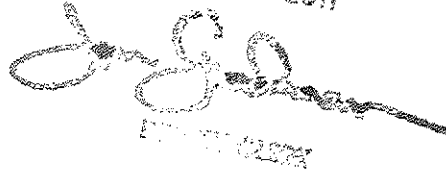


PAULA T. DOW
ATTORNEY GENERAL OF NEW JERSEY
Division of Law
124 Halsey Street - 5th Floor
P.O. Box 45029
Newark, New Jersey 07101
Attorney for Plaintiffs

SUPERIOR COURT BERGEN COUNTY
FILED

JAN 05 2011



By: Cathleen O'Donnell
Deputy Attorney General
(973) 648-3441

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION
BERGEN COUNTY
DOCKET NO. BER-C 4-11

PAULA T. DOW, Attorney General of the State of
New Jersey, and THOMAS R. CALCAGNI, Acting
Director of the New Jersey Division of Consumer
Affairs,

Plaintiffs,

v.

RAMSEY AUTO IMPORTS OF RT. 17, INC. d/b/a
RAMSEY CHRYSLER JEEP DODGE, JANE AND
JOHN DOES 1-10, individually and as owners,
officers, directors, shareholders, founders, managers,
agents, servants and/or employees of RAMSEY AUTO
IMPORTS OF RT. 17, INC. d/b/a RAMSEY
CHRYSLER JEEP DODGE, and XYZ
CORPORATIONS 1-20,

Defendants.

Civil Action

COMPLAINT

Plaintiffs Paula T. Dow, Attorney General of the State of New Jersey ("Attorney General"),
with offices located at 124 Halsey Street, Fifth Floor, Newark, New Jersey, and Thomas R. Calcagni,

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

PRELIMINARY STATEMENT

1. Many consumers require a motor vehicle, among other things, for commuting to and from work, taking children to and from school, and performing daily or weekly errands, such as trips to the grocery store. Given these difficult economic times, many consumers are simply unable to purchase or lease a new motor vehicle. Consequently, those consumers look to purchase a used motor vehicle. In general, such consumers rely upon the dealership’s advertisements and other representations as to a used motor vehicle’s prior condition and use. Additionally, a consumer should have the ability to enter a dealership and clearly see the price of a particular used motor vehicle offered for sale.

2. At all relevant times, Ramsey Auto Imports of Rt. 17, Inc. d/b/a Ramsey Chrysler Jeep Dodge (“Ramsey Auto Imports” or “Defendant”) was engaged in the retail sale of new and used motor vehicles to consumers in the State of New Jersey (“State”) and elsewhere through the internet and at its dealership location. In so doing, Defendant failed to comply with the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq. (“CFA”), and the Regulations Governing Motor Vehicle Advertising Practices, N.J.A.C. 13:45A-1.1 et seq. (“Motor Vehicle Advertising Regulations”), among other things, by failing to disclose the prior condition and use of used motor vehicles and failing to disclose vehicle identification numbers (“VIN”). Thus, the Attorney General and Acting Director commence this action to remedy and seek redress for these violations.

PARTIES AND JURISDICTION

3. The Attorney General is charged with the responsibility of enforcing the CFA, N.J.S.A. 56:8-1 et seq., and the Motor Vehicle Advertising Regulations promulgated thereunder, N.J.A.C. 13:45A-1.1 et seq. The Acting Director is charged with the responsibility of administering the CFA and the CFA Regulations on behalf of the Attorney General.

4. By this action, the Attorney General and Acting Director (collectively, "Plaintiffs") seek injunctive and other relief for violations of the CFA and the Motor Vehicle Advertising Regulations. Plaintiffs bring this action pursuant to their authority under the CFA, specifically N.J.S.A. 56:8-8, 56:8-11, 56:8-13 and 56:8-19. Venue is proper in Bergen County, pursuant to R. 4:3-2, because it is a county in which Defendant has advertised and/or conducted business and maintained a principal place of business.

5. Ramsey Auto Imports is a corporation established in this State on October 9, 1961. Upon information and belief, at all relevant times, Ramsey Auto Imports has maintained a principal business address of 1555 Rt. 17 South, Ramsey, New Jersey 07442.

6. Since June 11, 2008, Ramsey Auto Imports was registered to conduct business in the State under alternate names, which include "Ramsey Chrysler Jeep Dodge."

7. The registered agent in the State for Ramsey Auto Imports is Raymond Van Duren ("Van Duren"). Van Duren maintains a mailing address of 436 Route 17 North, Ramsey, New Jersey 07442.

8. At all relevant times, Van Duren has been the Chief Executive Officer of Ramsey Auto Imports.

9. Upon information and belief, 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 Ramsey Auto Imports 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.

10. Upon information and belief, XYZ Corporations 1 through 20 are fictitious corporations meant to represent any additional corporations that 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

11. Since at least 1961, Defendant has operated a motor vehicle dealership in the State and has engaged in the retail sale and/or lease of new and used motor vehicles.

12. At all relevant times, Defendant has operated and maintained a website at www.ramseychryslerjeepdodge.com ("Ramsey Auto Imports Website"). The Ramsey Auto Imports Website advertises and offers new and used vehicles for sale.

