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SUPERIOR COURT BERGEN COUNTY
FILED

JUL 15 2014

By: Patricia Schiripo (014441990) Deputy Attorney General

DEPUTY CLÉR

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

JOHN J. HOFFMAN, Acting Attorney General of the State of New Jersey, and STEVE C. LEE, Acting Director of the New Jersey Division of Consumer Affairs,

Civil Action

Plaintiffs,

٧.

MOVING MAX, INCORPORATED; ADAM ELIAD, individually and as owner, officer, director, manager, employee, representative and/or agent of MOVING MAX INCORPORATED; OZIEL ELIAD individually and as owner, officer, director, manager, employee, representative and/or agent of MOVING MAX INCORPORATED, JANE AND JOHN DOES 1-20, individually and as owners, officers, directors, shareholders, founders, managers, agents, servants, employees, representatives and/or independent contractors of MOVING MAX; and XYZ CORPORATIONS 1-20,

Defendants.

<u>VERIFIED</u> COMPLAINT

Plaintiffs John J. Hoffman, Acting 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, 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 Verified Complaint state:

#### PRELIMINARY STATEMENT

- 1. Moving from one home to another is often a stressful and labor-intensive process for consumers. Therefore, consumers often rely on public movers to assist with the transport of their personal property, which usually includes furniture, household furnishings and clothing. The selection of a public mover is an important task, as consumers are entrusting to the company the possession of their property during the process of relocation.
- 2. Since at least September 2013, defendants Moving Max, Incorporated ("Moving Max"), Adam Eliad ("A. Eliad") and Oziel Eliad ("O. Eliad") (collectively, "Defendants"), have engaged in a predatory bait and switch scheme through their offering for sale and provision of public moving services ("Mover's Services") to consumers in the State of New Jersey ("State" or "New Jersey").
- 3. Defendants carried out their scheme by providing Internet quotes to consumers for Mover's Services which were artificially low (e.g., \$225 \$921). After taking physical possession of the consumers' property by loading it into a moving truck, Defendants then demanded payment grossly in excess of the quoted price, ranging from approximately \$500 to \$1,665. Defendants attempted to justify these amounts thorough exorbitant packing and other bogus charges which were often not disclosed or discussed with consumers beforehand. When shocked consumers protested these amounts, Defendants threatened to drive off and retain the consumers' personal belongings unless and until payment was made in cash or money order. Within nine (9) months of Moving Max becoming licensed as a public mover by the New Jersey

Division of Consumer Affairs ("Division"), the Division received fifteen (15) consumer complaints against Defendants.

4. Through their advertisement, sale and provision of Mover's Services, Defendants have committed multiple violations of the Public Movers & Warehousemen Licensing Act, N.J.S.A. 45:14D-1 et seq. ("Public Movers Licensing Act"), the Regulations Governing Public Movers and Warehousemen, N.J.A.C. 13:44D-1 et seq. ("Public Movers Regulations"), and the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq. ("CFA"). Additionally, the conduct of A. Eliad and O. Eliad (collectively, "Eliads") is in violation of a February 8, 2007 Final Consent Judgment which resolved a prior litigation commenced by the Attorney General and the Division Director against them and another public mover that they owned, controlled, managed and operated. Consequently, the Attorney General and Director submit this Verified Complaint in order to halt Defendants' deceptive business practices.

### PARTIES AND JURISDICTION

- 5. The Attorney General is charged with the responsibility of enforcing the Public Movers Licensing Act, the Public Movers Regulations and the CFA. The Director is charged with the responsibility of administering the Public Movers Licensing Act, the Public Movers Regulations and the CFA on behalf of the Attorney General.
- 6. By this action, the Attorney General and Director (collectively, "Plaintiffs") seek injunctive and other relief for violations of the Public Movers Licensing Act, the Public Movers Regulations and the CFA. Plaintiffs bring this action pursuant to their authority under the Public Movers Licensing Act, specifically N.J.S.A. 45:14D-16 and 45:14D-21, and the CFA, specifically N.J.S.A. 56:8-8, 56:8-11, 56:8-13 and 56:8-19. Venue is proper in Bergen County.

pursuant to  $\underline{R}$ . 4:3-2, because it is the county in which Defendants have maintained a principal place of business.

- 7. On June 26, 2013, Moving Max was established as a Domestic For-Profit Corporation in the State. Until April 1, 2014, Moving Max maintained a principal business address of 6-20 Plaza Road, Fair Lawn, New Jersey 07410-3113 ("6-20 Plaza Road").
- 8. Upon information and belief, Moving Max ceased business operations on or about April 1, 2014.
- 9. At all relevant times, the registered agent in the State for Moving Max has been A. Eliad, with a mailing address of
- 10. Upon information and belief, at all relevant times, A. Eliad has been an owner, the president, director, manager, employee, representative and/or agent of Moving Max and has controlled, directed and/or participated in the management and operation of that entity.
- 11. Upon information and belief, at all relevant times, O. Eliad has been an owner, officer, director, manager, employee, representative and/or agent of Moving Max and has controlled, directed and/or participated in the management and operation of that entity.
- 12. Upon information and belief, at all relevant times, the Eliads have maintained business and mailing addresses of:
- 13. Upon information and belief Moving Max has maintained a business address of 6-20 Plaza Road.

