



**PHILIP D. MURPHY**  
Governor

**SHEILA Y. OLIVER**  
Lt. Governor

## New Jersey Office of the Attorney General

Division of Consumer Affairs  
Office of Consumer Protection  
124 Halsey Street, 7<sup>th</sup> Floor, Newark, NJ 07102



**GURBIR S. GREWAL**  
Attorney General

**PAUL R. RODRÍGUEZ**  
Acting Director

**Mailing Address:**  
P.O. Box 45025  
Newark, NJ 07101  
(973) 504-6200

July 14, 2020

### **VIA CERTIFIED AND REGULAR MAIL**

Sejal Medic, Inc. d/b/a Hudson Drug of Cresskill  
c/o Shreyas Shah, President  
48 Union Avenue  
Cresskill, New Jersey 07626

### **NOTICE OF VIOLATION AND OFFER OF SETTLEMENT**

Dear Mr. Shah:

The New Jersey Division of Consumer Affairs, Office of Consumer Protection (“Division”) is charged with the enforcement of the New Jersey Consumer Fraud Act, **N.J.S.A. 56:8-1 to -224** (“CFA”). The Division conducted an investigation of Sejal Medic, Inc. d/b/a Hudson Drug of Cresskill (“You” or “Your”) after receiving information that raises concerns regarding Your sales practices regarding antibody or “serological” tests in the midst of the current public health crisis related to the COVID-19 pandemic (hereinafter “Investigation”). Specifically, the Division received information that You were advertising and selling antibody tests to the general public that were not permitted for at-home use.

The World Health Organization declared COVID-19 a global health emergency on January 30, 2020 and subsequently declared COVID-19 a pandemic on March 11, 2020. On March 9, 2020, Governor Philip D. Murphy issued Executive Order No. 103 (2020), declaring both a Public Health Emergency and a State of Emergency. Shortly thereafter, a national emergency was declared in the United States on March 13, 2020. The Attorney General of New Jersey and the Division will not tolerate unfair business practices, or any other attempt to prey on or profit from consumers’ fears or concerns relating to the COVID-19 pandemic.

The CFA, specifically **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

Division will then review this material and respond to You.

**IF YOU CONTEST THE VIOLATIONS ALLEGED**, and do not wish to settle the matter consistent with the terms set forth above, **You may request a formal Administrative Hearing by returning the enclosed Answering Certification within fifteen (15) days from the date of this Notice to Investigator Higgins at the email address indicated above.** In that event, this Notice will serve as notice of the violations against you. You should be aware that in making his final decision, the Director of the Division may, if violations of the above-referenced statute and regulations have been proven, order civil penalties and remedies other than the settlement offer above. **Specifically, You may be ordered to: pay civil penalties in an amount up to \$10,000 for the first violation and up to \$20,000 for the second violation and each subsequent violation pursuant to N.J.S.A. 56:8-13; pay consumer restitution pursuant to N.J.S.A. 56:8-15; pay investigative costs and attorneys' fees to the Division, pursuant to N.J.S.A. 56:8-11 and 56:8-19; and cease and desist from any act or practice in violation of the CFA, pursuant to N.J.S.A. 56:8-18.**

