

PAULA T. DOW  
ATTORNEY GENERAL OF NEW JERSEY  
Division of Law  
124 Halsey Street, 5<sup>th</sup> Floor  
P.O. Box 45029  
Newark, New Jersey 07101  
Attorney for Plaintiffs

JUN 28 2010

TRUE COPY  
SUPERIOR COURT OF NEW JERSEY

By: Nicholas Kant  
Gregory M. McHugh  
Deputy Attorneys General  
(973) 648-3070 / (609) 777-3512

SUPERIOR COURT OF NEW JERSEY  
CHANCERY DIVISION, CAMDEN COUNTY  
DOCKET NO. CAM-C-36-09

PAULA T. DOW, Attorney General of the State of  
New Jersey, THOMAS R. CALCAGNI, Acting  
Director of the New Jersey Division of Consumer  
Affairs, and THOMAS B. CONSIDINE,  
Commissioner of the New Jersey Department of  
Banking and Insurance,

Plaintiffs,

v.

HOPE NOW FINANCIAL SERVICES CORP.  
d/b/a HOPE NOW MODIFICATIONS; HOPE  
NOW MODIFICATIONS, L.L.C.; SALVATORE  
A. PUGLIA, SR., individually; NICHOLAS F.  
PUGLIA, JR., individually; JANE and JOHN  
DOES 1-10, individually and as owners, officers,  
directors, shareholders, founders, managers,  
agents, servants, employees, representatives  
and/or independent contractors of HOPE NOW  
FINANCIAL SERVICES CORP. d/b/a HOPE  
NOW MODIFICATIONS and/or HOPE NOW  
MODIFICATIONS, L.L.C.; and XYZ  
CORPORATIONS 1-10,

Defendants.

Civil Action

FINAL CONSENT JUDGMENT

The parties to this Action and Final Consent Judgment ("Parties") are plaintiffs Paula T. Dow, Attorney General of the State of New Jersey, Thomas R. Calcagni, Acting Director of the New Jersey Division of Consumer Affairs ("Director") and Thomas B. Considine, Commissioner of the New Jersey Department of Banking and Insurance ("Commissioner") (collectively, "Plaintiffs"),<sup>1</sup> and defendants Hope Now Financial Services Corp. d/b/a Hope Now Modifications ("Hope Now Financial Services"), Hope Now Modifications, L.L.C. ("Hope Now Modifications") and Salvatore A. Puglia, Sr. ("S. Puglia") and Nicholas F. Puglia, Jr. ("N. Puglia"), individually and as officers of the above-listed companies (collectively, "Defendants"). As evidenced by their signatures below, the Parties do consent to the entry of this Final Consent Judgment (hereinafter "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**

Plaintiffs commenced this action on March 5, 2009, alleging that Defendants engaged in deceptive conduct, among other things, in their advertisement, offering for sale and sale of mortgage loan modification services. Specifically, Plaintiffs alleged that Defendants passed themselves off as being affiliated with the Hope Now Alliance ("Hope Now") despite the absence of any such affiliation, and charged consumers up-front fees totaling several thousand dollars for loan modification services then failed to take any action on the consumers' behalf. Plaintiffs alleged

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<sup>1</sup> This action was commenced on behalf of Anne Milgram, former Attorney General of the State of New Jersey, David M. Szuchman, former Director of the New Jersey Division of Consumer Affairs and Steven M. Goldman, former Commissioner of the New Jersey Department of Banking and Insurance. Pursuant to R. 4:34-4, the caption has been revised to reflect the current Attorney General, Acting Director of the Division of Consumer Affairs and Commissioner of the Department of Banking and Insurance.

violations of, and sought recovery under, the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq. ("CFA"), the Regulations Governing General Advertising Practices, N.J.A.C. 13:45A-9.1 et seq. ("Advertising Regulations") and Debt Adjustment and Credit Counseling Act, N.J.S.A. 17:16G-1 et seq. Defendants deny the allegations.

**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 this 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, Camden County.

**3. EFFECTIVE DATE**

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

**4. DEFINITIONS**

As used in this Consent Judgment, the following words or terms shall have the following meanings, which meanings shall apply wherever the words and terms appear in this Consent Judgment:

4.1 “Action” shall refer to the matter titled Paula T. Dow, Attorney General of the State of New Jersey, Thomas R. Calcagni, Acting Director of the New Jersey Division of Consumer Affairs, and Thomas B. Considine, Commissioner of the New Jersey Department of Banking and Insurance v. Hope Now Financial Services Corp. d/b/a Hope Now Modifications, Hope Now Modifications, L.L.C., Salvatore A. Puglia, Sr., individually and Nicholas F. Puglia, Jr., individually, Superior Court of New Jersey, Chancery Division, Camden County, Docket No. CAM-C-36-09, and all pleadings and proceedings related thereto, including the Second Amended Verified Complaint.

