

**STATE OF NEW JERSEY
DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF ALCOHOLIC BEVERAGE CONTROL**

AGENCY DKT. NOS. S-17-39153
LICENSE NOS. 3402-23-272-002; 3400-23-022-
006; 3400-23-044-007; and 3402-23-159-002

DIVISION OF ALCOHOLIC)
BEVERAGE CONTROL,)
)
Petitioner,)
)
v.)
)
ALLIED BEVERAGE GROUP,)
)
Respondent.)

CONSENT ORDER

Kevin Marc Schatz, Senior Deputy Attorney General
(Gurbir S. Grewal, Attorney General, attorney)
Attorney for the Division of Alcoholic Beverage Control

Robert C. Williams, Esquire
A. Matthew Boxer, Esquire
(Lowenstein, Sandler, LLC)
Attorneys for Respondent

BY THE DIRECTOR:

This matter having been brought before the Director of the Division of Alcoholic Beverage Control, by the Division of Alcoholic Beverage Control ("Division") represented by Gurbir S. Grewal, Attorney General of New Jersey (Kevin Marc Schatz, Senior Deputy Attorney General appearing) and with notice to Respondent, Allied Beverage Group ("Respondent"), represented by

Robert C. Williams, Esquire and A. Matthew Boxer, Esquire, and this matter having been amicably settled prior to hearing,

IT IS on this 28 day of July, 2020, hereby ORDERED with the consent of the parties:

1. Respondent hereby enters a plea of "non vult" to the Charges under Agency Dkt. No. S-17-39153 (also known as the "Trade Practice Investigation") (attached hereto as Exhibit A), thereby waiving the right to any hearing or appeal whatsoever in connection with these charges.¹
2. In return for this "non vult" plea, the Director hereby suspends Respondent's license for a total of 72 days in lieu of the presumptive penalty of 90 days as follows:
3. Respondent has made an application to pay a monetary offer in compromise in lieu of the original 90 day suspension further reduced to 72 days in the amount of \$4,000,000, which the Director has accepted. The monetary offer will be payable in ten (10) equal annual installments. Each such installment shall be made on or before June 15 each year with the first such payment to be made on or before June 15, 2021, and the last payment made on or before June 15, 2030. One half of each payment shall constitute a monetary offer in compromise in lieu of suspension and one half the Division shall use for additional costs of enforcement of the provisions of Title 33 (i.e., the Alcoholic Beverage Control Act and its implementing regulations) in accordance with N.J.S.A. 33:1-4.1. These installments shall be paid by certified check or attorney's account check to "Division of Alcoholic Beverage Control" bearing the aforementioned docket number, sent to:

Division of Alcoholic Beverage Control
Attn.: Denise Farfalla, Enforcement Bureau
140 East Front Street, P.O. Box 087
Trenton, New Jersey 08625-0087
4. Failure to make the entire monetary offer in the manner and time set forth above will be considered a violation of this Consent Order that may, in the Director's discretion, result in the suspension of Respondent's license privilege in proportion

¹ The "Trade Practices Investigation" refers the charges to which Respondent entered a plea of non-vult under Agency Dkt. No. S-17-39153.

to the unpaid amount by ex parte Order of the Director. However, Respondent shall be given notice and at least 5 days to cure prior to the issuance of such Order.

5. For two years commencing 30 days after this Consent Order, or as soon thereafter as practical, Respondent shall hire a third-party certified public accounting firm ("CPA") selected by the Division to audit Respondent's business records (in whatever media in which they may be created, maintained and/or stored) as required by N.J.A.C. 13:2-23.32, invoices, billing, credit, trade practices, financial accounts, etc. as directed by the Enforcement Bureau to ensure compliance with Title 33. Respondent may request the Division to select another CPA within 30 days after notice is given of the CPA selected if it substantiates a compelling reason for the Division to do so.
 - (a) The CPA shall not unduly interfere with Respondent's ability to carry on its normal business activities.
 - (b) Respondent shall cooperate with the CPA.
 - (c) The CPA shall report its findings to the Enforcement Bureau with a copy to Respondent or its attorneys. Upon the Division's request, Respondent shall respond to any issue identified by the CPA either by complying therewith or by setting forth its basis for disagreement. If necessary, the Director shall attempt to resolve the dispute.
 - (d) Respondent shall be billed by, and shall pay, the CPA for these audits up to \$150,000 per year for the two years. All such bills shall detail the hourly rate of each employee of the CPA, the time spent by each such employee and the services provided by same
 - (e) The CPA shall comply with all safety standards in place on Respondent's premises, including but not limited to the use of masks, temperature checks and social distancing upon entering the premises.
 - (f) The CPA shall only audit Respondent's business records which were required to be maintained after the execution of this Consent Order.
6. Respondent shall make reasonable and necessary upgrades to its computer system to become Title 33 compliant in accordance with the CPA's recommendations. If Respondent disagrees with the CPA's recommendation, it shall have the right to

petition the Division to review the recommendation. Following the Division's final action on the pending petition for rulemaking regarding N.J.A.C. 13:2-24.1, Respondent will re-program its computer system to ensure compliance with the final and promulgated rule on Retail Incentive Payments. Respondent shall pay all expenses related thereto.

