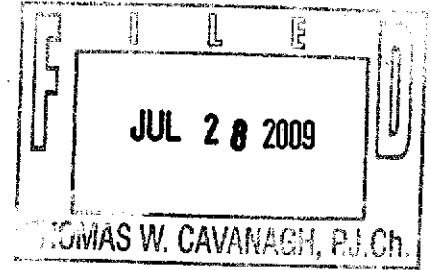


ANNE MILGRAM  
ATTORNEY GENERAL OF NEW JERSEY  
Division of Law  
124 Halsey Street - 5<sup>th</sup> Floor  
P.O. Box 45029  
Newark, New Jersey 07101  
Attorney for Plaintiffs

**DISPOSITIVE ORDER**



By: Jeffrey Koziar / Cathleen O'Donnell  
Deputy Attorneys General  
(973) 648-7819 / (973) 648-4584

SUPERIOR COURT OF NEW JERSEY  
CHANCERY DIVISION  
MONMOUTH COUNTY  
DOCKET NO. MON-C-158-08

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

Plaintiffs,

v.

UNITED CREDIT ADJUSTERS, INC.,  
BANKRUPTCY MASTERS CORP., UNITED  
COUNSELING ASSOCIATION, INC., CREDIT  
BUREAU CONTROLS CORP., AHRON E.  
HENOCH, individually, and EZRA RISHTY,  
individually, and JANE and JOHN DOES 1-10,  
individually and as owners, officers, directors,  
shareholders, founders, managers, agents,  
servants, employees, representatives and/or  
independent contractors of UNITED CREDIT  
ADJUSTERS, INC., BANKRUPTCY MASTERS  
CORP., UNITED COUNSELING  
ASSOCIATION, INC., CREDIT BUREAU  
CONTROLS CORP. and XYZ CORPORATIONS  
1-10,

Defendants.

Civil Action

**FINAL CONSENT JUDGMENT**

The Parties to this Action and Final Consent Judgment (the "Parties") are plaintiffs Anne

*AS PLACED ON THE RECORD ON 7/28/09*

Milgram, Attorney General of the State of New Jersey, and David M Szuchman, Director of the New Jersey Division of Consumer Affairs (“Director”) (collectively, “Plaintiffs”) and defendants United Credit Adjusters, Inc., Bankruptcy Masters Corp., United Counseling Association, Inc., Credit Bureau Controls Corp., Ahron E. Henoch, individually (“Defendant Henoch”), and Ezra Rishty, individually (“Defendant Rishty”) (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.

**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, Monmouth 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 “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 insert, circular, mailer, package insert, package label, product instructions, electronic mail, website, homepage, television, cable television, commercial or any other medium. For purposes of the Advertising Regulations, “Advertisement” shall be defined in accordance with . 13:45A-9.1.

4.2 “Advertising Regulations” shall refer to the Regulations Governing General Advertising Practices, N.J.A.C. 13:45A-9.1 et. seq.

4.3 “Affected Consumer” shall refer to the Consumers listed on Exhibit A.

4.4 “Attorney General” shall refer to the Attorney General of the State of New Jersey (or designated representative) and the Office of the Attorney General.

4.5 “Bankruptcy Assistance” means any goods or services Advertised, sold or otherwise provided to a Consumer with the express or implied purpose of providing information, advice, counsel, document preparation, filing, attendance at a creditors’ meeting or appearing in a case or proceeding on behalf of another Person or providing legal representation with respect to a bankruptcy case or proceeding.

4.6 "CFA" shall refer to the New Jersey Consumer Fraud Act of 1960, as amended, N.J.S.A. 56:8-1 et seq.

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

4.8 "Corporate Defendants" shall refer to defendants United Credit Adjusters, Inc., Bankruptcy Masters Corp., United Counseling Association, Inc., Credit Bureau Controls Corp.

4.9 "Credit Counseling" means any guidance or educational program or advice offered by a non-profit consumer credit counseling agency for the purpose of fostering the responsible use of credit and debt management.

4.10 "Credit Repair" means any service, in return for payment of money and other consideration, for the express or implied purpose of: (a) improving any Consumer's credit record, credit history or credit rating; or (b) providing advice or assistance to any Consumer with regard to any activity or service the purpose of which is to improve a Consumer's credit record, credit history or credit rating.

4.11 "DACCA" shall refer to the Debt Adjustment and Credit Counseling Act, N.J.S.A. 17:16G-1 et seq.

4.12 "Debt Adjuster" means 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.

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

4.14 "Merchandise" shall be defined in accordance with N.J.S.A. 56:8-1(c).

