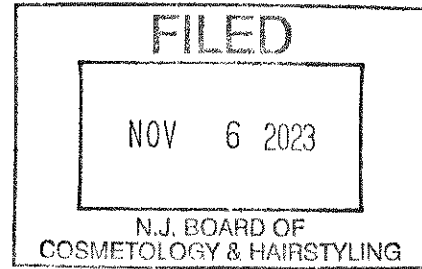


MATTHEW J. PLATKIN
ATTORNEY GENERAL OF NEW JERSEY
Division of Law
124 Halsey Street
P.O. Box 45029
Newark, New Jersey 07101

By: David M. Puteska
Deputy Attorney General
Tel: 973-648-2972
David.Puteska@law.njoag.gov
Attorney Identification No. 301995



STATE OF NEW JERSEY
DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF CONSUMER AFFAIRS
STATE BOARD OF COSMETOLOGY AND HAIRSTYLING

IN THE MATTER OF

**CAPRI INSTITUTE OF HAIR DESIGN,
LICENSE NOS. 18, 19, 20, 21**

Administrative Action

FINAL CONSENT ORDER

This matter was opened to the New Jersey State Board of Cosmetology and Hairstyling (the "Board") by Matthew J. Platkin, Attorney General of New Jersey, by Deputy Attorney General David M. Puteska, on June 3, 2022, upon the filing of a three-count Verified Complaint against Capri Institute of Hair Design, License Nos. 18, 19, 20 & 21 ("Respondent" and/or "Capri")¹ and the simultaneous filing of an Order to Show Cause requiring Respondent to appear before the

¹Board license numbers 18 to 21 were initially issued, and have been renewed, in the name of the entity "Capri Institute of Hair Design." The ownership structure of the schools identified as the Respondent in this action is as follows: Capri Training Centers d/b/a Capri Institute of Hair Design, a subsidiary of Capri Corporate Management. This Final Consent Order shall apply and Respondent shall be defined to include each of these corporate entities.

Board on June 14, 2022, and show why an Order temporarily suspending, or otherwise conditioning or limiting its licenses, should not be entered by the Board.

Respondent operated the following schools licensed by the Board: Capri Institute of Hair Design Paramus, 615 Winters Road, Paramus, New Jersey, License No. 18; Capri Institute of Hair Design Kenilworth, 660 North Michigan Avenue, Kenilworth, New Jersey 07033, License No. 19; Capri Institute of Hair Design Clifton, 1595 Main Avenue, Clifton, New Jersey 07011, License No. 20; and Capri Institute of Hair Design Brick, 268 Brick Boulevard, Brick, New Jersey 08724, License No. 21 and shall collectively be referred to hereafter as the “Capri Schools.” At all times relevant to the Complaint, the Capri Schools were managed and/or operated by Lorelei K. Muenster.

Respondent has denied, and continues to deny, the allegations in the Verified Complaint and filed a formal Answer denying same.

On July 6, 2022, Respondent entered into an Interim Consent Order with the Board addressing the relief sought via the Order to Show Cause. Pursuant to the terms of that Interim Consent Order, Respondent deposited into the trust fund of its counsel, DeCotiis, FitzPatrick, Cole & Giblin, L.L.P., \$160,000 to be held in escrow in lieu of a bond pursuant to N.J.S.A. 45:5B-33 (the “Escrow Funds”). The parties agreed that the Escrow Funds will not be distributed pending further order of the Board.

Subsequent to the filing of the Interim Consent Order, Ms. Muenster appeared in person before the Board for an investigative inquiry.

During the period of December 2021 to December 2022, Respondent ceased operation of each of its schools of cosmetology and hairstyling in New Jersey.

The Board finds that the allegations contained in the Verified Complaint, if proven, constitute: (1) a failure to follow the Board's curriculum requirements, in violation of N.J.A.C. 13:28-6.28 to 13:28-6.36; (2) failure to maintain the required bond, in violation of N.J.A.C. 13:28-6.37; and (3) a violation of Respondent's duty to cooperate with the Board arising from Lorelei Muenster's failure to appear and provide video testimony as required by Board subpoena pursuant to N.J.A.C. 13:45C-1.2 and 1.3(a)(3). Respondent's violation of the duty to cooperate with the Board further constitutes professional or occupational misconduct within the meaning of N.J.S.A. 45:1-21(e), as well as a failure to comply with the provisions of an act or regulation administered by the Board within the meaning of N.J.S.A. 45:1-21(h).

The parties being desirous of resolving this matter, without the necessity of further legal proceedings and it appearing that Respondent, having availed itself of counsel, has read the terms of the within Final Consent Order and understands their meaning and effect and consents to be bound by same, and the Board finding that the within disposition adequately protects the public health, safety and welfare, and for good cause shown,

IT IS, therefore, on this 6th day of November, 2023,

ORDERED AND AGREED THAT:

1. Respondent is hereby reprimanded for violations of the Board's Rules and Regulations as detailed above.
2. Effective immediately, Respondent shall surrender licenses number 18, 19, 20 and 21 to operate schools of cosmetology and hairstyling in the State of New Jersey. Respondent hereby confirms that it has ceased operation of the Capri Schools including, but not limited to, recruiting new students and/or offering and providing instruction regarding the practice of cosmetology and hairstyling in New Jersey.