4.2 “Additional Affected Consumer” shall refer to those Consumers who directly or indirectly submit to the Division or to DOBI a complaint concerning Defendants’ business practices after the Effective Date and up until the distribution of Restitution in the FTC Action.

4.3 “Advertise,” “Advertisement” or “Advertising” shall mean any written, oral or electronic statement, illustration or depiction that is designed to create interest in the purchase of, impart information about the attributes of, publicize the availability of, or effect the sale or use of, goods or services, whether the statement appears in a brochure, newspaper, magazine, free-standing inset, bill board, circular, mailer, package insert, package label, product instructions, electronic mail, website, homepage, television, cable television, radio, commercial or any other medium. For purposes of the Advertising Regulations, “Advertisement” shall be defined in accordance with N.J.A.C. 13:45A-9.1.

4.4 “Affected Consumer” shall refer to those Consumers who have submitted a complaint directly or indirectly to the Division or to DOBI up to the Effective Date, and whose complaint remains unresolved.

4.5 "Attorney General" shall refer to the Attorney General of the State of New Jersey (or designated representative) and the Office of the Attorney General.

4.6 "Commissioner" shall refer to the Commissioner of DOBI.

4.7 "Consumer" shall refer to any Person who is offered Merchandise for Sale.

4.8 "Debt Adjuster" shall be defined in accordance with N.J.S.A. 17:16G-1(c).

4.9 "Debtor" shall be defined in accordance with N.J.S.A. 17:16G-1(d).

4.10 "Division" shall refer to the New Jersey Division of Consumer Affairs.

4.11 "DOBI" shall refer to the New Jersey Department of Banking and Insurance.

4.12 "Executive Officer" means any officer or other Person at the upper levels of management of a business or other entity including, but not limited to president, vice-president, Chief Executive Officer, Chief Financial Officer and/or managing director.

4.13 "FTC" shall refer to the Federal Trade Commission.

4.14 "FTC Action" shall refer to the action titled Federal Trade Commission v. Hope Now Modifications, L.L.C., et al., pending in the United States District Court for the District of New Jersey, Civil Action No. 1:09-cv-1204-JBS-JS.

4.15 "Hope Now Modifications Website" shall refer to the website located at www.hopenowmod.com.

4.16 "Hope Now Website" shall refer to the website located at www.hopenow.com.

4.17 "Individual Defendants" shall refer to S. Puglia and N. Puglia.

4.18 "Merchandise" shall be defined in accordance with N.J.S.A. 56:8-1(c) and/or N.J.A.C. 13:45A-9.1 and includes, but is not limited to, pre-foreclosure loan modification assistance.

4.19 "New Jersey" shall refer to the State of New Jersey.

4.20 "Nonprofit Consumer Credit Counseling Agency" shall be defined in accordance with N.J.S.A. 17:16G-1(a).

4.21 "Nonprofit Social Service Agency" shall be defined in accordance with N.J.S.A. 17:16G-1(a).

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

4.23 "Represent" means to state or imply through claims, statements, questions, conduct, graphics, symbols, lettering, formats, devices, language, documents, messages or any other manner or means by which meaning might be conveyed.

4.24 "Restitution" shall refer to all methods undertaken to resolve Affected Consumer and/or Additional Affected Consumer complaints, in accordance with N.J.S.A. 56:8-8 and N.J.S.A. 17:16G-1 et seq., including any payments made through the FTC Action.

4.25 "Sale" shall be defined in accordance with N.J.S.A. 56:8-1(e).

4.26 "State" shall refer to the State of New Jersey.

## **5. INJUNCTIVE RELIEF AND BUSINESS PRACTICES**

5.1 Defendants 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, the Advertising Regulations and the Debt Adjustment and Credit Counseling Act.