- 14. Upon information and belief A. Eliad has maintained a home address of
- 15. Upon information and belief O. Eliad has maintained a home address of
- 16. John and Jane Does 1 through 20 are fictitious individuals meant to represent the owners, officers, directors, shareholders, founders, managers, agents, servants, employees, representatives and/or independent contractors of Moving Max who have been involved in the conduct that gives rise to this Verified Complaint, but are heretofore unknown to the Plaintiffs. As these defendants are identified, Plaintiffs shall amend the Verified Complaint to include them.
- 17. XYZ Corporations 1 through 20 are fictitious corporations meant to represent any additional corporations who have been involved in the conduct that gives rise to this Verified Complaint, but are heretofore unknown to Plaintiffs. As these defendants are identified, Plaintiffs shall amend the Verified Complaint to include them.

# GENERAL ALLEGATIONS COMMON TO ALL COUNTS

- 18. Upon information and belief, since at least August 2013, Defendants have been engaged in the business of advertising, offering for sale and providing Mover's Services to consumers within the State.
- A. Defendants' Failure to Abide by Price Listing in the Tariff
  Filed As Part of The Licensure Packet And Defendants' Failure To
  Provide Information Regarding Moving Max Trucks:
- 19. On or about July 10, 2013, Moving Max submitted to the Division a Public Movers and Warehousemen License Application, which listed A. Eliad as 100% owner of

Moving Max, with a business address of 6-20 Plaza Road and a home address of ("Moving Max License Application").

- 20. The Moving Max License Application sought licensure for Mover's Services only.
- 21. On August 30, 2013, Moving Max was licensed with the Division to provide Mover's Services to consumers in the State.
- 22. The Moving Max Application identified and included the vehicle registration for only one truck registered to Moving Max with VIN number JALC4B142X7003030 for use in providing Moving Services to consumers in the State.
- 23. Submitted with the Moving Max License Application was a tariff ("Moving Max Tariff"), which included, among other things, a list of rates and charges.
- 24. The Moving Max Tariff states that Moving Max will accept payment in cash, certified check or bank/U.S. postal money order.
- 25. The Moving Max Tariff does not contain an "EPA" charge. The EPA charge does not exist.
  - 26. The Moving Max Tariff includes rates for a "long carry," "stairs" and "elevators."
- 27. Defendants, at varying times, arrived at a consumer's home in a vehicle that did not contain Moving Max name or the Moving Max license number on the driver and passenger side doors.

# B. <u>Defendants' Initial Solicitation of Consumers:</u>

28. Defendants have advertised though <a href="http://www.movingmaxnj.com/">http://www.movingmaxnj.com/</a> ("Defendants' Website"), which is now inactive.

- 29. Upon information and belief, at all relevant times, Defendants' Website did not include an address for Defendants.
- 30. Defendants were found by a number of consumers who searched online and applied for a price quote through various third party websites advertising Mover's Services.
- 31. Defendants would respond by e-mail with a price quote ("Defendants' E-Mail Quotes").
- 32. Defendants' E-Mail Quotes generally quoted consumers a price of three (3) men at \$75.00 an hour, for approximately three (3) to five (5) hours, for a total price of \$225 to \$375.
- 33. Defendants' E-Mail Quotes generally represented that all of the following were included in the quoted price: loading, unloading, disassembly, reassembly, basic liability insurance, gas, applicable taxes, tolls and packing services.
- 34. At times in telephone conversations with consumers, Defendants represented that travel time was also included in the quoted price.
- 35. After receiving a price quote from Defendants, some consumers inquired, either over the telephone or by way of email, whether the quoted price was the total that would be charged and Defendants assured them that it was.
- 36. After receiving a price quote from Defendants, some consumers specifically mentioned that the move would involve stairs as well as information on where the truck would have to park and Defendants assured them that the quoted price took into consideration those items.
- C. Defendants' Failure To Conduct The Requisite
  Pre-Move Inspection Of Consumers' Premises
  And To Issue The Necessary Pre-Move Documents:

- 37. At all relevant times, Defendants failed to inspect consumers' premises and goods to be moved at least twenty-four (24) hours prior to the date of the move.
- 38. At all relevant times, Defendants failed to issue to consumers the brochure entitled "Important Notice to Consumers Utilizing Public Movers."
- 39. At all relevant times, Defendants failed to issue to consumers written estimates and/or order for service forms (also known as moving contracts) at least twenty-four (24) hours prior to the date of the move, or at all.
- 40. At varying times, Defendants charged for items not contained in the Moving Max Tariff or at higher prices than the prices listed in the Moving Max Tariff.
- 41. At varying times Defendants charged for items the consumer did not need, stating it was company policy (e.g., covering a couch with a blanket prior to moving the couch).

