

**STATE OF NEW JERSEY  
DEPARTMENT OF LAW & PUBLIC SAFETY  
DIVISION OF CONSUMER AFFAIRS**

**NOTICE OF VIOLATION AND OFFER OF SETTLEMENT  
DEBT ADJUSTERS**

November 24, 2009

**VIA REGULAR AND CERTIFIED MAIL**

In the Matter of:

**UNITED GLOBAL SERVICES, L. L. C.**  
c/o JANNY JARAMILLO, Registered Agent

The Office of Consumer Protection of the New Jersey Division of Consumer Affairs (the "Division") is charged with enforcement of the Consumer Fraud Act, **N.J.S.A. 56:8-1 et seq.** (the "CFA"). The Division has reviewed information concerning commercial practices conducted by United Global Services, L. L. C. ("Respondent" or "You") which maintains offices located at 442 Elizabeth Avenue in Elizabeth, NJ and 301 Route 17, North, Suite 800 in Rutherford, NJ. Specifically, the information reviewed included a contract ("Contract"), correspondence and a solicitation ("Solicitation"), concerning a service in which you act as an intermediary between a debtor and creditors to renegotiate or modify loan terms. The information reviewed also included proof of payment ("Proof of Payment") for your services in the amount of \$3,067.00. An Investigator's Certification establishing these facts is attached hereto. See Certification of Jared O'Cone ("O'Cone Cert.").

**N.J.S.A. 56:8-2** prohibits the act, use or employment by any person of any unconscionable commercial practice in connection with the sale or advertisement of merchandise, which includes the advertisement, offering and sale of debt adjustment services. The advertisement and sale of services by a person without being licensed to conduct such services constitutes an unconscionable commercial practice in violation of the CFA.

Pursuant to **N.J.S.A. 17:16G-2a**, no person other than a nonprofit social service agency or nonprofit consumer credit counseling agency shall act as a debt adjuster. Moreover, pursuant to **N.J.S.A. 17:16G-2b**, it is unlawful for any nonprofit social service agency or non profit consumer credit counseling agency to act as a debt adjuster without first obtaining a license from the Commissioner of the New Jersey Department of Banking and Insurance ("DOBI"). This statute defines debt adjuster to be a person who either (a) acts or offers to act for 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, or (b) who, to that end, receives money or other property from the debtor, or on behalf of the debtor, for payment to, or distribution among, the creditors of the debtor. See **N.J.S.A. 17:16G-1.c**. A diligent search has revealed that Respondent is not licensed as a debt adjuster. See O'Cone Cert.

A review of the Contract, correspondence, Solicitation and Proof of Payment demonstrates that Respondent had engaged in an unconscionable commercial practice and violated the CFA by selling debt adjustment services without being licensed as a debt adjuster. These CFA violations provide the basis for the Director of the Division to assess penalties, pursuant to N.J.S.A. 56:8-13, order payment of investigative costs and attorneys fees and costs of suit, pursuant to N.J.S.A. 56:8-11 & 19, order restoration of fees unlawfully acquired, N.J.S.A. 56:8-15, and order you to cease and desist from engaging in this unlawful activity, N.J.S.A. 56:8-18.

While the Division has preliminarily concluded that there is sufficient basis to initiate an enforcement action against you, it has determined that it will first offer you an opportunity to settle this matter and thereby avoid the initiation of disciplinary proceedings.

**IF YOU DO NOT CONTEST THE CHARGES** and wish to avail yourself of this settlement opportunity, within fifteen (15) days from the date of this Notice you should sign and return the enclosed Certification and agree to the following:

1. Cease and desist from advertising, offering and selling debt adjustment services;
2. Pay a penalty in the amount of \$5,000.00, pursuant to N.J.S.A. 56:8-13; and
3. Pay restitution in the amount of \$3,067.00, pursuant to N.J.S.A. 56:8-15.

If these sums totaling \$8,067.00 are remitted along with your signed Certification, you need not do anything further.

**IF YOU DO NOT CONTEST THE CHARGES** but want to present information to Division representatives about the mitigating circumstances in your case that you believe may persuade the Division to reduce the civil penalty in this matter, you may request an informal **Mitigation Conference**. If you request a mitigation conference, the conference date is January 5, 2010 at 1:00 p.m. Alternatively, you may send written documentation to the Division concerning any mitigating circumstances which may persuade the Division to reduce the penalty. In order to elect either of these options, you must return the enclosed Certification within fifteen (15) days from the date of this Notice. The Division will then review this material and respond to you.

