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Division of Consumer Affairs

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THOMAS P. OLIVIERI, P.J.Ch.

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION
HUDSON COUNTY
DOCKET NO. C-39-07

ANNE MILGRAM, Attorney General of
the State of New Jersey, and
DAVID SZUCHMAN, Director of the
New Jersey Division of Consumer
Affairs,

Plaintiffs,

v.

MALQUI FINANCIAL GROUP, INC. (dba
MALQUI TAX), CEASAR B. MALQUI
FAST TAX EXPRESS CORPORATION (dba
MALQUI TAX), XYZ CORPORATIONS 1-
20 and JANE and JOHN DOES 1-20,
individually and as managers,
agents, servants, employees,
representatives and/or
independent contractors of MALQUI
FINANCIAL GROUP, INC. (dba MALQUI
TAX), CEASAR B. MALQUI and FAST
TAX EXPRESS (dba MALQUI TAX),

Defendants.

Civil Action

ORDER FOR FINAL JUDGMENT

This matter having been presented to the Court by Anne
Milgram, Attorney General of New Jersey and David Szuchman,

Director of the New Jersey Division of Consumer Affairs, (Assistant Attorney General James J. Savage and Deputy Attorney General Isabella T. Stempler, appearing), New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq. ("Consumer Fraud Act" or "CFA"), the Regulations Governing General Advertising, N.J.A.C. 13:45A-9.1 et seq. (the "Advertising Regulations") and New Jersey's Uniform Fraudulent Transfer Act, N.J.S.A. 25:2-20 et seq. ("Fraudulent Transfer Act") seeking, among other things, a permanent injunction pursuant to N.J.S.A. 56:8-8, restitution pursuant to N.J.S.A. 56:8-8, a civil monetary penalty pursuant N.J.S.A. 56:8-13, costs and attorneys fees pursuant to N.J.S.A. 56:8-11 and -19, avoiding the transfers from Malqui Financial Group to Fast Tax Express Corporation pursuant to N.J.S.A. 25:2-29a(1) and the Court having on January 12, 2009 granted plaintiffs' partial summary judgment as to liability against all defendants in a decision read into the record and thereafter entered which found the acts and omissions of defendants Malqui Financial Group, Inc. and Ceasar B. Malqui constituted multiple instances of unlawful practices in violation of the CFA, N.J.S.A. 56:8-2, -2.2 the Advertising Regulations, N.J.A.C. 13:45A-9.2(a)(9) and that Fast Tax Express Corporation is a mere continuation of Malqui Financial Group and is therefore liable for Malqui Financial Group, Inc.'s violations of the CFA and Advertising Regulations and that Fast Tax Express Corporation asset purchase of the Malqui Financial Group's assets violated the

Fraudulent Transfer Act, N.J.S.A. 25:2-25(a); and the Court having conducted a proof hearing on February 3, 2009; and the Court having considered the papers submitted in support thereof, and in opposition thereto, and for the reasons set forth on the record on April 6, 2009, and for good cause shown,

IT IS on this 14th day of April, 2009

ORDERED and ADJUDGED:

Permanent Injunction

1. Defendants Cesar B. Malqui, Malqui Financial Group and Fast Tax Express Corporation individually, and by or through any corporation, business entity, agent, employee, partner, officer, director, attorney, stockholder and/or any other person who is directly or indirectly under their control or direction, are permanently restrained and enjoined from directly or indirectly violating the Consumer Fraud Act and Advertising Regulations including, but not limited to, the acts and practices alleged in the Amended Complaint;
2. Pursuant to N.J.S.A. 56:8-8, defendant Cesar B. Malqui is permanently enjoined from: (1) managing or owning any business organization within New Jersey that sells Refund Anticipation Loans, "Bonus Accounts" or similar tax refund based financial products; and (2) offering for sale or selling, distributing, promoting, advertising, soliciting, negotiating, advising, advancing the sale of and/or promoting Refund Anticipation

Loans, "Bonus Accounts" or similar tax refund based financial products in any manner to, from, or within the State of New Jersey;

3. Defendants Malqui Financial Group, Fast Tax Express Corporation and Ceasar B. Malqui, to the extent he is not already barred from such practice by paragraph 2, are hereby ordered to adopt the following business practices:

1. All media advertising regarding any loans sold, brokered or originated by defendants must clearly and conspicuously disclose, as prominently as any other message in the advertisement that the product is a loan;
2. All point of sale materials maintained, displayed or distributed by defendants must clearly and conspicuously describe Refund Anticipation Loans ("RALs") as loans;
3. Defendants shall not use the term "your money" or similar language in advertising RALs which might suggest that RALs are not loans;
4. Defendants shall not use terms such as "rapid refund", "lightening refund," "warp speed wealth service" or comparable terms in Spanish in advertising, unless the advertisement discloses as prominently as any other message in the advertising the amount of time that it will take for consumers to receive their tax return through a non-loan based service. For example, while

