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By: Jeffrey Koziar  
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[REDACTED]

**RECEIVED**

MAY - 8 2012

MARGARET MARY McVEIGH, P.J.CH.

SUPERIOR COURT OF NEW JERSEY  
CHANCERY DIVISION,  
PASSAIC COUNTY  
DOCKET NO.: \_\_\_\_\_

JEFFREY S. CHIESA, Attorney General of the  
State of New Jersey, and ERIC T. KANEFSKY,  
Acting Director of the New Jersey Division of  
Consumer Affairs,

Plaintiffs,

v.

LENCORE LEASING, INC., d/b/a NORTH  
JERSEY AUTO MALL and DCH MOTORS,  
LENNY BELOT and JANE AND JOHN DOES 1-  
10, individually and as owners, officers, directors,  
founders, managers, agents, servants, employees,  
representatives and/or independent contractors of  
LENCORE LEASING INC., d/b/a NORTH  
JERSEY AUTO MALL and DCH MOTORS and  
XYZ CORPORATIONS 1-10.

Defendants.

Civil Action

**VERIFIED COMPLAINT**

Plaintiffs Jeffrey S. Chiesa, Attorney General of the State of New Jersey ("Attorney

General”), with offices located at 124 Halsey Street, Fifth Floor, Newark, New Jersey, and Eric T. Kanefsky, 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 this Verified Complaint state:

**PRELIMINARY STATEMENT**

1. Consumers are particularly vulnerable to deceptive 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 vehicles offered for sale. This vulnerability is even more acute for consumers outside the State of New Jersey (“New Jersey” or “State”) who purchase motor vehicles online. Consumers often have no choice but to rely upon the advertisements and representations made by motor vehicle dealerships with respect to the vehicles offered for sale. The State has recognized the dangers of consumers being exploited by deceptive sales practices and has enacted a comprehensive set of laws and regulations aimed at ensuring that consumers have access to all relevant information when purchasing a used motor vehicle.

2. At all relevant times, Lencore Leasing, Inc., d/b/a North Jersey Auto Mall and DCH Motors (“Lencore Leasing”) and/or Lenny Belot (“Belot”) (collectively “Defendants”) have been engaged in the retail sale of used motor vehicles in the State and elsewhere through the internet and at its dealership location. In so doing, Defendants have failed to comply with the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq. (“CFA”), the Used Car Lemon Law (“UCLL”), N.J.S.A. 56:8-67 et seq. and the Regulations Governing Motor Vehicle Advertising Practices, N.J.A.C. 13:45A-1.1. et seq. (“Motor Vehicle Advertising Regulations”) by, among other things: (a) failing to disclose the prior condition and/or use of used motor vehicles; (b) failing to disclose

existing mechanical defects in used motor vehicles; and (c) misrepresenting that certain used motor vehicles offered for sale were covered by a warranty. The Attorney General and Acting Director submit this Verified Complaint in connection with an Order to Show Cause, to halt Defendants' deceptive business practices, to prevent additional consumers from being harmed and to preserve Defendants' records and assets to, among other things, provide for consumer restitution.

### **PARTIES AND JURISDICTION**

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

4. By this action, the Attorney General and Director (collectively, "Plaintiffs") seek injunctive and other relief for violations of the CFA, the UCLL, 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, N.J.S.A. 56:8-11, N.J.S.A. 56:8-13 and N.J.S.A. 56:8-19. Venue is proper in Passaic County, pursuant to R. 4:3-2, because it is a county in which Defendants have advertised and/or conducted business and maintained a principal place of business.

5. Lencore Leasing is a corporation established in New Jersey on October 11, 2005. At all relevant times, Lencore Leasing has maintained a principal business address of 1021 Market Street, Paterson, New Jersey 07513.

6. Upon information and belief, the registered agent in the State for Lencore Leasing is Cory Erskin, who maintains a mailing address of 2925 Route 23 Suite E1, Newfoundland, New Jersey 07435.

7. As of December 7, 2010, Lencore Leasing was registered in the State to conduct business under the alternate name of DCH Motors. The Registration of Alternate Name was signed by Belot, identified as the Vice President of Lencore Leasing.

8. As of August 17, 2011, Lencore Leasing was registered to conduct business in the State under the alternate name of North Jersey Auto Mall. The Registration of Alternate Name was signed by Belot, identified as the President of Lencore Leasing.