# D. Defendants' Provision Of Mover's Services, Use Of Bait And Switch Tactics, And Exorbitant, Unexpected Charges:

- 42. Before beginning the move, Defendants would generally require that consumers sign several blank forms (e.g., bill of lading).
- 43. Defendants would position the documents on a clipboard held by one of the movers in such a way that would prohibit the consumers from adequately viewing the documents.
- 44. Defendants failed to provide consumers with an adequate opportunity to read and understand the documents Defendants required them to sign (e.g. Order for Service, Non-Binding Estimate), prior to the beginning of the move.

- 45. When a consumer told Defendants that he would not sign an Order for Service, Non-Binding Estimate and Bill of Lading until the move was completed, Defendants stated that they would consider this to be a cancellation which would result in a \$250.00 charge. The consumer ultimately signed the documents in order to avoid any additional charges.
- 46. At times, Defendants assured consumers that the documents were "Just a formality" or otherwise stated or implied that it was not necessary for consumers to read the documents prior to signature.
- 47. Once Defendants had control of consumers' property, Defendants completed the blank documents signed by consumers and included charges (e.g. \$500 to \$1,665) that were significantly higher than the prior Internet quotes (e.g. \$225 to \$921).
- 48. At varying times, Defendants failed to provide consumers with copies of documents that they signed immediately after signing and/or at any time thereafter (e.g., estimates, order for service forms, bills of lading, etc.).
- 49. Once Defendants drove consumers' property to the new residence and while in full possession and control of the property, Defendants demanded substantially greater sums from consumers to complete the move than the prices quoted prior to the move, based on excessive and previously undisclosed charges (e.g., "EPA" charge, tape).
- 50. At all relevant times, Defendants held consumers' property on the truck and then demanded that consumers pay the excessive price in cash and or money order contrary to the Moving Max Tariff that stated that Moving Max also accepted certified checks.
- 51. On at least one occasion, a consumer presented a certified check for the excessive price and was told that Moving Max only accepted cash and refused to accept the certified check.

- 52. Defendants generally presented their exorbitant and unexpected charges to consumers first on a piece of unlined plain paper, which was then transferred to the blank bill of lading previously signed by the consumers when obscured by a stack of papers on the clipboard.
- 53. At varying times, Defendants failed to issue bills of lading and/or incomplete bills of lading.

# E. Defendants' Unjustifiable And Unwarranted Non-Packing Mover's Services Charges:

- 54. On the bill of lading, and sometimes on a separate piece of unlined plain paper, Defendants identified a variety of non-packing fees and charges which were far in excess of the quoted price and/or in excess of those charges found on Moving Max's Tariff (e.g., tape and blankets).
- 55. Defendants failed to disclose or explain many of the non-packing fees and charges prior to the move.
- 56. At varying times, Defendants charged consumers for a "long carry" (a charge used when goods are at an extended distance from unloading point) when there was no long carry as defined in the Moving Max Tariff involved in the move.
- 57. At varying times, Defendants charged consumers for a "stairs carry" in a manner inconsistent with the Moving Max Tariff (e.g. charge is for eight (8) stairs based on weight of items to be moved).
- 58. At varying times the Defendants charged for items such as tape and various types of boxes when the consumer was told that everything was included in the original quote.

- 59. At varying times, Defendants charged consumers travel time from a long distance dispatch point when the consumer was told that the dispatch point was local and/or was told that travel time was included in the original quoted price.
- 60. At varying times, Defendants charged consumers an "EPA" charge, which is a fabricated charge and not found in the Moving Max Tariff or otherwise authorized.

# F. Defendants' Unjustifiable and Unwarranted Packing Services Charges:

- 61. At varying times, Defendants did additional and unnecessary packing of consumers' property, and then charged exorbitant amounts of money for such packing (e.g., \$80 to rent four blankets).
- 62. At varying times, Defendants represented that additional packing services were "company policy" when such was not the case.
- 63. Defendants did not disclose the exorbitant packing charges until after they were in possession of consumers' property.
- 64. At varying times, without the consumers' prior knowledge or assent, Defendants charged them for more packing supplies (e.g., boxes, blankets and/or tape) than were actually used or necessary for the move.
- 65. At varying times, Defendants represented, prior to the moves, that consumers' own packing of property was sufficient, and then engaged in further packing and charging consumers for such additional packing.