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

4.16 "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. This definition applies to other forms of the word "Represent," including "Misrepresent" and "Misrepresentation."

4.17 "Restitution" shall refer to all methods undertaken by Defendants to resolve Affected Consumer complaints including, but not limited to, the issuance of credits or refunds or the reversal of credit card or debit card charges.

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

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

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

5.1 Defendants shall not engage in any unfair and/or deceptive acts or practices in the conduct of their business in the State and shall comply with such State and/or Federal laws, rules and regulations as now constituted or as may hereinafter be amended, which are applicable to the conduct of their business including, but not limited to, the CFA, the DACCA and the Advertising Regulations.

5.2 Defendants are permanently enjoined from engaging in the Advertisement, offer for Sale and/or Sale of Credit Counseling, Credit Repair, Debt Adjuster and/or Bankruptcy Filing services to Consumers in the State, whether or not such activities are conducted from a location within the State.

## **6. RESTITUTION**

6.1 Attached as Exhibit A is a list prepared by the Division that identifies each Affected Consumer and sets forth the amount of Restitution owed by the Defendants to each Affected Consumer.

6.2 Defendant Henoeh and Defendant Rishty shall pay the amount of Fifteen Thousand Twenty Two and 10/100 Dollars (\$15,022.10) to the Division to satisfy its Restitution obligations ("Restitution Payment")

6.3 The Division shall determine and distribute Restitution Payment to Affected Consumers in its sole discretion.

## 7. SETTLEMENT AMOUNT

7.1 The Parties have agreed to a settlement of the Action in the amount of Five Hundred Eighty Six Thousand Nine Hundred Eighteen 00/100 Dollars (\$586,918.00) ("Settlement Amount").

7.2 The Settlement Amount comprises Five Hundred Thousand and 00/100 Dollars (\$500,000.00) in civil penalties, pursuant to N.J.S.A. 56:8-13, assessed against the Corporate Defendants, and Eighty Thousand Eight Hundred Eighty and 00/100 Dollars (\$80,880.00) as reimbursement for the Plaintiffs' attorneys' fees, pursuant to N.J.S.A. 56:8-19, assessed against ~~Defendants Henoeh and Rishty jointly and severally~~ *The Corporate Defendants*, and Six Thousand Thirty Eight and 00/100 (\$6,038.00) in reimbursement of the Plaintiffs' investigative costs, pursuant to N.J.S.A. 56:8-11, assessed against ~~Defendants Henoeh and Rishty, jointly and severally.~~ *The Corporate Defendants*.

7.3 All payments made in satisfaction of the Settlement Amount shall be made by wire transfer, certified check, cashier's check or Attorney Trust Account Check made payable to the "New Jersey Division of Consumer Affairs" and shall be forwarded to the undersigned:

Jeffrey Koziar, Deputy Attorney General

State of New Jersey  
Office of the Attorney General  
Department of Law and Public Safety  
Division of Law  
124 Halsey Street- 5<sup>th</sup> Floor  
Newark, New Jersey 07101

7.4 Upon making the Settlement Payment, Defendant 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 of income derived therefrom, shall inure entirely to the benefit of the Plaintiffs pursuant to the terms herein.

#### **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 the 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 Plaintiffs and Defendants.

9.5 Except as otherwise explicitly provided 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.

*The Injunctive Relief & Business Practices provisions of paragraph 5 of*  
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 be used to 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 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 any of the Consumer protection laws of the State. 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; or (b) any action or proceeding involving a Released Claim (as defined in



Section 11.1) to support a defense of res judicata, collateral estoppel, release or other theory of claim preclusion, issue preclusion or similar defense.

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

#### 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 Restitution Payment in the manner specified in Section 6 and paying the Settlement Amount in the manner specified 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 DACCA and/or the Advertising Regulations, as well as the matters specifically addressed in this Consent Judgment (the "Released Claims").

11.2 Notwithstanding any provision of this Consent Judgment, the following do not comprise the Released Claims: (a) private rights of action; (b) actions to enforce this Consent Judgment; and (c) any claims against Defendants by any other agency or subdivision of the State.

**11. FUTURE BUSINESS OWNED AND/OR OPERATED BY DEFENDANTS**

11.1 For a period of five (5) years from the Effective Date, Defendants Henoch and/or Rishty shall provide Plaintiffs with written notification of any proposed change in their business status including, but not limited to, creation, purchase, dissolution, merger, assignment, bankruptcy filing or sale. Defendants Henoch and/or Rishty shall also notify Plaintiffs of subsequent plans to: (a) open, close or relocate any retail locations owned, operated and/or managed by Defendants in New Jersey; and/or (b) Advertise and/or sell Merchandise to Consumers in the State ("New Jersey Consumers"). Defendants Henoch and/or Rishty shall provide such notification at least thirty (30) days prior to the effective date of any such change.

