1 2 3 4 5 6 7 8 9	KRISTIN K. MAYES ATTORNEY GENERAL (Firm State Bar No. 14000) JOSEPH HUBBLE (BAR NO. 037113) ASSISTANT ATTORNEY GENERAL OFFICE OF THE ATTORNEY GENERAL 2005 North Central Avenue Phoenix, AZ 85004-1592 Telephone: (602) 542-8766 Facsimile: (602) 542-4377 Email: consumer@azag.gov Attorneys for the State of Arizona					
10	SUPERIOR COURT OF ARIZONA					
11	IN MARICOPA COUNTY					
12 13 14 15 16 17 18 19 20	STATE OF ARIZONA, ex rel. KRISTIN K. MAYES, Attorney General, Plaintiff, v. FOREGIVENESS AZ, AN ARIZONA LIMITED LIABILITY COMPANY; ETTA SCOTTSDALE, A DELAWARE LIMITED LIABILITY COMPANY AND MAPLE & ASH SCOTTSDALE, A DELAWARE LIMITED LIABILITY COMPANY,	CONSENT AGREEMENT OF THE PARTIES AND DISMISSAL OF THE CASE (Assigned to the Hon. [NAME])				
21	Defendants.					
22 23 24	The State of Arizona, <i>ex rel</i> . Kristin K. M Complaint alleging violations of the Arizona Co.	ayes, the Attorney General (the "State"), filed a nsumer Fraud Act, A.R.S. §§ 44-1521 to -1534				

(the "CFA"), and the defendants Foregiveness Az, an Arizona Limited Liability Company; Etta

Scottsdale, a Delaware Limited Liability Company and Maple & Ash Scottsdale, a Delaware

Limited Liability Company (collectively the "Defendants") have waived service of the

Complaint, have been advised of the right to a trial in this matter, and have waived the same.

25

26

27

28

7 8

6

9 10

11

12

13 14

15 16

17 18

19 20

21 22

23

24

25

26 27

28

Defendants admit the jurisdiction of this Court over the subject matter and parties and acknowledge that this Court will retain jurisdiction for the purpose of enforcing this Consent Agreement of the Parties and Dismissal of the Case. Defendants have consented and stipulated to entry of this Consent Agreement of the Parties and Dismissal of the Case to compromise and settle claims in connection with an investigation under the Arizona Consumer Fraud Act and without any admission of guilt, wrongdoing, violation, or sanction by the Defendants.

PARTIES

- 1. The State is authorized to bring this action under the CFA.
- 2. Defendant Foregiveness Az is an Arizona Limited Liability Company doing business as "Maple & Ash", with its principal place of business located at 7135 E Camelback Rd #130, Scottsdale, AZ 85251.
- 3. Defendant Etta Scottsdale is a Delaware Limited Liability Company doing business as "Etta", with its principal place of business located at 15301 N Scottsdale Rd, Scottsdale, AZ 85254.
- 4. Defendant Maple & Ash Scottsdale is a Delaware Limited Liability Company with its principal place of business located at 7135 E Camelback Rd #130, Scottsdale, AZ 85251.
- 5. All events, acts and practices described in, and relevant to, this Consent Agreement of the Parties and Dismissal of the Case took place in Maricopa County, Arizona.
- 6. This Court has jurisdiction over the Complaint and the parties necessary for the Court to enter this Consent Agreement of the Parties and Dismissal of the Case and any orders hereafter appropriate pursuant to A.R.S. § 44-1528 and this Consent Agreement of the Parties and Dismissal of the Case.
 - 7. Venue is proper in Maricopa County pursuant to A.R.S. § 12-401.

BACKGROUND

- 8. Defendants operate restaurants in Scottsdale Arizona.
- 9. Beginning in 2021, Maple & Ash began to charge consumers an additional 3.5% to cover employee benefits.
 - 10. When Etta opened in 2022, it also charged consumers this amount.

- 11. While this charge appeared on customers' receipts with the label of "EMP Benefits", the State alleges it was not adequately disclosed on the menus or anywhere else in the restaurants.
- 12. As detailed in the Complaint filed contemporaneously in this action, the State alleges that Defendants violated the ACFA by failing to disclose to walk-in consumers the additional 3.5% "EMP Benefits" charge prior to receiving their bill.
- 13. The parties have engaged in good-faith negotiations to settle the State's claims. The State, through its counsel, has concluded, after investigation of the facts and after carefully considering the circumstances of the litigation, including the claims and causes of action asserted and the possible legal and factual defenses thereto, that it is in the best interests of the State to enter into this Consent Agreement of the Parties and Dismissal of the Case. Likewise, Defendants have concluded that it is in Defendants' best interests to enter into this Consent Agreement of the Parties and Dismissal of the Case, without admitting guilt or wrongdoing, for the purposes of settlement only and to avoid incurring costs associated with litigation with the State, and the uncertainty and risk of litigation.

