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## MEDIA RELEASE

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### **DCBA Investigation Helps Lead to \$10.5 Million Settlement for Latino Immigrant Consumers Harmed by Major Retailer**

*California Attorney General Reaches Partial Settlement with Curacao  
In Lawsuit Alleging Multiple Unlawful Business Practices*

Extensive, years-long investigative work by the Los Angeles County Department of Consumer and Business Affairs (DCBA) assisting the Office of California Attorney General Xavier Becerra has resulted in a [\\$10.5 million partial settlement](#) against Los Angeles-based retailer Curacao for business practices that unlawfully harmed primarily Spanish-speaking immigrant consumers and their families.

The settlement resolves multiple allegations included in [a 2017 lawsuit](#) filed by the Attorney General against Adir International, the parent company of Curacao, and its owner Ron Azarkman. The lawsuit alleged that Curacao lured in customers by advertising low prices and easy credit, then informed those consumers they could only buy at the advertised price after purchasing ancillary accessories, warranties, or installation services. In other cases, Curacao added items to payment contracts without the customers' knowledge.

DCBA investigators spent hundreds of hours interviewing dozens of Curacao's affected customers, nearly all of whom are Latino immigrants with low incomes who communicate primarily in Spanish, to collect and provide crucial evidence to support the Attorney General's lawsuit and eventual settlement.

"Immigrants in Los Angeles County, particularly those whose primary language is something other than English, face significant challenges every day. The least they can expect is to be treated fairly and lawfully by businesses that serve and market to them in their preferred language," said DCBA Director Rafael Carbajal. "We are pleased that the Attorney General has secured relief for consumers who need it most, and that we were able to play our part to help keep the marketplace fair for both consumers and businesses which properly follow the law."



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If you believe you've been a victim of unlawful practices by any business, please contact DCBA at **(800) 593-8222** or file a complaint online at **[dcba.lacounty.gov](http://dcba.lacounty.gov)**. DCBA provides free, one-on-one support for all residents of Los Angeles County and customers of Los Angeles County businesses.

As part of the Attorney General's announcement, Curacao must provide \$10 million in debt relief for consumers who were harmed by their conduct. The settlement also includes additional debt forgiveness for customers who are still paying Curacao for unlawful small claims judgments, plus \$500,000 in civil penalties. The settlement also includes injunctive terms requiring Curacao to comply with California law and treat its customers fairly and ethically. Those terms include:

- Curacao stores will prominently display a consumers' bill of rights;
- Curacao must sell items as they are advertised, and must provide additional disclosures in its advertising;
- Senior management will review Curacao's advertising for compliance with the court judgment;
- Curacao must fully disclose all material contract terms before asking customers to sign contracts;
- Curacao must provide customers with a contract in their language before asking them to sign;
- Debt collection efforts will be limited to one phone communication per day with delinquent consumers;
- Curacao will stop debt collection activities against, and clear the credit records for, consumers who had default judgments entered against them in unlawful small claims actions;
- A corporate ethics expert will help Curacao create and maintain an effective sales incentive, compliance, and ethics program that incentivizes lawful behavior, and that includes annual ethical culture surveys and assessments; and
- Curacao will regularly report its compliance to the Attorney General for several years and provide access to its records for review.

The settlement is a stipulated judgment that resolves part of the state's lawsuit against Curacao. Unresolved claims related to Curacao's illegal payment protection plans and insurance practices will be tried in Los Angeles Superior Court.

For more details about the Attorney General's settlement, read their press release in [English](#) and [Spanish](#).

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