CENTRE COUNTY, PA

### IN THE COURT OF COMMON PLEAS OF CENTRE COUNTY, PENNSYLVANIA CIVIL ACTION - EQUITY

COMMONWEALTH OF PENNSYLVANIA By ATTORNEY GENERAL MICHELLE A. HENRY,

Plaintiff.

V.

WALK'S SERVICE CENTER, INC. d/b/a PARKING MANAGEMENT & ENFORCEMENT a/d/b/a WALK'S AUTO SALES AND SERVICE, INC. a/d/b/a KARCH AUTO a/d/b/a WALK'S TOWING a/d/b/a WALKS TOWING,

and

BRADLEY W. KARCH, Individually and as Principal of Walk's Service Center, Inc.,

Defendants.

CIVIL DIVISION

Docket No. 2020-2723

Type of Case: Equity

### STIPULATED MOTION FOR ENTRY OF FINAL DECREE

Filed on Behalf of Plaintiff:

COMMONWEALTH OF PENNSYLVANIA By ATTORNEY GENERAL MICHELLE A. HENRY

Counsel of Record for this Party:

Kevin R. Green (PA ID No. 321643)

Deputy Attorney General

Phone: 412-235-9078

Email: kgreen@attorneygeneral.gov

Jesse F. Harvey (PA ID No. 63435)

Chief Deputy Attorney General

Phone: 412-565-2883

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Attorneys for the Commonwealth

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1251 Waterfront Place

Mezzanine Level

Pittsburgh, PA 15222

Fax: 412-880-0196

CENTRE COUNTY, PA

COMMONWEALTH OF PENNSYLVANIA By ATTORNEY GENERAL MICHELLE A. HENRY, CIVIL DIVISION

Docket No. 2020-2723

Type of Case: Equity

Plaintiff,

٧.

WALK'S SERVICE CENTER, INC., et al.

Defendants.

#### STIPULATED MOTION FOR ENTRY OF FINAL DECREE

AND NOW, comes the Commonwealth of Pennsylvania, by Attorney General Michelle A. Henry ("Commonwealth" or "Plaintiff"), and submits this Stipulated Motion for Entry of Final Decree:

1. On November 4, 2020, the Commonwealth filed a Complaint in Equity against Walk's Service Center, Inc. d/b/a "Parking Management & Enforcement" a/d/b/a "Walk's Auto Sales and Service, Inc." a/d/b/a "Karch Auto" a/d/b/a "Walks Towing" a/d/b/a "Walk's Towing" ("Corporate Defendant") and Bradley W. Karch, Individually and as Principal of Corporate Defendant ("Individual Defendant" and when referred to collectively with Corporate Defendant, "Defendants") pursuant to

the Pennsylvania *Unfair Trade Practices and Consumer Protection Law*, 73 P.S. § 201-1, *et seq*. ("Consumer Protection Law").

- 2. Defendants, their attorney, and the Commonwealth have executed a Consent Petition for Final Decree ("Consent Petition"). The signed Consent Petition is attached hereto and made a part hereof as "Exhibit A."
- 3. The Consent Petition will resolve all issues raised, or could have been raised under the Consumer Protection Law, by the Commonwealth in this action and will conclude this case against the Defendants.

WHEREFORE, the Commonwealth respectfully requests that this Honorable Court approve the terms of the Consent Petition and issue the proposed Order attached hereto.

Respectfully submitted,

COMMONWEALTH OF PENNSYLVANIA OFFICE OF ATTORNEY GENERAL

MICHELLE A. HENRY ATTORNEY GENERAL

Date: 7/22/2024 By:

Kevin R. Green (PA ID No. 321643)

Deputy Attorney General

Phone: 412-235-9078

Email: kgreen@attorneygeneral.gov

Jesse F. Harvey (PA ID No. 63435) Chief Deputy Attorney General Phone: 412-565-2883

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Attorneys for the Commonwealth Office of Attorney General 1251 Waterfront Place Mezzanine Level Pittsburgh, PA 15222 Fax: 412-880-0196

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# EXHIBIT A (CONSENT PETITION FOR FINAL DECREE)

## IN THE COURT OF COMMON PLEAS OF CENTRE COUNTY, PENNSYLVANIA CIVIL ACTION - EQUITY

COMMONWEALTH OF PENNSYLVANIA By ATTORNEY GENERAL MICHELLE A. HENRY,

Plaintiff,

٧.