# G. Defendants' Conduct After Demanding Excessive and Unjustified Payment Greatly Exceeding the Quoted Price:

- 66. When Defendants demanded payment greatly exceeding the quoted price for the move, consumers were frequently unwilling and/or unable to pay the higher amounts.
- 67. When consumers challenged Defendants' demands for payment greatly exceeding the quoted price, Defendants told the consumers that their property would be placed in storage and not returned until the consumers paid the amount in cash or money order.
- 68. At varying times, Defendants demanded cash payment for the excessive charges which required consumers to seek out an ATM or bank in order to obtain the necessary cash.
- 69. Despite consumers paying amounts greatly exceeding Defendants' quoted prices, Defendants sometimes failed to complete the move, among other things, by failing to reassemble furniture.
- 70. At varying times, Defendants failed to reassemble consumers' property, despite previously representing that reassembly was included in Defendants' Mover's Services.
- 71. At varying times, consumers' property was damaged once Defendants had completed the move, and Defendants failed to provide reimbursement for the damaged property.
- 72. At varying times, Defendants did not respond to consumer complaints and/or inquiries in a timely manner or at all.

# H. Defendants' Contact With Consumers After <a href="Consumers Filed Complaints">Consumers Filed Complaints</a> With The Division:

- 73. At varying times Defendants issued letters to consumers with a refund check that stated that by cashing the check consumers were agreeing that they would not file and/or pursue a complaint with the Division or the Better Business Bureau or other consumer agencies;
- 74. At varying times, and on information and belief, Defendants contacted consumers who had filed a complaint with the Division indicating that the person calling is with the Division, when such was not the case.

### I. The Eliads Violation Of Prior Consent Judgment With The Division:

- 75. On February 8, 2007, the Attorney General and Director entered into a Consent Judgment with, among others, the Eliads to resolve the Superior Court action commenced against the Eliads and A Professional Movers, Inc. ("A Professional Movers Consent Judgment"). The A Professional Movers Consent Judgment included prohibitions and requirements concerning the Eliads' future performance of Movers Services.
- The A Professional Movers Consent Judgment states that "any future violations of the injunctive provisions of [the A Professional Movers Consent Judgment], the Public Movers Licensing Act, the Public Movers Regulations and/or the CFA shall constitute a second or succeeding violation pursuant to N.J.S.A. 56:8-13, and that [the Eliads] may be subject to enhanced penalties, as provided therein, upon a Court's finding that [the Eliads] have committed a violation of the injunctive provisions of [the A Professional Movers Consent Judgment], the Public Movers Licensing Act, the Public Movers Regulations and/or the CFA."

77. The Eliads have failed to comply with the restraints and conditions set forth in the A Professional Movers Consent Judgment by violating the injunctive relief and business practices provisions, which include, but are not limited to: (a) charging and receiving compensation at rates higher than in the Moving Max Tariff; (b) charging and receiving compensation from items not found in the Moving Max Tariff; (c) failing to provide the Consumer with the Brochure entitled "Important Notice to Consumers Utilizing Public Mover" at least twenty-four (24) hours prior to the date of the move for services based on a binding or non-binding estimate; (d) failing to perform a physical inspection of the consumer's premises and the property to be moved and/or stored, for services based on a binding or non-binding estimate; (e) failing to provide to the consumer a fully completed written estimate, signed by Defendant and consumer, after making a physical inspection of the premise and the property at least twenty-four (24) hours prior to the move, for services based on a binding or non-binding estimate; (f) failing to provide consumers with an order for service form at least twenty-four (24) hours prior to the date of the move, for services based on a binding or non-binding estimate; and (g) failing to provide consumers with a bill of lading which includes all required information when services are based on a binding or non-binding estimate.

#### **COUNT I**

# VIOLATION OF THE PUBLIC MOVERS LICENSING ACT BY DEFENDANTS

- 78. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 77 above as if more fully set forth at length herein.
- 79. Defendants are "public mover[s]" as defined by the Public Movers Licensing Act, specifically N.J.S.A. 45:14D-2(p).

- 80. The Public Movers Licensing Act, specifically N.J.S.A. 45:14D-9, requires, among other things, that persons engaged in the business of performing Mover's Services be licensed to perform each service, and provides in pertinent part:
  - (a) It shall be unlawful for any person to engage in the business of public moving or storage unless he shall have obtained from the director a license to engage in the business and shall have a permanent place of business in this State.
  - (b) Application for license shall . . . contain the following information . . . (2) description of the applicant's moving vehicles... .
  - (c) Every person advertising moving or storage services shall include in any advertisement the number of his license, and his New Jersey business address and telephone number.
- 81. The Public Movers Licensing Act further provides that "[e]very person engaged in the business of storing or moving household goods . . . for transportation in intrastate commerce shall issue a receipt or bill of lading . . . ." N.J.S.A. 45:14D-10a.
- 82. The Public Movers Licensing Act further provides that "[e]very warehouseman or mover shall provide safe, proper and adequate service and shall observe the director's rules and regulations concerning the storage or transportation of property." N.J.S.A. 45:14D-11.
- 83. The Public Movers Licensing Act also requires that public movers file a tariff. In this regard, N.J.S.A. 45:14D-14 provides:
  - (a) Public movers and warehousemen shall file their tariffs with the director semiannually.
  - (b) Except in the use of binding estimates . . . no public mover or warehouseman shall charge, demand, collect or receive a greater compensation for his services than specified in the tariff.