"fast refund" is unacceptable, "fast 10-21 day refund" would be acceptable;

5. Whenever defendants or any of their employees present a tax preparation customer with a list of choices on how to receive the proceeds of a tax refund, whether orally or in writing, the options must be arranged in ascending order of cost to the customer with free refund options placed first on the list and the most expensive options placed last. Among free refund options, the fastest free options should be listed first;
6. During a tax interview, before the customer has committed to purchasing any refund-based financial product sold, brokered or originated by defendants, the following shall be clearly and conspicuously disclose both in writing and orally:
 - a. The price of the product;
 - b. That the consumer can obtain their refund directly from the IRS without charge;
 - c. That by electronically filing the return and receiving the refund by direct deposit, customers can obtain their refund within __ days [the number of days then shown by the Internal Revenue Service on its Refund Cycle Chart (or the equivalent)]; and
 - d. That by electronically filing the return and

receiving the refund by U.S. Mail, customers can obtain their refund within ___ days [the number of days then shown by the Internal Revenue Service on its Refund Cycle Chart (or the equivalent)].

Consumer Restitution

4. Defendants Ceasar B. Malqui, Malqui Financial Group, Inc. and Fast Tax Express Corporation are jointly and severally liable to pay consumer restitution, pursuant to N.J.S.A. 56:8-8 in the amount of \$1,637,510 plus interest at the rate imposed by the Court Rules, R. 4:42-11, as of March 5, 2007, the date of the filing of the Complaint.
5. Upon the entering of this Final Judgment by the Court, payment is due and shall be made by certified check or other guaranteed funds, made payable to "Division of Consumer Affairs, State of New Jersey" and delivered to the attention of the Director, at the following address: State of New Jersey, Department of Law and Public Safety, Division of Consumer Affairs, 124 Halsey Street, 6th Floor, Newark, New Jersey 07101.

CIVIL MONETARY PENALTY

6. Defendants Ceasar B. Malqui, Malqui Financial Group, Inc. and Fast Tax Express Corporation are jointly and severally liable for civil monetary penalty, pursuant to N.J.S.A. 56:8-13 in the amount of \$1,865,000. Payment shall be made by certified

check or other guaranteed funds, made payable to "Division of Consumer Affairs, State of New Jersey" and delivered to the attention of the Director, at the following address: State of New Jersey, Department of Law and Public Safety, Division of Consumer Affairs, 124 Halsey Street, 6th Floor, Newark, New Jersey 07101.

Costs

7. Defendants Ceasar B. Malqui, Malqui Financial Group, Inc. and Fast Tax Express Corporation are jointly and severally liable for attorneys' fees incurred in the prosecution of this matter, in the total amount of \$ 227,708.53, for the use of the State of New Jersey, as authorized by the Consumer Fraud Act, N.J.S.A. 56:8-19;
8. Defendant Ceasar B. Malqui, Malqui Financial Group, Inc. and Fast Tax Express Corporation are jointly and severally liable for investigative costs and fees, in the total amount of \$4,792.01, for the use of the State of New Jersey, as authorized by the CFA, N.J.S.A. 56:8-11, N.J.S.A. 56:8-19; and
9. Payment shall be made by certified check or other guaranteed funds, made payable to "Division of Consumer Affairs, State of New Jersey" and delivered to the attention of the Director, at the following address: State of New Jersey, Department of Law and Public Safety, Division of Consumer

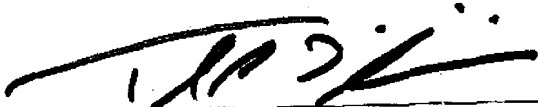
Affairs, 124 Halsey Street, 6th Floor, Newark, New Jersey
07101.

FINAL JUDGMENT

10. As such, final judgment in the amount of \$3,735,010 is entered jointly and severally against defendants Ceasar B. Malqui, Malqui Financial Group, Inc. and Fast Tax Express Corporation. Plaintiffs may immediately enforce collection of the judgment.

Fraudulent Transfer Act

11. The transfer of any and all assets from Malqui Financial Group, Inc. to Fast Tax Express Corporation is hereby set aside, annulled and voided pursuant to N.J.S.A. 25:2-29a(1);
12. This Court retains full jurisdiction to enforce any and all provisions of this Order;
13. A copy of the within Order be served by plaintiffs' counsel on all parties within 7 days from the date of receipt.



Honorable Thomas P. Olivieri, P.J. Ch.

In accordance with the required statement to R. 1:6-2(a), this motion was

opposed unopposed.