9. At all relevant times, Belot has been the principal owner and operator of Lencore Leasing and has been generally responsible for the operation of the dealership, including the execution of transactions with consumers. At all relevant times, Belot has maintained a mailing address of [REDACTED]

10. 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 Lencore Leasing 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.

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

## GENERAL ALLEGATIONS

### **A. Defendants' Business Operations**

12. Since at least April 2006, Defendants have operated a motor vehicle dealership in the State and have engaged in the retail sale of used motor vehicles to consumers in the State and elsewhere.

13. At all relevant times, Defendants have offered used motor vehicles for sale at the dealership location of 1021 Market Street, Paterson, New Jersey 07513.

14. Defendants have advertised and offered for sale used motor vehicles through the websites located at [www.lencoregroup.com](http://www.lencoregroup.com). ("Lencore Website"), [www.northjerseyautomall.com](http://www.northjerseyautomall.com) ("North Jersey Auto Mall Website") and [www.dchmotors.com](http://www.dchmotors.com) ("DCH Motors Website") (collectively, "Lencore Leasing Website").

15. The Lencore Website was created on April 13, 2007 and is registered to Lencore Leasing. The North Jersey Auto Mall Website was created on August 10, 2011 and is registered to Belot, who is also the administrative contact. The DCH Motors Website was created on June 18, 2011 and is registered to "Lenny B.", who is also the administrative contact.

16. Among other things, the Lencore Website states: (a) "Welcome to North Jersey Auto Mall"; (b) "We would like to thank you for visiting our website and considering North Jersey Auto Mall for the purchase of your new or pre-owned vehicle. It is our goal to provide you with an excellent purchase and ownership experience"; (c) Store Hours that include "Sunday By Appointment"; (d) contact information of "1021 Market Street, Paterson, NJ 07513", "Tel. 201-300-2840", FAX 973-279-6800" and "[www.northjerseyautomall.com](http://www.northjerseyautomall.com)", and (e) "North Jersey Auto Mall is DBA name for Lencore Leasing, Inc."

17. At all relevant times, Defendants have offered used motor vehicles for sale and/or lease through [www.eBay.com](http://www.eBay.com) ("eBay Website") and [www.autotrader.com](http://www.autotrader.com). ("Autotrader Website").

**B. Defendants' Advertisement and Offering for Sale of Used Motor Vehicles**

18. The Division reviewed the motor vehicles advertised and offered for sale on the Lencore Leasing Website in August 2010 and May 2011 and performed Carfax searches on the advertised vehicles. The Division also reviewed the used motor vehicles advertised and offered for sale by Lencore Leasing on the Autotrader Website in April 2012. During these time periods, the Division found that the Lencore Leasing Website (a) advertised forty-five (45) used motor vehicles for sale without disclosing their prior use, (b) advertised fifty-one (51) used motor vehicles for sale without disclosing their prior damage and (c) advertised two-hundred fifty-five (255) used motor vehicles for sale without including a statement on the website that "prices include(s) all costs to be paid by a consumer, except for licensing costs, registration fees and taxes."

19. From August 12, 2010 to August 25, 2010, Defendants advertised and offered for sale used motor vehicles through the Lencore Website. At that time, Defendants: (a) advertised and offered for sale fourteen (14) used motor vehicles without disclosing their prior use; (b) advertised and offered for sale twelve (12) used motor vehicles without disclosing prior damage; and (c) advertised and offered for sale one hundred eleven (111) used motor vehicles without including a statement that "prices include(s) all costs to be paid by a consumer, except for licensing costs, registration fees and taxes."

20. The total amount of undisclosed damage to the twelve (12) used motor vehicles referenced above is \$43,524.00. Some examples of undisclosed vehicle damage include the

following: (a) 2003 Mercedes-Benz- advertised price: \$34,750.00; undisclosed damage: \$3,962.00; (b) 2008 Toyota Prius- advertised price: \$17,750.00; undisclosed damage: \$6,307.00; (c) 2002 Mercedes-Benz- advertised price: \$19,750.00; undisclosed damage: \$1,938.00; (d) 2001 Cadillac Deville- advertised price: \$9,750.00; undisclosed damage: \$5,420.00 and (e) 2005 Toyota Prius- advertised price: \$13,750.00; undisclosed damage: \$3,321.00.