**IF YOU CONTEST THE CHARGES**, and do not wish to settle the matter consistent with the terms set forth above, you may request a formal **Administrative Hearing** by returning the enclosed Certification within fifteen (15) days from the date of this Notice. In that event, this Notice will serve as notice of the charges against you. You should be aware that in making its final decision, the Division may, if unlawful activity has been proven, order penalties and remedies other than those offered in this letter. Specifically, you may be ordered to: pay civil penalties in an amount not more than \$10,000.00 for the first violation and not more than \$20,000.00 for a second or subsequent violation, pursuant to N.J.S.A. 56:8-13; pay costs to the State, restore to any person aggrieved by the unlawful act or practice any money or property, real or personal, acquired by means of the

unlawful act or practice, and/or cease and desist from violating the CFA pursuant to **N.J.S.A. 56:8-11, 15, 18 & 19.**

Before a determination is made with regard to whether a hearing will be conducted and whether the matter will be heard before the Director of the Division of Consumer Affairs or referred to the Office of Administrative Law, a **pre-hearing conference** will be held. If you request a hearing, your pre-hearing conference has been scheduled on January 5, 2010 at 1:00 p.m. **You may be accompanied by an attorney.** Should you have any questions regarding this procedure, or to seek an adjournment of this date, please contact Investigator Louise Garrity, who may be reached at (973) 273-8049.

Your attendance at this pre-hearing conference is **mandatory** and you must show evidence of the legal and factual basis on which you contest the charges. Any failure to appear, without a satisfactory explanation, may result in an order barring you from raising certain defenses at the hearing (**N.J.A.C. 1:1-14**). The purpose of this pre-hearing conference is to discuss the issues in the matter and the defenses which you may wish to raise. You should be prepared to discuss the evidence you would propose to offer at a hearing. It may be helpful if you bring with you to the pre-hearing conference a copy of any documentation that supports your position. If the Division determines that there are no material facts in dispute, you will have an opportunity to submit legal arguments and any documentation that may be relevant to the ultimate disposition of the case, if the charges are sustained. If there are material facts in dispute, an evidentiary hearing will be scheduled. In these proceedings, you, either personally or with the assistance of an attorney, will have an opportunity to respond to the charges and submit evidence and present testimony as may be necessary in order for the Division to make a final determination concerning the charges of unlawful activity.

**IF YOU FAIL TO RESPOND** to this Notice within fifteen (15) from the date of its issuance, the settlement offer will be withdrawn, and you will be deemed in default. The allegations against you will be deemed uncontested. Thereafter this Notice and the underlying proofs may be reviewed by the Director of the Division and a **Final Order on Default** ("Order") may be issued. Once the Order has been entered, your failure to pay any penalties within the time allowed will result in the filing of a **Certificate of Debt**. Any subsequent violation of the Order with a cease and desist provision is punishable by a \$25,000.00 penalty, pursuant to **N.J.S.A. 56:8-18**. Service of the Order will be deemed effective if sent by certified mail to your last known mailing address.

Office of Consumer Protection

By: Laurie Goodman  
Laurie Goodman  
Acting Executive Director  
Office of Consumer Protection

## ANSWERING CERTIFICATION

I, \_\_\_\_\_, hereby acknowledge that I have read and reviewed the Division's Notice dated November 24, 2009 regarding allegations of violations of the Consumer Fraud Act ("CFA"), N.J.S.A. 56:8-1 et seq.

### PLEASE CHECK ONE:

\_\_\_\_\_ **I DO NOT CONTEST THE CHARGES** and acknowledge the conduct which has been charged and **agree** to:

1. Cease and desist from advertising, offering and selling debt adjustment services;
2. Pay a penalty in the amount of \$5,000.00, pursuant to N.J.S.A. 56:8-13; and
3. Pay restitution in the amount of \$3,067.00, pursuant to N.J.S.A. 56:8-15.

If the payment of \$8,067.00 is remitted along with your signed Certification, you need not do anything further.