3. The surrender of the licenses set forth in the preceding paragraph shall be without prejudice to future application by Respondent and/or Lorelei K. Muenster, or any entity related thereto, for a license to operate schools of cosmetology and hairstyling in New Jersey. Any future application for licensure by either Respondent and/or Lorelei K. Muenster to operate a school of cosmetology and hairstyling shall comply with N.J.A.C. 13:26-6.2. Should Respondent, Ms. Muenster or any entity related thereto seek a license to operate a school of cosmetology and hairstyling in the future it shall be prepared to provide the Board a specific and detailed business plan including, but not limited to, how it intends to avoid the issues which lead to the Board's investigation. The Board reserves the right to condition any future granting of licensure upon such conditions as it deems in the public interest.

4. The parties acknowledge that this Final Consent Order is conditioned upon Respondent's entry into a Final Consent Judgment in the matter filed by the Attorney General and Acting Director of the Division of Consumer Affairs in the Superior Court of New Jersey, Chancery Division, Union County on June 3, 2022, Docket No. UNN-C-000058-22. A copy of the Final Consent Judgment filed on November 2, 2023 ("Consent Judgment") is attached hereto as Exhibit I.

5. The Board hereby authorizes Respondent to utilize the Escrow Funds in the settlement of this matter and/or for payment of any sums due and owing as part of the Consent Judgment referenced in the preceding paragraph.

6. The parties acknowledge that pursuant to N.J.S.A. 45:1-22 and 25 the Board could impose a civil monetary penalty and/or restitution upon Respondent. Since the Consent Judgment provides the Division of Consumer Affairs with discretion to allocate a portion of the settlement amount to a civil monetary penalty pursuant to the New Jersey Consumer Fraud Act, the Board

will not impose any additional civil monetary penalty. Similarly, as the Consent Judgment provides for restitution to make students impacted by the closure of the Capri Schools whole, the Board will not require Respondent to provide any additional restitution.

7. Respondent is assessed costs for the Board's investigation and prosecution of this matter, including attorney's fees, in the amount of \$25,600 pursuant to N.J.S.A. 45:1-25. Payment in the amount of \$25,600 shall be made within ten (10) days of Respondent receiving a filed copy of this order. All payments shall be made by certified bank check, certified check, money order, wire transfer or credit card payable to the State of New Jersey and sent to the State Board of Cosmetology and Hair Styling, c/o Jay A. Malanga, Executive Director, P.O. Box 45003, Newark, New Jersey 07101. Any other form of payment will be rejected and will be returned to the party making payment. The Board reserves the right to file a Certificate of Debt in the event payment is not submitted within the above-referenced time frame.

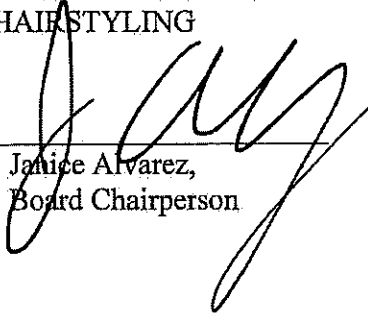
8. Respondent shall pay the total amount of costs on or before the effective date of the Consent Judgment. All payments shall be made in accordance with the terms set forth in the Consent Judgment. The Board reserves the right to file a Certificate of Debt in the event payment is not submitted within the above-referenced time frame.

9. The parties hereby stipulate that entry of this Final Consent Order is without prejudice to further action, investigation, and prosecution by this Board, the Attorney General, the Drug Control Unit, the Director of the Division of Consumer Affairs or other law enforcement resulting from Respondent's conduct not addressed by the terms of this Order. The Board

expressly reserves the right and jurisdiction to enforce the terms of this Final Consent Order.

NEW JERSEY STATE BOARD OF COSMETOLOGY
AND HAIRSTYLING

By: _____


Janice Alvarez,
Board Chairperson

I have read the within Final Consent Order,
understand its terms and agree
to be bound by them.

Dated: _____

Capri Institute of Hair Design

By: _____

Title: _____

Consent is hereby given
as to the form and entry of
this Final Consent Order.

Dated: _____

Jeffrey D. Smith, Esq.
DeCotiis, Fitzpatrick, Cole & Giblin, L.L.P.
Attorney for the Respondent Capri Institute
of Hair Design



David M. Blackwell, Esq.
Donnelly Minter & Kelly, LLC
Attorney for Lorelei K. Muenster

Dated: 10/30/2013

expressly reserves the right and jurisdiction to enforce the terms of this Final Consent Order,

NEW JERSEY STATE BOARD OF COSMETOLOGY
AND HAIRSTYLING


By: _____
Janice Alvarez,
Board Chairperson

I have read the within Final Consent Order,
understand its terms and agree
to be bound by them.

Dated: October 30, 2023

Capri Institute of Hair Design
By: _____
Title: Director

Consent is hereby given
as to the form and entry of
this Final Consent Order.



Jeffrey D. Smith, Esq.
DeCotis, Fitzpatrick, Cole & Giblin, L.L.P.
Attorney for the Respondent Capri Institute
of Hair Design

Dated: October 30, 2023

David M. Blackwell, Esq.
Donnelly Minter & Kelly, LLC
Attorney for Lorelei K. Muenster

Dated: _____

EXHIBIT 1

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

By: Renee Cadmus (048442011)
Ana Atta-Alla (246202017)
Deputy Attorneys General
973-648-7819

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION, UNION COUNTY
DOCKET NO.: UNN-L-002986-23

MATTHEW J. PLATKIN, Attorney General of
the State of New Jersey; and CARI FAIS, Acting
Director of the New Jersey Division of Consumer
Affairs,

Plaintiffs,

v.

