

**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:

EZ FINANCIAL SOLUTIONS, L. L. C.

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 EZ Financial Solutions, L. L. C. ("Respondent" or "You") which maintains an office located at 28 Harrison Avenue, Suite 213 in Englishtown, NJ 07726. Specifically, the information reviewed included a contract ("Contract") and correspondence 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 \$1,000.00. 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 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 \$1,000.00, pursuant to N.J.S.A. 56:8-15.

If these sums totaling \$6,000.00 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 6, 2010 at 10:00 a.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 6, 2010 at 10:00 a.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 20, 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 \$1,000.00, pursuant to N.J.S.A. 56:8-15.

If the payment of \$6,000.00 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 \$6,000.00 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 6, 2010 at 10:00 a.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 \$1,000.00, 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

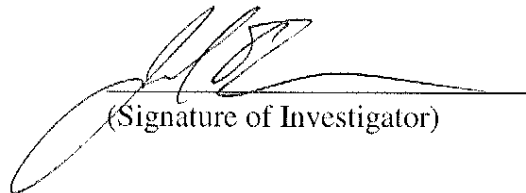
EZ Financial Solutions, L. L. C.
28 Harrison Avenue
Suite 213
Englishtown, NJ 07726

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 EZ Financial Solutions, 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**" are true copies of Proofs of Payments for Respondent's services and correspondence evincing its work as a Debt Adjuster.

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)



Dear Homeowner:

- 1 -

Thank you for affording EZ Financial Solutions the opportunity to assist you during these difficult financial times. Our company prides itself on its strong commitment and dedication to exploring your many options to help you prevent the loss of your home through foreclosure.

By contacting EZ Financial, you have joined other homeowners nationwide who have also turned to our company to explore a loan modification program that meets their financial needs and which gives them peace of mind.

The modification process is designed to help and assist homeowners with hardships, such as:

- ▲ Loss of employment
- ▲ Injury or economic pressure
- ▲ Emotional Strain
- ▲ Interest only and ARM borrowers
- ▲ Others may apply

Since this is a team effort, our success depends to a large extent on your cooperation and your willingness to provide us with complete and accurate information in a timely manner. Therefore, it is extremely important that follow the check list provided as well as filling out the financial worksheets and typing your hardship letter. Please return the completed documentation to 1-888-780-6970 along with your mortgage statement. From time to time you may receive correspondence from your lender or their servicing agent. It is crucial that you immediately contact our office to advise us of the nature of such correspondence and copies of the documents must be forwarded to us as well.

As your mitigation specialists, we will do everything possible to help you navigate through the process to ensure that your lender has the information needed to make a sound business decision with regard to your loan modification request.

We look forward to working closely with you to accomplish your goals. Should you have any additional questions, please do not hesitate to contact us directly.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Barnett".

Keith Barnett
EZ Financial Solutions
732-851-4729 phone
888-780-6970 fax

EZ Financial
Solutions

- 5 -

Authorization Form for EZ Financial Solutions

This form will serve to acknowledge that undersigned Borrower/Mortgagor has authorized our firm, EZ FINANCIAL SOLUTIONS or its assigns to act on their behalf with respect to any lender and/or servicing agent, to resolve their mortgage problems.

I hereby authorize EZ FINANCIAL SOLUTIONS or its assigns to verify my past, present employment earnings records, bank accounts, stock holdings, and any other asset balances that are needed to process my modification or forbearance application. I further authorize EZ FINANCIAL SOLUTIONS, or its assigns, to order a consumer credit report and verify other credit information, including past and present mortgage and landlord references. It is understood that a copy of this form will also serve as authorization for such information. The information EZ FINANCIAL SOLUTIONS, or its assigns obtains shall only be used in the process of any application for a loan modification and/or forbearance agreement.

The parties mutually understand and agree that facsimile signatures shall be deemed to be an original for all lawfully enforceable purposes.