WALK'S SERVICE CENTER, INC. d/b/a PARKING MANAGEMENT & ENFORCEMENT a/d/b/a WALK'S AUTO SALES AND SERVICE, INC. a/d/b/a KARCH AUTO a/d/b/a WALK'S TOWING a/d/b/a WALKS TOWING,

and

BRADLEY W. KARCH, Individually and as Principal of Walk's Service Center, Inc.,

Defendants.

CIVIL DIVISION

Docket No. 2020-2723

Type of Case: Equity

CONSENT PETITION FOR FINAL DECREE

Filed on Behalf of Plaintiff:

COMMONWEALTH OF PENNSYLVANIA By ATTORNEY GENERAL MICHELLE A. HENRY

Counsel of Record for this Party:

Kevin R. Green (PA ID No. 321643)

Deputy Attorney General Phone: 412-235-9078

Email: kgreen@attorneygeneral.gov

Jesse F. Harvey (PA ID No. 63435)

Chief Deputy Attorney General

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Attorneys for the Commonwealth

Office of Attorney General 1251 Waterfront Place

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Fax: 412-880-0196

# IN THE COURT OF COMMON PLEAS OF CENTRE COUNTY, PENNSYLVANIA CIVIL ACTION - EQUITY

COMMONWEALTH OF PENNSYLVANIA By ATTORNEY GENERAL MICHELLE A. HENRY, CIVIL DIVISION

Docket No. 2020-2723

Type of Case: Equity

Plaintiff,

v.

WALK'S SERVICE CENTER, INC., et al.,

Defendants.

#### CONSENT PETITION FOR FINAL DECREE

AND NOW, comes the Commonwealth of Pennsylvania, by Attorney General Michelle A. Henry ("Commonwealth" or "Plaintiff"), which filed a Complaint in Equity in the above-captioned matter in the Court of Common Pleas of Centre County on November 4, 2020 ("Complaint"), against Defendant Walk's Service Center, Inc. d/b/a "Parking Management & Enforcement" a/d/b/a "Walk's Auto Sales and Service, Inc." a/d/b/a "Karch Auto" a/d/b/a "Walks Towing" a/d/b/a "Walk's Towing" ("Corporate Defendant") and Defendant Bradley W. Karch, Individually and as Principal of Corporate Defendant ("Individual Defendant" and when referred to collectively with Corporate Defendant, "Defendants"), pursuant to the Pennsylvania *Unfair Trade Practices and Consumer Protection Law*, 73 P.S. §

201-1, et seq. ("Consumer Protection Law"). The Commonwealth's Complaint sought to enjoin Defendants from certain alleged acts or practices declared unlawful by the Consumer Protection Law and the Pennsylvania Fair Credit Extension Uniformity Act, 73 P.S. 2270.1, et seq. ("FCEUA"), as more fully set forth in the Complaint, the allegations of which are incorporated herein by reference. The Commonwealth states the following:

WHEREAS, Plaintiff is the Commonwealth of Pennsylvania, by Attorney General Michelle A. Henry, with offices located at 1251 Waterfront Place, Mezzanine Level, Pittsburgh, Pennsylvania 15222, and at 15th Floor, Strawberry Square, Harrisburg, Pennsylvania 17120;

WHEREAS, Corporate Defendant is a Pennsylvania domestic close corporation registered with the Pennsylvania Department of State, Bureau of Corporations and Charitable Organizations: Corporations Section with a registered address of 827 South Atherton Street, State College, Pennsylvania 16801;