I understand and acknowledge that I am ordered to cease and desist from acting as a Debt Adjuster unless and until I am licensed with the DOBI. I am also aware that the action taken against me by the Division is a matter of public record, and that the Division's Notice and this Certification are public documents. I am enclosing a bank check or money order in the sum of \$8,067.00 made payable to the "New Jersey Division of Consumer Affairs" and mailing or delivering it to:

New Jersey Department of Law and Public Safety  
Division of Consumer Affairs  
Case Management Tracking Unit  
124 Halsey Street  
P.O. Box 45025  
Newark, New Jersey 07101  
ATTN: Van Mallet

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Signature

**OR**

\_\_\_\_\_ **I DO NOT CONTEST THE CHARGES** and hereby waive any rights I may have to a hearing in this matter in order to defend myself against any charges, **BUT** I ask the Division to consider mitigating circumstances in my case before rendering its final decision.

\_\_\_\_\_ I request a **mitigation conference** to present information to Division representatives. I understand that the conference is scheduled for January 5, 2010 at 1:00 p.m.

\_\_\_\_\_ I am submitting **written documentation concerning mitigation circumstances**; I understand that the Division will consider this material before rendering a final decision.

I understand that, if, after considering the mitigation evidence presented, the Division is not persuaded that any reduction in the amounts set forth above and in the notice is warranted or that any of the other terms or conditions should be modified, the following terms may be ordered and I will be obligated to:

1. Cease and desist from advertising, offering and selling debt adjustment services;
2. Pay a penalty in the amount of \$5,000.00, pursuant to **N.J.S.A. 56:8-13**; and
3. Pay restitution in the amount of \$3,067.00, pursuant to **N.J.S.A. 56:8-15**.

If a modification in these terms is accepted by the Division, I will be notified of the amounts that I must pay. I am also aware that the action taken against me by the Division is a matter of public record, and that the Division's Notice and this Certification are public documents. Failure to comply may subject me to further enforcement proceedings and any failure to make a required payment will result in the filing of a Certificate of Debt.

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Signature

**OR**

\_\_\_\_\_ **I CONTEST THE CHARGES** and request a formal **Administrative Hearing**. I am submitting documents and additional evidence supporting my request for this hearing. I understand that I am required to attend a pre-hearing conference at which the issues in this matter will be discussed. I will, thereafter, be advised of the time, date and place for the formal hearing if a determination has been made that there are material facts in dispute. I am aware that I may be represented by an attorney and that at the time of the hearing I may offer testimony, documentation and legal argument relevant to the charges. I understand that in making the final decision, the Director may, if unlawful activity has been proven, assess civil penalties in an amount greater than that herein offered in the Division's Notice and may order such other remedies as may be deemed appropriate. I am also aware that this proceeding is a matter of public record and that the Division's Notice and this Certification are public documents.

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Signature

## CERTIFICATION

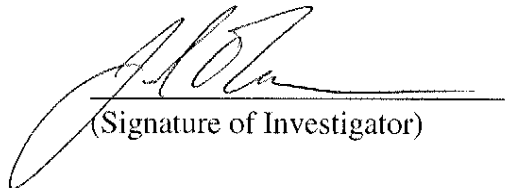
United Global Services, L. L. C.  
422 Elizabeth Avenue  
Elizabeth, NJ 07208

I, Jared O'Cone, being of full age, do hereby certify as follows:

1. I am employed as an Investigator by the Office of the Attorney General, Division of Consumer Affairs, Office of Consumer Protection, 124 Halsey Street, Newark, NJ 07101;
2. I have made a diligent inquiry with the New Jersey Department of Banking and Insurance. This review has indicated that United Global Services, L. L. C. is not registered with the Department as a Debt Adjuster;
3. Attached as "**Exhibit A**" is a true copy of a contract provided to the Division of Consumer Affairs concerning Respondent's debt adjustment services;
4. Attached as "**Exhibit B**" is a true copy of Respondent's solicitation to act as a debt adjuster;
5. Attached as "**Exhibit C**" is a true copy of Respondent's correspondence evincing its work as a Debt Adjuster;
5. Attached as "**Exhibit D**" is a true copy of Proof of Payment for Respondent's services.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

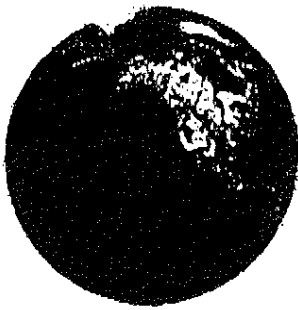
Dated: November 24, 2009

  
(Signature of Investigator)

# **EXHIBIT A**

(Contract)