- 84. Defendants have violated the Public Movers Licensing Act, by engaging in certain conduct, including but not limited to:
  - a. Failing to include a description of all trucks used by Moving Max in the Moving Max License Application;
  - b. Failing to include Moving Max's New Jersey business address in its advertisement on the Moving Max Website;
  - c. Failing to issue a bill of lading and/or issuing only a partially completed bill of lading;
  - d. Charging, demanding, collecting or receiving compensation amounts not specified in the Moving Max Tariff (e.g., EPA charge, blankets and tape).
- 85. Defendant's conduct constitutes multiple violations of the Public Movers Licensing Act, N.J.S.A. 45:14D-1 et seq. Each transaction or violation constitutes a separate offense pursuant to N.J.S.A. 45:14D-16 and/or separate violation pursuant to N.J.S.A. 45:14D-29(d).

### **COUNT II**

## VIOLATION OF PUBLIC MOVERS REGULATIONS BY DEFENDANTS (LICENSE AND TARIFF REQUIREMENTS)

- 86. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 85 above as if more fully set forth at length herein.
- 87. Defendants are "public mover[s]" as defined by the Public Movers Regulations, specifically N.J.A.C. 13:44D-1.1.
- 88. The Public Movers Regulations, specifically <u>N.J.A.C.</u> 13:44D-2.1, establish general licensing requirements, specifically:

- (b) A photocopy of all vehicle registration(s) issued to applicant by the New Jersey [Motor Vehicle Commission]
- (h) All commercial vehicles used in the practice of public moving shall be marked in conspicuous lettering, at least three inches in height, on the passenger and driver side of the truck cab, and the passenger and driver side of the truck's trailer, with the following information:
  - 1. The name of the licensee;
  - 2. The words "License number" or "Lic. #" followed by the letters and numbers as they appear on the license certificate; and
  - 3. The name of the registered owner or lessee of the vehicle, if it is different than the name required by (h)1 above.
- 89. The Public Movers Regulations, specifically <u>N.J.A.C.</u> 13:44D-2.5, include requirements concerning advertising:
  - (a) All advertising by licensees shall include the licensee's:
    - 3. Permanent place of business in New Jersey and New Jersey telephone number.
- 90. The Public Movers Regulations, specifically N.J.A.C. 13:44D-3.1, require that every public mover and/or warehouseman file a tariff with the Director and provide in pertinent part:
  - (a) Every public mover and/or warehouseman shall file with the Director a tariff or tariffs indicating the rates, charges, classification ratings, and terms and conditions of the public mover and/or warehouseman...

- (e) No licensed public mover and/or warehouseman shall charge, demand, collect or receive a greater compensation for his or her service than specified in the tariff. . . .
- 91. Defendants have violated the Public Movers Regulations, by engaging in certain conduct including, but not limited to:
  - a. Failing to provide a photocopy of all vehicle registration(s) issued to applicant by the New Jersey [Motor Vehicle Commission] at the time of licensure;
  - b. Using commercial vehicles in performing Mover's Services that are not marked in conspicuous lettering, at least three inches in height, on the passenger and driver side of the truck cab, and the passenger and driver side of the truck's trailer, with the name Moving Max, the words "License number" or "Lic. #" followed by the letters and numbers as they appear on the license certificate, and the name of the registered owner or lessee of the vehicle, if it is different than Moving Max;
  - c. Advertising under Moving Max, without including a business address;
  - d. Demanding and collecting compensation in amounts higher than those specified in the Moving Max Tariff filed with the Director (e.g., blankets and tape); and
  - e. Demanding and collecting for a charge that is not included in the Moving Max Tariff (e.g., EPA charge).
- 92. Defendants' conduct constitutes multiple violations of the Public Movers Regulations, specifically N.J.A.C. 13:44D-2.1, N.J.A.C. 13:44D-2.5 and N.J.A.C. 13:44D-3.1. Each transaction or violation constitutes a separate offense subjecting Defendants to the provisions of N.J.S.A. 45:14D-7, N.J.S.A. 45:14D-16 and/or N.J.S.A. 45:14D-20.