21. From May 11, 2011 to May 19, 2011, Defendants advertised and offered for sale used motor vehicles through the Lencore Website. At that time, Defendants: (a) advertised and offered for sale seventeen (17) used motor vehicles without disclosing their prior use; (b) advertised and offered for sale twenty-nine (29) used motor vehicles without disclosing prior damage; and (c) advertised and offered for sale one hundred forty-four (144) used motor vehicles without including a statement that “prices include(s) all costs to be paid by a consumer, except for licensing costs, registration fees and taxes.”

22. The total amount of undisclosed damages to the twenty-nine (29) used motor vehicles referenced above is \$91,890.66. Some examples of undisclosed vehicle damage include the following: (a) 2001 Mercedes-Benz- advertised price: \$14,750.00; undisclosed damage: \$2,500.00; (b) 2000 BMW- advertised price: \$7,999.00; undisclosed damage: \$4,000.00; (c) 2005 Jaguar- advertised price: \$6,750.00, undisclosed damage: \$7,500.00; (d) 2005 Audi- advertised price: \$24,750.00; undisclosed damage: \$17,878.00 and (e) 2003 Infiniti- advertised price: \$23,750.00; undisclosed damage: \$4,952.24.

23. On April 24, 2012, Defendants advertised and offered for sale used motor vehicles through the Autotrader Website. At that time, Defendants (a) advertised and offered for sale fourteen (14) used motor vehicles without disclosing their prior used and (b) advertised and offered

for sale ten (10) used motor vehicles without disclosing their prior damage.

24. The total amount of undisclosed damage to the ten (10) used motor vehicles referenced above is \$78,344.12. Some examples of undisclosed vehicle damage include the following: (a) 2004 Land Rover- advertised price: \$17,550.00; undisclosed damage: \$3,892; (b) 2006 BMW- advertised price: \$32,750.00; undisclosed damage: \$22,857.00; (c) 2004 BMW- advertised price: \$14,995.00; undisclosed damage: \$2,236.15; (d) 2004 Bentley- advertised price: \$67,750.00; undisclosed damage: \$20,019.00 and (e) 2009 Mercedes-Benz- advertised price: \$62,750.00; undisclosed damage: \$18,045.02.

25. During the three time periods referenced above, Defendants: (a) advertised and offered for sale forty-five (45) used motor vehicles without disclosing their prior use; (b) advertised and offered for sale fifty-one (51) used motor vehicles without disclosing prior damage and (c) advertised and offered for sale two-hundred fifty-five (255) used motor vehicles without including a statement that "prices include(s) all costs to be paid by a consumer, except for licensing costs, registration fees and taxes." The total amount of undisclosed damages for the fifty-one (51) used motor vehicles referenced above is \$213,758.78.

26. Additionally, during the period of September 11, 2010 to October 19, 2011, Defendants sold used motor vehicles to consumers outside the State and, among other things, (a) misrepresented the vehicles' condition; (b) failed to disclose serious mechanical defects in the vehicles prior to sale; (c) failed to disclose prior use before sale; (d) misrepresented that the purchase price included an extended service warranty, when such was not the case; (e) misrepresented the terms of a warranty prior to sale; (f) sold vehicles "as is" without obtaining the appropriate waivers from consumers; (g) misrepresented the features of a vehicle; and (h) failed to provide refunds to



consumers who purchased vehicles with undisclosed defects.

27. The Division has received fourteen (14) complaints against Defendants. Nine (9) complaints were received directly by the Division. Four (4) complaints were received from County consumer affairs offices and one complaint was received from the Better Business Bureau of New Jersey ("BBBNJ"). All of the consumers who submitted complaints reside outside of New Jersey. The complaints concern conduct covering the period from September 11, 2010 to October 19, 2011.

28. At least as of March 28, 2012, Lencore Leasing has a BBBNJ rating of "F".

### COUNT I

#### **VIOLATION OF THE CFA BY DEFENDANTS (UNCONSCIONABLE COMMERCIAL PRACTICES, DECEPTION AND KNOWING OMISSION OF MATERIAL FACTS)**

29. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 28 above as if more fully set forth herein.

30. 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. . . .

31. Since at least April 2006, Defendants, through their 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 the Lencore Leasing Website, eBay Website, Autotrader Website, as well as their dealership location.