5.2 In their Advertisement and Sale of Merchandise, Defendants shall not Represent or in any other manner lead Consumers to believe that they are affiliated with or are in fact Hope Now including but not limited to, the following practices:

- a. Use of a name that is easily confused with the name "Hope Now";

- b. Use of the Hope Now Modifications Website or other website that is easily confused with the Hope Now Website;
- c. Use of a toll-free telephone number that is easily confused with the toll-free telephone number of Hope Now, "1-888-995-HOPE";
- d. Use of any video, in any website, Advertisement or elsewhere, that concern or reference Hope Now;
- e. Use of links in any website, Advertisement or elsewhere, that link to any press release concerning Hope Now;
- f. Use of links in any website, Advertisement or elsewhere, that link to any articles concerning Hope Now;
- g. Forwarding to Consumers any documents that are identical or similar to documents used by Hope Now, such as a "Mission Statement" that is the same as the "Alliance Statement" used by Hope Now;
- h. Answering telephone calls with the statement "Hope Now";
- i. Telling Consumers that Defendants are working with the United States government;
- j. Telling Consumers that Defendants were set up by the United States government;
- k. Telling Consumers that Defendants handled matters on behalf of the United States government, including the United States Department of Housing and Urban Development;
- l. Telling Consumers that Defendants are a non-profit organization affiliated with Hope Now;
- m. Telling Consumers that they are the same "Hope Now" covered in the media; and
- n. Including in e-mails, Advertisements, or any other documents, the terms "Hope Now Alliance," "Hope Now Counselor," "Hope Now Modification Counselor," and/or "Hope Now Loan Modification Counselor."

5.3 Defendants shall not accept payment from Consumers and then fail to provide

Consumers with the contracted-for loan modification assistance and/or other Merchandise.

5.4 Defendants shall not instruct Consumers to stop paying their mortgages, and then fail to provide the contracted for loan modification assistance.

5.5 Defendants shall not Represent that they will modify a Consumer's mortgage and then fail to do so.

5.6 Unless operating as a licensed Nonprofit Consumer Credit Counseling Agency or a Nonprofit Social Service Agency, Defendants shall not act as a Debt Adjuster in the State, in accordance with N.J.S.A. 17:16G-2(a).

5.7 Defendants shall not act or offer to act for a consideration as an intermediary between a Debtor and his creditors for the purpose of settling, compounding, or otherwise altering the terms of payment of any debts of the Debtor including, but not limited to, providing mortgage or other loan modification services without a license from the Commissioner, pursuant to N.J.S.A. 17:16G-1 et seq.

5.8 Defendants shall not receive money or other property from the Debtor or on behalf of the Debtor, for payment to, or distribution among, the creditors of the Debtor for the purpose of settling, compounding, or otherwise altering the terms of payment of any debts of the Debtor including but not limited to providing mortgage or other loan modification services without a license from the Commissioner, pursuant to N.J.S.A. 17:16G-1 et seq.

5.9 Defendants are permanently enjoined from engaging in the Advertisement, offer for Sale and/or Sale of loan modification and/or Debt Adjuster services to Consumers in the State, or to out-of-State consumers from a location within the State. Nothing shall preclude Defendants from referring Consumers in this State to a duly licensed Debt Adjuster or other agency authorized by the

Department of Banking and Insurance and the Housing and Mortgage Finance Agency to provide mortgage modification services or other forms of debt adjustment.

5.10 Defendants shall not fail to provide Consumers with refunds when Defendants have failed to provide the contracted-for loan modification assistance and/or other Merchandise.

5.11 Defendants shall not Represent that they will provide a Consumer with a refund and then fail to do so.

5.12 Defendants shall not fail to respond to Consumer complaints, inquiries and/or requests for refunds in a timely manner or at all.

5.13 Defendants shall not apply for a license or registration from DOBI for a period of five (5) years from the Effective Date.

## **6. RESTITUTION**

6.1 Any Restitution for Affected Consumers and Additional Affected Consumers shall be paid, to the extent available, from the assets frozen in the FTC Action. In the event that Restitution is not provided for Affected Consumers and Additional Affected Consumers in disposition of the FTC Action, the Plaintiffs reserve all rights and authority under the CFA and the Debt Adjustment and Credit Counseling Act to seek from Defendants Restitution for Affected Consumers and Additional Affected Consumers.

6.2 Attached as Exhibit A is a list prepared by the Division that identifies each Affected Consumer. Within five (5) days of the Effective Date, Plaintiffs shall provide the FTC with such list.

6.3 From the Effective Date to the conclusion of the FTC Action, Plaintiffs shall provide the FTC with an identification of any Additional Affected Consumers.

6.4 The Division shall provide all Affected Consumers and Additional Affected Consumers with written notification of the referral of their complaints to the FTC for handling through the FTC Action.