## UNITED GLOBAL SERVICES

*"Dedicated To Preserving The American Dream"***Mitigation of Terms Customer Agreement****AUTHORIZATION AND CONSENT TO DISCLOSE PERSONAL INFORMATION**

I/We hereby give our consent to United Global Services and its associates or any financial services company, persons, real estate agency, escrow company, attorney, lender, investor, or credit reporting agency which United Global Services and its associates shall designate, to obtain any and all information concerning my/our mortgages, financial obligations and all other credit matters as maybe required in connection with executing the sale of the property located at:

Property Address: 33 Hicketo Mile Rd City Kearny State NJ Zip 07033

Print Client/Homeowners name: Anthony & Kathleen Elenters

Print Additional Client/Homeowner name: \_\_\_\_\_

Loan Number: \_\_\_\_\_ Last four digits of SS# 8632

Therefore, we hereby authorize you to release such information concerning my/our mortgages, financial obligations and all other credit matters deemed necessary with a real estate secured transaction.

It is also our request that United Global Services and its associates, on our behalf, negotiate a modification to our loan. All necessary correspondence - meaning written or verbal communication - must be made to United Global Services and its associates for processing of this request.

United Global Services Fax number: 908-573-3036

United Global Services Processing Dept. Line : ~~908-573-3036~~ 201-842-7633

Mail all Documents and Payments to United Global Services

\*  
Attention Processing Department at **301 Route 17 North Suite 800**  
**Rutherford, NJ 07070**

This information is for confidential use in compiling the data necessary for a real estate secured Transaction.

A photographic, fax, or carbon copy of this authorization may be deemed the equivalent of the original and may be used as a duplicate original.

As time is of the essence, your prompt reply will be helpful for completing my real estate transaction.

[Signature]  
Client/Homeowner Signature

SS# \_\_\_\_\_

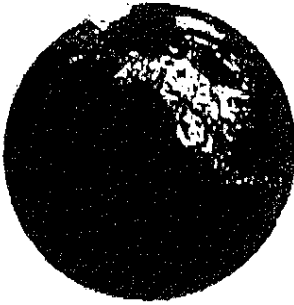
12/14/08  
Date

[Signature]  
Client/Homeowner Signature

SS# \_\_\_\_\_

12/14/08  
Date

Please Initial / 11 15

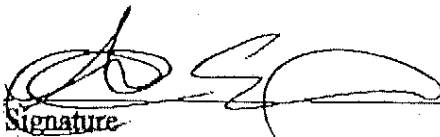


## UNITED GLOBAL SERVICES

*"Dedicated To Preserving The American Dream"***Mitigation of Terms Customer Agreement****REQUEST FOR NEGOTIATIONS HOLD HARMLESS DISCLOSURE**

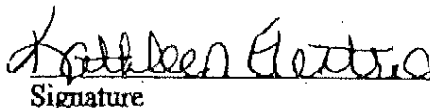
The undersigned party, hereafter called Lienholder, requests United Global Services and its associates to obtain a Mitigation of Terms from the underlying mortgage holder(s) deemed necessary, and any other underlying lien holders regarding the property commonly known as: 353 Rockwell Hill Rd and hereby gives consent to United Global Services and its associates or any financial services company, real estate agency, persons, lender, investor, or credit reporting agency which United Global Services shall designate, to obtain any and all information concerning my/our mortgages, financial obligations and all other credit matters as may be required in connection with executing the Mitigation of Terms of the property noted above. Any and all personal information provided will be held under strict confidence and used only for the purpose of negotiations with underlying lien holders. Lienholder hereby consents to allow United Global Services to share any and all information regarding this Mitigation of Terms transaction with any and all parties United Global Services deems necessary.

The undersigned also agrees that United Global Services and its associates, shall have no liability and will be held harmless regarding this transaction, and that United Global Services shall only be attempting to perform negotiations with the underlying lien holders with the information provided by the parties. Any relief of debt for tax issues, deficiency judgments, or any other financial implications, having to do with or resulting from a Mitigation of Terms (or the lack thereof), should be discussed with a tax professional and/or attorney. Always seek legal counsel when signing this or any other contract. Lienholder agrees to hold United Global Services harmless for any and all financial implications, liens, deficiency judgments, tax consequences, etc; that may or may not arise as a result directly or indirectly of this service.