32. In so doing, Defendants, through their owners, officers, directors, shareholders, founders, managers, agents, servants, employees, representatives and/or independent contractors, have engaged in the use of unconscionable commercial practices, deception, misrepresentations and/or the knowing concealment, suppression of material facts.

33. Defendants' conduct in violation of the CFA includes, but is not limited to, the following unconscionable commercial practices and/or deception:

- a. Offering for sale used motor vehicles without disclosing the prior use of the vehicles (i.e. rental; corporate)
- b. Offering for sale used motor vehicles without disclosing the prior damage to the vehicles;
- c. Offering for sale used motor vehicles with mechanical defects that rendered the vehicles either inoperable or unsafe;
- d. Including in advertisements of used motor vehicles on the Lencore Leasing Website photographs which did not reflect the true condition of the vehicles; and
- e. Failing to respond to consumer inquiries and/or requests for refunds or other reimbursement of costs incurred in connection with the repair of defective used motor vehicles purchased from Defendants .

34. Defendants conduct in violation of the CFA includes, but is not limited to, the following knowing omissions of material facts:

- a. Failing to disclose mechanical defects in used motor vehicles prior to sale;
- b. Failing to disclose prior damage to used motor vehicles offered for sale on the Lencore Leasing Website and the Autotrader Website;
- c. Failing to disclose prior use of used motor vehicles offered for sale on the Lencore Leasing Website and the Autotrader Website; and
- d. Failing to disclose that the price posted for used motor vehicles offered for

sale on the Lencore Leasing Website did not include licensing costs, registration fees and taxes.

35. Each unconscionable commercial practice, act of deception and/or and knowing concealment, suppression or omission of a material fact 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)**

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

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

- a. Misrepresenting that used motor vehicles offered for sale were (i) in "pristine condition"; (ii) "absolutely perfect inside and out"; (iii) "fully serviced up to date"; (iv) needed "nothing"; (v) "barely broken in, very clean interior"; (vi) "absolutely mint in and out, no issues with mechanical or electrical" when such vehicles, in fact, had serious mechanical defects and flaws;
- b. Misrepresenting that the purchase price of a used motor vehicle included a service warranty, when such was not the case;
- c. Misrepresenting that a used motor vehicle offered for sale would be equipped with floor mats, when such was not the case;
- d. Misrepresenting that a used motor vehicle offered for sale would be equipped with a fully operational navigation system, when such was not the case; and
- e. Misrepresenting that the engine in a used motor vehicle offered for sale was supercharged, when it was not.

38. Each misrepresentation by Defendants constitutes a separate violation of the CFA,

N.J.S.A. 56:8-2.

**COUNT III**

**VIOLATION OF THE UCLL BY DEFENDANTS  
(FAILURE TO DISCLOSE MECHANICAL DEFECTS)**

39. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 38 above as if more fully set forth herein.

40. The Used Car Lemon Law (“UCLL”), N.J.S.A. 56:8-67 et seq. applies to the sale of used motor vehicles. Specifically, N.J.S.A. 56:8-68 provides in pertinent part:

It shall be an unlawful practice for a [used motor vehicle] dealer:

- a. To misrepresent the mechanical condition of a used motor vehicle;
- b. To fail to disclose, prior to sale, any material defect in the mechanical condition of the used motor vehicle which is known to the dealer;
- c. To represent that a used motor vehicle, or any component thereof, is free from material defects in mechanical condition at the time of sale, unless the dealer has a reasonable basis for this representation at the time it is made ...

[N.J.S.A. 56:8-68]

41. When entering into transactions in connection with the sale of used motor vehicles, Defendants violated the UCLL by engaging in conduct including but not limited to the following:

- a. Misrepresenting that a used motor vehicle offered for sale was “absolutely perfect inside and out” when, in fact, Defendants failed to disclose the vehicle had serious mechanical defects;
- b. Misrepresenting that a used motor vehicle offered for sale was “absolutely mint in and out, no issues with mechanical or electrical” when, in fact, Defendants failed to disclose the vehicle had serious mechanical defects;

- c. Misrepresenting that a used motor vehicle offered for sale needed “nothing” when, in fact, Defendants failed to disclose the vehicle had serious mechanical defects;
- d. Misrepresenting that a used motor vehicle offered for sale was “fully serviced up to date” when, in fact, Defendants failed to disclose the vehicle had serious mechanical defects;
- e. Failing to disclose material mechanical defects in other used motor vehicles offered for sale;

42. Each misrepresentation of the mechanical condition of a used motor vehicle offered for sale and each failure to disclose a material mechanical defect in a used motor vehicle offered for sale by Defendants constitutes a separate violation of the UCLL, N.J.S.A. 56:8-8.

