

CHRISTOPHER S. PORRINO
ATTORNEY GENERAL OF NEW JERSEY
Division of Law
124 Halsey Street - 5th Floor
P.O. Box 45029
Newark, New Jersey 07101
Attorney for Plaintiffs

FILED

JUN 22 2017

**MENELAOS W. TOSKOS
J.S.C.**

By: David M. Reap (025632012)
Deputy Attorney General
Consumer Fraud Prosecution Section
(973) 648-7819

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION,
BERGEN COUNTY
DOCKET NO. BER-C-184-16

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.

JUST PUPS LLC; and VINCENT LOSACCO,
Individually; and JANE and JOHN DOES 1-10,
individually and as owners, officers, directors,
shareholders, founders, managers, agents,
employees, representatives and/or independent
contractors of JUST PUPS LLC; and XYZ
CORPORATIONS 1-10,

Defendants.

Civil Action

FINAL CONSENT JUDGMENT

The parties to this Action and Final Consent Judgment (“Consent Judgment”) are plaintiffs Christopher S. Porrino, Attorney General of the State of New Jersey (“Attorney General”), and Steve C. Lee, Director of the New Jersey Division of Consumer Affairs (“Director”) (collectively, “Plaintiffs”), and defendants Just Pups LLC (“Just Pups”) and Vincent LoSacco (“LoSacco”)

(collectively, “Defendants”) (collectively, “Parties”). As evidenced by their signatures below, the Parties consent to the entry of this Consent Judgment and its provisions without trial or adjudication of any issue of fact or law, and without an admission of any liability or wrongdoing of any kind.

PRELIMINARY STATEMENT

Plaintiffs commenced this Action on July 5, 2016, alleging that Defendants violated the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq. (“CFA”), the Regulations Governing the Sale of Animals, N.J.A.C. 13:45A-12.1 et seq. (“Pet Regulations”), the Pet Purchase Protection Act, N.J.S.A. 56:8-92 et seq. (“PPPA”), and the Regulations Governing General Advertising, N.J.A.C. 13:45A-9.1 et seq. (“Advertising Regulations”), arising from their Advertisement, offer for Sale and/or Sale of Animals in the State. Among other things, Plaintiffs alleged that Defendants failed to comply with the process set forth in the Pet Regulations and the PPPA whereby consumers may seek from Defendants refunds and/or reimbursement for veterinary fees for Animals that they purchased from Defendants that were subsequently deemed by a veterinarian to have been unfit for purchase, due to illness or a congenital defect (hereafter, “Refund/Reimbursement Process”). Through their action, Plaintiffs identified at least twenty (20) consumers who they assert substantially complied with the notification requirements of the Refund/Reimbursement Process, and whose claims for refunds and/or reimbursement for veterinary fees were refused and/or not acknowledged by Defendants. Defendants deny that they did not comply with the Refund/Reimbursement Process.

During the pendency of this Action, Plaintiffs discovered that Defendants had engaged in conduct at their Pet Shop in East Hanover, New Jersey, that Plaintiffs considered to constitute additional violations of the Pet Regulations and the PPPA. Based on that conduct, Plaintiffs sought permission from the Court to file a supplemental pleading pursuant to R. 4:9-4, asserting that they now had grounds to allege, among other things, that Defendants accepted deposits and/or other

payments for Animals prior to having the Animals examined by a veterinarian licensed to practice in the State, in violation of the PPPA, and that Defendants included in animal history and health certificates statements concerning the Animal's breeder that were false, in violation of the Pet Regulations. Defendants deny these allegations. Thereafter, the Parties agreed to the terms of this Consent Judgment to resolve Plaintiffs' claims against Defendants, including those claims that Plaintiffs were seeking to include through a supplemental pleading.

The Court has reviewed the terms of this Consent Judgment and based upon the Parties' agreement and for good cause shown:

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 the 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 will lie exclusively in the Superior Court of New Jersey, Chancery Division, Bergen County.

3. EFFECTIVE DATE

3.1 This Consent Judgment is effective on the date that it is entered with the Court ("Effective Date").

4. DEFINITIONS

As used in this Consent Judgment, the following capitalized words or terms have the following meanings, which meanings apply wherever the words and terms appear in this Consent Judgment.