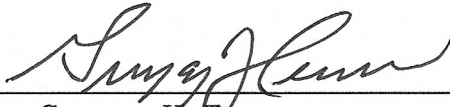
Before a determination is made with regard to whether an **Administrative Hearing** will be conducted before the Director of the Division or referred to the Office of Administrative Law, a **Pre-Hearing Conference** will be held. If You request an **Administrative Hearing**, your **Pre-Hearing Conference** will be scheduled **on August 18, 2020 at 10:00 a.m., at 124 Halsey Street, 7th Floor, Newark, New Jersey 07102 with Investigator Higgins. You may be accompanied by an attorney.** Should You have any questions regarding this procedure, or seek an adjournment of this date, please contact **Investigator Higgins**, who may be reached at **(973) 504-6332 or [HigginsK@dca.njoag.gov](mailto:HigginsK@dca.njoag.gov).** **Your attendance at this Pre-Hearing Conference is mandatory.** Any failure to appear without a satisfactory explanation may result in an order barring You from raising certain defenses at the **Administrative Hearing**, pursuant to **N.J.A.C. 1:1-14.4**. The purpose of this **Pre-Hearing Conference** is to discuss the issues in this matter and the defenses which You may wish to raise. You should be prepared to discuss the evidence You will propose to offer at the **Administrative Hearing**. It may be helpful if You bring to the **Pre-Hearing Conference** a copy of any documentation that supports Your position. If the Director of the Division determines that there are no material facts in dispute, You will have an opportunity to submit legal arguments and any documentation that may be relevant to the ultimate disposition of this matter. If there are material facts in dispute, an **Administrative Hearing** will be scheduled. During the **Administrative Hearing**, You, either personally or with the assistance of an attorney, will have an opportunity to respond to the alleged violations and submit evidence and present testimony as may be necessary for the Director of the Division to make a final determination. **Pursuant to N.J.A.C. 1:1-5.1, and except as provided in N.J.A.C. 1:1-5.4, a corporation must be represented by an attorney.**

**IF YOU FAIL TO RESPOND to this Notice within fifteen (15) days of the date of this Notice, the settlement offer will be withdrawn and You will be deemed in default.** The allegations against You will be deemed uncontested. Thereafter, this Notice and the underlying proofs may be reviewed by the Director of the Division, and a **Final Decision and Order on Default ("Default Order")** will be issued, and **You may be ordered to: pay civil penalties in an amount up to \$10,000 for the first violation and up to \$20,000 for the second violation and each subsequent violation pursuant**

**to N.J.S.A. 56:8-13; pay consumer restitution pursuant to N.J.S.A. 56:8-15; pay investigative costs and attorneys' fees to the Division pursuant to N.J.S.A. 56:8-11 and 56:8-19; and cease and desist from any act or practice in violation of the CFA, pursuant to N.J.S.A. 56:8-18. You will receive no further notice from the Division prior to the issuance of a Default Order. Once a Default Order has been entered, Your failure to pay any civil penalties, attorneys' fees, investigative costs and/or restitution within the time allowed will result in the filing of a Certificate of Debt. Any subsequent violation of a Default Order with a cease and desist provision may subject You to a penalty of up to \$25,000 per violation pursuant to N.J.S.A. 56:8-18. Service of a Default Order will be deemed effective if sent by first-class mail and certified mail, return receipt requested, to your last known mailing address.**

Should You have any questions, please contact **Investigator Higgins** at **(973) 504-6332** or [HigginsK@dca.njoag.gov](mailto:HigginsK@dca.njoag.gov).

New Jersey Division of Consumer Affairs  
Office of Consumer Protection

By:   
\_\_\_\_\_  
Gregory K. Turner  
Assistant Deputy of Enforcement

**ANSWERING CERTIFICATION**

I, \_\_\_\_\_, hereby acknowledge that I have read and reviewed the Notice, regarding alleged violations of the **CFA, N.J.S.A. 56:8-1 to -224**.

**PLEASE CHECK ONE OF THE OPTIONS BELOW:**

**(OPTION 1): Sejal Medic, Inc. d/b/a Hudson Drug of Cresskill**

\_\_\_\_\_ **I DO NOT CONTEST THE VIOLATIONS ALLEGED** and acknowledge the conduct that has been alleged and **agree** to:

1. Cease and desist from engaging in any practices in violation of the CFA;
2. Cease and desist from advertising, offering for sale and/or selling antibody or "serological" tests for at-home use contrary to the manufacturer's instructions; and
3. Pay a civil penalty in the amount of \$3,000.00.