ORDER

NOW, THEREFORE, IT IS ORDEREDAND DECREED:

INJUNCTIVE TERMS

- 14. The injunctive relief set forth in this Consent Agreement of the Parties and Dismissal of the Case is binding upon any of the following that receive actual notice of this Consent Agreement of the Parties and Dismissal of the Case through personal service or otherwise: (a) Defendants and their subsidiaries; (b) their officers, agents, servants, employees, and attorneys; and (c) those persons in active concert or participation with Defendants or any of their officers, agents, servants, employees, or attorneys. Pursuant to A.R.S. § 44-1528, Defendants are permanently enjoined, restrained and prohibited from failing to disclose to any consumers prior to receiving their bill, the "EMP Benefits" charge or any other additional surcharges.
 - 15. Pursuant to A.R.S. § 44-1528, Defendants, at their Arizona restaurant locations,

|| must:

- a. Disclose on their physical menus the 3.5% "EMP Benefits" charge and other additional surcharges;
- b. Disclose on their online menus the 3.5% "EMP Benefits" charge and other additional surcharges; and
- c. Disclose to consumers who make a reservation, online or otherwise, the 3.5% "EMP Benefits" charge and other additional surcharges at the time the reservation is made.

PAYMENT TERMS

- 16. Prior to the entry of this Consent Agreement of the Parties and Dismissal of the Case, Defendants shall pay a total of \$20,000.00 to the Arizona Attorney General. The money will be deposited into the Consumer Protection-Consumer Fraud Revolving Fund pursuant to A.R.S. § 44-1531.01(C) and used for the purposes set forth therein.
- 17. The payment required herein must be paid in the form of cashier's checks or money orders made payable to "The State of Arizona," or by wire transfer according to instructions supplied by the State. If paid by cashier's check or money order, payment must be delivered, or mailed and postmarked, to:

Consumer Protection and Advocacy Section The Office of the Arizona Attorney General 2005 North Central Avenue Phoenix, Arizona 85004-1592

BANKRUPTCY NOTICE PROVISIONS

18. Defendants warrant and represent that there is not any pending case, proceeding, or other action seeking reorganization, arrangement, adjustment, liquidation, dissolution, or recomposition of Defendants or their debts under any law relating to bankruptcy, insolvency, reorganization, or the relief of debtors, or seeking the appointment of a receiver, trustee, custodian, or other similar official for Defendants. Defendants further warrant and represent that they will not file, or cause to be filed, any such case, proceeding, or other action prior to 91 days after complete payment of all amounts due under this Consent Agreement of the Parties and

1 | Di 2 | ac 3 | to 4 | Ca 5 | Pa 6 | to

Dismissal of the Case. If Defendants do file or cause to be filed such a case, proceeding, or other action prior to the expiration of that time, then the State will have the right, at its sole discretion, to treat that as a material breach of this Consent Agreement of the Parties and Dismissal of the Case, reopen proceedings, and proceed with this case as though this Consent Agreement of the Parties and Dismissal of the Case had not been entered, provided that Defendants will be entitled to an offset for any amount Defendants already paid to the State under this Consent Agreement of the Parties and Dismissal of the Case.

MATERIAL BREACH

19. In the event of a material breach of this Consent Agreement of the Parties and Dismissal of the Case, in addition to all other remedies available under Arizona law and the penalties specifically provided under A.R.S. § 44-1532, the State may, in its sole discretion, reopen proceedings and continue with this case as though this Consent Agreement of the Parties and Dismissal of the Case had not been entered, provided that Defendants will be entitled to an offset for any amount actually paid to the State.

RELEASE

20. The parties acknowledge by the execution hereof that this Consent Agreement of the Parties and Dismissal of the Case constitutes a complete settlement of the allegations contained in this Consent Agreement of the Parties and Dismissal of the Case, and the State agrees not to institute any civil action against the Defendants or their employees or agents for the violations of the ACFA described herein. Notwithstanding the foregoing, the State may institute an action or proceeding to enforce the terms and provisions of this Consent Agreement of the Parties and Dismissal of the Case, take action based on future conduct by Defendants, take action based on past conduct not specified in this Consent Agreement of the Parties and Dismissal of the Case, and/or institute an action or proceeding to prevent the discharge of any debt acquired through this Consent Agreement of the Parties and Dismissal of the Case.

GENERAL PROVISIONS

21. Nothing in this Consent Agreement of the Parties and Dismissal of the Case will be construed as an approval by the Attorney General, the Court, the State of Arizona, or any

agency thereof of Defendants' past, present, or future conduct. Defendants must not represent or imply that the Attorney General, the Court, the State of Arizona, or any agency thereof has approved or approves of any of Defendants' actions or any of Defendants' past, present or future business practices.