4.1 “Action” refers to the matter titled Porrino, et al. v. Just Pups, et al., Superior Court of New Jersey, Chancery Division, Bergen County, Docket No. BER-C-184-16, and all pleadings and proceedings related thereto, including the Complaint, filed July 5, 2016, the Answer, filed August 15, 2016, and the First Amended Complaint, filed September 27, 2016.

4.2 “Advertisement” is defined in accordance with N.J.S.A. 56:8-1(c). This definition applies to other forms of the word “Advertisement,” including “Advertise.”

4.3 “Animal” is defined (a) for purposes of the Pet Regulations, in accordance with N.J.A.C. 13:45A-12.1; and (b) for purposes of the PPPA, in accordance with N.J.S.A. 56:8-93.

4.4 “Attorney General” refers to the Attorney General of the State of New Jersey and the Office of the Attorney General of the State of New Jersey.

4.5 “Breeder” is defined in accordance with N.J.S.A. 56:8-93.

4.6 “Broker” is defined in accordance with N.J.S.A. 56:8-93.

4.7 “Consumer” refers to any Person who is offered Merchandise for Sale. “Consumer” is also defined (a) for purposes of the Pet Regulations, in accordance with N.J.A.C. 13:45A-12.1; and (b) for purposes of the PPPA, in accordance with N.J.S.A. 56:8-93.

4.8 “Including” is construed as broadly as possible and means “without limitation.”

4.9 “Kennel” is defined in accordance with N.J.A.C. 13:45A-12.1.

4.10 “Merchandise” is defined in accordance with N.J.S.A. 56:8-1(c), and shall include Animals.

4.11 “Pet Shop” is defined (a) for purposes of the Pet Regulations, in accordance with N.J.A.C. 13:45A-12.1; and (b) for purposes of the PPPA, in accordance with N.J.S.A. 56:8-93.

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

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

5. INJUNCTIVE RELIEF AND REQUIRED BUSINESS PRACTICES

5.1 Just Pups is permanently enjoined from conducting any operations in the State, Including Advertising, offering for Sale and/or selling Animals in the State, Including by: (a) owning and/or operating a Pet Shop in the State; (b) owning and/or operating a Kennel in the State; (c) acting as a Breeder in the State; and/or (d) acting as a Broker in the State.

5.2 LoSacco is permanently enjoined from Advertising, offering for sale and/or selling Animals in the State, Including by: (a) owning, managing, and/or operating a Pet Shop in the State; (b) owning, managing, and/or operating a Kennel in the State; (c) acting as a Breeder in the State; and/or (d) acting as a Broker in the State.

5.3 LoSacco is permanently enjoined from serving as an employee, advisor, consultant, independent contractor and/or agent of any Pet Shop, Kennel, Breeder and/or Broker in the State, whether such position is paid or unpaid.

6. SETTLEMENT AMOUNT

6.1 The Parties have agreed to a settlement of the Action in the amount of Three Hundred Twenty Six Thousand Forty and 21/100 Dollars (\$326,040.21) (“Settlement Amount”). The Settlement Amount is comprised of Two Hundred Ninety Thousand and 00/100 Dollars (\$290,000.00) in civil penalties, pursuant to N.J.S.A. 56:8-13, Thirty Thousand One Hundred Sixty-Three and 73/100 Dollars (\$30,163.73) in restitution, pursuant to N.J.S.A. 56:8-8, and Five Thousand Eight Hundred Seventy Six and 48/100 Dollars (\$5,876.48) in reimbursement of

Plaintiffs' investigative costs, pursuant to N.J.S.A. 56:8-11.

6.2 Thirty-Six Thousand Forty and 21/100 Dollars (\$36,040.21) of the Settlement Amount ("Settlement Payment") shall be paid as follows:

- (a) On or before the Effective Date, Thirty Thousand One Hundred Sixty-Three and 73/100 Dollars (\$30,163.73); and
- (b) On or before May 31, 2018, Five Thousand Eight Hundred Seventy Six and 48/100 Dollars (\$5,876.48)

6.3 Defendants shall make the Settlement Payment referenced in Section 6.2 by wire transfer, certified or cashier's check, money order or credit card made payable to "New Jersey Division of Consumer Affairs" and forwarded to:

Case Management Tracking
Division of Consumer Affairs
124 Halsey Street
P.O. Box 45025
Newark, New Jersey 07101
Attention: Van Mallett, Lead Investigator

