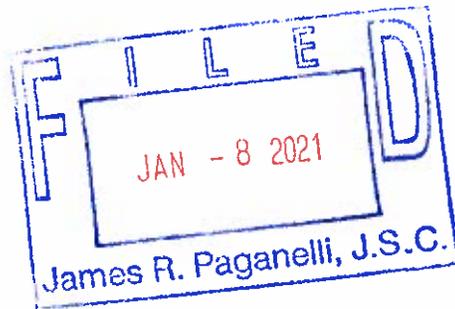


GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
124 Halsey Street, 5th Floor
P.O. Box 45029
Newark, New Jersey 07101
Attorney for Plaintiffs

By: Zachary N. Klein (017232012)
Deputy Attorney General
(973) 648-2489



SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION, ESSEX COUNTY
DOCKET NO. ESX-C-243-19

GURBIR S. GREWAL, Attorney General of the
State of New Jersey, and PAUL R.
RODRÍGUEZ, Acting Director of the New
Jersey Division of Consumer Affairs,

Plaintiffs,

v.

ELITE ALUMINUM PRODUCTS INC. D/B/A
DAYTONATACTICAL.COM AND
GUNPARTSPLUS.COM, JANE and JOHN
DOES 1-20, individually and as owners, officers,
directors, shareholders, founders, members,
managers, agents, servants, employees,
representatives and/or independent contractors of
ELITE ALUMINUM PRODUCTS INC. and
XYZ CORPORATIONS 1-20,

Defendant.

Civil Action

FINAL CONSENT JUDGMENT

The parties to this Action and Final Consent Judgment (“Consent Judgment”) are Plaintiffs Gurbir S. Grewal, Attorney General of the State of New Jersey, and Paul R. Rodríguez, Acting Director of the New Jersey Division of Consumer Affairs (collectively, “Plaintiffs”), and Defendant Elite Aluminum Products Inc. d/b/a DaytonaTactical.com & GunPartsPlus.com (“Elite

Aluminum” or “Defendant”). As evidenced by their signatures below, the Plaintiffs and the Defendant (collectively, “Parties”) do consent to the entry of this Consent Judgment and its provisions without trial or adjudication of any issue of fact or law, and without an admission of any liability or wrongdoing of any kind. The Parties consent to entry of this Consent Judgment to avoid the expenses and uncertainty associated with further investigation and/or litigation.

PRELIMINARY STATEMENT

On June 13, 2018, New Jersey’s Governor signed into law a bill that prohibited, with limited exceptions, large capacity ammunition magazines (“LCMs”) — magazines with a capacity of more than ten rounds of ammunition. The bill amended a New Jersey law, enacted on May 30, 1990, that prohibited ammunition magazines with a capacity of more than fifteen rounds of ammunition. On December 19, 2019, the Plaintiffs commenced this Action by Order to Show Cause alleging unconscionable commercial practices and acts of deception in violation of the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 to -226 (“CFA”), arising from the Defendant’s online Advertisement, offer for Sale, and Sale of LCMs to New Jersey residents, and from Defendant’s failure to obey a subpoena issued by the Attorney General.

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

IT IS HEREBY ORDERED, ADJUDGED AND AGREED AS FOLLOWS:

1. JURISDICTION

1.1 The Parties admit jurisdiction of this Court over the subject matter and over the Parties for the purpose of entering into this Consent Judgment. The Court retains jurisdiction for the purpose of enabling the Parties to apply to the Court at any time for such further orders and relief as may be necessary for the construction, modification, enforcement, execution or

satisfaction of this Consent Judgment.

2. VENUE

2.1 Pursuant to N.J.S.A. 56:8-8, venue as to all matters between the Parties hereto relating to or arising out of this Consent Judgment shall lie exclusively in the Superior Court of New Jersey - Chancery Division, Essex County.