### **COUNT III**

# VIOLATION OF PUBLIC MOVERS REGULATIONS BY DEFENDANTS (CONSUMER DOCUMENTS AND OTHER REQUIREMENTS)

- 93. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 92 above as if more fully set forth at length herein.
  - 94. The Public Movers Regulations, specifically N.J.A.C. 13:44D-4.2, require that:
    - (a) Prior to entering into a contract to render services based on a non-binding estimate every public mover shall issue the following to each consumer at least 24 hours prior to the date of the move:
      - 1. A brochure entitled 'Important Notice to Consumers Using Public Movers'...
      - 2. A fully completed written estimate, entitled "Estimated Cost of Service for Moving and Warehousing Non-Binding" which meets the requirements of [N.J.A.C. 13:44D-4.2(b)] signed by the mover and rendered after a physical inspection of the premises and the goods to be moved by the public mover. . .
    - (c) The public mover and the consumer shall enter into a contract at least 24 hours prior to the move by completing an order for service form. The order for service form entitled "Order for Service with Non-Binding Estimate," shall include: [items 1-10 Listed in N.J.A.C. 13:44D-4.2(c)].
    - d) After a move has been completed the public mover shall issue a bill of lading to the consumer, entitled "Bill of Lading," which shall contain, among other things: the date or dates of the move; the name, address and telephone number of the public mover; the license number of the public mover; the name of any owner-operator used by a public mover and a statement that public mover is liable for services performed by owner-operator; the name of the consumer; the points of origin and destination; if charging based on an hourly rate, the number of men, the number of trucks the total number of hours spent loading the consumer's goods, unloading the consumer's goods and providing packing, disassembly, and unpacking or reassembly; the move time the

moving vehicle arrived at the point of origin and when the move was finished; travel time for the truck to reach the destination where the consumer's goods were loaded; any accessorial, special or third-party services provided and the charges for those services; and the final total charge.

- 95. Additionally, the Public Movers Regulations state that public movers and/or warehousemen shall be liable for physical loss, destruction, or damage to any articles of the consumer during transit and/or storage (with some exceptions), and that when consumers submit claims to public movers and/or warehousemen, the public mover and/or warehouseman shall forward claim forms to consumers within seven (7) days. N.J.A.C. 13:44D-4.15 and -4.16.
- 96. Defendants have violated the Public Movers Regulations by engaging in certain conduct including, but not limited to:
  - a. Failing to provide consumers with the brochure entitled "Important Notice to Consumers Using Public Movers" at least twenty-four (24) hours prior to the date of the move;
  - b. Failing to perform pre-move physical survey of the premises and the goods to be moved before issuing Non-Binding Estimates and at least twenty-four (24) hours prior to the date of the move;
  - c. Failing to provide consumers with written estimates at least twenty-four (24) hours prior to the date of the move;
  - d. Failing to provide consumers with orders for service at least twenty-four (24) hours prior to the date of the move;
  - e. Failing to provide consumers with bills of lading;
  - f. Providing consumers with bills of lading that were not fully completed; and
  - g. Receiving claims from consumers for physical loss, destruction, or damage to their property during transit and/or storage, and failing to forward claim forms to consumers within seven (7) days or at all.

97. Defendants' conduct constitutes multiple violations of the Public Movers Regulations, N.J.A.C. 13:44D-4.2, N.J.A.C. 13:44D-4.15, and N.J.A.C. 13:44D-4.16. Each transaction or violation constitutes a separate offense subjecting Defendants to the provisions of N.J.S.A. 45:14D-16.

#### **COUNT IV**

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

- 98. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 97 above as if more fully set forth herein.
  - 99. The CFA 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...

### [N.J.S.A. 56:8-2.]

- 100. 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).
- 101. At all relevant times, Defendants have been engaged in the advertisement and sale of merchandise within the meaning of N.J.S.A. 56:8-1(c), specifically Mover's Services.
- 102. In the operation of their business, Defendants have engaged in the use of unconscionable commercial practices, deception, false promises and/or misrepresentations.

- 103. Defendant has engaged in unconscionable commercial practices and/or deception including, but not limited to, the following:
  - a. Engaging in bait and switch tactics by offering for sale Mover's Services at a certain price, then demanding much greater payment once Defendants were in possession of consumers' property, and threatening to drive off and withhold the consumers' property until/unless the increased amount was immediately paid in cash or by money order;
  - b. Representing to consumers that Moving Max accepts credit cards and then, while holding consumers' property hostage on the moving truck, telling consumers that Moving Max only accepts cash and money orders;
  - c. Charging exorbitant prices for packing services (e.g., tape, blankets);
  - d. Charging consumers for packing services and/or packing supplies that were not used and/or not necessary;
  - e. Failing to perform physical inspections of consumers' homes and the property to be moved, to issue estimates and/or orders for service and/or to provide the brochure entitled "Important Notice to Consumers Utilizing Public Movers," at least twenty-four (24) hours prior to the date of the move;
  - f. Requiring/requesting that consumers sign pre-dated blank or incomplete forms and then writing/entering information or charges on the forms after consumers signed the forms; (e.g. Order for Service, Bill of Lading);
  - g. Making it difficult for consumers to review and/or read the blank forms that Defendants required them to sign;
  - h. Telling consumers that if they did not sign the paperwork before the move was completed, they would consider that a cancellation, which would result in a cancellation fee (e.g., \$250);
  - i. Charging consumers for a "long carry" when there was no long carry involved in the move;
  - j. Charging consumers for a stairs carry when there were no stairs, or the number of stairs were below that for which Defendants would charge for a stairs carry based on the Moving Max Tariff and/or without weighing items;