6.4 Upon making the Settlement Payment, Defendants 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.

6.5 Based on Defendants' agreement to the permanent injunctive relief set forth in Sections 5.1 to 5.3, as well as their representations regarding their current financial condition, the portion of the Settlement Amount comprised of Two Hundred Ninety Thousand and 00/100 Dollars (\$290,000.00) in civil penalties shall be suspended ("Suspended Penalty"), provided:

- (a) Defendants disclosed all assets, liabilities and other financial information on the financial disclosure forms attached as Exhibit A;
- (b) Defendants comply with the permanent injunctive relief set forth in Sections 5.1 to and 5.3; and

(c) Defendants make the Settlement Payment in the manner required under Section 6.2.

6.6. If Plaintiffs discover that Defendants intentionally or otherwise knowingly failed to disclose any material assets or sources of income, materially misrepresented the value of any asset or source of income or made any other material misrepresentation in, or omission from, the financial disclosure forms, Plaintiffs may move on Notice of Motion or by Order to Show Cause to have a judgment entered for the Suspended Penalty.

6.7. In the event that Defendants fail to comply with the permanent injunctive relief set forth in Section 5.2, 5.3 and/or 5.4, Plaintiffs may move on Notice of Motion or by Order to Show Cause to have a judgment entered for the Suspended Penalty, as well as any other appropriate relief.

6.8. In the event that Defendants fail to comply with the Settlement Payment schedule as set forth in Section 6.2, Plaintiffs will provide Defendants with notice seeking payment of the Suspended Penalty, as well as any unpaid portion of the Settlement Payment. Defendants shall be afforded a fifteen (15) day period from receipt of such notice within which to cure any noncompliance ("Cure Period"). In the event that Defendants cure the noncompliance within the Cure Period, the suspended portion of the Settlement Amount shall return to its suspended status. In the event that Defendants fail to cure the noncompliance within the Cure Period, Plaintiffs may move on Notice of Motion or by Order to Show Cause to have a judgment entered for the Suspended Penalty, as well as any unpaid portion of the Settlement Payment.

6.9. Defendants acknowledge that the Settlement Amount is a nondischargeable debt under 11 U.S.C. §523(a)(7).

7. DISMISSAL OF ACTION

7.1. The entry of this Consent Judgment constitutes a dismissal with prejudice of this

Action.

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 the 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 among 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 Defendants.

8.5 Except as otherwise explicitly provided for in this Consent Judgment, nothing herein shall be construed to limit the authority of the Attorney General to protect the interests of the State or the people of the State.

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 Parties and their successors in interest. In no event shall assignment of any right, power or authority under this Consent Judgment avoid compliance with this Consent Judgment.

8.8 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 nor any

action taken hereunder shall constitute, or be construed as: (a) an approval, sanction or authorization by the Attorney General, the Division, or any other governmental unit of the State of any act or practice of Defendants; or (b) an admission by Defendants that any of their acts or practices described in or prohibited by this Consent Judgment are unfair or deceptive or violate the CFA, the Pet Regulations and/or the PPPA.

8.9 This Consent Judgment is not intended, and shall not be deemed, to constitute evidence or precedent of any kind except in: (1) 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; 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 other 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 relief, payments, undertakings, mutual promises and obligations provided for in this Consent Judgment and conditioned on Defendants making the Settlement Payment in the manner specified in Section 6, Plaintiffs hereby agree to release

Defendants from any and all civil claims or Consumer related administrative claims, to the extent permitted by State law, which the Plaintiffs could have brought prior to the Effective Date against Defendants for violations of the CFA, the Pet Regulations, the PPPA and the Advertising Regulations, as well as the matters specifically addressed in the Consent Judgment, including (“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 Defendants from raising the defense of set-off against a Consumer who has received restitution through this Consent Judgment; (b) actions to enforce this Consent Judgment; and (c) any claims against Defendants 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 provisions of this Consent Judgment, seek sanctions for violations of this Consent Judgment or both.

10.2 The Parties agree that any future violations by Defendants of Section 5 of this Consent Judgment, the CFA, the Pet Regulations and/or the PPPA shall constitute a second or succeeding violation pursuant to N.J.S.A. 56:8-13, and that Defendants may be liable for enhanced civil penalties as provided therein.