3. EFFECTIVE DATE

3.1 This Consent Judgment shall be effective on the date that it is entered with the Court (“Effective Date”).

4. DEFINITIONS

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

4.2 “Action” shall refer to the matter titled Gurbir S. Grewal, Attorney General of the State of New Jersey, and Paul R. Rodriguez, Acting Director of the New Jersey Division of Consumer Affairs v. Elite Aluminum Products Inc. d/b/a DaytonaTactical.com & GunPartsPlus.com, Superior Court of New Jersey, Chancery Division, Essex County, Docket No. ESX-C-243-19, and all pleadings and proceedings related thereto, including the Verified Complaint, filed December 19, 2019, and the Answer and Affirmative Defenses, dated February 21, 2020.

4.3 “Advertisement” shall be defined in accordance with N.J.S.A. 56:8-1(c). These definitions apply to other forms of the word “Advertisement,” including “Advertised,” “Advertise[s]” and “Advertising.”

4.4 “Attorney General” shall refer to the Attorney General of the State of New Jersey

and the Office of the Attorney General of the State of New Jersey.

4.5 “Consumer” refers to any Person who is offered Merchandise for Sale.

4.6 “Division” refers to the New Jersey Division of Consumer Affairs.

4.7 “Document” shall be defined in accordance with R. 4:18-1(a).

4.8 “Include” and “Including” shall be construed as broadly as possible and shall mean “without limitation.”

4.9 “LCM” means large capacity ammunition magazine, as defined in N.J.S.A. 2C:39-1(y).

4.10 “Merchandise” shall be defined in accordance with N.J.S.A. 56:8-1(c) and Includes LCMs.

4.11 “New Jersey” and “State” refer to the State of New Jersey.

4.12 “New Jersey Consumer” refers to Consumers who reside in New Jersey, maintain a New Jersey IP address, and/or maintain a New Jersey shipping address.

4.13 “Person” shall be defined in accordance with N.J.S.A. 56:8-1(d).

4.14 “Sale” shall be defined in accordance with N.J.S.A. 56:8-1(e). This definition applies to other forms of the word “Sale,” Including “Selling,” “Sell(s)” and “Sold.”

4.15 “Subpoena” shall refer to the subpoena duces tecum issued by the Division to Elite Aluminum on August 14, 2019, pursuant to the Attorney General’s authority under N.J.S.A. 56:8-3 and 56:8-4.

5. STIPULATED FINDINGS OF FACTS

5.1 Defendant is a Florida Profit Corporation established on May 29, 2013. At all relevant times, Defendant has maintained a principal business and premise address of 1538 Garden

Street, Holly Hill, Florida 32117, and a mailing address of 918 Carswell Avenue, Holly Hill, Florida 32117.

5.2 Prior to December 19, 2019, Defendant Advertised, offered for Sale, and/or Sold LCMs to residents of New Jersey and elsewhere through the website located at DaytonaTactical.com (“Defendant’s website”).

5.3 From June 25 to 26, 2018, a Detective from the New Jersey Division of Criminal Justice (“DCJ”), acting in an undercover capacity, purchased eight Magpul PMAG 30-round 5.56x45/223 Magazines, priced at \$13.95 each, from Defendant through Defendant’s website. Defendant shipped the LCMs from “Gary Patterson” at “918 Carswell Ave, Holly Hill, FL 32117” to an undercover New Jersey address.

5.4 On July 1 and 2, 2018, DCJ Detectives picked up and took possession of the packages shipped by Defendant and, thereafter, confirmed delivery of the eight LCMs that DCJ ordered from June 25 to 26, 2018.

5.5 On January 7, 2019, the Attorney General issued a cease and desist letter (the “Cease and Desist Letter”) to Defendant demanding that it stop Advertising, Selling, and/or shipping LCMs to New Jersey. The Attorney General also demanded that Defendant provide details of past sales of ammunition magazines capable of holding fifteen rounds or more to any New Jersey address.

5.6 Although Defendant stopped Advertising, Selling, and/or shipping LCMs to New Jersey, Defendant did not produce any of the documents or information demanded in response to the Cease and Desist Letter.

5.7 On August 14, 2019, the Division issued the Subpoena to Defendant. Among other things, the Subpoena requested documents related to Defendant’s Advertisement, offer for Sale,

and Sale of LCMs to any New Jersey shipping address since January 1, 2012. The Subpoena included an original return date of August 30, 2019.

5.8 Despite repeated extensions granted by the Division, Defendant failed to comply with the Subpoena as of December 19, 2019.