**I understand that if the above-referenced payment in the total amount of \$3,000.00 is received by the Division, along with my signed Answering Certification, I need not do anything further.**

I am also aware that the action taken against Sejal Medic, Inc. d/b/a Hudson Drug of Cresskill by the Division herein is a matter of public record and that the Division's **Notice** and this **Answering Certification** are public documents. I am enclosing herewith a cashier's check or money order in the sum of **\$3,000.00** made payable to the "New Jersey Division of Consumer Affairs," which I am mailing or delivering to: New Jersey Department of Law and Public Safety, Division of Consumer Affairs, Office of Consumer Protection, 124 Halsey Street, P.O. Box 45025, Newark, New Jersey 07101, ATTN: Van Mallett.

Dated: \_\_\_\_\_

By: \_\_\_\_\_

SIGN NAME

Name: \_\_\_\_\_

PRINT NAME

**(OPTION 2): Sejal Medic, Inc. d/b/a Hudson Drug of Cresskill**

\_\_\_\_\_ **I DO NOT CONTEST THE VIOLATIONS ALLEGED** and hereby waive any rights I may have to an **Administrative Hearing** in this matter to defend Sejal Medic, Inc. d/b/a Hudson Drug of Cresskill against any alleged violations, **BUT** I ask the Division to consider mitigating circumstances before rendering its final decision.

\_\_\_\_ I request a **Mitigation Conference** to present information to Division representatives; I understand that the **Mitigation Conference will be held on August 18, 2020 at 10:00 a.m., at 124 Halsey Street, 7th Floor, Newark, New Jersey 07102. I am aware that I may be represented by an attorney at the Mitigation Conference.**

\_\_\_\_ I am submitting **written documentation concerning mitigating circumstances**; I understand that the Division will consider this material before rendering a final decision.

I understand that, if, after considering the mitigation evidence presented, the Division is not persuaded that any reduction in the amounts set forth above and in the **Notice** is warranted, or that any of the other terms or conditions should be modified, the following terms may be ordered and Sejal Medic, Inc. d/b/a Hudson Drug of Cresskill will be obligated to:

1. Cease and desist from engaging in any practices in violation of the CFA;
2. Cease and desist from advertising, offering for sale and/or selling antibody or “serological” tests for at-home use contrary to the manufacturer’s instructions; and
3. Pay a civil penalty in the amount of \$3,000.00.

If a modification in these terms is accepted by the Division, I will be notified of the amounts that I must pay. I am also aware that the action taken against Sejal Medic, Inc. d/b/a Hudson Drug of Cresskill by the Division herein is a matter of public record and that the Division’s **Notice** and this **Answering Certification** are public documents. I am further aware that failure to comply may subject Sejal Medic, Inc. d/b/a Hudson Drug of Cresskill to further enforcement proceedings and any failure to make a required payment will result in the filing of a **Certificate of Debt**.

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
SIGN NAME

Name: \_\_\_\_\_  
PRINT NAME

**(OPTION 3): Sejal Medic, Inc. d/b/a Hudson Drug of Cresskill**

\_\_\_\_\_ **I CONTEST THE VIOLATIONS ALLEGED** and **request a formal Administrative Hearing**. I understand that I am required to attend a **Pre-Hearing Conference on August 18, 2020 at 10:00 a.m., at 124 Halsey Street, 7th Floor, Newark, New Jersey 07102**, at which the issues in this matter will be discussed. **I am aware that I may be represented by an attorney at the Pre-Hearing Conference.**

If the Division and I agree upon any essential settlement terms at the **Pre-Hearing Conference**, I understand that:

1. These terms will be included in a document (“Pre-Hearing Settlement Sheet”);
2. The Division representative and I will sign the Pre-Hearing Settlement Sheet and Sejal Medic, Inc. d/b/a Hudson Drug of Cresskill will be bound by it; and
3. The Division will send me a **Consent Order**, which will include all settlement terms. I also understand that **I must sign and return the Consent Order and any required payment to the Division within thirty (30) days** of the date that the Division sends it to me.