11. COMPLIANCE WITH ALL LAWS

11.1 Except as provided in this Consent Judgment, no provision herein shall be construed as:

- (a) Relieving Defendants of their obligations to comply with all State 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 Defendants pursuant to any State law, regulation or rule, as now constituted or as may hereafter be amended, or limiting or expanding any right Defendants may otherwise have pursuant to any State law, regulation or rule, to oppose any process employed by Plaintiffs 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 the Parties pursuant to this Consent Judgment shall be sent by the United States Mail, Certified Mail Return Receipt Requested, or other nationally recognized courier service that provides for tracking services and identification of the person signing for the documents. The notices and/or documents shall be sent to the following addresses:

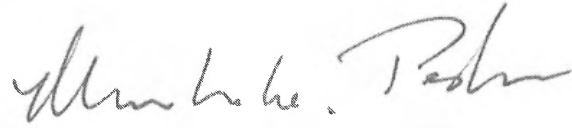
For Plaintiffs:

David M. Reap, 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

For Defendants:

Anthony X. Arturi, Esq.
Arturi, D'Argenio, Guaglardi & Meliti, LLP
Mack Center I
365 West Passaic Street – Suite 130
Rochelle Park, New Jersey 07662

IT IS ON THE 22 DAY OF June 2017, SO ORDERED, ADJUDGED AND
DECREED.

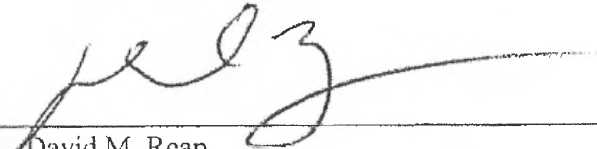
A handwritten signature in cursive script, appearing to read "Menelaos Toskos".

HON. MENELAOS TOSKOS, J.S.C.

JOINTLY APPROVED AND
SUBMITTED FOR ENTRY:

FOR THE PLAINTIFFS:

CHRISTOPHER S. PORRINO
ATTORNEY GENERAL OF NEW JERSEY

By: 
David M. Reap
Deputy Attorney General
Consumer Fraud Prosecution Section

Dated: 6/21, 2017

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

FOR DEFENDANTS JUST PUPS LLC
AND VINCENT LOSACCO

ARTURI, D'ARGENIO, GUAGLARDI & MELITI, LLP

By: _____
Anthony X. Arturi, Esq.

Dated: _____, 2017

Mack Center I
365 West Passaic Street – Suite 130
Rochelle Park, New Jersey 07662

JUST PUPS LLC

By: _____
Vincent LoSacco, Owner

Dated: _____, 2017

112 Ackerman Avenue
Emerson, New Jersey 07630

JOINTLY APPROVED AND
SUBMITTED FOR ENTRY:

FOR THE PLAINTIFFS:

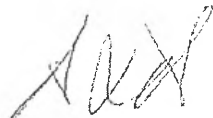
CHRISTOPHER S. PORRINO
ATTORNEY GENERAL OF NEW JERSEY

By: _____ Dated: _____, 2017
David M. Reap
Deputy Attorney General
Consumer Fraud Prosecution Section

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

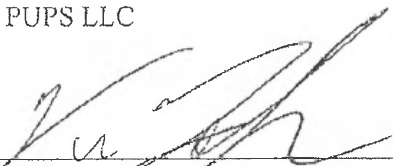
FOR DEFENDANTS JUST PUPS LLC
AND VINCENT LOSACCO

ARTURI, D'ARGENIO, GUAGLARDI & MELITI, LLP

By:  _____ Dated: 6/2/ _____, 2017
Anthony X. Arturi, Esq.

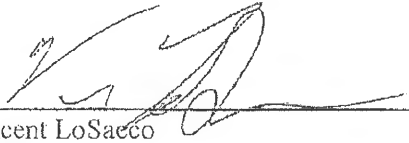
Mack Center I
365 West Passaic Street – Suite 130
Rochelle Park, New Jersey 07662

JUST PUPS LLC

By:  _____ Dated: 6/2 _____, 2017
Vincent LoSacco, Owner

112 Ackerman Avenue
Emerson, New Jersey 07630

VINCENT LOSACCO

By: 
Vincent LoSacco
112 Ackerman Avenue
Emerson, New Jersey 07630

Dated: 6/2, 2017

Attachments to Financial Disclosure Statement
Omitted

EXHIBIT A OMITTED