6. ALLEGED VIOLATIONS OF LAW

6.1 N.J.S.A. 2C:39-1 to -20 regulates the possession, sale, manufacture, and transport of firearms in New Jersey.

6.2 On June 13, 2018, New Jersey enacted a law prohibiting, with limited exceptions, the sale or possession of LCMs. The bill reduced the maximum lawful magazine capacity from fifteen to ten rounds of ammunition. Under the law, any person who knowingly possesses an LCM is guilty of a crime of the fourth degree, punishable by fines of up to \$10,000, and by a term of imprisonment of up to eighteen months.

6.3 LCMs are “merchandise” within the meaning of the CFA, N.J.S.A. 56:8-1(c).

6.4 Plaintiffs allege that Elite Aluminum failed to comply with the CFA as follows:

- a. Advertising, offering for Sale, and/or Selling LCMs to New Jersey residents when the possession of such items in New Jersey is a criminal offense;
- b. Selling and delivering, in 69 transactions, a total of 167 LCMs to New Jersey addressees when the possession of such items in New Jersey is a criminal offense; and
- c. Failing to produce sales records and other documents requested in the Subpoena.

7. INJUNCTIVE RELIEF AND BUSINESS PRACTICES

7.1 Defendant shall not engage in any unfair or deceptive acts or practices in the conduct of any business in the State and shall comply with such State and/or federal laws, rules and regulations as now constituted, including the CFA.

7.2 Defendant shall not Advertise, offer for Sale, and/or Sell LCMs to any individuals

within the United States, including New Jersey Consumers.

7.3 Defendant shall block the shipping of any LCM to any United States address, including New Jersey addresses.

7.4 Defendant shall continue to make and keep any and all Documents Concerning all Sales and attempted purchases of LCMs to any New Jersey shipping address, Including checkout pages, invoices, order confirmations, shipping confirmations, receipts, payment confirmations, packing lists, and shipment tracking.

8. SETTLEMENT PAYMENT

8.1 The Parties have agreed to a settlement of the Action in the amount One Hundred and Thirty-Five Thousand and 00/100 Dollars (\$135,000.00) (“Settlement Payment”).

8.2 The Settlement Payment comprises of civil penalties, pursuant to N.J.S.A. 56:8-13, and reimbursement of Plaintiffs’ attorneys’ fees and investigative costs, pursuant to N.J.S.A 56:8-11 and 56:8-19.

8.3 Defendant shall pay the Settlement Payment in seven (7) installments as follows:

- (a) Seventy-Five Thousand and 00/100 Dollars (\$75,000.00) shall be paid contemporaneously with the signing of this Consent Judgment on or before January 15, 2021;
- (b) Ten Thousand and 00/100 Dollars (\$10,000.00) shall be paid on or before the first day of each month beginning on February 1, 2021 and concluding on July 1, 2021.

8.4 All payments made in satisfaction of the Settlement Payment shall be paid by certified check, cashier’s check, money order, credit card or wire transfer payable to the “New Jersey Division of Consumer Affairs” and forwarded to:

Case Initiation and Tracking Unit
New Jersey Department of Law & Public Safety
Division of Consumer Affairs
124 Halsey Street
P.O. Box 45029
Newark, New Jersey 07101
Attn: Van Mallett, Lead Investigator

8.5 Upon making the Settlement Payment, Defendant shall immediately be fully divested of any interest in, or ownership of, the monies paid and all interest in the monies, and any subsequent interest or income derived therefrom, shall inure entirely to the benefit of the Plaintiffs pursuant to the terms herein.

8.6 In the event Defendant fails to comply with Section 8.3, Plaintiffs shall provide Defendant with written notice of default or noncompliance (“Notice of Noncompliance”) seeking payment of any unpaid portion of the Settlement Payment. In any such Notice of Noncompliance, Plaintiffs shall provide Defendant with the specific details of the alleged default or noncompliance, and shall afford Defendant a fifteen (15) day period from receipt of the Notice of Noncompliance within which to cure the default or noncompliance (“Cure Period”).