CAPRI CORPORATE MANAGEMENT, INC.,
a/k/a CAPRI INSTITUTE and CAPRI
INSTITUTE OF HAIR DESIGN; CAPRI
TRAINING CENTERS, INC., a/k/a CAPRI
INSTITUTE and CAPRI INSTITUTE OF HAIR
DESIGN; ELBE ASSOCIATES, L.L.C.;
HELMUT E. MUENSTER, TRUST A; ESTATE
OF ANNE EVELYN MUENSTER; LORELEI K.
MUENSTER, individually and as president,
owner, officer, director, founder, member,
manager, employee, servant, agent, representative
and/or independent contractor of CAPRI
CORPORATE MANAGEMENT, INC., a/k/a
CAPRI INSTITUTE and CAPRI INSTITUTE OF
HAIR DESIGN and/or CAPRI TRAINING
CENTERS, INC., a/k/a CAPRI INSTITUTE and
CAPRI INSTITUTE OF HAIR DESIGN and/or
ELBE ASSOCIATES, L.L.C. and as a beneficiary
of the HELMUT E. MUENSTER, TRUST A and
as co-executrix of the ESTATE OF ANNE

Civil Action

FINAL CONSENT JUDGMENT

EVELYN MUENSTER; KAREN A. FANNING, as a beneficiary of the HELMUT E. MUENSTER, TRUST A and as co-executrix of the ESTATE OF ANNE EVELYN MUENSTER; DONNA HABERSTROH, as trustee of the HELMUT E. MUENSTER, TRUST A; MARK MUENSTER, as a beneficiary of the HELMUT E. MUENSTER, TRUST A; ERIC MUENSTER, as a beneficiary of the HELMUT E. MUENSTER, TRUST A; MONICA MAY a/k/a MONICA MUENSTER-MAY f/k/a MONICA MUENSTER, as a beneficiary of the HELMUT E. MUENSTER, TRUST A; JANE AND JOHN DOES 1-20, individually and as owners, officers, directors, shareholders, founders, members, managers, employees, servants, agents, representatives and/or independent contractors of CAPRI CORPORATE MANAGEMENT, INC., a/k/a CAPRI INSTITUTE and CAPRI INSTITUTE OF HAIR DESIGN, and/or CAPRI TRAINING CENTERS, INC., a/k/a CAPRI INSTITUTE and CAPRI INSTITUTE OF HAIR DESIGN, and/or ELBE ASSOCIATIONS, L.L.C. and/or HELMUT E. MUENSTER, TRUST A; and XYZ CORPORATIONS 1-20,

Defendants.

The parties to this Action and Final Consent Judgment (“Consent Judgment”) are plaintiffs, Matthew J. Platkin, Attorney General of the State of New Jersey (“Attorney General”), Cari Fais, Acting Director of the New Jersey Division of Consumer Affairs (“Director”) (collectively, “Plaintiffs”), and defendants Capri Corporate Management, Inc. and Capri Training Centers, Inc. (collectively, “Capri”); Elbe Associates, L.L.C. (“Elbe”); Helmut E. Muenster Trust A (“Muenster Trust”); Estate of Anne Evelyn Muenster (“Muenster Estate”); Lorelei K. Muenster, individually, as beneficiary of the Muenster Trust, and as coexecutrix of the Muenster Estate; Karen A. Fanning, as beneficiary of the Muenster Trust and as coexecutrix of the

Muenster Estate; Donna Haberstroh, as trustee of the Muenster Trust; Mark Muenster, as beneficiary of the Muenster Trust; Eric Muenster, as beneficiary of the Muenster Trust; and Monica Muenster-May f/k/a Monica Muenster, as beneficiary of the Muenster Trust (collectively with Capri, “Defendants”). As evidenced by their signatures below, Plaintiffs and Defendants (collectively, the “Parties”) 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.

PRELIMINARY STATEMENT

On June 3, 2022, Plaintiffs commenced this action alleging that Capri and Lorelei K. Muenster violated the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 to -227 (“CFA”) and the Regulations Governing General Advertising, N.J.A.C. 13:45A-9.1 to -9.8 (“Advertising Regulations”), in connection with their Advertisement, offer for Sale, Sale and/or the provision of cosmetology and cosmetology-related educational services to Consumers in the State of New Jersey. On April 25, 2023, Plaintiffs filed an Amended Complaint. Specifically, among other things, Plaintiffs’ Amended Complaint alleged that Capri, Elbe, the Muenster Trust, the Muenster Estate, Lorelei K. Muenster, and/or Anne E. Muenster: (a) abruptly closed Capri’s four campus locations without proper notification to students; (b) refused student requests for partial or full refunds; (c) refused student requests for official transcripts; (d) refused to address students’ questions about the school and the closure; (e) failed to inform students of the closure in writing; (f) failed to maintain a telephone line to address student inquiries; (g) failed to properly maintain its Brick and Kenilworth campuses; (h) threatened students with a financial penalty if they refused to sign leave-of-absence forms when Capri closed in 2021; (i) failed to

timely provide 2021 tax forms to students; (j) failed to refund students who had overpaid on their accounts; (k) required students to pay Capri for textbooks and supplies, and then failed to provide or to timely provide those textbooks and supplies to students; (l) continued to accept payments from students and/or disburse Title IV funds when they knew or should have known that Capri would not continue operating; (m) failed to inform students that the clinics attached to the Paramus Campus, the Clifton Campus and the Kenilworth Campus were not reopening, so students would be unable to complete the clinical hours necessary to obtain their licenses from the New Jersey Board of Cosmetology and Hairstyling (“Board”); (n) failed to inform students that Capri intended to collect tuition payments from students for any undisbursed Title IV funds as a result of Capri losing its eligibility to receive Title IV funds from the United States Department of Education (“ED”) when Capri reopened the Paramus Campus, the Clifton Campus and the Kenilworth Campus; (o) threatened to withhold credit hours from students unless students paid out of pocket in lieu of undisbursed Title IV funds; and (p) Advertised class start dates and open houses for dates on which some or all campuses were closed.