7. The following additional terms shall apply:
 - (a) The employment of Johnny May and Dennis Resnick shall be permanently ended within 15 business days from the date of this Consent Order.
 - (b) The employment of Robert Mate shall be permanently ended no later than December 31, 2021.
8. Respondent's failure to comply with and/or implement the aforementioned corrective action may be considered a violation of this Consent Order, which may in the Director's discretion subject Respondent to a 10-day suspension. But, if the act constitutes a violation of a specific regulatory requirement it may also be considered by the Director to be a separate chargeable violation.
9. Respondent shall provide documents and/or witnesses with respect to any on-going investigation and/or proceeding as may be necessary upon request of the Division in accordance with existing law.
10. This Consent Order and the terms and conditions imposed hereby attach to this license and all other New Jersey alcoholic beverage licenses and/or permits held by Respondent (including its related entities, subsidiaries, affiliates, their respective officers, directors, partners, shareholders, members and employees) and any prospective or subsequent transferee of same shall be bound by the terms and conditions imposed herein.
11. The Division dismisses with prejudice Agency Docket No. S-19-38467, H-2019-50428.
12. The entry of the Consent Order and this supplement thereto hereby concludes the Division's Trade Practices Investigation of Respondent (including its related entities, subsidiaries, affiliates, and their respective officers, directors, partners, shareholders, members and employees). The Division agrees not to initiate further investigations against same or its retail customers for activities that occurred

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between January 1, 2017 and the date hereof that were within the scope of this investigation as to Respondent. Nothing herein shall affect, in any manner whatsoever, any on-going matter involving those retailers.


13. Notwithstanding the above, at any time following the execution of the Consent Order Respondent may petition the Division to review any and all terms herein and may seek reconsideration thereof. The Division shall evaluate such petition in good faith and the final decision on the petition shall be made by the Director. If such petition is denied, Respondent may re-petition the Director as circumstances may require.



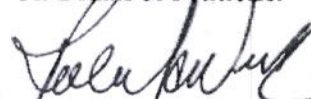
JAMES B. GRAZIANO
ACTING DIRECTOR

We are authorized and do hereby consent to the entry, form and substance of the above Order.


GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY

By: 
Kevin Marc Schatz
Senior Deputy Attorney General
On Behalf of Petitioner

Date: 7/24/20

By: 
Robert C. Williams, Esquire
On Behalf of Respondent

Date: 7/23/20

By: 
A. Matthew Boxer, Esquire
On Behalf of Respondent

Date: 7/23/20

ALLIED BEVERAGE GROUP

By: _____
Jeffrey Altschuler, President/CEO

Date: _____

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ATTORNEY GENERAL OF NEW JERSEY

By: _____
Kevin Marc Schatz
Senior Deputy Attorney General
On Behalf of Petitioner


Date: _____

By: _____
Robert C. Williams, Esquire
On Behalf of Respondent

Date: _____

By: _____
A. Matthew Boxer, Esquire
On Behalf of Respondent

Date: _____

ALLIED BEVERAGE GROUP
By: 
Jeffrey A. Altschuler, President/CEO

Date: 7/23/2016

**STATE OF NEW JERSEY
DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF ALCOHOLIC BEVERAGE CONTROL**

LIC. NO.: 3402-23-272-002
AGENCY NO.: S-17-39153, H-DIVISION;

DIVISION OF ALCOHOLIC BEVERAGE)
CONTROL,)
)
Petitioner,)
)
)
)
Allied Beverage Group LLC,)
)
Respondent.)
)

NOTICE OF CHARGES

Take Notice that under the authority of the Director, as set forth in Alcoholic Beverage Control Act, N.J.S.A. 33:1-1, et seq.; and the regulations promulgated pursuant thereto, the New Jersey Division of Alcoholic Beverage Control ("Division") will seek to suspend plenary retail license 3402-23-272-002 held by Allied Beverage Group LLC, issued by The Division of Alcoholic Beverage Control, Mercer County, for premises located at 600 Washington Ave, Carlstadt, NJ 07072, for violation of the aforementioned statute and/or regulations. The Division hereby prefers the following charges and will seek the noted penalty to wit:

- | | | |
|----|---|-------------------|
| 1. | On or about 2017-2019, you aided and abetted a retailer to circumvent the Credit Regulation, viz., by offering more than 30 days of credit; in violation of N.J.A.C. 13:2-24.4. | 30-day suspension |
| 2. | On or about 2017-2019, you failed to produce upon demand, and did not produce same within seven (7) days thereof, original or true, complete and accurate copies of delivery slips, invoices, manifests, waybills or similar documents at your licensed premises for a period of one (1) year from the date of delivery of alcoholic beverages to you; in violation of N.J.A.C. 13:2-20.4(b) or -23.32. | 30-day suspension |
| 3. | On or about 2017-2019, you offered, provided or accepted a retail incentive program payment (RIP) viz., Early payment; in violation of N.J.A.C. 13:2-24.1(b)2. | 15-day suspension |
| 4. | On or about 2017-2019: you sold or accepted delivery of alcoholic beverages to/from upon terms other than those set forth in the applicable Current Price List filed with the Division of Alcoholic Beverage Control; in violation of N.J.A.C. 13:2-24.6(a)6. | 15-day suspension |

The total penalty sought by the Division is 90 days suspension of your license.

The licensee must enter a plea to the charges within 30 days of its receipt.