8.7 In the event of Defendant’s failure to cure any such default or noncompliance within the Cure Period, Defendant consents to the entry of a judgment for any unpaid portion of the Settlement Payment. Upon entry by the Court of any such judgment, Plaintiffs shall then arrange for entry of such judgment as a statewide lien in New Jersey and elsewhere, as appropriate.

9. DISMISSAL OF ACTION

9.1 The entry of this Consent Judgment constitutes a dismissal with prejudice of the Action as between Plaintiffs and Defendant provided, however, that the Court shall retain jurisdiction to enforce the terms of this Consent Judgment.

10. GENERAL PROVISIONS

10.1 This Consent Judgment is entered into by the Parties as their own free and voluntary act and with full knowledge and understanding of the obligations and duties imposed by this Consent Judgment.

10.2 This Consent Judgment shall be governed by, and construed and enforced in accordance with, the laws of the State of New Jersey.

10.3 The Parties have negotiated, jointly drafted and fully reviewed the terms of this Consent Judgment and the rule that uncertainty or ambiguity is to be construed against the drafter shall not apply to the construction or interpretation of this Consent Judgment.

10.4 This Consent Judgment contains the entire agreement among the Parties. Except as otherwise provided herein, this Consent Judgment shall be modified only by a written instrument signed by or on behalf of the Plaintiffs and Defendant.

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

10.6 If any portion of this Consent Judgment is held invalid or unenforceable by operation of law, the remaining terms of this Consent Judgment shall not be affected.

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

10.8 This Consent Judgment is agreed to by the Parties and entered into for settlement purposes only. Neither the fact of, nor any provision contained in this Consent Judgment nor any action taken hereunder shall constitute, or be construed as: (a) an approval, sanction, or

authorization by the Attorney General, the Division, or any other governmental unit of the State of any act or practice of the Defendant; or (b) an admission by the Defendant that any of its acts or practices described in or prohibited by this Consent Judgment were or are unfair or deceptive or violate the Consumer protection laws of the State. This Consent Judgment is not intended, and shall not be deemed, to constitute evidence or precedent of any kind except in: (a) any action or proceeding by one of the Parties to enforce, rescind, or otherwise implement or affirm any or all of the terms of this Consent Judgment; or (b) any action or proceeding involving a Released Claim (as defined in Section 12) to support a defense of res judicata, collateral estoppel, release, or other theory of claim preclusion, issue preclusion, or similar defense.

10.9 Nothing contained in this Consent Judgment shall be construed to limit or otherwise affect the rights of any Persons who are not Parties to this Consent Judgment with respect to any of the matters contained herein.

10.10 Unless otherwise prohibited by law, any signatures by the Parties required for entry of this Consent Judgment may be executed in counterparts, each of which shall be deemed an original, but all of which shall together be one and the same Consent Judgment.

11. REPRESENTATIONS AND WARRANTIES

11.1 The Parties represent and warrant that their signatories to this Consent Judgment have authority to act for and bind the respective Parties.

11.2 Defendant represents and warrants that it has provided to Plaintiffs Documents reflecting all of the Sales of Merchandise to New Jersey shipping addresses from January 1, 2012 to date.

11.3 Defendant represents and warrants that it will no longer sell LCMs to any United States address, and will prevent the shipping of any LCM to any United States address.

12. RELEASE

12.1 In consideration of the injunctive relief, payments, undertakings, mutual promises, and obligations provided for in this Consent Judgment and conditioned on Defendant making the Settlement Payment in the manner referenced in Section 8, Plaintiffs hereby agree to release Defendant from any and all civil claims or Consumer-related administrative claims, to the extent permitted by State law, which Plaintiffs could have brought prior to the Effective Date against Defendant for violations of the CFA as alleged in the Action, as well as the matters specifically addressed in Sections 5 and 6 of the Consent Judgment (“Released Claims”).

12.2 Notwithstanding any term of this Consent Judgment, the following do not comprise Released Claims: (a) private rights of action; (b) actions to enforce this Consent Judgment; and (c) any claims against the Defendant by any other agency or subdivision of the State.

13. PENALTIES FOR FAILURE TO COMPLY

13.1 The Attorney General (or designated representative) shall have the authority to enforce the provisions of this Consent Judgment, seek sanctions or other relief (including attorneys’ fees and costs) for violations of this Consent Judgment, or both.