WHEREAS, Individual Defendant is the president, secretary and treasurer of Corporate Defendant, resides in Pennsylvania, and conducts business out of 827 South Atherton Street, State College, Pennsylvania 16801;

WHEREAS, Corporate Defendant has engaged in trade and commerce within the Commonwealth of Pennsylvania, including in Centre County, by operating a towing, storage, and private "ticketing" and collections business;

WHEREAS, the Commonwealth received complaints from consumers arising out of Corporate Defendant's business practices;

WHEREAS, in the Complaint, the Commonwealth alleges that Defendants engaged in conduct in violation of the Consumer Protection Law and the Pennsylvania Fair Credit Extension Uniformity Act, 73 P.S. § 2270.1, et seq. ("FCEUA") as set forth therein;

WHEREAS, the Defendants assert that their business practices are lawful and in conformance with the provisions of the Consumer Protection Law and FCEUA, but have agreed to enter into this Consent Petition to resolve the litigation;

WHEREAS, Defendants assert that their business practices, at all times, complied with Borough of State College Ordinance 1756 ("Towing Ordinance");

WHEREAS, the Commonwealth did not allege in its Complaint that Defendants towed vehicles in violation of the Towing Ordinance;

WHEREAS, Defendants assert that Corporate Defendant has maintained an annual private towing license in the Borough in good standing sine 2015 through the date of execution of this Consent Petition;

WHEREAS, the Commonwealth and the Defendants have agreed on a basis for settlement of the matters alleged in the Complaint and hereby stipulate to the entry of this Consent Petition for Final Decree ("Consent Petition") without the need for trial or adjudication of any issue of law or fact raised by either party;

WHEREAS, Defendants desire to comply with the laws of the Commonwealth of Pennsylvania and the provisions of this Consent Petition and have signed it with the intent that, upon approval of the Court, its terms shall constitute the provisions of the Final Decree, Order or Judgment of the Court and shall have the same force and effect as a permanent injunction issued under Section 201-4 of the Consumer Protection Law, 73 P.S. § 201-4, and shall be binding and enforceable against Defendants.

#### SETTLEMENT TERMS

**NOW THEREFORE**, Defendants agree for themselves, their successors, assigns, agents, employees, representatives, executors, administrators and all other persons acting on Defendants' behalf, directly or indirectly or through any corporate or other business device, as follows:

I. The above recitals are incorporated by reference, as though fully set forth herein.

#### II. Injunctive and Affirmative Relief.

- A. Defendants SHALL NOT itemize or include on their tow slips any outstanding private parking ticket fees for the respective towed or impounded motor vehicle.
- B. Defendants SHALL NOT expressly or implicitly require, or otherwise cause a likelihood of confusion or misunderstanding that a vehicle owner/operator

must pay any outstanding private parking ticket fees as a condition for the release of their respective towed or impounded motor vehicle.

- C. Defendants SHALL NOT engage in the following conduct when issuing, distributing, attempting to collect, and/or collecting private parking tickets:
  - 1. Using or distributing private parking tickets that declare violations of statute or ordinance;
  - Threatening, implying, or including language that nonpayment of a private parking ticket may result in the criminal prosecution of any person;
  - of a private parking ticket may result in the respective motorist's referral to collections, unless such referral is intended to be taken and is expressly authorized by the motorist's parking agreement with the property owner, is clearly and conspicuously disclosed at the parking location, or is explicitly authorized by the Borough's Parking or Towing Ordinance through subsequent amendment; and
  - 4. Threatening, implying, or including language that nonpayment of a private parking ticket will result in additional charges, fines, or fees, unless such referral is intended to be taken and is

expressly authorized by the motorist's parking agreement with the property owner, is clearly and conspicuously disclosed at the parking location, or is explicitly authorized by the Borough's Parking or Towing Ordinance through subsequent amendment.

D. Defendants SHALL expressly and conspicuously disclose in writing on the private parking ticket and on the ticket-payment website that the private parking ticket fees, and any other related fees, are private in nature and subject to private enforcement.