11.2 As soon as practical, but not later than thirty (30) days prior to Defendants Henoch and/or Rishty: (a) opening and/or operating any business or other entity in the State as an owner or executive officer; (b) Advertising and/or selling Merchandise to New Jersey Consumers, Defendants shall post a bond in favor of Plaintiffs in the amount of Two Hundred Fifty Thousand and 00/100 Dollars (\$250,000.00) or ten percent (10%) of Defendants Henoch and/or Rishty's prior business year's gross income, whichever is greater. Ten percent (10%) of the prior business year's gross income shall only include income generated from a retail location in New Jersey and/or from Merchandise sold to New Jersey Consumers ("New Jersey Gross Income"). The bond shall be posted to secure any payments to be made by Defendants Henoch and/or including, but not limited to, recovery under the CFA, the DACCA and/or the Advertising Regulations. Defendants Henoch and/or Rishty shall contemporaneously provide Plaintiffs with a copy of the standard terms and conditions of the bank or other financial institution issuing the bond.

11.3 Defendants Henoeh and/or Rishty shall maintain the bond described in Section 11.2 until such time as Defendants Henoeh and/or Rishty: (a) no longer operate a business as an owner or executive officer: (i) in the State; and/or (ii) Advertise and/or sell Merchandise to New Jersey Consumers; and (b) Defendants Henoeh and/or Rishty no longer hold any Consumer deposits from a business: (i) in the State; and/or (ii) Advertise and/or sell Merchandise to New Jersey Consumers. However, after five (5) years with no violation of this Consent Judgment and upon thirty (30) days' notice to Plaintiffs, the bond amount shall be decreased to One Hundred and Twenty-Five Thousand and 00/100 Dollars (\$125,000.00), after ten (10) years with no violation of this Consent Judgment and upon thirty (30) days' notice to Plaintiffs, the bond amount shall be decreased to Sixty-Two Thousand Five Hundred and 00/100 Dollars (\$62,500.00), and after fifteen (15) years of no violation of this Consent Judgment and upon thirty (30) days' notice to the Plaintiffs, the bond shall be eliminated.

11.4 On January 1 of each year in which Defendants Henoeh and/or Rishty, as an owner or executive officer, operate a business that accepts deposits from Consumers: (a) in the State; and/or (b) for Merchandise sold to New Jersey Consumers, and is required to post a bond, Defendants Henoeh and/or Rishty shall forward to Plaintiffs: (i) a copy of the then current bond; (ii) a certification identifying any such business entity; (iii) a certification from a Certified Public Accountant of the New Jersey Gross Income of any such business entity; and (iv) the amount of the bond to be posted for that year.

11.5 Defendants Henoeh and/or Rishty shall provide Plaintiffs with written notice as soon as practical, but no later than thirty (30) days prior to the opening, closing or relocation of any business accepting Consumer deposits in which they are an owner or executive officer: (a) in the

State; and/or (b) selling and/or Advertising Merchandise to New Jersey Consumers. Such notice shall include to the extent known by Defendants Henoach and/or Rishty: (a) the type of entity; (b) a description of the business in which the entity is to be engaged; (c) name and new d/b/a name(s), if any; (d) address; (e) the owners, officers, directors and shareholders with a minimum five percent (5%) ownership interest in the entity and (f) a copy of the bond as described in Section 11.2.

## 12. FORBEARANCE ON EXECUTION AND DEFAULT

*Corporate*  
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 the

Plaintiffs pursuant to this Consent Judgment. *Individual defendants only responsible for fees + costs if they fail to make full & accurate disclosure upon request*  
12.2 On the Effective Date, Defendants shall provide the Plaintiffs with current addresses, telephone numbers and facsimile numbers for service of process in the event of default until their obligations under this Consent Judgment are completed. Within five (5) days of relocating to a new address or obtaining new telephone or facsimile numbers, Defendants shall provide such information to the Plaintiffs. 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 (or designated representative) shall have the authority to enforce the injunctive provisions of this Consent Judgment or to seek sanctions for violations hereof or both.