## 7. SETTLEMENT AMOUNT

7.1 The Parties have agreed to a Settlement of the Action in the amount of Five Million Fifty-One Thousand Two Hundred Fifty-Three and 25/100 Dollars (\$5,051,253.25) (the "Settlement Amount").

7.2 The Settlement Amount consists of a civil penalty of Two Million Five Hundred Thousand and 00/100 Dollars (\$2,500,000.00), pursuant to N.J.S.A. 56:8-13, a civil penalty of Two Million Five Hundred Thousand and 00/100 Dollars (\$2,500,000.00), pursuant to N.J.S.A. 17:16G-8, and Fifty-One Thousand Two Hundred Fifty-Three and 25/100 Dollars (\$51,253.25), as reimbursement of the Plaintiffs' attorneys' fees and investigative costs, pursuant to N.J.S.A. 56:8-11 and N.J.S.A. 56:8-19.

7.3 Of the Settlement Amount, Hope Now Financial Services and Hope Now Modifications shall be jointly and severally liable for the payment of Four Million Fifty-One Thousand Two Hundred Fifty-Three and 25/100 Dollars (\$4,051,253.25) (the "Settlement Payment").

7.4 It is agreed and hereby ordered that Hope Now Financial Services and Hope Now Modifications shall make the Settlement Payment on or before the Effective Date, or judgment shall be entered Statewide in the amount of the Settlement Payment.

7.5 Hope Now Financial Services and Hope Now Modifications shall forward Two Million Fifty-One Thousand Two Hundred Fifty-Three and 25/100 Dollars (\$2,051,253.25) of the

Settlement Payment by certified check, attorney trust account check, or other guaranteed funds made payable to the "New Jersey Division of Consumer Affairs" and forwarded to the undersigned:

Nicholas Kant, Deputy Attorney General  
State of New Jersey  
Office of the Attorney General  
Department of Law and Public Safety  
Division of Law  
Consumer Fraud Prosecution Section  
124 Halsey Street - 5<sup>th</sup> Floor  
P.O. Box 45029  
Newark, New Jersey 07101

7.6 Hope Now Financial Services and Hope Now Modifications shall forward Two Million and 00/100 Dollars (\$2,000,000.00) of the Settlement Payment by certified check, attorney trust account check, or other guaranteed funds made payable to the "State of New Jersey, General Treasury" and forwarded to the undersigned:

Gregory McHugh, Deputy Attorney General  
State of New Jersey  
Office of the Attorney General  
Department of Law and Public Safety  
Division of Law  
Banking and Insurance Section  
22 South Clinton Avenue - 2<sup>nd</sup> Floor  
P.O. Box 117  
Trenton, New Jersey 08625

7.7 Upon making the Settlement Payment, Hope Now Financial Services and Hope Now Modifications 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 Plaintiffs pursuant to the terms herein.

7.8 For a period of five (5) years from the Effective Date, the One Million and 00/100 Dollars (\$1,000,000.00) balance of the Settlement Amount shall be suspended and automatically vacated at the end of that period ("Suspended Penalty"), provided:

- (a) Defendants comply in all material respects with the restraints and conditions set forth in Sections 5 and 10 of this Consent Judgment; and
- (b) Defendants do not engage in any acts or practices in violation of the CFA, the Advertising Regulations and/or the Debt Adjustment and Credit Counseling Act.

7.9 In the event Defendants fail to comply with Section 7.8, the entire Suspended Penalty of One Million and 00/100 Dollars (\$1,000,000.00) shall be immediately due and payable upon notice by the Plaintiffs. In any such notice, however, Plaintiffs shall provide Defendants with the specific details of the alleged noncompliance and Defendants shall be afforded a fifteen (15) day period within which to cure any such noncompliance. In the event of Defendants' failure to present a valid defense to any such noncompliance, Plaintiffs may move on notice or by Order to Show Cause to have a judgment entered for the Suspended Penalty. Defendants shall have the right to submit opposition to any motion or Order to Show Cause application filed by Plaintiffs and to contest same on any return date. Upon being presented with evidence that any of Defendants have failed to comply with Section 7.8, the Court will enter judgment for the entire Suspended Penalty of One Million and 00/100 Dollars (\$1,000,000.00), which will be entered as to Hope Now Financial Services, Hope Now Modifications, S. Puglia and N. Puglia, jointly and severally, with Five Hundred Thousand and 00/100 Dollars (\$500,000.00) to be payable to the Division, and Five Hundred Thousand and 00/100 Dollars (\$500,000.00) to be payable to DOBI.