  
Signature

Anthony Eleuterio  
Print Name


12/4/08  
Date

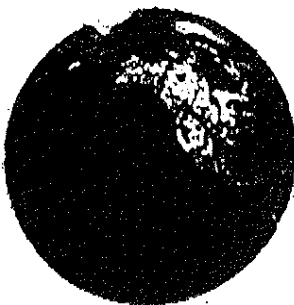
  
Signature

Kathleen Eleuterio  
Print Name

12/4/08  
Date

Please Initial





# UNITED GLOBAL SERVICES

*"Dedicated To Preserving The American Dream"*

## Mitigation of Terms Customer Agreement

### Payment and Contract Completion Form

#### Instructions for Payment:

A fully refundable payment to United Global Services will be accepted for \$ \_\_\_\_\_ for properties with a single (1) mortgage or \$ 3133 for properties with two (2) mortgages. Mitigation will not start until Contract is PAID IN FULL.

The undersigned hereby authorizes United Global Services to initiate debit/credit entries to the undersigned's checking account indicated below for payment of sums due in connection with services by the undersigned (or its agents) from United Global Services. The undersigned further authorizes the depository seen below to charge the indicated account.

**Remember this is not a silver bullet!!!! The fee's that are paid to us are for negotiating with the lender(s) on your behalf. This fee includes our hourly expense, accountant, book keeper, office expenses (phone, faxing, shipping, supplies), financial and tax forms, notary, and FMA and BPO and legal fees. We cannot and do not guarantee that the lender(s) will accept our proposal.**

#### To Begin your Mitigation of Terms:

Please fax the following to 908-573-3036

1. Initial and sign all 6 pages of agreement
2. Payment

**Make check(s) payable to: U.G.S. (Money Orders, Bank Checks, Cashiers Checks, Ach Form)**

#### Payment Terms

I understand the check photocopied above will be run on the date located on the payment form. A late payment fee of eighty-five dollars (\$85) will be assessed on all checks paid to United Global Services, that are returned for insufficient funds or any other reason.

By: [Signature]  
Signature

By: [Signature]  
Signature

By: \_\_\_\_\_  
United Global Authorized Signature

Please print  
Kathleen Elen  
Please print

Date: 12/14/08  
Date:

Please Initial

[Initials]



# UNITED GLOBAL SERVICES

"Dedicated To Preserving The American Dream"

## Mitigation of Terms Customer Agreement


### Acknowledgement of Documentation Request

I/We hereby acknowledge the request made by United Global Services and its associates for the documentation required to start/process/ and or complete this service. I/We also hereby understand that it is my/our responsibility to obtain this information and to provide it to United Global Services and its associates. The request made for any documentation is imperative to the process and must be fulfilled within 10 business days of signing this agreement. Due to this process being time sensitive, any request for documentation not met can force the return of your file and the release of your case. Any refund given or collection for outstanding balance will be determined at the sole discretion of United Global Services. I/We hereby understand the extreme importance for cooperation obtaining any information requested during this time. I understand that I will get a **100% refund** after 120 days if my loan is not modified, or if United Global Services has not given me an option that would make me financially better off than I am today. All monies would be returned. United Global Services will have up to 30 additional days if the modification is close to being finalized at 120 days. The billing will occur within 24-48 hours, **ONLY** upon approval from either Attorney review or a senior mitigation specialist, which feels we have a 90-95% chance of success in our loan modification.

**United Global Services will not start mitigation with your lender until contract is paid in full and all documents are received by our staff. Partial payment plans do not obligate United Global Services to start the mitigation. Payment in full is required.**

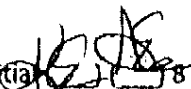
  
Signature

Anthony Eleuterio 12/14/08  
Print Name Date

  
Signature

Anthony Eleuterio 12/14/08  
Print Name Date

Please Initial



# **EXHIBIT C**

(Correspondence)



## UNITED GLOBAL SERVICES

"Dedicated To Preserving The American Dream"

**Congratulations** on selecting United Global Services to handle the Mitigation of Terms of your mortgage(s). With our successful experience in helping families with their real estate needs, you've certainly selected the best team in the Country to help you through this complicated transaction.

We want to give you assurance that our team will do everything in our power to help you avoid foreclosure (and deficiency judgments that often accompany foreclosures) in a way that is far less damaging than having "FORECLOSURE" stamped on your credit report.

As a third party mediator, we have a distinct advantage in negotiating with your mortgage company. Another advantage is we have negotiators who specialize in the mitigating process and in many cases will greatly decrease the timeline on the Mitigation of Terms process, thus reducing your credit risk and stress level. Once our staff has made contact with your mortgage company, they will issue a "work-out package". This is your lender's list of instructions and requirements for considering a Mitigation of Terms. Some of the things they will likely require are listed on United Global Services Form #SSP2 "Items to be collected" (attached).

