S.A., 56:8-2 and N.J.S.A. 56:8-2.2, as well as the Motor Vehicle Advertising Regulations, N.J.A.C. 13:45A-26A.4, each of which constitutes a per se violation of the CFA.

#### COUNT IV

#### **VIOLATION OF THE CFA BY DEFENDANTS (FAILURE TO DISPLAY SELLING PRICE)**

59. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 58 above as if more fully set forth at length herein.

60. The CFA requires that persons offering merchandise for sale display the total selling price, stating:

It shall be an unlawful practice for any person to sell, attempt to sell or offer for sale any merchandise at retail unless the total selling price of such merchandise is plainly marked by a stamp,

tag, label or sign affixed to the merchandise or located at the point where the merchandise is offered for sale.

[N.J.S.A. 56:8-2.5.]

61. In addition, the CFA provides:

For purposes of this act, each day for which the total selling price is not marked in accordance with the provisions of this act for each group of identical merchandise shall constitute a separate violation of this act of which the act is a supplement.

[N.J.S.A. 56:8-2.6.]

62. In the operation of the dealership, Defendants offered for sale and/or sold used motor vehicles without labeling or displaying the total selling price.

63. Each instance and each day where Defendants offered for sale and/or sold a used motor vehicle without labeling or displaying the total selling price constitutes a separate violation of the CFA, N.J.S.A. 56:8-2.5 and N.J.S.A. 56:8-2.6.

### COUNT V

#### **VIOLATION OF THE CFA BY DEFENDANTS (FAILURE TO PROVIDE SIGNED COPY OF DOCUMENTS)**

64. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 63 above as if more fully set forth at length herein.

65. The CFA requires that consumers be provided with full and accurate copies of documents presented to them for signature:

It shall be an unlawful practice for a person in connection with a sale of merchandise to require or request the consumer to sign any document as evidence or acknowledgment of the sales transaction, of the existence of the sales contract, or of the discharge by the person of any obligation to the consumer specified in or arising out of the transaction or contract, unless he shall at the same time provide the consumer with a full and accurate copy of the document so presented for signature . . . .

[N.J.S.A. 56:8-2.22.]

66. Defendants failed to provide a consumer with complete copies of finance documents signed by the consumer during the purchase of a used motor vehicle.

67. Each instance where Defendants failed to provide copies of documents signed by the consumer constitutes a separate violation of the CFA, N.J.S.A. 56:8-2.22.

**COUNT VI**

**VIOLATION OF THE MOTOR VEHICLE  
ADVERTISING REGULATIONS BY DEFENDANTS**

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

69. The Motor Vehicle Advertising Regulations, address, among other things, general advertising practices concerning motor vehicles offered for sale in the State.

70. Defendants are "Advertiser[s]" within the meaning of the Motor Vehicle Advertising Regulations, N.J.A.C. 13:45A-26A.3.

71. The Motor Vehicle Advertising Regulations provide that an advertisement offering for sale a used motor vehicle include the following:

(a) In any advertisement in which an advertiser offers a new motor vehicle for sale at an advertised price, the following information must be included:

....

2. A statement that "price(s) include(s) all costs to be paid by a consumer, except for licensing costs, registration fees, and taxes". If this statement appears as a footnote, it must be set forth in at least 10 point type. For purposes of this subsection, "all costs to be paid by a consumer" means manufacturer-installed options, freight, transportation, shipping, dealer preparation, and any other costs to be borne by a consumer except licensing costs, registration fees, and taxes;

....

4. The year, make, model, and number of engine cylinders of the advertised motor vehicle;

....

6. The last eight digits of the vehicle identification number, preceded by the letters "VIN". This provision shall not apply to radio and television broadcasts, or to advertisements for motorcycles;

....

(b) In any advertisement offering for sale a used motor vehicle at an advertised price, the information described in (a)1, 2, 4, 5 and 6 above must be included, as well as the following additional information:

1. The actual odometer reading as of the date the advertisement is placed for publication[.]

[N.J.A.C. 13:45A-26A.5(a)(2), (a)(4), (a)(6), (b)(1).]

72. Additionally, the Motor Vehicle Advertising Regulations prohibit certain advertising practices and provide, in pertinent part:

(a) In any type of motor vehicle advertising, the following practices shall be unlawful:

....

3. The setting forth of an advertised price which fails to disclose, adjacent to the advertised price, that it has been calculated by deducting a manufacturer's rebate or dealer's discount;

....