- k. Charging consumers an "EPA" charge when no such charge exists;
- l. Charging consumers for long distance travel time when the consumer was told that the moving truck was being dispatched locally;
- m. Failing to complete the move by failing to reassemble property;
- n. Failing to compensate consumers for property that was damaged after Defendants' provision of Mover's Services;
- o. Failing to respond to consumer complaints and/or inquiries in a timely manner or at all;
- p. Charging prices for packing materials that are greater than those found in the Moving Max Tariff;
- q. Issuing letters to consumers with a refund check, which state that by cashing the check the consumer agrees not to file and/or pursue a complaint with the Division or the Better Business Bureau or other consumer agencies; and
- r. Contacting consumers who had filed a complaint with the Division indicating that the person calling is with the Division, when such was not the case.
- 104. Each unconscionable commercial practice by Defendants constitutes a separate violation of the CFA, N.J.S.A. 56:8-2.

#### **COUNT V**

# VIOLATION OF THE CFA BY DEFENDANTS (FALSE PROMISES AND/OR MISREPRESENTATIONS)

- 105. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 104 above as if more fully set forth herein.
- 106. Defendants' conduct in violation of the CFA includes, but is not limited to, the following false promises and/or misrepresentations:

- a. Representing to consumers that the amounts quoted would be the total amounts the consumers would be required to pay for Mover's Services, when such was not the case;
- b. Representing to consumers that the quoted prices include certain items (e.g., stairs, reassembly, long carry, elevator), and then failing to provide those items or requiring extra payment for those items;
- c. Representing that Defendants accepted payment via cash or credit card, and then requiring payment via cash or money order only; and
- d. Representing that "company policy" states that certain packing services are required, for which consumers were charged, when such was not the case.
- 107. Each act of deception, false promise and/or misrepresentation by Defendants constitutes a separate violation of the CFA, N.J.S.A. 56:8-2.

### **COUNT VI**

# VIOLATION OF THE CFA BY DEFENDANTS (BAIT AND SWITCH)

- 108. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 107 above as if more fully set forth herein.
- 109. The CFA prohibits the use of an advertisement of merchandise as part of a plan or scheme not to sell the item or service so advertised or not to sell the same at the advertised price.

  N.J.S.A. 56:8-2 and N.J.S.A. 56:8-2.2. This practice is commonly known as "bait and switch."
- 110. The CFA defines "advertisement" to "include the attempt directly or indirectly by publication, dissemination, solicitation, indorsement or circulation or in any other way to induce directly or indirectly any person to enter into any obligation or acquire any title or interest in any merchandise or to increase the consumption thereof or to make any loan". N.J.S.A. 56:8-1(a).

- 111. Defendants have engaged in "bait and switch" tactics in violation of N.J.S.A. 56:8-2 and N.J.S.A. 56:8-2.2 by offering for sale Mover's Services at an artificially low price (e.g., \$225), then demanding a much higher payment once Defendants were in possession of consumers' property (ranging from \$500 to \$1,665), and threatening to drive off and withhold consumers' property until/unless the increased amount was immediately paid in cash or by money order.
- 112. Each instance where Defendants offered for sale Mover's Services at a certain price as part of a plan or scheme not to sell the Mover's Services at the offered price constitutes a separate violation of the CFA, N.J.S.A. 56:8-2 and N.J.S.A. 56:8-2.2.

### **COUNT VII**

## VIOLATION OF THE CFA BY DEFENDANTS (FAILURE TO PROVIDE COPIES OF DOCUMENTS PRESENTED FOR SIGNATURE)

- 113. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 112 above as if more fully set forth herein.
  - 114. The CFA, specifically N.J.S.A. 56:8-2.22, states that:

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 but this section shall not be applicable to orders placed through the mail by the consumer for merchandise.

- 115. In the operation of their business, Defendants have violated N.J.S.A. 56:8-2.22 by requiring or requesting that consumers sign documents and then failing to provide at the same time a full and accurate copy of the document(s) so presented for signature.
- 116. Defendants' conduct constitutes multiple violations of the CFA, specifically N.J.S.A. 56:8-2.22.