13. At all relevant times, Defendant has offered used vehicles for sale through the website www.craigslist.com, a centralized network of online communities featuring classified advertisements with sections devoted to merchandise including, but not limited to, used motor vehicles ("Craigslist").

14. On August 17, 2005, the Attorney General and Director commenced a prior action (bearing Docket Number BER-C-302-05) against Ramsey Auto Imports and several associated

dealerships (“Prior Action”). At that time, Ramsey Auto Imports was similarly engaged in the retail sale or lease of new or used motor vehicles. The Complaint in the Prior Action alleged that Ramsey Auto Imports and the other defendants violated the CFA as well as the Regulations Governing Motor Vehicle Advertising Practices, N.J.A.C. 13:45A-26A.1 et seq. (“Motor Vehicle Advertising Regulations”).

15. On July 10, 2006, the Prior Action was settled with the filing of a Final Consent Judgment (“Consent Judgment”). As reflected in the Consent Judgment, Defendant, among other things, agreed: (a) to not engage in any deceptive practices in violation of the CFA and the Motor Vehicle Advertising Regulations; and (b) to “disclose to [c]onsumers all known material facts regarding the condition of [u]sed [m]otor [v]ehicles including, but not limited to, prior history and/or prior damage.” The Consent Judgment also provided for consumer restitution in the amount of \$156,000.00 and a settlement payment of \$750,000.00, \$500,000.00 of which was suspended and automatically vacated at the end of one (1) year. As further reflected in the Consent Judgment, Ramsey Auto Imports and the other defendants acknowledged that any future violation of, among other things, the injunctive provisions of the Consent Judgment, the CFA or the Motor Vehicle Advertising Regulations would constitute a second or succeeding violation subject to enhanced penalties under N.J.S.A. 56:8-13.

COUNT I

VIOLATION OF THE CFA BY DEFENDANT (UNCONSCIONABLE COMMERCIAL PRACTICES)

16. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 15 above as if more fully set forth herein.

17. 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. . .

18. Since at least May 2010, Defendant, through its owners, officers, directors, shareholders, founders, managers, agents, servants, employees, representatives and/or independent contractors, has attempted to enter into various retail transactions with consumers in this State and elsewhere for the sale of used motor vehicles through Craigslist and as well as at the Ramsey Chrysler Jeep Dodge dealership.

19. In so doing, Defendant, through its owners, officers, directors, shareholders, founders, managers, agents, servants, employees, representatives and/or independent contractors, has engaged in the use of unconscionable commercial practices.

20. Defendant's conduct in violation of the CFA includes, but is not limited to, the following unconscionable commercial practices:

- a. Offering for sale used motor vehicles without disclosing the prior use of the vehicles (i.e. rental);
- b. Offering for sale used motor vehicles without disclosing the prior damage to the vehicles;
- c. Offering for sale used motor vehicles without disclosing the business name and address of the dealership selling the used motor vehicle;
- d. Offering for sale used motor vehicles without disclosing the vehicle identification number ("VIN");
- e. Offering for sale used motor vehicles without disclosing the actual odometer reading; and

f. Offering for sale used motor vehicles without disclosing to consumers that the price posted did not include licensing costs, registration fees and taxes.

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

COUNT II

VIOLATION OF THE CFA BY DEFENDANT (FAILURE TO DISPLAY SELLING PRICE)

22. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 21 above as if more fully set forth herein.

23. The CFA requires that persons offering merchandise for sale display the selling price, and provides as follows:

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.]

24. 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 and the act of which the act is a supplement.

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

25. At least as of June 2010, Defendant offered for sale and/or sold used motor vehicles without labeling or displaying the total selling price.

26. Each instance and each day where Defendant offered for sale 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 III

VIOLATION OF THE MOTOR VEHICLE ADVERTISING REGULATIONS BY DEFENDANT (FAILURE TO MAKE THE REQUIRED DISCLOSURES)

27. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 26 above as if more fully set forth herein.

28. The Motor Vehicle Advertising Regulations N.J.A.C. 13:45A-26A.1 et seq., address, among other things, general advertising practices concerning motor vehicles offered for sale or lease in the State.

29. First, the Motor Vehicle Advertising Regulations set forth certain mandatory disclosure requirements for advertisements for the sale of used motor vehicles. Specifically, N.J.A.C. 13:45A-26A.5(b) addresses the required disclosures for used motor vehicles and provides, in pertinent part:

- (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; and
 - 2. The nature of prior use unless previously and exclusively owned or leased for individuals for their personal use, when such prior use is known or should have been known by the advertiser.

[N.J.A.C. 13:45A-26A.5(b)(1) and (2).]

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

1. The advertiser's business name and business address;
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;
...
6. The last eight digits of the vehicle identification number, preceded by the letters "VIN." . . . ;

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

31. Third, 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:

.....

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 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)7.]

32. Fourth, the Motor Vehicle Advertising Regulations require certain disclosures to be made on-site at the dealership 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[;]
 - ...
 3. The Used Car Buyers Guide[.]