7. The failure to disclose that the motor vehicle had been previously damaged and that substantial repair or body work has been performed on it when such prior repair or body work is known or should have been known by the advertiser; for the purposes of this subsection, "substantial repair or body work" shall mean repair or body work having a retail value of \$ 1,000 or more[.]

[N.J.A.C. 13:45A-26A.7(a)(3), (a)(7).]

73. Furthermore, the Motor Vehicle Advertising Regulations require certain on-site disclosures and provide, in pertinent part:

(a) The following information relating to an advertised motor vehicle must be provided at the main entrance(s) to the business premises where the motor vehicle is displayed or in proximity to the vehicle or on the vehicle itself:

1. A copy of any printed advertisement that quotes a price for the sale or lease of that vehicle; alternatively, a tag may be attached to the motor vehicle(s) stating the advertised price as well as the other information required in N.J.A.C. 13:45A-26A.5 or 26A.6.

....

3. The Used Car Buyers Guide, if required by the Federal Trade Commission's Used Car Rule, 16 C.F.R. Part 455.2.

[N.J.A.C. 13:45A-26A.9(a)(1), (a)(3).]

74. Defendants' conduct in violation of the Motor Vehicle Advertising Regulations includes, but is not limited to, the following:

- a. In used motor vehicle advertisements, failing to disclose the advertised price;
- b. In used motor vehicle advertisements, failing to include the required statement that "price(s) include(s) all costs to be paid by the consumer, except for licensing costs, registration fees, and taxes";
- c. In used motor vehicle advertisements, failing to disclose the year, make, model, and/or number of engine cylinders of the advertised used motor vehicle;
- d. In used motor vehicle advertisements, failing to disclose the last eight digits of the vehicle identification number, preceded by the letters "VIN";
- e. In used motor vehicle advertisements, failing to disclose the actual odometer reading as of the date the advertisement was placed for publication;

- f. In used motor vehicle advertisements, setting forth an advertised price which fails to disclose, adjacent to the advertised price, that it has been calculated by deducting a manufacturer's rebate or dealer's discount;
- g. In used motor vehicle advertisements, failing to disclose that an advertised used motor vehicle was previously damaged in an accident and subjected to substantial repair and body work (e.g. failing to disclose that the used motor vehicle had been in an accident resulting in rear end damage and tow);
- h. Failing to post in proximity to the used motor vehicle or on the used motor vehicle itself a copy of any printed advertisement that quotes a price for the sale or lease of that used motor vehicle or a tag stating the advertised price; and
- i. Failing to post the Used Car Buyers Guide for an advertised used motor vehicle on the vehicle itself.

75. Defendants' conduct constitutes multiple violations of the Motor Vehicle Advertising Regulations, each of which constitutes a per se violation of the CFA, N.J.S.A. 56:8-2.

## COUNT VII

### VIOLATION OF THE AUTOMOTIVE SALES REGULATIONS BY DEFENDANTS

76. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 75 above as if more fully set forth herein.

77. The Automotive Sales Regulations, N.J.A.C. 13:45A-26B.1 et seq., identify unlawful practices involving the sale of motor vehicles.

78. The Automotive Sales Regulations define "documentary service" as follows:

...the preparation and processing of documents in connection with the transfer of license plates, registration, or title, and the preparation and processing of other documents relating to the sale or lease of a motor vehicle.

[N.J.A.C. 13:45A-26B.1.]



79. The Automotive Sales Regulations define “documentary service fee” as follows:

. . . any monies or other thing of value, which an automotive dealer accepts from a consumer in exchange for a documentary service.

[N.J.A.C. 13:45A-26B.1.]

80. With respect to documentary service fees, the Automotive Sales Regulations provide, in pertinent part:

(a) In connection with the sale of a motor vehicle, which includes the assessment of a documentary service fee, automotive dealers shall not:

....

2. Accept, charge, or obtain from a consumer monies, or any other thing of value, in exchange for the performance of any documentary service without first itemizing the actual documentary service, which is being performed and setting forth in writing, in at least 10-point type, on the sale document the price for each specific documentary service.

[N.J.A.C. 13:45A-26B.3(a)(2).]

81. Defendants’ conduct in violation of the Automotive Sales Regulations includes, but is not limited to, charging fees for documentary services without itemizing the price for each actual documentary service performed.

82. Defendants’ conduct constitutes multiple violations of the Automotive Sales Regulations, each of which constitutes a per se violation of the CFA, N.J.S.A. 56:8-2.