#### **COUNT VIII**

# VIOLATIONS OF THE PUBLIC MOVERS LICENSING ACT, THE PUBLIC MOVERS REGULATIONS AND THE CFA BY A. ELIAD

- 117. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 116 above as if more fully set forth herein.
- 118. At all relevant times, A. Eliad acted as an owner, officer, director, manager, employee, representative and/or agent of Moving Max and has controlled, directed and/or participated in the management and operation of that entity including the acts and practices alleged in this Complaint.
- 119. By his conduct, A. Eliad is personally liable for the violations of the Public Movers Licensing Act, the Public Movers Regulations and the CFA committed by Moving Max.

#### **COUNT IX**

## VIOLATIONS OF THE PUBLIC MOVERS LICENSING ACT, THE PUBLIC MOVERS REGULATIONS AND THE CFA BY O. ELIAD

120. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 119 above as if more fully set forth herein.

- 121. At all relevant times, O. Eliad acted as an owner, officer, director, manager, employee, representative and/or agent of Moving Max and has controlled, directed and/or participated in the management and operation of that entity including the acts and practices alleged in this Complaint.
- 122. By his conduct, O. Eliad is personally liable for the violations of the Public Movers Licensing Act, the Public Movers Regulations and the CFA committed by Moving Max

#### **COUNT X**

# VIOLATION OF THE A PROFESSIONAL MOVERS CONSENT JUDGMENT BY THE A. ELIAD AND O. ELIAD

- 123. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 122 above as if more fully set forth herein.
- 124. The conduct of A. Eliad and O. Eliad as alleged herein violates the injunctive relief and business practices provisions of the A Professional Movers Consent Judgment.
- 125. In accordance with Section 13.2 of the A. Professional Movers Consent Judgment, the Eliads are subject to an assessment of enhanced civil penalties for second and subsequent violations of the Public Movers Licensing Act, the Public Movers Regulations and the CFA, pursuant to N.J.S.A. 45D-16, N.J.S.A. 45:14D-29(d) and N.J.S.A. 56:8-13.

### PRAYER FOR RELIEF

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

(a) Finding that the acts and omissions of Defendants constitute multiple violations of the Public Movers Licensing Act, N.J.S.A. 45:14D-1 et seq., the Public Movers Regulations, N.J.A.C. 13:44D-1 et seq., and the CFA, N.J.S.A. 56:8-1 et seq.;

- (b) Finding that the acts and omissions of the Eliads are in violation of the injunctive relief and business practices provisions of the A Professional Movers Consent Judgment, and the Eliads are thus subject to enhanced civil penalties for second and subsequent violations of the Public Movers Licensing Act, the Public Movers Regulations and the CFA, pursuant to N.J.S.A. 45:14D-16, N.J.S.A. 45:14D-29(d) and N.J.S.A. 56:8-13;
- (c) Permanently enjoining Defendants and their owners, officers, directors, shareholders, 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 Public Movers Licensing Act, N.J.S.A. 45:14D-1 et seq., the Public Movers Regulations, N.J.A.C. 13:44D-1 et seq., and the CFA, N.J.S.A. 56:8-1 et seq., including, but not limited to, the acts and practices alleged in this Verified Complaint;
- (d) Permanently enjoining Defendants and their owners, officers, directors, shareholders, founders, members, managers, agents, servants, employees, representatives, independent contractors and all other persons or entities directly under their control, from engaging in the activity that is the subject of Plaintiffs' request for temporary and preliminary injunctive relief, as set forth in the accompanying Order to Show Cause with Temporary Restraints Pursuant to Rule 4:52;
- (e) Permanently enjoining Defendants from advertising and/or performing Mover's Services for consumers in the State;
- (f) Directing the assessment of restitution amounts against Defendants, jointly and severally, to restore to any affected person, whether or not named in this Verified 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 Public Movers Licensing Act, N.J.S.A. 45:14D-16 and -21, and the CFA, N.J.S.A. 56:8-8;
- (g) Assessing the maximum statutory civil penalties against Defendants, jointly and severally, for each and every violation of the Public Movers Licensing Act, the Public Movers Regulations and the CFA, pursuant to N.J.S.A. 45:14D-16 and -21, and N.J.S.A. 56:8-13;
- (h) Directing the assessment of enhanced penalties against the Eliads for violation of the A. Professional Movers Consent Judgment, pursuant to N.J.S.A. 56:8-13;

- (i) Directing the assessment of costs and fees, including attorneys' fees, against Defendants, jointly and severally, for the use of the State of New Jersey, as authorized by the Public Movers Licensing Act, N.J.S.A. 45:14D-16, and 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.

JOHN J. HOFFMAN
ACTING ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs

Patricia Schiripo

Deputy Attorney General

Dated: July 11, 2014

Newark, New Jersey