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, Union County.

3. EFFECTIVE DATE

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

4. DEFINITIONS

As used in this Consent Judgment, references to the singular include the plural, and references to the plural include the singular. Capitalized words or terms not otherwise defined in this Consent Judgment shall have the following meanings:

4.1 “Action” refers to the action titled Matthew J. Platkin, et al. v. Capri Corporate Management, Inc., et al., Superior Court of New Jersey, Chancery Division, Union County, Docket No. UNN-C-58-22, and all pleadings and proceedings related thereto, including the Amended Complaint and the Answer.

4.2 “Advertisement” shall be defined: (1) for purposes of the CFA, in accordance with N.J.S.A. 56:8-1(a); and (2) for purposes of the Advertising Regulations in accordance with N.J.A.C. 13:45A-9.1. This definition applies to other forms of the word “Advertisement” including, but not limited to, “Advertise.”

4.3 “Any” includes “all” and vice versa.

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 “Capri” shall collectively refer to defendants Capri Corporate Management, Inc. and Capri Training Centers, Inc.

4.6 “Closed School Discharge” refers to the closed school discharge of any federal student loan issued by the United States Department of Education.

4.7 “Consumer[s]” means any Person to whom Defendants directly or indirectly Advertised and/or offered Merchandise for Sale.

4.8 “Division” means the New Jersey Division of Consumer Affairs.

4.9 “Educational Instruction” shall refer to the process of teaching students using a curriculum that provides specific knowledge and skills.

4.10 “Educational Supplies and Equipment” shall refer to items included in the cost of tuition as stated in each student’s Enrollment Agreement with Capri, including, but not limited to, books, mannequin heads, cutting shears, combs, brushes, makeup, color, shampoo, gloves, water bottles, capes, blow dryers, curling irons, clippers, work stations, hair washing sinks and chairs.

4.11 “Enrolled” means any student who has attended or may attend any cosmetology or cosmetology-related class or program at Capri. This definition applies to other forms of the word “Enrolled,” including “Enrollment.”

4.12 “Enrollment Agreement” shall refer to the document titled “Enrollment Agreement between Capri Institute of Hair Design”, which Consumers must sign to enroll at Capri.

4.13 “Merchandise” shall be defined in accordance with N.J.S.A. 56:8-1(c) and shall include all cosmetology and cosmetology-related Educational Instruction offered to Consumers by Capri.

4.14 “New Jersey” and “State” shall refer to the State of New Jersey.

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

4.16 “Restitution” shall refer to all methods undertaken by Defendants to resolve Consumer complaints including, but not limited to, the issuance of refunds or the reversal of credit card or debit card charges.

4.17 “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.”

4.18 “State” shall refer to the State of New Jersey.

4.19 “Title IV Funds” shall refer to federal student aid funds from federal student aid programs administered by the United States Department of Education.

5. INJUNCTIVE RELIEF AND PROHIBITED BUSINESS PRACTICES

5.1 Capri shall not sell any student debt owed to it to any third party.

5.2 Capri shall not seek to collect, either directly or through any third party, any funds, including any Title IV funds that had not been disbursed as of December 1, 2021, or engage in any debt collection activity, including, without limitation, engage in negative credit reporting, for any student who has ever been Enrolled at Capri.

5.3 Should any Defendant own or operate any cosmetology or cosmetology-related programs in the future, the following provisions shall apply:

- a. Defendant[s] shall not engage in any unfair or deceptive acts or practices in the conduct of their business in the State and shall comply with all applicable State and/or Federal laws, rules and regulations as now constituted or as may hereafter be amended including, but not limited to, the CFA and the Advertising Regulations.
- b. Defendant[s] shall provide students all Educational Supplies and Equipment by no later than the third day of class.
- c. Defendant[s] shall notify students in writing of any relocation of its schools and locations and/or any temporary or permanent closure at least 30 days prior to the relocation or closure. Notices shall include specific relocation, closure, and re-opening information.
- d. If Defendant[s] permanently close any location, at least 30 days prior to the closure, Defendant[s] shall provide to students: 1) a teach-out plan that details the students' transfer options; 2) information on any formal agreements between Defendant[s] and other schools that would allow students to complete their Educational Instruction; and 3) information regarding Closed School Discharge of federal student loans.
- e. Defendant[s] shall keep each location adequately staffed so that staff are available to answer the telephones and timely respond to student inquiries. Defendant[s] shall respond to student inquiries regarding student hours, transcripts, tax documents or other important documentation within five business days of receiving the request.

f. Defendant[s] shall provide refunds within the time periods required by the United States Department of Education for any student who receives Title IV Funds. For students who do not receive Title IV Funds, Defendant[s] shall promptly, but in no event more than 30 days of overpayment or request for a refund, provide refunds to students who request a refund.

g. Defendant[s] shall not Advertise "Open Houses" or class start dates for any campus that is closed and/or unable to enroll new students.

h. Defendant[s] shall provide official transcripts to students within 14 days of such request.

i. Defendant[s] shall issue all State and Federal tax forms to students by the deadlines required in the applicable State and Federal Statutes, Regulations or other authority.

j. Defendant[s] shall comply with all Statutes, Regulations and requirements of the Board, including, but not limited to, requirements regarding: (1) safety and sanitation of schools, including, but limited not to, maintaining schools in habitable condition and with working equipment; (2) providing Educational Supplies and Equipment to students; (3) timely submitting accurate timesheets to the Board; and (4) complying with all bonding requirements.

k. Defendant[s] shall promptly provide scholarships to all students to whom Capri has offered a scholarship and who meets the scholarship qualifications. If the amount a student who qualifies for a scholarship owes Defendant[s] is less than the scholarship amount, Defendant[s] shall apply the scholarship to the

outstanding balance and then provide the student with any remaining scholarship funds over the amount of the outstanding balance.