#### III. Monetary Relief

- A. Restitution Without any acknowledgment or admission of fault or liability, upon signing this Consent Petition, Defendants shall pay restitution pursuant to Section 201-4.1 of the Consumer Protection Law, 73 P.S. § 201-4.1, to the Commonwealth in the amount of FIFTEEN THOUSAND and 00/100 Dollars (\$15,000.00), which shall be allocated as follows:
  - 1. Eligibility To be eligible for consideration, consumers must file consumer complaints or claim forms with the Commonwealth of Pennsylvania, Office of Attorney General, Bureau of Consumer Protection ("Bureau"), within ninety (90) days of the Effective Date of this Consent Petition. Further, such claims or complaints must relate to the consumer paying a private parking ticket issued by the Defendants. Any Bureau

complaints filed prior to execution of this Consent Petition relating to the payment of private parking ticket issued by Defendants will automatically be included for return of funds pursuant to this paragraph, to the extent appropriate.

- 2. Administration The amount, manner, and timing of distribution of restitution funds shall be within the sole discretion of the Commonwealth. In the event Defendants' payment of FIFTEEN THOUSAND and 00/100 Dollars (\$15,000.00) exceeds the amount of consumer claims for restitution, the remaining restitution funds shall be distributed to the Commonwealth of Pennsylvania, Office of Attorney General, as reimbursement for its costs and shall be deposited into an interest-bearing account from which both principal and interest shall be expended for public protection and educational purposes.
- 3. Payment Terms Payment by Defendants shall be made by certified check, cashier's check, or money order, made payable to the "Commonwealth of Pennsylvania, Office of Attorney General;" and forwarded to Deputy Attorney General Kevin R. Green, Office of Attorney General, 1251 Waterfront Place, Mezzanine Level, Pittsburgh, Pennsylvania, 15222.

#### IV. Miscellaneous Terms.

- A. The Court of Common Pleas of Centre County shall maintain jurisdiction over the subject matter of this Consent Petition and proposed Order, and shall maintain jurisdiction over the Defendants for the purpose of enforcing their terms.
- B. The Consent Petition will resolve all issues raised, or could have been raised under the Consumer Protection Law, by the Commonwealth in this action and will conclude this case against the Defendants.
- C. Nothing in this Consent Petition shall be construed to waive any individual right of action by a consumer or a local, state, federal, or other governmental entity.
- D. Nothing in this Consent Petition shall constitute an admission of wrongdoing by the Defendants or be construed to waive any of the Defendants' potential defense in any subsequent action.
- E. Time shall be of the essence with regards to Defendants' obligations hereunder.
- F. Defendants agree to execute and deliver all authorizations, documents and instruments which are necessary to carry out the terms and conditions of this Consent Petition, whether required prior to, contemporaneous with or subsequent to the Effective Date, as defined herein.

- G. Defendants understand and agree that if they have made any false statement in or related to this Consent Petition, that such statement is made pursuant to and under penalty of 18 Pa.C.S. § 4904, relating to unsworn falsifications to authorities.
- H. This Consent Petition may be executed in any number of counterparts and by different signatories on separate counterparts, each of which shall constitute an original counterpart hereof and all of which together shall constitute one and the same document. One or more counterparts of this Consent Petition may be delivered by facsimile or electronic transmission with the intent that it or they shall constitute an original counterpart hereof.
- I. This Consent Petition sets forth all of the promises, covenants, agreements, conditions and understandings between the parties, and supersedes all prior and contemporaneous agreements, understandings, inducements or conditions, express or implied. There are no representations, arrangements, or understandings, oral or written, between the Parties relating to the subject matter of this Consent Petition that are not fully expressed herein or attached hereto. Each party specifically warrants that this Consent Petition is executed without reliance upon any statement or representation by any other party hereto, except as expressly stated herein.