BY SIGNING AND INITIALING BELOW, I HEREBY, ACKNOWLEDGE THAT I HAVE NOT BEEN ADVISED BY EZ FINANCIAL SOLUTIONS, ANY OF ITS AGENTS, AND/OR AFFILIATES TO FOREGO A MORTGAGE PAYMENT IN EXCHANGE FOR SEEKING A LOAN MODIFICATION OR FORBEARANCE PROGRAM. I UNDERSTAND THAT A LOAN MODIFICATION OR FORBEARANCE REQUEST MAY NOT HALT ANY FORECLOSURE OR DEBT COLLECTION PROCEEDINGS. SHOULD ANY AGENT, AFFILIATE, SALEPERSON, HAVE INADVERTENTLY, ACCIDENTALLY, WILLFULLY OR OTHERWISE, COMMUNICATED ANYTHING CONTRARY TO ME, I UNDERSTAND THAT THEIR STATEMENTS ARE ERRONEOUS, INCORRECT, AND NOT THE ADVICE OR RECOMMENDATION OF EAZY EZ FINANCIAL SOLUTIONS, ITS PRINCIPALS OR ITS ASSIGNS.

IT SHALL ALSO BE UNDERSTOOD, THAT WE CANNOT AND DO NOT GUARANTEE THAT THE LENDER OR THEIR SERVICING AGENT WILL AGREE TO ACCEPT YOU FOR ANY PARTICULAR PROGRAM. THE FINAL DECISION IS THEIRS AND WE WILL USE OUR BEST EFFORTS TO ENSURE THAT YOU ARE GIVEN EVERY OPPORTUNITY TO SAVE YOUR HOME AND TO RESOLVE YOUR PRESENT FINANCIAL DILEMA. IT IS ALSO AGREED THAT THE CLIENT IS SOLELY RESPONSIBLE FOR PROVIDING EZFS WITH TIMELY AND ACCURATE FINANCIAL INFORMATION, AS WELL AS FULL DISCLOSURE OF ANY BANKRUPTCY FILINGS AND LOAN MODIFICATION AGREEMENTS REGARDING THE SUBJECT PROPERTY WITHIN THE LAST 24 MONTHS. IT IS EXPRESSLY UNDERSTOOD THAT EZFS SHALL BARE NO LIABILITY WHATSOEVER BASED ON CLIENT'S FAILURE TO DISCLOSE SUCH INFORMATION OR PROVIDE DOCUMENTATION.

BORROWER INITIAL: [Signature] CO-BORROWER INITIAL: _____

Borrower Signature: [Signature] Date: 2/23/09

SSN: _____

Co-Borrower Signature: [Signature] Date: 2/23/09

SSN: _____

EZ Financial Services
28 Hanison Ave. Ste 213
Englishtown, NJ 07726

Invoice No.

4008

INVOICE**Customer**

Name John Johnson
Address 69 Michael Loop
City Staten Island State NY ZIP 10301
Phone 718-442-6572

Misc

Date 3/11/2009
Order No. 4008
Rep Pearl
FOB

Qty	Description	Unit Price	TOTAL
1	Loan Modification Services	\$1,995.00	\$ 1,995.00
-1	1st Payment 3-11-09	\$ 500.00	\$ (500.00)

SubTotal	\$ 1,495.00
Shipping	
TOTAL	\$ 1,495.00

Payment Other

Tax Rate(s)

Comments

Name

CC #

Expires

PAYMENT DUE UPON RECEIPT OF INVOICE

EZ Financial Services
28 Harrison Ave. Ste 213
Englishtown, NJ 07726

Invoice No.

4008

INVOICE**Customer**

Name John Johnson
Address 69 Michael Loop
City Staten Island State NY ZIP 10301
Phone 718-442-6572

Misc

Date 4/2/2008
Order No. 4008
Rep Pearl
FOB

Qty	Description	Unit Price	TOTAL
1	Loan Modification Services	\$1,995.00	\$ 1,995.00
-1	1st Payment 3-11-09	\$ 500.00	\$ (500.00)
-1	2nd Payment 3-30-09	\$ 500.00	\$ (500.00)
		SubTotal	\$ 995.00
		Shipping	
		TOTAL	\$ 985.00

Payment Other

Comments

Name

CC #

Expires

Tax Rate(s)

Thank You for Your Last Payment. Please Keep This Invoice for Your Records.