13.2 The Parties agree that any future violations by Defendants of the injunctive provisions of this Consent Judgment, the CFA, the DACCA and/or the Advertising Regulations shall constitute

a second or succeeding violation pursuant to N.J.S.A. 56:8-13 and that Defendants may be subjected to 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 DACCA and/or the Advertising Regulations.

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

- 14.1 Except as provided in this Consent Judgment, no provision 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 such laws, regulations or rules; or
  - (b) Limiting or expanding any right the 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 United States mail, Certified Mail Return Receipt Requested, or other nationally recognized courier service that provides tracking services and identification of Person signing for the documents. The notices and/or documents shall be sent to the following addresses:

- a. All notices directed to the Plaintiffs shall be sent to:

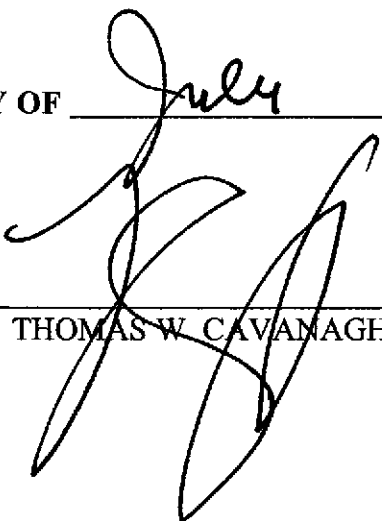
Jeffrey Koziar, Deputy Attorney General  
State of New Jersey  
Office of the Attorney General  
Department of Law and Public Safety

Division of Law  
124 Halsey Street - 5<sup>th</sup> Floor  
P.O. Box 45029  
Newark, New Jersey 07101

b. All notices directed to Defendants shall be sent to:

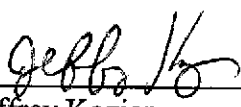
Reuel E. Topas, Esq.  
1072 Madison Avenue  
Lakewood, New Jersey 08701

IT IS ON THE 28<sup>th</sup> DAY OF July, 2009 SO  
ORDERED ADJUDGED AND DECREED.

  
\_\_\_\_\_  
HONORABLE THOMAS W. CAVANAGH, JR., P.J. CH.

**JOINTLY APPROVED AND  
SUBMITTED FOR ENTRY: FOR THE PLAINTIFFS:**

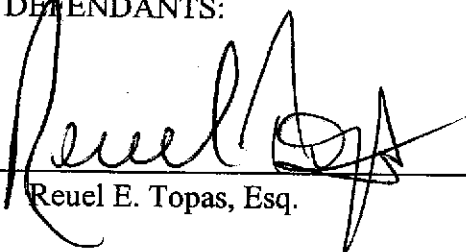
ANNE MILGRAM  
ATTORNEY GENERAL OF NEW JERSEY

By:   
Jeffrey Koziar  
Deputy Attorney General

Dated: 7/28, 2009

124 Halsey Street - 5<sup>th</sup> Floor  
P.O. Box 45029  
Newark, New Jersey 07101  
(973) 648-7819

FOR DEFENDANTS:

By:   
Reuel E. Topas, Esq.  
1072 Madison Avenue  
Lakewood, New Jersey 08701

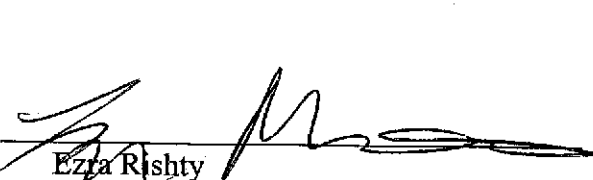
Dated: 7/28, 2009

FOR DEFENDANTS:

By: \_\_\_\_\_  
Ahron E. Henoeh

Dated: \_\_\_\_\_, 2009

FOR DEFENDANTS:

By:   
Ezra Rishty

Dated: 7/28, 2009

**EXHIBIT A**

1.	Frank Bauco	\$1,018.95
2.	Celesta Blanch	\$750.00
3.	Clayton Burch	\$550.00
4.	Diane Darby	\$1369.00
5.	Joy El-Shabazz	\$350.00
6.	Omar El-Shabazz	\$300.00
7.	Daniel Foley	\$1,029.00
8.	Yvette Frazier	\$900.00
9.	Raymond Gonzalez	\$959.00
10.	Robin Gonzalez	\$959.00
11.	Suzanne Ledan	\$829.15
12.	Diane Nardone	\$1,100.00
13.	Evantz St. Juste	\$1,300.00
14.	Felippe Santos	\$310.00
15.	Religio Sevilla	\$799.00
16.	Leslie Trafton	\$300.00
17.	Michelle Vesey	\$1,559.00