7.10 The Parties agree that the entire Suspended Penalty is a civil penalty payable to and for the benefit of the State and is not compensation for actual pecuniary loss. The Defendants acknowledge that if the Suspended Penalty becomes due and payable, as provided in Section 7.9, the Suspended Penalty is a nondischargeable debt under 11 U.S.C. §523(a)(7).

## **8. DISMISSAL OF ACTION**

8.1 The entry of this Consent Judgment constitutes a dismissal with prejudice of the Action.

## **9. GENERAL PROVISIONS**

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

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

9.3 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.

9.4 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 Plaintiffs and Defendants.

9.5 Except as otherwise explicitly provided for 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.

9.6 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.

9.7 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.

9.8 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 nor any action taken hereunder shall constitute, or be construed as: (a) an approval, sanction or authorization by the Attorney General, the Division, DOBI or any other governmental unit of the State of any act or practice of Defendants; and (b) an admission by Defendants that any of their acts or practices described in or prohibited by this Consent Judgment are unfair or deceptive or violate the CFA, Advertising Regulations and/or Debt Adjustment and Credit Counseling Act. 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 or affirm any or all of the terms of this Consent Judgment; (b) any action or proceeding involving a Released Claim (as defined in Section 11) to support a defense of res judicata, collateral estoppel, release or other theory of claim preclusion, issue preclusion or similar defense; or (c) any action involving a non-Released Claim.

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

## **10. REPRESENTATIONS AND WARRANTIES**

10.1 The Parties Represent and warrant that their signatories to this Consent Judgment have authority to act for and bind the respective Parties.

10.2 Defendants Represent and warrant that Hope Now Financial Services and Hope Now Modification are no longer operating.

10.3 Defendants Represent and warrant that the Hope Now Modifications Website is presently and will permanently remain disabled and inactive.

10.4 Individual Defendants Represent and warrant that for a period of five (5) years from the Effective Date, they shall provide Plaintiffs with written notification of any proposed change in Defendants' business status including, but not limited to, creation, purchase, dissolution, merger, assignment, bankruptcy filing or sale.

10.5 Individual Defendants Represent and warrant that for a period of five (5) years from the Effective Date, they shall notify Plaintiffs of subsequent plans to: (a) open, close or relocate any retail, office and/or business locations owned, operated and/or managed by the Individual Defendants in New Jersey; and/or (b) Advertise, offer for Sale and/or sell Merchandise to New Jersey Consumers, along with a description of the Merchandise. The Individual Defendants shall provide such notification at least thirty (30) days prior to the effective date of any such change.

## **11. RELEASE**

11.1 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 Payment referenced in Section 7, 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 the Plaintiffs could have brought prior to the Effective Date against Defendants for violations of the CFA, the Advertising Regulations and/or the Debt Adjustment and Credit Counseling Act as alleged in the Action (the "Released Claims").

11.2 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 by the Commissioner to enforce any other banking laws of the State including, but not limited to, the Licensed Lenders Act and corresponding regulations; (c) actions to enforce this Consent Judgment; and (d) any claims against Defendants by any other agency or subdivision of the State.

## **12. FORBEARANCE ON EXECUTION AND DEFAULT**

12.1 Defendants agree to pay all reasonable attorneys' fees and costs including, but not limited to Court costs, associated with any successful collection or enforcement efforts by Plaintiffs pursuant to this Consent Judgment.

12.2 Defendants acknowledge that their obligations under Section 5, as well as any action by Plaintiffs to enforce Section 5, arises from Plaintiffs' police and regulatory powers. No Defendant and/or Individual Defendant shall assert, or request any other Person to assert in a bankruptcy proceeding, that the automatic stay under 11 U.S.C. §362 shall operate or be interpreted to stay, interdict, condition, reduce, prohibit or otherwise interfere with Plaintiffs' ability to enforce any of their rights under Section 5.

12.3 On the Effective Date, Defendants shall provide Plaintiffs with written notification of their current addresses, telephone numbers and facsimile numbers for service of process in the

event of default. Within five (5) days of relocating to a new address or obtaining new telephone or facsimile numbers, Defendants shall provide such information to Plaintiffs in writing. Defendants' obligation to provide such information shall continue for a period of five (5) years from the Effective Date. In the event of Defendants' default under Section 7, service upon Defendants shall be effective upon mailing a notice via First Class Mail accompanied by a confirmed receipt facsimile transmission.

### **13. PENALTIES FOR FAILURE TO COMPLY**

13.1 The Attorney General and/or the Commissioner (or designated representatives) shall have the authority to enforce the provisions of this Consent Judgment or to seek sanctions for violations hereof or both.