EXHIBIT B

(Proof of Payment)



Blue Cash® from American Express

Prepared For

JOHN I JOHNSON

Account Number

XXXX-XXXXXX0-

Closing Date

03/31/09

Page 1 of 5

\$5.15

Rebate as of 03/31/09
Billing Statement
 For details, see your Cash Rebate
 Summary in this statement

Previous Balance \$	Payment Activity \$	New Activity \$ inc. Adjustments and Finance Charges if any	New Balance \$	Minimum Amount Due \$
13,680.83	-600.00	+1,579.28	=14,660.11	293.00

Payment Due Date
04/20/09

Please refer to page 2
 for important information
 regarding your account

Credit Line Summary on 03/31/09	Total Credit Line \$	Available Credit Line \$	Cash Advance Limit \$	Available Cash Limit \$
	15,700.00	1,039.89	200.00	200.00

To manage your Card account online or to pay your bill, please visit us at www.americanexpress.com.
 For additional contact information, please see the reverse side of this page.



Simplify Taxes with Your Online Year-End Summary

Organizing your finances can be a time-consuming task. That's why we provide a Year-End Summary of charges for Cardmembers. At the beginning of each year, charges processed and posted to your account on and before December 31 will be available online. Then, you can sort your spending by category or sub-category and review each transaction - or download your information to print or save for a later date. With all your purchases itemized in one place, it's a great tool you can rely on to help prepare your taxes and manage your spending.

Visit americanexpress.com/yaarendsummary to learn more.

Activity

Indicates posting date

Activity	Amount \$
03/18/09* PAYMENT RECEIVED - THANK YOU	-600.00
New Activity for JOHN I JOHNSON	
Card XXXX-XXXXXX	Amount \$
03/30/09 EZ FINANCIAL SOLUTIONS ENGLISHTOWN	-500.00
7327922858	Credit
Description Price	
CONSULTING/P.R. SER 500.00	


 Prepared For
JOHN I JOHNSON

 Account Number
 XXXX-XXXXXX0-

 Closing Date
 03/31/09

Page 3 of 5

New Activity continued

		Amount \$
03/01/09	[REDACTED]	39.99
03/08/09	Identity Protection Green Bay 1-800-671 9285 Description Premium Billing	5.95
03/11/09	EZ FINANCIAL SOLUTIONS ENGLISHTOWN 7327922858 Description CONSULTING/P R SER	500.00
	Price 500.00	
03/20/09	[REDACTED]	54.17
03/24/09	[REDACTED]	170.00
03/30/09	EZ FINANCIAL SOLUTIONS ENGLISHTOWN 7327922858 Description CONSULTING/P R SER	500.00
	Price 500.00	
03/30/09	EZ FINANCIAL SOLUTIONS ENGLISHTOWN 7327922858 Description CONSULTING/P R SER	500.00
	Price 500.00	
03/31/09	Periodic FINANCE CHARGE	139.17
Total of New Activity		1,579.28

Finance Charges

Billing days this period: 32

	Average Daily Balance \$	Daily Periodic Rate	Actual ANNUAL PERCENTAGE RATE	Nominal ANNUAL PERCENTAGE RATE	Periodic FINANCE CHARGE \$
Purchases	14,120.81	0.0308%	11.24%	11.24%	139.17
Cash Advances	0.00	0.0582%	0.00%	21.24%	0.00
					139.17

Certain of the periodic rates and APRs above may be variable. Those rates may vary based upon the prime rate identified in the Wall Street Journal, as described in your Cardmember Agreement as currently in effect.

Cash Rebate Earnings Summary

As of FEB 2009 Billing Period

 JOHN I JOHNSON
 XXXX XXXXXX

Year to Date	Gas, Grocery & Drugstore	Qualified Spend \$	Cash Rebate \$
	Everywhere Else	0.00	0.00
		1,030.26	5.15
	Total	1,030.26	5.15

Important Rebate Message

Remember to pay at least the minimum due, by the payment due date, to avoid cash reward forfeiture.

**Earn Cash Back Everywhere
You Use The Card**

You will receive your annual cash reward one month after your anniversary date. There is no limit on the rebate you can earn. So, you can keep earning cash back - no matter how much you spend on your Card.