6. SETTLEMENT AMOUNT

6.1 The Parties have agreed to a settlement of this Action in the amount of Six Hundred and Thirty-Nine Thousand Four Hundred and 00/100 Dollars (\$639,400.00) (“Settlement Amount”).

6.2 The Settlement Amount is comprised of up to Five Hundred Thousand and 00/100 Dollars (\$500,000.00) in Restitution to Consumers, pursuant to N.J.S.A. 56:8-8, and the remainder to be allocated at the Division’s discretion to costs, attorneys’ fees, and penalties, pursuant to N.J.S.A. 56:8-11, -13, and -19.

6.3 The Settlement Amount will be paid by and on behalf of the Defendants as follows: Capri will contribute One Hundred Sixty Thousand and 00/100 Dollars (\$160,000.00) which will be paid from the funds held in escrow by the law firm of DeCotiis, FitzPatrick & Cole, LLP pursuant to a prior Interim Consent Order with the Board dated July 6, 2022; The Muenster Trust will contribute One Hundred Forty Thousand and 00/100 Dollars (\$140,000.00) on behalf of the following defendants: The Muenster Trust, Donna Haberstroh, as trustee of the Muenster Trust; Karen A. Fanning, as beneficiary of the Muenster Trust; Mark Muenster, as beneficiary of the Muenster Trust; Eric Muenster, as beneficiary of the Muenster Trust; and Monica Muenster-May *f/k/a* Monica Muenster, as beneficiary of the Muenster Trust; Elbe; Estate of Anne Evelyn Muenster (“Muenster Estate”); Karen A. Fanning, as beneficiary of the Muenster Trust and as coexecutrix of the Muenster Estate. Lorelei Muenster will contribute

Three Hundred Thirty-Nine Thousand Four Hundred and 00/100 Dollars (\$339,400.00) on behalf of herself in all capacities sued herein.

6.4 The Settlement Amount shall be paid on or before the Effective Date.

6.5 All payments made in satisfaction of the Settlement Amount shall be made by certified or cashier's check, money order, wire transfer, New Jersey licensed attorney IOLTA trust account check, or credit card payable to the "New Jersey Division of Consumer Affairs" and shall be forwarded to:

Case Management and Tracking Unit
New Jersey Department of Law and Public Safety
Division of Consumer Affairs
124 Halsey Street – 7th Floor
P.O. Box 45025
Newark, New Jersey 07101
Attention: Van Mallett, Lead Investigator

6.6 Upon each Defendant paying the Settlement Amount in accordance with Section 6.5, each 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 Division pursuant to the terms herein.

7. DISMISSAL

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

8 GENERAL PROVISIONS

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

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

8.3 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.

8.4 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 Parties.

8.5 Except as otherwise explicitly provided 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.

8.6 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.

8.7 This Consent Judgment shall be binding upon Defendants as well as their managers, agents, employees, successors and assigns, and any Person through which they may now or hereafter act, as well as any Person who has authority to control or who, in fact, controls and directs their business.

8.8 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.

8.9 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 shall constitute or be construed as: (a) an approval, sanction or authorization by the Division or any other governmental unit of the State of any act or practice of Defendants; or (b) an admission by Defendants that any of the acts or practices described in or prohibited by this Consent Judgment are unfair, or deceptive or violate the CFA or Advertising Regulations.

8.10 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 any or all of the terms herein; or (b) any action or proceeding involving a Released Claim (as defined in Section 10) to support a defense of res judicata, collateral estoppel, release or other theory of claim preclusion, issue preclusion or similar defense.

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

8.12 This Consent Judgment is a public document subject to the New Jersey Open Public Records Act, N.J.S.A. 47:1A-1 to -13.

9. REPRESENTATION AND WARRANTIES

9.1 Capri represents and warrants that, during the period of December 2021 to December 2022, it permanently closed all four of its New Jersey campuses located in the following cities: Brick, Clifton, Kenilworth, and Paramus.

9.2 Defendants represent and warrant that they will inform Plaintiffs in writing and via electronic mail within 30 days if they own or operate any cosmetology or cosmetology-related programs in the future.

9.3 The Parties represent and warrant that an authorized representative of each has signed this Consent Judgment with full knowledge, understanding and acceptance of its terms and that the representative has done so with authority to legally bind the respective Party.

9.4 Defendants represent and warrant that they have fully read and understand this Consent Judgment, the legal consequences involved in signing the Consent Judgment, and that there are no other representations or agreements not stated in writing herein.

9.5 Defendants represent and warrant that, since at least January 1, 2021, they have not sold to any third party the right to collect any monies owed to Capri by students.

9.6 Plaintiffs represent and warrant that: (a) defendant Karen A. Fanning was named in Plaintiffs' Amended Complaint for notice purposes only as coexecutrix of the Muenster Estate, co-member of Elbe, and as a beneficiary of the Muenster Trust; (b) defendants Mark Muenster, Eric Muenster, and Monica Muenster-May were named in Plaintiffs' Amended Complaint for notice purposes only as beneficiaries of the Muenster Trust; and (c) defendant

Donna Haberstroh was named in Plaintiffs' Amended Complaint for notice purposes only as trustee of the Muenster Trust.