**COUNT III**

**VIOLATIONS OF THE UCLL BY DEFENDANTS  
(WARRANTY VIOLATIONS)**

43. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 42 above as if more fully set forth herein.

44. The UCLL, N.J.S.A. 56:8-68, provides, in pertinent part, as follows:

It shall be an unlawful practice for a [used motor vehicle] dealer:

...

- e. To misrepresent the terms of any written warranty ... currently in effect on a used motor vehicle provided by a person other than the dealer, and subject to transfer to a consumer;
- h. To represent, prior to sale, that a used motor vehicle dealer is sold with a warranty ... when the vehicle is sold without any warranty ...;
- I. To fail to disclose prior to sale, that a used motor vehicle is sold without any warranty ...;

- j. To fail to provide a clear written explanation, prior to sale, of what is meant by the term “as is,” if the used motor vehicle is sold “as is.”

[N.J.S.A. 56:8-68].

The UCLL, N.J.S.A. 56:8-69, further provides, in relevant part, that:

It shall be an unlawful practice for a dealer to sell a used motor vehicle to a consumer without giving the consumer a written warranty which shall at least have the following durations:

- a. If the used motor vehicle has 24,000 miles or less, the warranty shall be, at a minimum, 90 days or 3,000 miles, whichever comes first;
- b. If the used motor vehicle has more than 24,000 miles but less than 60,000 miles, the warranty shall be, at a minimum, 60 days or 2,000 miles, whichever comes first; or
- c. If the used motor vehicle has 60,000 miles or more, the warranty shall be, at a minimum, 30 days or 1,000 miles, whichever comes first, except that a consumer may waive his right to a warranty as provided under section 7 of this act.

The UCLL, N.J.S.A. 56:8-73, further provides, in relevant part,

Notwithstanding any provisions of this act to the contrary, a consumer, as a result of price negotiations for the purchase of a used motor vehicle with other 60,000 miles, may elect to waive the dealer’s obligation to provide a warranty on the used motor vehicle. The waiver shall be in writing and separately stated in the agreement of retail sale or in an attachment thereto and separately signed by the consumer. The waiver shall state the dealer’s obligation to provide a warranty on used motor vehicles offered for sale, as set forth in sections 3 and 4 of this act. The waiver shall indicate that the consumer, having negotiated the purchase price of the used motor vehicle and obtained a price adjustment, is electing to waive the dealer’s obligation to provide a warranty on the used motor vehicle and is buying the used motor vehicle “as is.”

[N.J.S.A. 56:8-73.]

45. Defendants violated the UCLL by engaging in conduct including but not limited to the following:
- a. Misrepresenting to consumers prior to sale that used motor vehicles offered for sale were covered by a warranty, when such was not the case;
  - b. Misrepresenting to a consumer prior to sale the terms of a warranty;
  - c. Selling used motor vehicles to consumers “as is” without obtaining the appropriate waivers from consumers;
46. Each instance of Defendants misrepresenting that a used motor vehicle was sold with a warranty constitutes a separate violation of the UCLL, N.J.S.A. 56:8-68. Furthermore, each instance of Defendants failing to provide the appropriate warranty to a consumer pursuant to the sale of a used motor vehicle, or to misrepresent, or fail to disclose the terms of a warranty, constitutes a separate violation of the UCLL, N.J.S.A. 56:8-69.

#### COUNT IV

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

47. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 46 above as if more fully set forth herein.

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

49. 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 relevant 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:

- 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)(2).]

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

- 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;

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

51. Third, the Motor Vehicle Advertising Regulations prohibit certain advertising practices and provide, in relevant 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.]