### COUNT VIII

#### VIOLATION OF THE UCLL BY DEFENDANTS

83. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 82 above as if more fully set forth herein.

84. The UCLL, N.J.S.A. 56:8-67 et seq. applies to the sale of used motor vehicles.

85. Defendants are “Dealer[s]” within the meaning of the UCLL, N.J.S.A. 56:8-67.

86. The UCLL provides, in part:

It shall be an unlawful practice for a dealer:

a. To misrepresent the mechanical condition of a used motor vehicle;

....

g. To misrepresent the terms of any warranty, service contract or repair insurance offered by the dealer in connection with the sale of a used motor vehicle[.]

[N.J.S.A. 56:8-68(a), (g).]

87. Defendants’ conduct in violation of the UCLL includes, but is not limited to, the following:

a. Misrepresenting the mechanical condition of a used motor vehicle (e.g. accident history and rear end damage); and

b. Advertising used motor vehicles that misrepresented the UCLL warranty available on the used motor vehicle.

88. Each violation by Defendants constitutes a separate violation of the UCLL, N.J.S.A. 56:8-67 et seq.

### COUNT IX

#### VIOLATION OF THE UCLL REGULATIONS BY DEFENDANTS

89. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 88 above as if more fully set forth herein.

90. The UCLL Regulations implement the UCLL and address unfair trade practices in the sale and warranty of used motor vehicles.

91. Defendants are “Dealer[s]” within the meaning of the UCLL Regulations, N.J.A.C. 13:45A-26F.2.

92. The UCLL Regulations require that Dealers collect an administrative fee from consumers, stating, in relevant part:

(a) At the time of sale a dealer shall collect an administrative fee of \$0.50 from each consumer who purchases a used motor vehicle in the State of New Jersey.

(b) By the 15th of every January, a dealer shall mail to the Used Car Lemon Law Unit, the following:

1. A check or money order made payable to the "New Jersey Division of Consumer Affairs," in an amount equal to the total sum of administrative fees collected during the preceding calendar year; and

2. A completed "Certification of Administrative Fees" form, which is appended to this subchapter as Appendix D, incorporated into this rule by reference, indicating the number of used cars sold each month by the dealer during the preceding calendar year.

[N.J.A.C. 13:45A-26F.6(a), (b).]

93. Defendants' conduct in violation of the UCLL Regulations includes, but is not limited to, the following:

a. Failing to submit to the Division the required documentation and the sum of administrative fees collected from each consumer who purchased a used motor vehicle for the calendar years 2010, 2011, 2012, 2013, 2014, 2015 and 2016.

94. Defendants' conduct constitutes multiple violations of the UCLL Regulations, each of which constitutes a per se violation of the CFA, N.J.S.A. 56:8-2.

### **COUNT X**

#### **VIOLATION OF THE CFA, THE MOTOR VEHICLE ADVERTISING REGULATIONS, THE AUTOMOTIVE SALES REGULATIONS, THE UCLL AND/OR THE UCLL REGULATIONS BY PEREIRA**

95. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 94 above as if more fully set forth herein.

96. At all relevant times, Pereira has been an owner, officer, director, founder, member, manager, representative and/or agent of Cars on Route 21 and has controlled, directed and/or participated in the management and operation of Cars on Route 21, including the conduct alleged in this Complaint.

97. In that capacity, Pereira, among other things, actively participated in Defendants' management and operation as follows: (a) executed documents utilized in the sale of used motor vehicles to consumers (e.g. retail buyer orders, credit application, and odometer statements); (b) interacted with consumers and conducted the sale of used motor vehicles to consumers; and (c) sold used motor vehicles to consumers and failed to disclose prior damage to the used motor vehicle.

98. The conduct of Pereira makes him personally liable for the violations of the CFA, the Motor Vehicle Advertising Regulations, the Automotive Sales Regulations, the UCLL and/or the UCLL Regulations committed by Cars on Route 21.

#### **COUNT XI**

#### **VIOLATION OF THE CFA, THE MOTOR VEHICLE ADVERTISING REGULATIONS, THE AUTOMOTIVE SALES REGULATIONS, THE UCLL AND/OR THE UCLL REGULATIONS BY ORTIZ**

99. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 98 above as if more fully set forth herein.

100. At all relevant times, Ortiz has been an owner, officer, director, founder, member, manager, representative and/or agent of Cars on Route 21 and has controlled, directed and/or participated in the management and operation of Cars on Route 21, including the conduct alleged in this Complaint.