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

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

- a. In its Craigslist advertisements, the failure to disclose its business name and address;
- b. In its Craigslist advertisements for used motor vehicles, the failure to disclose the VIN;
- c. In its Craigslist advertisements for used motor vehicles, the failure to disclose the actual odometer reading;
- d. In its Craigslist advertisements for used motor vehicles, the failure to disclose prior use of the vehicle;
- e. In its Craigslist advertisements for used motor vehicles, the failure to disclose prior damage to the vehicle;
- f. In its Craigslist advertisements, the failure to disclose the required statement that "price(s) include(s) all costs to be paid by the consumer, except for licensing costs, registration fees, and taxes" (N.J.A.C. 13:45A-26A.5(a)2));
- g. The failure to post the price of an advertised used motor vehicle; and
- h. The failure to post the Used Car Buyer's Guide.

34. Defendant's conduct constitutes multiple violations of the Motor Vehicle Advertising Regulations, N.J.A.C. 13:45A-26A.5(a)(1)(2) and (6), N.J.A.C. 13:45A-26A.5(b)(1) and (2),

N.J.A.C. 13:45A-26A.7(a)(7) and N.J.A.C. 13:45A-26A.9(a)(1) and (3), each of which constitutes a per se violation of the CFA, N.J.S.A. 56:8-2.

COUNT IV

VIOLATION OF THE CONSENT JUDGMENT

35. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 34 above as if more fully set forth herein.

36. Pursuant to the Consent Judgment, Defendant, among other things, agreed to not engage in any deceptive practices in violation of the CFA and the Motor Vehicle Advertising Regulations and agreed to disclose to consumers all known material facts concerning used motor vehicles, including prior history and prior damage.

37. Pursuant to the Consent Judgment, Defendant “agree[d] that any future violations of the injunctive provisions of this Consent Judgment, the CFA . . . [and] the Motor Vehicle Advertising Regulations . . . [by Defendant] shall constitute a second or succeeding violation pursuant to N.J.S.A. 56:8-13 and that Defendant may be liable for enhanced civil penalties.”

38. As set forth herein, Defendant continues to engage in acts and practices in violation of the CFA, the Motor Vehicle Advertising Regulations and the terms of the Consent Judgment.

39. Such conduct constitutes second and subsequent violations of the CFA subject to a penalty of up to \$20,000 per violation pursuant to N.J.S.A. 56:8-13.


PRAYER FOR RELIEF

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

- (a) Finding that the acts and omissions of Defendant constitute multiple instances of unlawful practices in violation of the CFA, N.J.S.A. 56:8-1 et seq., and the Motor Vehicle Advertising Regulations, N.J.A.C. 13:45A-26A.1 et seq.;
- (b) Finding that the acts and omissions of Defendant constitute multiple instances of unlawful practices in violation of the CFA, N.J.S.A. 56:8-1 et seq., and the Motor Vehicle Advertising Regulations, N.J.A.C. 13:45A-26A.1 et seq., and as such, violate the injunctive provisions of the Consent Judgment;
- (c) Permanently enjoining Defendant and its owners, officers, directors, shareholders, founders, managers, agents, servants, employees, representatives, 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., and the Motor Vehicle Advertising Regulations, N.J.A.C. 13:45A-26A.1 et seq. including, but not limited to the acts and practices alleged in this Complaint;
- (d) Directing the assessment of restitution amounts against Defendant 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;
- (e) Assessing the maximum statutory civil penalties against Defendant for each and every violation of the CFA, in accordance with N.J.S.A. 56:8-13;
- (f) Directing the assessment of costs and fees, including attorneys' fees, against Defendant 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

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

PAULA T. DOW
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs

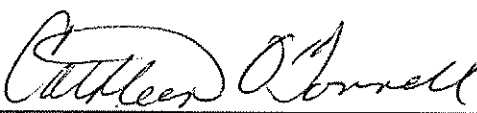
By: 
Cathleen O'Donnell
Deputy Attorney General

Dated: January 5, 2010
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 New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq., and the Motor Vehicle Advertising Regulations, N.J.A.C. 13:45A-26A.1 et seq., 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 the Defendant, but have no direct information that any such actions involve consumer fraud allegations. I further certify that the matter in controversy in this action is not the subject of a pending arbitration proceeding in this State, nor is any other action or arbitration proceeding contemplated. I certify that there is no other party who should be joined in this action at this time.

PAULA T. DOW
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs


By: 
Cathleen O'Donnell
Deputy Attorney General

Dated: January 5, 2011
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).

PAULA T. DOW
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs


By: 
Cathleen O'Donnell
Deputy Attorney General

Dated: January 5, 2011
Newark, New Jersey

DESIGNATION OF TRIAL COUNSEL

Pursuant to R. 4:25-4, Cathleen O'Donnell, Deputy Attorney General, is hereby designated as trial counsel on behalf of Plaintiffs in this action.

PAULA T. DOW
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs

By: 
Cathleen O'Donnell
Deputy Attorney General

Dated: January 5, 2011
Newark, New Jersey