**We will need these items (as well as the attached completed forms) before we can begin work on your file.**

Your lender will likely require additional information, which we will collect from you, and review before submitting it to your lender. It is very important that you not discuss anything with your lender from here forward. Should you be contacted by one or more of the lien holders please inform them that United Global Services will be handling all negotiations, and that you would prefer they not contact you any further.

We understand that this is a stressful time, and want you to know that we are here for you. Whether it is questions pertinent to your transaction, or simply that you need to vent some of the stress often associated with these difficult situations, we are here for you.

We are often asked, "How will this affect my credit?" Although your credit is somewhat damaged by late payments, it is not un-repairable. Think of your Mitigation of Terms as damage control. You save yourself from the VERY damaging 'FORECLOSURE' stamped in your credit file. Although repairing your credit is not a quick easy process, it is possible. Often times, unforeseeable events cause major financial hardships. It's important to remember that you are not alone! You aren't the first to go through this, and you certainly won't be the last.

If bankruptcy becomes an option for you, please notify us prior to filing, as it will affect any negotiations with your lender!

For now, take a deep breath, read and complete the following pages, and sleep well knowing you have the very best professionals working hard on your behalf.

***Looking forward to your success!***

**United Global LMS:** \_\_\_\_\_

Please Initial 

# **EXHIBIT B**

(Solicitation)

Views: 38



Diane Fendlay

1 0

Contributions: 0

Screen name: Diane2001

Member since 05/23/2006

**Professional Information**

Mortgage broker/ Loan  
Modification Consultant (9 years  
experience) United Global  
Services 422 Elizabeth Ave  
Elizabeth, NJ 07208

Office phone: (386) 214-6886

Mobile phone: (386) 214-  
6886

Fax: (866) 512-4832

[fastloans@msn.com](mailto:fastloans@msn.com)**About Diane Fendlay*****Loan Modification - Avoid Foreclosure if you are behind on Mortgage Payments***

Taking advantage of lender sponsored loan modification programs is the best method for borrowers in the midst of financial hardship to save their homes from entering foreclosure. Let us help you make the best of your situation and stop these nagging questions:

Behind on mortgage payments?

Worried about losing your home?

Concerned about having a foreclosure on your credit?

Tried to obtain funds to bring your loan current without success?

If you said yes to any of these questions, we can help!

With a loan modification, the home loan is restructured to such an extent as to make it affordable and fit comfortably into the borrower's budget rather than being an overwhelming monthly drain on already tight finances. Loan modifications come in different forms and quite frequently they involve the reduction of mortgage's interest rate for a specified period of time.

**Diane Fendlay's Recent Contributions**

RSS

Created an estimate. April 22 2008

Saved a favorite home. September 19 2006



# **EXHIBIT D**

(Proof of Payment)

Check Image

Account Number:

To: DEBIT CARD ACCOUNT

Kathleen A. Moritz  
Anthony C. Moritz  
519 Piedmont Mall Rd.  
Channahon, IL 61018-9011

4831

12/15/08

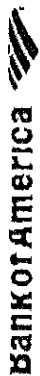
Pay to the order of UGS \$400.00

Four hundred and 00/100

Bank of America

Ref. No.: 813006992556223 Amount: 400.00

Check Image Continues on Next Page



Cashier's Check

No. 1201613

Notice to Purchaser: In the event this check is lost, misplaced or stolen, a stop payment order must be placed with the issuing office to prevent cashing of this check. This check should be replaced within 60 days.

Date JANUARY 12, 2009

30-1/1140  
NTX

Banking CENTER  
0056612 60086 001201613

0056612 60086 001201613

K. KLETRIO

Remitter (Purchased By)

PAY TO THE ORDER OF SIX HUNDRED SIXTY SEVEN DOLLARS AND 00 CENTS

\$\*2667.00\*\*

To  
The  
Order  
Of  
\$10,631.21

Bank of America, N.A.  
San Antonio, Texas

VOID AFTER 90 DAYS

Non-Negotiable  
Authorized Signature

Customer Copy  
Retain For Your Records

11/01/2009 13:38 FAX

Received:

WEICHERT REALTORS

Nov 1 2009 12:11pm

0027