10. RELEASE

10.1 In consideration of the injunctive relief, payments, undertakings, mutual promises and obligations provided for in this Consent Judgment and conditioned on Defendants making the Settlement Amount in accordance with Section 6.5, Plaintiffs hereby agree to release Defendants 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 Defendants for violations of the CFA and/or the Advertising Regulations as alleged in this Action, as well as the matters specifically addressed in Section 5 of this Consent Judgment ("Released Claims").

10.2 Notwithstanding any term of this Consent Judgment, the following do not comprise Released Claims: (a) private rights of action provided, however, that nothing herein shall prevent Defendants from raising the defense of set-off against a Consumer who has received Restitution; (b) actions to enforce this Consent Judgment; and (c) any claims against Defendants by any other agency or subdivision of the State.

10.3 Notwithstanding any term of this Consent Judgment, nothing herein shall prohibit Plaintiffs from seeking additional relief for Consumers from ED.

11. PENALTIES FOR FAILURE TO COMPLY

11.1 The Attorney General (or designated representative) shall have the authority to enforce the provisions of this Consent Judgment or to seek sanctions for violations hereof or both.

11.2 The Parties agree that any future violations of the provisions of Section 5 of this Consent Judgment and/or the CFA and/or the Advertising Regulations shall constitute a second or succeeding violation pursuant to N.J.S.A. 56:8-13 and that Defendants may be liable for enhanced civil penalties.

12. COMPLIANCE WITH ALL LAWS

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

- a. Relieving Defendants of their obligation 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 Division may otherwise have to obtain information, documents or testimony from Defendants 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 Defendants may otherwise have pursuant to any State or Federal law, regulation or rule, to oppose any process employed by the Division to obtain such information, documents or testimony.

13. NOTICES UNDER THIS CONSENT JUDGMENT

13.1 Except as otherwise provided herein, any notices or other documents required to be sent to the Division or Defendants pursuant to this Consent Judgment shall be sent by electronic mail and simultaneously by 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 Division:

Renee Cadmus, Deputy Attorney General
Consumer Fraud Prosecution Section
State of New Jersey
Office of the Attorney General
Department of Law and Public Safety
Division of Law
124 Halsey Street - 5th Floor
P.O. Box 45025
Newark, New Jersey 07101

Renee.Cadmus@law.njoag.gov

For Defendants Capri Corporate Management, Inc. and Capri Training Centers, Inc.:

Jeffrey D. Smith, Esq.
DeCotiis, FitzPatrick & Cole, LLP
61 South Paramus Road, Suite 250
Paramus, New Jersey 07652
jsmith@decotiislaw.com

For Defendant Elbe Associates, L.L.C.

David M. Blackwell, Esq.
Donnelly Minter & Kelly, LLC
163 Madison Avenue, Suite 320
Morristown, New Jersey 07960
dblackwell@dmklawgroup.com

Arnold E. Reiter, Esq.
Reiter Law Firm
135 Chestnut Ridge Road #200
Montvale, New Jersey 07645
areiter@reiterlawfirm.com

For Defendants Muenster Trust and Donna Haberstroh, as trustee of the Muenster Trust

Barry S. Kantrowitz, Esq.
Kantrowitz, Goldhamer & Graifman P.C.
135 Chestnut Ridge Road #200
Montvale, New Jersey 07645
bkantrowitz@kgglaw.com

For Defendant Lorelei K. Muenster, individually, as beneficiary of the Muenster Trust, and as coexecutrix of the Muenster Estate

David M. Blackwell, Esq.
Donnelly Minter & Kelly, LLC
163 Madison Avenue, Suite 320
Morristown, New Jersey 07960
dblackwell@dmklawgroup.com

For Defendants Karen A. Fanning, as beneficiary of the Muenster Trust and as coexecutrix of the Muenster Estate, Mark Muenster, as beneficiary of the Muenster Trust, Eric Muenster, as beneficiary of the Muenster Trust, and Monica Muenster-May f/k/a Monica Muenster, as beneficiary of the Muenster Trust

Arnold E. Reiter, Esq.
Reiter Law Firm
135 Chestnut Ridge Road #200
Montvale, New Jersey 07645
areiter@reiterlawfirm.com

**IT IS ON THE 2 DAY OF November, 2023 SO ORDERED,
ADJUDGED AND DECREED.**

/s/ Mark P. Ciarrocca

HON. MARK P. CIARROCCA, P.J. LAW

**JOINTLY APPROVED AND
SUBMITTED FOR ENTRY:**

FOR PLAINTIFFS:

MATTHEW J. PLATKIN
ATTORNEY GENERAL OF NEW JERSEY

By: Renee Cadmus
Renee Cadmus, Deputy Attorney General
Consumer Fraud Prosecution Section
124 Halsey Street - 5th Floor
P.O. Box 45029
Newark, New Jersey 07101

Dated: November 1, 2023

FOR DEFENDANTS:

DECOTIIS, FITZPATRICK & COLE, LLP

By: Jeffrey D. Smith
Jeffrey D. Smith, Esq.
DeCotiis, FitzPatrick & Cole, LLP
Counsel for Defendants Capri Corporate Management, Inc. and Capri Training Centers,
Inc.
61 South Paramus Road, Suite 250
Paramus, New Jersey 07652

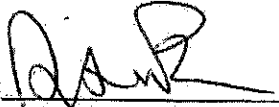
Dated: 10/30, 2023

DONNA HABERSTROH

By: Donna Haberstroh
Donna Haberstroh, On behalf of
Capri Corporate Management, Inc. and Capri Training Centers, Inc.
615 Winters Ave
Paramus, New Jersey 07652