13.2 The Parties agree that any future violations of the injunctive provisions of this Consent Judgment, the CFA, the Advertising Regulations and/or the Debt Adjustment and Credit Counseling Act shall constitute a second or succeeding violation under N.J.S.A. 56:8-13 and/or N.J.S.A. 17:16G-1 et seq., and that Defendants may be liable for enhanced civil penalties, as provided therein, upon a Court's finding that Defendants have committed a violation of the injunctive provisions of this Consent Judgment, the CFA, the Advertising Regulations and/or the Debt Adjustment and Credit Counseling Act.

### **14. COMPLIANCE WITH ALL LAWS**

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

- (a) Relieving Defendants of their obligations 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 Plaintiffs 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 Plaintiffs to obtain such information, documents or testimony.

**15. NOTICES UNDER THIS CONSENT JUDGMENT**

15.1 Except as otherwise provided herein, any notices or other documents required to be sent to the Parties pursuant to this Consent Judgment shall be sent by the 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 Plaintiffs:

Nicholas Kant, Deputy Attorney General  
State of New Jersey  
Office of the Attorney General  
Department of Law and Public Safety  
Division of Law  
Consumer Fraud Prosecution Section  
124 Halsey Street - 5<sup>th</sup> Floor  
P.O. Box 45029  
Newark, New Jersey 07101

For the Defendants:

Richard Gallucci, Esq.  
Oliver D. Griffin, Esq.  
Spector Gadon & Rosen, P.C.  
1635 Market Street, 7th Floor  
Philadelphia, Pennsylvania 19103

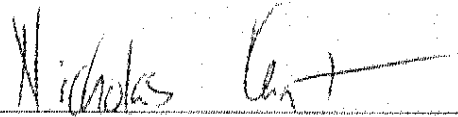
IT IS ON THE 28 DAY OF June 2010 SO ORDERED, ADJUDGED  
AND DECREED.

  
HONORABLE MARY EVA COLALILLO, P.J.Ch.

JOINTLY APPROVED AND  
SUBMITTED FOR ENTRY:

FOR THE PLAINTIFFS:


PAULA T. DOW  
ATTORNEY GENERAL OF NEW JERSEY

By: 

Dated: June 25, 2010

Nicholas Kant  
Deputy Attorney General  
Consumer Affairs Prosecution Section  
124 Halsey Street - 5<sup>th</sup> Floor  
P.O. Box 45029  
Newark, New Jersey 07101  
Telephone: (973) 648-4584

THOMAS B. CONSIDINE  
COMMISSIONER OF THE NEW JERSEY  
DEPARTMENT OF BANKING AND INSURANCE

By: 

Dated: 6/29, 2010

Gregory McHugh  
Deputy Attorney General  
Banking and Insurance Section  
22 South Clinton Avenue - 2<sup>nd</sup> Floor  
P.O. Box 117  
Trenton, New Jersey 08625  
Telephone: (609) 633-9847

FOR DEFENDANTS:

SPECTOR GADON & ROSEN, P.C.

By: 

Richard Gallucci, Esq.  
Oliver D. Griffin, Esq.  
Spector Gadon & Rosen, P.C.  
1635 Market Street  
7th Floor  
Philadelphia, Pennsylvania 19103

Dated: 6/8/10, 2010

HOPE NOW FINANCIAL SERVICES CORP.  
d/b/a HOPE NOW MODIFICATIONS

By: 

Salvatore A. Puglia, Sr.  
Owner  
Hope Now Financial Services Corp. d/b/a Hope Now Modifications  
200 Lake Drive East, Suite 200  
Cherry Hill, New Jersey 08002

Dated: 6/8/10, 2010

HOPE NOW MODIFICATIONS, L.L.C.

By: 

Salvatore A. Puglia, Sr.  
Owner  
Hope Now Modifications, L.L.C.  
200 Lake Drive East, Suite 200  
Cherry Hill, New Jersey 08002

Dated: 6/8/10, 2010

SALVATORE A. PUGLIA, SR.

By: 

Salvatore A. Puglia, Sr., individually  
200 Lake Drive East, Suite 200  
Cherry Hill, New Jersey 08002

Dated: 6/8/10, 2010

NICHOLAS F. PUGLIA, JR.

By: 

Nicholas F. Puglia, Jr., individually  
200 Lake Drive East, Suite 200  
Cherry Hill, New Jersey 08002

Dated: 6/8/10, 2010