- 22. This Consent Agreement of the Parties and Dismissal of the Case represents the entire agreement between the parties, and there are no representations, agreements, arrangements, or understandings, oral or written, between the parties relating to the subject matter of this Consent Agreement of the Parties and Dismissal of the Case which are not fully expressed herein or attached hereto.
- 23. If any portion of this Consent Agreement of the Parties and Dismissal of the Case is held invalid by operation of law, the remaining terms thereof will not be affected and will remain in full force and effect.
- 24. Jurisdiction is retained by this Court for the purpose of entertaining an application by the State for the enforcement of this Consent Agreement of the Parties and Dismissal of the Case.
- 25. This Consent Agreement of the Parties and Dismissal of the Case is the result of a compromise between the parties. Only the State may seek enforcement of this Consent Agreement of the Parties and Dismissal of the Case. Nothing herein is intended to create a private right of action by other parties.
- 26. This Consent Agreement of the Parties and Dismissal of the Case does not limit the rights of any individual private party to pursue any remedies allowed by law.
- 27. The effective date of this Consent Agreement of the Parties and Dismissal of the Case is the date that it is entered by the Court.
- 28. This Consent Agreement of the Parties and Dismissal of the Case may be executed by the parties in counterparts and be delivered by facsimile or electronic transmission, or a copy thereof, such constituting an original counterpart hereof, all of which together will constitute one and the same document.
 - 29. This Consent Agreement of the Parties and Dismissal of the Case resolves all

1	outstanding claims expressly identified in the Complaint as to Defendants. As no further matters
2	remain pending, this is a final judgment entered pursuant to Ariz. R. Civ. P. 54(c).
3	DATED this day of April, 2023.
4	
5	
6	
7	JUDGE OF THE SUPERIOR COURT
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22 23	
$\begin{bmatrix} 23 \\ 24 \end{bmatrix}$	
24 25	
26 26	
27	
28	

CONSENT AGREEMENT

- 1. Defendants acknowledge that they have waived service of the Summons and Complaint, have read the Findings of Fact, Conclusions of Law and Order, and are aware of their right to a trial in this matter and have waived the same.
- 2. Defendants admit the jurisdiction of this Court, and consent to the entry of the foregoing Order.
- 3. Defendants state that no promise of any kind or nature whatsoever was made to induce them to enter into this Consent Agreement of the Parties and Dismissal of the Case and declare that they have entered into this Consent Agreement of the Parties and Dismissal of the Case voluntarily.
- 4. This Consent Agreement of the Parties and Dismissal of the Case is entered as a result of a compromise between the parties. Only the State may seek enforcement of this Consent Agreement of the Parties and Dismissal of the Case. Nothing herein is intended to create a private right of action by other parties; however, this Consent Agreement of the Parties and Dismissal of the Case does not limit the rights of any private party to pursue any remedies allowed by law.
- 5. Defendants acknowledge that their acceptance of this Consent Agreement of the Parties and Dismissal of the Case is for the purpose of settling the ongoing consumer fraud lawsuit filed by the State, and further acknowledge that this Consent Agreement of the Parties and Dismissal of the Case does not preclude any agency or officer of this State or subdivision thereof from instituting other civil or criminal proceedings as may be appropriate.
- 6. This Consent to Judgment may be executed in counterparts and be delivered by facsimile or electronic transmission, or a copy thereof, such constituting an original counterpart hereof, all of which together will constitute one and the same document.
- 7. Defendants represent and warrant that the person signing below on their behalf of each entity is duly appointed and authorized to do so.

DATED	this	dav	of	A	pril.	2023
	CIII	 auj	01	4 4	P111,	_0_5

1		FOREGIVENESS AZ, AN ARIZONA
2		LIMITED LIABILITY COMPANY;
3	Signature	::
4	Name:	
5		
6	$\lesssim \parallel$	
7	Date:	
8	3	ETTA SCOTTSDALE, A DELAWARE
9		LIMITED LIABILITY COMPANY
10	Signature	::
11	Name:	
12		
13	3	
14	Date:	
15	5	
16	$\delta \parallel$	
17	7	MAPLE & ASH SCOTTSDALE, A
18	3	DELAWARE LIMITED LIABILITY
19		COMPANY,
20	Signature	::
21		
22	Title:	
23		
24		
25		
26		
	II	

1	APPROVED AS TO FORM AND CONTENT:
$\begin{bmatrix} 1 \\ 2 \end{bmatrix}$	KRISTIN K. MAYES
3	Attorney General
$\begin{bmatrix} 3 \\ 4 \end{bmatrix}$	
5	
6	By:
7	Joseph Hubble
8	Assistant Attorney General Attorneys for the State of Arizona
9	[Document Number]
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26 27	
$\begin{bmatrix} 27 \\ 28 \end{bmatrix}$	