- J. Defendants agree by the signing of this Consent Petition that they shall abide by each of the aforementioned provisions and that the breach of any one of these terms shall be sufficient warrant for the Commonwealth of Pennsylvania to seek penalties provided for under Section 201-8(a) of the Consumer Protection Law, 73 P.S. § 201-8(a), and to seek any other equitable relief which the Court deems necessary or proper, up to and including forfeiture of the right to engage in trade or commerce within the Commonwealth of Pennsylvania.
- K. The parties hereto further acknowledge and agree that this Consent Petition is subject to and contingent upon this Consent Petition and/or the agreements contained herein being approved by the Court of Common Pleas of Centre County, Pennsylvania and entered as a final decree.
- L. A default or breach on the part of Defendants shall include, but not be limited to, Defendants defaulting on, failing to comply with, or in any way breaching any of the terms, representations, conditions, agreements or requirements of this Consent Petition.
- M. Any failure of the Commonwealth to exercise any of its rights under this Consent Petition shall not constitute a waiver of its rights hereunder.
- N. The "Effective Date" of this Consent Petition shall be thirty days (30) days after the date that this Consent Petition is approved by the Court of Common Pleas of Centre County and entered as the Order and Final Decree.

O. If any clause, provision or section of this Consent Petition shall, for any reason, be held illegal, invalid or unenforceable, such illegality, invalidity or unenforceability shall not affect any other clause, provision or section of this Consent Petition and the Consent Petition shall be construed and enforced as if such illegal, invalid or unenforceable clause, section or other provision had not been contained herein.

NOW, THEREFORE, without trial or adjudication of the facts or law herein between the parties to this Consent Petition for Final Decree, Defendants agree to the signing of this Consent Petition and this Court hereby orders that Defendants shall be permanently enjoined from breaching any and all of the aforementioned provisions.

WE HEREBY consent to this Consent Petition for Final Decree and submit the same to this Honorable Court for the making and entry of a Final Decree or Order of the Court on the dates indicated below.

[SIGNATURES ON THE FOLLOWING PAGES]

PLAINTIFF HEREBY consents to this Consent Petition for Final Decree, evidenced by its authorized representative's signature set forth below, and submits the same to this Honorable Court for the making and entry of a Final Decree, Order, or Judgement of the court on the dates indicated below.

#### FOR THE PLAINTIFF:

COMMONWEALTH OF PENNSYLVANIA OFFICE OF ATTORNEY GENERAL

MICHELLE A. HENRY ATTORNEY GENERAL

By:

Kevin R. Green (PA ID No. 321643)

Deputy Attorney General Phone: 412-235-9078

Email: kgreen@attorneygeneral.gov

Jesse F. Harvey (PA ID No. 63435) Chief Deputy Attorney General

Phone: 412-565-2883

Email: jharvey@attorneygeneral.gov

Attorneys for the Commonwealth Office of Attorney General 1251 Waterfront Place Mezzanine Level Pittsburgh, PA 15222

Fax: 412-880-0196

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CORPORATE DEFENDANT HEREBY consents to this Consent Petition for Final Decree, evidenced by its authorized representative's signature set forth below, and submits the same to this Honorable Court for the making and entry of a Final Decree, Order, or Judgement of the court on the dates indicated below.

#### FOR CORPORATE DEFENDANT:

WALK'S SERVICE CENTER, INC. d/b/a PARKING MANAGEMENT & ENFORCEMENT a/d/b/a WALK'S AUTO SALES AND SERVICE, INC. a/d/b/a KARCH AUTO a/d/b/a WALK'S TOWING a/d/b/a WALKS TOWING,

By: Bradley W. Karch, Principal 827 South Atherton Street State College, PA 16801 Date:

Gary M. Schildhorn, Esq. Eckert Seamans Cherin & Mellott, LLC 50 S, 16th Street, 22nd Floor Philadelphia, PA 19102

Counsel of Record for Corporate Defendant

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INDIVIDUAL DEFENDANT HEREBY consents to this Consent Petition for Final Decree, evidenced by its authorized representative's signature set forth below, and submits the same to this Honorable Court for the making and entry of a Final Decree, Order, or Judgement of the court on the dates indicated below.