I further understand that if I fail to do so, the Division will present this matter to the Director of the Division based upon this **Notice**, and a **Final Decision and Order After NOV (“Order”)** will be issued. **I will receive no further notice from the Division prior to issuance of an Order.**

If the Division and I do not agree upon settlement terms at the **Pre-Hearing Conference**, I will thereafter be advised of the time, date and place for the **Administrative Hearing** if a determination has been made that there are material facts in dispute. **I am aware that I may be represented by an attorney at the Administrative Hearing**. I am also aware that at the time of the **Administrative Hearing**, I may offer testimony, documentation and legal argument relevant to the alleged violations. **I understand that in making a final decision, the Director of the Division may, if unlawful activity has been proven, assess civil penalties, attorneys’ fees and investigative costs and/or issue a cease and desist order exceeding the settlement offer in the Notice**, and may order such other remedies as deemed appropriate. I am also aware that this proceeding is a matter of public record and that the **Notice** and this **Answering Certification** are public documents.

Dated: \_\_\_\_\_

By: \_\_\_\_\_

SIGN NAME

Name: \_\_\_\_\_

PRINT NAME

**Sejal Medic, Inc. d/b/a Hudson Drug of Cresskill  
48 Union Avenue  
Cresskill, New Jersey 07626**

**INVESTIGATIVE CERTIFICATION**

I, Kristen Higgins, being of full age, do hereby certify as follows:

1. I am employed as an Investigator by the Office of the Attorney General, Division of Consumer Affairs, Office of Consumer Protection (“Division”), located at 124 Halsey Street, Newark, New Jersey 07102, and have held that position at all times relevant to this Certification.
2. On or around April 22, 2020, the Division commenced an investigation with respect to Sejal Medic, Inc. d/b/a Hudson Drug of Cresskill (“Hudson Drug”), located at 48 Union Avenue, Cresskill, NJ 07626. Specifically, the Division received information that Hudson Drug was advertising and selling at-home COVID-19 test kits to the general public.
3. On April 23, 2020, I obtained information from the New Jersey Department of Treasury, Division of Commercial Recording as to Hudson Drug. This corporate information is attached hereto as Exhibit 1.
4. On April 24, 2020 at approximately 12:09 p.m., I called Hudson Drug at (201) 567-2235 and performed an undercover call to confirm that at-home COVID-19 test kits were being sold to the general public.
5. A female answered the phone on behalf of Hudson Drug. I asked the female if Hudson Drug was selling at-home test kits. After placing me on a brief hold, the female stated that they “do sell test kits, but [they] are out of stock at the moment.”
6. The female then said that I could leave my phone number if I wanted to be contacted when the test kits came in, which would be within the next few days. I asked the female for the price of the test kit, to which she replied “\$55.00.” I informed her that I did not wish to leave my phone number at this time, but if anything changed, I would call back.
7. On May 8, 2020 at approximately 9:30 a.m., I called Hudson Drug again at (201) 567-2235 and performed an undercover call to inquire if the at-home COVID-19 test kits were in stock.
8. I spoke with a female employee who identified herself as “Claudia.” I asked Claudia if Hudson Drug preformed antibody testing. Claudia informed me that Hudson Drug does have at-home antibody test kits for sale and in stock.
9. I asked Claudia how the test kit is administered. Claudia stated, “You prick your finger and mix your blood with a few drops of the chemicals provided in the test kit. After 15 minutes, you will receive your results.”

10. I then asked Claudia the price of the test kits, to which she replied, "\$55.00."
11. I provided this information to Investigator Andrew Tucker who then conducted an undercover purchase of a test kit from Hudson Drug on May 8, 2020.
12. Immediately after the undercover purchase, Investigator Tucker brought the test kit to me. I then captured photographs of the test kit and packaging that was sold to Investigator Tucker by Hudson Drug. These photographs are attached hereto as Exhibit 2. Included in the package given to Investigator Tucker by Hudson Drug was a set of manufacturer instructions. These instructions stated, in part, "The test is intended to be used at clinical laboratories or by healthcare workers at the point-of-care, not for home use." See Exhibit 2.

I certify that the foregoing 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.



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KRISTEN HIGGINS

Dated: July 10, 2020  
Newark, New Jersey