Dated: 10-27, 2023

DONNELLY MINTER & KELLY, LLC

By: 
David M. Blackwell, Esq.
Donnelly Minter & Kelly, LLC
Counsel for Elbe Associates, L.L.C.
61 South Paramus Road, Suite 250
Paramus, New Jersey 07652

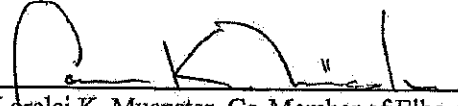
Dated: 10/30, 2023

REITER LAW FIRM

By: _____
Arnold E. Reiter, Esq.
Reiter Law Firm
Counsel for Elbe Associates, L.L.C.
135 Chestnut Ridge Road #200
Montvale, New Jersey 07645

Dated: _____, 2023

LORELEI K. MUENSTER

By: 
Lorelei K. Muenster, Co-Member of Elbe Associates, L.L.C.
Elbe Associates, L.L.C.
125 Country Lane
Clifton, New Jersey 07013

Dated: 10-27, 2023

KAREN A. FANNING

By: _____
Karen A. Fanning, Co-Member of Elbe Associates, L.L.C.
Elbe Associates, L.L.C.
22 Highland Avenue
Rumson, New Jersey 07013

Dated: _____, 2023

KANTROWITZ, GOLDHAMER & GRAIFMAN P.C.

DONNELLY MINTER & KELLY, LLC

By: _____

Dated: _____, 2023

David M. Blackwell, Esq.
Donnelly Minter & Kelly, LLC
Counsel for Elbe Associates, L.L.C.
61 South Paramus Road, Suite 250
Paramus, New Jersey 07652

REITER LAW FIRM

By:  _____

Dated: 10/26, 2023

Arnold F. Reiter, Esq.
Reiter Law Firm
Counsel for Elbe Associates, L.L.C.
135 Chestnut Ridge Road #200
Montvale, New Jersey 07645

LORELEI K. MUENSTER

By: _____

Dated: _____, 2023

Lorelei K. Muenster, Co-Member of Elbe Associates, L.L.C.
Elbe Associates, L.L.C.
125 Country Lane
Clifton, New Jersey 07013

KAREN A. FANNING

By:  _____

Dated: 10.26.2023, 2023

Karen A. Fanning, Co-Member of Elbe Associates, L.L.C.
Elbe Associates, L.L.C.
22 Highland Avenue
Rumson, New Jersey 07013

KANTROWITZ, GOLDHAMER & GRAIFMAN P.C.

By: Barry S. Kantrowitz Dated: 10/27, 2023
Barry S. Kantrowitz, Esq.
Kantrowitz, Goldhamer & Graifman, P.C.
Counsel for the Muenster Trust and Donna Haberstroh as Trustee of the Muenster Trust
135 Chestnut Ridge Road #200
Montvale, New Jersey 07645

DONNA HABERSTROH

By: Donna Haberstroh Dated: 10 27, 2023
Donna Haberstroh, Trustee of the Muenster Trust
125 Country Lane
Clifton, New Jersey 07013
c/o counsel 135 Chestnut Ridge Rd #200 - Montvale, NJ 07645

DONNELLY MINTER & KELLY, LLC

By: _____ Dated: _____, 2023
David M. Blackwell, Esq.
Donnelly Minter & Kelly, LLC
Counsel for the Muenster Estate v/a Lorelei K. Muenster, Coexecutrix
61 South Paramus Road, Suite 250
Paramus, New Jersey 07652

REITER LAW FIRM

By: _____ Dated: _____, 2023
Arnold E. Reiter, Esq.
Reiter Law Firm
Counsel for the Muenster Estate via Karen A. Fanning, Coexecutrix
135 Chestnut Ridge Road #200
Montvale, New Jersey 07645

LORELEI K. MUENSTER

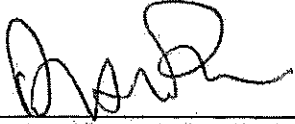
By: _____ Dated: _____, 2023
Lorelei K. Muenster, Coexecutrix of the Muenster Estate

By: _____ Dated: _____, 2023
Barry S. Kantrowitz, Esq.
Kantrowitz, Goldhamer & Graifman, P.C.
Counsel for the Muenster Trust and Donna Haberstroh as Trustee of the Muenster Trust
135 Chestnut Ridge Road #200
Montvale, New Jersey 07645

DONNA HABERSTROH

By: _____ Dated: _____, 2023
Donna Haberstroh, Trustee of the Muenster Trust
125 Country Lane
Clifton, New Jersey 07013


DONNELLY MINTER & KELLY, LLC

By:  _____ Dated: 10/30, 2023
David M. Blackwell, Esq.
Donnelly Minter & Kelly, LLC
Counsel for the Muenster Estate via Lorelei K. Muenster, Coexecutrix
61 South Paramus Road, Suite 250
Paramus, New Jersey 07652

REITER LAW FIRM

By: _____ Dated: _____, 2023
Arnold E. Reiter, Esq.
Reiter Law Firm
Counsel for the Muenster Estate via Karen A. Fanning, Coexecutrix
135 Chestnut Ridge Road #200
Montvale, New Jersey 07645

LORELEI K. MUENSTER

By:  _____ Dated: 10-27, 2023
Lorelei K. Muenster, Coexecutrix of the Muenster Estate

By: _____ Dated: _____, 2023
Barry S. Kantrowitz, Esq.
Kantrowitz, Goldhamer & Graifman, P.C.
Counsel for the Muenster Trust and Donna Haberstroh as Trustee of the Muenster Trust
135 Chestnut Ridge Road #200
Montvale, New Jersey 07645