#### FOR INDIVIDUAL DEFENDANT:

BRADLEY W. KARCH, INDIVIDUALLY AND AS PRINCIPAL OF WALK'S

SERVICE CENTER, INC

Bradley W. Karch

827 South Atherton Street State College, PA 16801

Schildhorn, Esq.

Eckert Seamans Cherin & Mellott, LLC 50 S. 16th Street, 22nd Floor Philadelphia, PA 19102

Counsel of Record for Individual Defendant

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#### IN THE COURT OF COMMON PLEAS OF CENTRE COUNTY, **PENNSYLVANIA CIVIL ACTION - EQUITY**

**COMMONWEALTH OF** PENNSYLVANIA By ATTORNEY GENERAL MICHELLE A. HENRY,

CIVIL DIVISION

Docket No. 2020-2723

Type of Case: Equity

Plaintiff,

v.

WALK'S SERVICE CENTER, INC., et al.,

Defendants.

#### ORDER AND FINAL DECREE

AND NOW, thisday of	, 2024, after the presentment		
of the above-captioned Consent Petition for Final Decree, which embodies the terms			
of an agreement reached by the parties for settlement of the within action filed			
against Defendant Walk's Service Cente	er, Inc. d/b/a "Parking Management &		
Enforcement" a/d/b/a "Walk's Auto Sales	and Service, Inc." a/d/b/a "Karch Auto"		
a/d/b/a "Walks Towing" a/d/b/a "Walk's Towing" and Defendant Bradley W. Karch,			
Individually and as Principal of Corporate	e Defendant (collectively, "Defendants"),		
this Court hereby approves of the terms of	the Consent Petition for Final Decree and		

adopts the same as the Final Decree and the Judgment of this Court. Said Final Decree shall be entered as a Judgment against the Defendants.

BY THE COURT:	
	Υ.

#### CERTIFICATE OF SERVICE

I, Kevin R. Green, Esq., hereby certify that a true and correct copy of the foregoing Stipulated Motion for Entry of Final Decree and related Consent Petition for Final Decree were served on the below-listed Counsel of Record for Defendants via Electronic Mail on July 221, 2024:

> Gary M. Schildhorn, Esq. Eckert Seamans Cherin & Mellott, LLC Two Liberty Place, 22nd Floor 50 South 16th Street Philadelphia, PA 19102 gschildhorn@eckertseamans.com Counsel of Record for Defendants

Date: 7/22/2024

By: Kim Jo Kevin R. Green (PA ID No. 321643)

Deputy Attorney General

Phone: 412-235-9078

Email: kgreen@attorneygeneral.gov

Jesse F. Harvey (PA ID No. 63435)

Chief Deputy Attorney General

Phone: 412-565-2883

Email: jharvey@attorneygeneral.gov

Attorneys for the Commonwealth Office of Attorney General 1251 Waterfront Place

Mezzanine Level

Pittsburgh, PA 15222

Fax: 412-880-0196

#### CERTIFICATE OF COMPLIANCE

I, Kevin R. Green, Esq., hereby certify that this filing complies with the provisions of the Public Access Policy of the Unified Judicial System of Pennsylvania: Case Records of the Appellate and Trial Courts that require filing confidential information and documents differently than non-confidential information and documents.

Respectfully submitted,

COMMONWEALTH OF PENNSYLVANIA OFFICE OF ATTORNEY GENERAL

MICHELLE A. HENRY ATTORNEY GENERAL

Date: 7/22/2027

By: Kevin R. Green (PA ID No. 321643)

Deputy Attorney General Phone: 412-235-9078

Email: kgreen@attorneygeneral.gov

Jesse F. Harvey (PA ID No. 63435) Chief Deputy Attorney General

Phone: 412-565-2883

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