13.2 Plaintiffs and Defendant agree that any future violations of the provisions of Section 7 of this Consent Judgment shall constitute a second or succeeding violation under N.J.S.A. 56:8-13 and that Defendant may be liable for enhanced civil penalties.

14. COMPLIANCE WITH ALL LAWS

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

- (a) Relieving the Defendant of its obligations to comply with all State and federal laws, regulations or rules, as now constituted or as may hereafter be amended, or as granting permission to engage in any acts or practices prohibited by any such laws, regulations or rules; or

- (b) Limiting or expanding any right the Plaintiffs may otherwise have to obtain information, documents, or testimony from the Defendant pursuant to any State or federal law, regulation or rule, as now constituted or as may hereafter be amended, or limiting or expanding any right the Defendant may otherwise have pursuant to any State or Federal law, regulation or rule, to oppose any process employed by the Plaintiffs to obtain such information, documents, or testimony.

15. NOTICES UNDER THIS CONSENT JUDGMENT

15.1 Except as otherwise provided herein, any notices or other documents required to be sent to the Parties pursuant to this Consent Judgment shall be sent by the United States Mail, Certified Mail Return Receipt Requested, or other nationally recognized courier service that provides for tracking services and identification of the person signing for the documents. The notices and/or documents shall be sent to the following addresses:

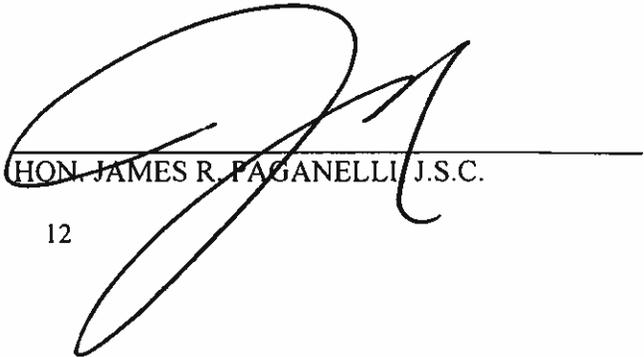
For the Plaintiffs:

Zachary N. Klein
Deputy Attorney General
State of New Jersey Office of the Attorney General
Division of Law
124 Halsey Street, 5th Floor
P.O. Box 45029
Newark, New Jersey 07101

For the Defendant:

Timothy R. Rudd, Esq.
Scott L. Braum & Associates, Ltd.
812 East Franklin Street
Suite C
Dayton, Ohio 45459

IT IS ON THE 8th DAY OF January 2021, SO ORDERED,
ADJUDGED AND DECREED.



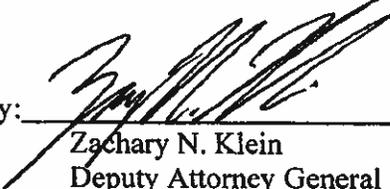
HON. JAMES R. FAGANELLI, J.S.C.

JOINTLY APPROVED AND
SUBMITTED FOR ENTRY:

FOR THE PLAINTIFFS:

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY

By: _____

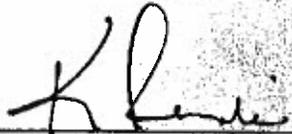

Zachary N. Klein
Deputy Attorney General

Dated: JANUARY 4, 2021

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

FOR THE DEFENDANT:

RENZULLI LAW FIRM, LLP

By:  _____ Dated: 8/21, 2021
Paul Fruto, Esq. *Kristin Renzulli, Esq.*

One North Broadway, Suite 1005
White Plains, New York 10601
Attorneys for Defendant Elite Aluminum Products Inc.

SCOTT L. BRAUM & ASSOCIATES, LTD.

By:  _____ Dated: 8/21, 2021
Timothy R. Rudd, Esq. (*pro hac vice admitted*)

812 East Franklin Street, Suite C
Dayton, Ohio 45459
Attorneys for Defendant Elite Aluminum Products Inc.

ELITE ALUMINUM PRODUCTS INC.

By:  _____ Dated: 8/21, 2021
Gary Patterson, President

1518 Garden Street
North Haven, Connecticut 06460