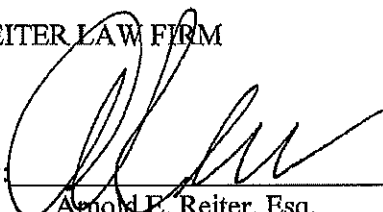
DONNA HABERSTROH

By: _____ Dated: _____, 2023
Donna Haberstroh, Trustee of the Muenster Trust
125 Country Lane
Clifton, New Jersey 07013

DONNELLY MINTER & KELLY, LLC

By: _____ Dated: _____, 2023
David M. Blackwell, Esq.
Donnelly Minter & Kelly, LLC
Counsel for the Muenster Estate via Lorelei K. Muenster, Coexecutrix
61 South Paramus Road, Suite 250
Paramus, New Jersey 07652

REITER LAW FIRM

By:  _____ Dated: 10/26, 2023
Arnold E. Reiter, Esq.
Reiter Law Firm
Counsel for the Muenster Estate via Karen A. Fanning, Coexecutrix
135 Chestnut Ridge Road #200
Montvale, New Jersey 07645

LORELEI K. MUENSTER

By: _____ Dated: _____, 2023
Lorelei K. Muenster, Coexecutrix of the Muenster Estate

125 Country Lane
Clifton, New Jersey 07013

KAREN A. FANNING

By:  Dated: 10/26/2023, 2023
Karen A. Fanning, Co-executrix of the Muenster Estate
22 Highland Avenue
Rumson, New Jersey 07013


DONNELLY MINTER & KELLY, LLC

By: _____ Dated: _____, 2023
David M. Blackwell, Esq.
Donnelly Minter & Kelly, LLC
Counsel for Defendant Lorelei K. Muenster, Individually and as Beneficiary of the
Muenster Trust
61 South Paramus Road, Suite 250
Paramus, New Jersey 07652

LORELEI K. MUENSTER

By: _____ Dated: _____, 2023
Lorelei K. Muenster, Individually and as Beneficiary of the Muenster Trust
125 Country Lane
Clifton, New Jersey 07013

REITER LAW FIRM


By:  Dated: 10/26, 2023
Arnold E. Reiter, Esq.
Reiter Law Firm
Counsel for Defendants Karen A. Fanning, Mark Muenster, Eric Muenster, and Monica
Muenster-May f/k/a Monica Muenster, as Beneficiaries of the Muenster Trust
135 Chestnut Ridge Road #200
Montvale, New Jersey 07645

125 Country Lane
Clifton, New Jersey 07013


KAREN A. FANNING

By: _____ Dated: _____, 2023
Karen A. Fanning, Coexecutrix of the Muenster Estate
22 Highland Avenue
Rumson, New Jersey 07013

DONNELLY MINTER & KELLY, LLC

By:  _____ Dated: 10/30, 2023
David M. Blackwell, Esq.
Donnelly Minter & Kelly, LLC
Counsel for Defendant Lorelei K. Muenster, Individually and as Beneficiary of the
Muenster Trust
61 South Paramus Road, Suite 250
Paramus, New Jersey 07652

LORELEI K. MUENSTER

By:  _____ Dated: 10-27, 2023
Lorelei K. Muenster, Individually and as Beneficiary of the Muenster Trust
125 Country Lane
Clifton, New Jersey 07013

REITER LAW FIRM

By: _____ Dated: _____, 2023
Arnold E. Reiter, Esq.
Reiter Law Firm
Counsel for Defendants Karen A. Fanning, Mark Muenster, Eric Muenster, and Monica
Muenster-May f/k/a Monica Muenster, as Beneficiaries of the Muenster Trust
135 Chestnut Ridge Road #200
Montvale, New Jersey 07645

KAREN A. FANNING

By: *Karen A. Fanning* Dated: 10-26-2023, 2023
Karen A. Fanning, Beneficiary of the Muenster Trust
22 Highland Avenue
Rumson, New Jersey 07013

MARK MUENSTER

By: _____ Dated: _____, 2023
Mark Muenster, Beneficiary of the Muenster Trust
6503 N. Military Trail, Apt 4405
Boca Raton, Florida 33496

ERIC MUENSTER

By: _____ Dated: _____, 2023
Eric Muenster, Beneficiary of the Muenster Trust
4 Larchmont Court
Pennington, New Jersey 08534

MONICA MUENSTER-MAY f/k/a MONICA MUENSTER

By: _____ Dated: _____, 2023
Monica Muenster-May f/k/a Monica Muenster, Beneficiary of the Muenster Trust
103 Squire Hill Road
Upper Montclair, New Jersey 07043

KAREN A. FANNING

By: _____ Dated: _____, 2023
Karen A. Fanning, Beneficiary of the Muenster Trust
22 Highland Avenue
Rumson, New Jersey 07013

MARK MUENSTER

By: *Mark Muenster* Dated: October 26, 2023
Mark Muenster, Beneficiary of the Muenster Trust
6503 N. Military Trail, Apt 4405
Boca Raton, Florida 33496

ERIC MUENSTER

By: *Eric Muenster* Dated: October 30, 2023
Eric Muenster, Beneficiary of the Muenster Trust
4 Larchmont Court
Pennington, New Jersey 08534

MONICA MUENSTER-MAY f/k/a MONICA MUENSTER

By: *mmj* Dated: October 26, 2023
Monica Muenster-May f/k/a Monica Muenster, Beneficiary of the Muenster Trust
103 Squire Hill Road
Upper Montclair, New Jersey 07043