101. In that capacity, Ortiz, among other things, actively participated in Defendants' management and operation as follows: (a) executed documents utilized in the sale of used motor vehicles to consumers (e.g. retail buyer orders, credit application, and odometer statements); (b) interacted with consumers and conducted the sale of used motor vehicles to consumers; and (c) sold used motor vehicles to consumers and failed to disclose prior damage to the used motor vehicle.

102. The conduct of Ortiz makes him personally liable for the violations of the CFA, the Motor Vehicle Advertising Regulations, the Automotive Sales Regulations, the UCLL and/or the UCLL Regulations committed by Cars on Route 21.

#### **PRAYER FOR RELIEF**

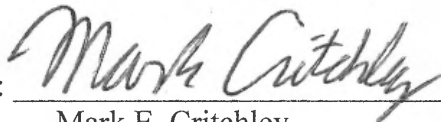
WHEREFORE, based upon the foregoing allegations, the Plaintiffs respectfully request that the Court enter judgment against Defendants:

- (a) Finding that the acts and omissions of Defendants constitute multiple instances of unlawful practices in violation of the CFA, N.J.S.A. 56:8-1 et seq., the Motor Vehicle Advertising Regulations, N.J.A.C. 13:45A-26A.1 et seq., the Automotive Sales Regulations, N.J.A.C. 13:45A-26B.1 et seq., the UCLL, N.J.S.A. 56:8-67 et seq., and/or the UCLL Regulations, N.J.A.C. 13:45A-26F.1 et seq.
- (b) Permanently enjoining Defendants and their owners, officers, directors, shareholders, members, founders, managers, agents, servants, employees, representatives, independent contractors, corporations, subsidiaries, affiliates, successors, assigns 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 et seq., the Motor Vehicle Advertising Regulations, N.J.A.C. 13:45A-26A.1 et seq., the Automotive Sales Regulations, N.J.A.C. 13:45A-26B.1 et seq., the UCLL, N.J.S.A. 56:8-67 et seq., and/or the UCLL Regulations, N.J.A.C. 13:45A-26F.1 et seq., including, but not limited to, the acts and practices alleged in the Complaint, as authorized by N.J.S.A. 56:8-8;
- (c) Directing the Defendants, jointly and severally, to restore to any affected person, whether or not named in this Complaint, any money or real or personal property acquired by means of any practice alleged herein to be

unlawful and found to be unlawful, as authorized by the CFA, N.J.S.A. 56:8-8;

- (d) Assessing the maximum statutory civil penalties against Defendants, jointly and severally, for each and every violation of the CFA, in accordance with N.J.S.A. 56:8-13;
- (e) Assessing investigative costs and fees, including attorneys' fees, against Defendants, jointly and severally, for the use of the State of New Jersey, as authorized by the CFA, N.J.S.A. 56:8-11 and N.J.S.A. 56:8-19; and
- (f) Granting such other relief as the interests of justice may require.

CHRISTOPHER S. PORRINO  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for Plaintiffs

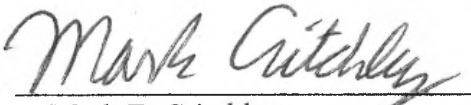
By:   
Mark E. Critchley  
Deputy Attorney General

Dated: June 16, 2017  
Newark, New Jersey

**RULE 4:5-1 CERTIFICATION**

I certify, to the best of my information and belief, that the matter in controversy in this action involving the aforementioned violations of the CFA, the Motor Vehicle Advertising Regulations, the Automotive Sales Regulations, the UCLL and/or the UCLL Regulations, is not the subject of any other action pending in any other court of this State. I am aware that private contract and other actions have been brought against Defendants, but have no direct information that any such actions involve consumer fraud allegations. 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 that should be joined in this action at this time.

CHRISTOPHER S. PORRINO  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for Plaintiffs

By:   
Mark E. Critchley  
Deputy Attorney General

Dated: June 16, 2017  
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 Rule 1:38-7(b).

CHRISTOPHER S. PORRINO  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for Plaintiffs

By: Mark E. Critchley  
Mark E. Critchley  
Deputy Attorney General

Dated: June 16, 2017  
Newark, New Jersey

**DESIGNATION OF TRIAL COUNSEL**

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

CHRISTOPHER S. PORRINO  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for Plaintiffs

By: Mark E. Critchley  
Mark E. Critchley  
Deputy Attorney General

Dated: June 16, 2017  
Newark, New Jersey