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

- a. In their advertisements for used motor vehicles on Lencore Leasing Website, failing 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";
- b. In their advertisements for used motor vehicles on Lencore Leasing Website, failing to disclose prior use of the vehicles;
- c. In their advertisements for used motor vehicles on Lencore Leasing Website, failing to disclose prior damage to the vehicles;

53. Defendants' conduct constitutes multiple violations of the Motor Vehicle Advertising Regulations, N.J.A.C. 13:45A-26A.5(a)(2) and (6), N.J.A.C. 13:45A-26A.5(b)(2), and N.J.A.C. 13:45A-26A.7(a)(7), each of which constitutes a per se violation of the CFA, N.J.S.A. 56:8-2.

#### COUNT V

#### **VIOLATIONS OF THE CFA, UCLL AND/OR THE MOTOR VEHICLE ADVERTISING REGULATIONS BY DEFENDANT BELOT**

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

55. At all relevant times, Belot has been the owner, president, vice-president, officer,

operator and/or principal of Lencore Leasing and controlled and directed the activities of that entity.

56. Belot is personally liable for the violations of the CFA, the UCLL, and/or the Motor Vehicle Advertising Regulations committed by Lencore Leasing.

**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 violations of the CFA, N.J.S.A. 56:8-1 et seq., the UCLL, N.J.S.A. 56:8-67 et seq. and the Motor Vehicle Advertising Regulations, N.J.A.C. 13:45A-1.1. et seq.
- (b) Permanently enjoining Defendants and their owners, officers, directors, shareholders, founders, managers, agents, servants, employees, representatives and independent contractors and all other persons or entities directly under their control, from engaging in, continuing to engage in, or doing any acts or practices in violation of the CFA, N.J.S.A. 56:8-1 et seq., the UCLL, N.J.S.A. 56:8-67 et seq., and the Motor Vehicle Advertising Regulations, N.J.A.C. 13:45A-1.1. et seq. including, but not limited to, the acts and practices alleged in this Verified Complaint;
- (c) Permanently enjoining Defendants and their owners, officers, directors, shareholders, founders, managers, agents, servants, employees, representatives and 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;
- (d) Appointing a receiver, pursuant to N.J.S.A. 56:8-8 and N.J.S.A. 56:8-9, at Defendants' expense, to assume control over the assets of Defendants, render a full accounting and thereafter sell and/or convey such assets under the direction of the Court in order to restore any person who has suffered damages, whether named in the Verified Complaint or not, as a result of the unlawful acts of Defendants;
- (e) Directing the assessment of restitution amounts against Defendants, jointly and severally, to restore any affected person, whether or not named in this

Verified Complaint, any money or real or personal property acquired by means of any alleged practice herein to be unlawful, as authorized by the CFA, N.J.S.A. 56:8-8;

- (f) 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;
- (g) Directing the assessment of cost 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;
- (h) Granting such other relief as the interests of justice may require.

JEFFREY S. CHIESA  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for Plaintiffs

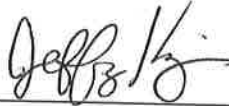
By: Jeffrey Koziar  
Jeffrey Koziar  
Deputy Attorney General

DATED: May 8, 2012  
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., the Used Car Lemon Law, N.J.S.A. 56:8-67 et seq., and the Motor Vehicle Advertising Regulations, N.J.A.C. 13:45A-26A.1 et seq., and 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 Defendants, 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.

JEFFREY S. CHIESA  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for Plaintiffs

By:   
\_\_\_\_\_  
Jeffrey Koziar  
Deputy Attorney General

Dated: May 8, 2012  
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).

JEFFREY S. CHIESA  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for Plaintiffs

By: Jeffrey Koziar  
Jeffrey Koziar  
Deputy Attorney General

Dated: May 8, 2012  
Newark, New Jersey

**DESIGNATION OF TRIAL COUNSEL**

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

JEFFREY S. CHIESA  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for Plaintiffs

By: Jeffrey Koziar  
Jeffrey Koziar  
Deputy Attorney General

Dated: May 8, 2012  
Newark, New Jersey

**VERIFICATION**

I, Murat Botas, of full age, hereby certifies as follows:

1. I am an Investigator with the New Jersey Division of Consumer Affairs (“Division”), Office of Consumer Protection.
2. I have read the foregoing Verified Complaint and on my own personal knowledge and review of documents in possession of the Division, I know that the facts set forth herein are true and they are incorporated in this certification by reference, except for those alleged upon information and belief.
3. I certify that the above statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

  
MURAT BOTAS

Dated: May 8, 2012  
Newark, New Jersey