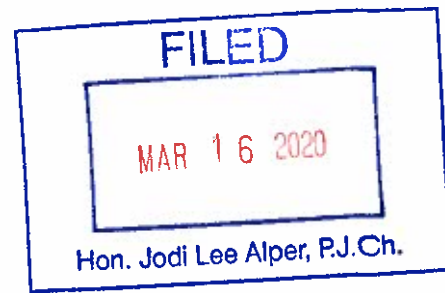


GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
Division of Law
124 Halsey Street
P.O. Box 45029
Newark, New Jersey 07101
Attorney for Plaintiffs



By: Jesse J. Sierant (049342013)
Deputy Attorney General
Assistant Section Chief
(973) 648-4802

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION, ESSEX COUNTY
DOCKET NO. ESX-C-63-19

GURBIR S. GREWAL, Attorney General of the
State of New Jersey, and SEAN P. NEAFSEY,
Acting Director of the New Jersey Division of
Consumer Affairs,

Plaintiffs,

v.

JAMES TROMBLEE, JR. d/b/a U.S. PATRIOT
ARMORY, JANE and JOHN DOES 1-20,
individually and as owners, officers, directors,
shareholders, founders, members, managers,
agents, servants, employees, representatives
and/or independent contractors of U.S.
PATRIOT ARMORY, and XYZ
CORPORATIONS 1-20,

Defendant.

Civil Action

FINAL CONSENT JUDGMENT

The parties to this Action and Final Consent Judgment ("Consent Judgment") are plaintiffs Gurbir S. Grewal, Attorney General of the State of New Jersey, and Sean P. Neafsey, Acting Director of the New Jersey Division of Consumer Affairs ("Director") (collectively, "Plaintiffs"),

and defendant James Tromblee, Jr. d/b/a U.S. Patriot Armory (“Tromblee” or “Defendant”). On March 22, 2019, Plaintiffs commenced this Action, by Order to Show Cause and Verified Complaint, alleging unconscionable commercial practices, acts of deception, misrepresentations and knowing omissions of material fact in violation of the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 to -226 (“CFA”), as well as violations of the Rules Concerning Hazardous Products, N.J.A.C. 13:45A-4.1 to -4.3 (“Hazardous Products Regulations”), and the Regulations Governing General Advertising, N.J.A.C. 13:45A-9.1 to -9.8 (“Advertising Regulations”), including seeking civil penalties for violations of the CFA in accordance with N.J.S.A. 56:8-13, and to pay costs and fees, including attorneys’ fees, as authorized by the CFA pursuant to N.J.S.A. 56:8-11 and N.J.S.A. 56:8-19. Defendant has denied any violation of law as alleged in the Verified Complaint.

As evidenced by their signatures below, Plaintiffs and Defendant (collectively, “Parties”) do consent to the entry of this 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. The Parties consent to entry of this Consent Judgment to avoid the expenses and uncertainty associated with further investigation and/or litigation.

The Court has reviewed the terms of this Consent Judgment and based upon the Parties’ agreement and for good cause shown:

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 the 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, Essex 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

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

4.2 “Action” shall refer to the matter titled Gurbir S. Grewal, Attorney General of the State of New Jersey, and Sean P. Neafsey, Acting Director of the New Jersey Division of Consumer Affairs v. James Tromblee, Jr. d/b/a U.S. Patriot Armory, Superior Court of New Jersey, Chancery Division, Essex County, Docket No. ESX-C-63-19, and all pleadings and proceedings related thereto, including the Verified Complaint, filed March 22, 2019, and the Answer, dated November 18, 2019.

4.3 “Advertisement” shall be defined in accordance with N.J.S.A. 56:8-1(a), for purposes of the CFA, and in accordance with N.J.A.C. 13:45A-9.1, for purposes of the Advertising Regulations. These definitions apply to other forms of the word “Advertisement,” including “Advertised,” “Advertise[s],” and “Advertising.”

4.4 "Attorney General" shall refer to the Attorney General of the State of New Jersey and the Office of the Attorney General of the State of New Jersey.

4.5 "Clear and Conspicuous" or "Clearly and Conspicuously" shall mean a statement that, regardless of the medium in which it is made, is presented in such size, color, contrast, duration, location and audibility, compared to the other information with which it is presented, that it is readily apparent and understandable and in language and in terms used in accordance with their common or ordinary usage and meaning. If such statement modifies, explains or clarifies other information with which it is presented, it must be presented in proximity to the information it modifies, explains or clarifies in a manner that is readily apparent and understandable.

4.6 "Consumer[s]" refers to any Person who is offered Merchandise for Sale.

4.7 "Division" refers to the New Jersey Division of Consumer Affairs.

4.8 "Document" shall be defined in accordance with R. 4:18-1(a).

4.9 "Unserialized Firearm Kits" means any combination of parts from which a firearm without a serial number may be readily manufactured or otherwise assembled, but which does not have the capacity to function as a firearm unless manufactured or otherwise assembled.

4.10 "80% Receiver[s]" means any object or part which is not a firearm frame or receiver in finished form but is designed to be used for that purpose and which may readily be made into a firearm frame or receiver through milling or other means.

4.11 "Include[s]" and "Including" shall be construed as broadly as possible and shall mean "without limitation."

4.12 "Merchandise" shall be defined in accordance with N.J.S.A. 56:8-1(c) and includes Unserialized Firearm Kits and 80% Receivers.

4.13 "New Jersey" and "State" refer to the State of New Jersey.

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

4.15 "Sale[s]" shall be defined in accordance with N.J.S.A. 56:8-1(e). This definition applies to other forms of the word "Sale[s]," including "Sell[s]" and "Selling."

5. INJUNCTIVE RELIEF AND BUSINESS PRACTICES

5.1 Defendant shall not Advertise Unserialized Firearm Kits and/or 80% Receivers to Consumers in the State of New Jersey. For avoidance of doubt, Defendant shall not attempt by publication, dissemination, solicitation, indorsement or circulation, or in any other way, to induce any Consumers in the State of New Jersey to acquire any Unserialized Firearm Kits and/or 80% Receivers. This paragraph shall not apply to an Advertisement that is not intended for Consumers in the State of New Jersey.

5.2 If Defendant Advertises Unserialized Firearm Kits or 80% Receivers on a website owned and/or controlled by Defendant, then such Advertising shall be accompanied by the following Clear and Conspicuous Statement: "We Do Not Ship to New Jersey" or "We Do Not Ship to NJ." The obligation to provide the foregoing Clear and Conspicuous Statement shall be satisfied by including the Clear and Conspicuous Statement on both the home page as well as the checkout page of such website.

5.3 Defendant shall not ship any Unserialized Firearm Kits and/or 80% Receivers to any New Jersey address.

6. SETTLEMENT PAYMENT

6.1 The Parties have agreed to a settlement of the Action in the amount of Seventy Thousand and 00/100 Dollars (\$70,000.00) ("Settlement Payment").

6.2 Defendant shall pay the Settlement Payment in thirteen (13) installments as follows:

- (a) Fifteen Thousand and 00/100 Dollars (\$15,000.00) shall be paid contemporaneously with the signing of this Consent Judgment on or before

March 15, 2021; Plaintiffs' counsel shall hold this payment in escrow pending entry of this Consent Order by the Court.

- (b) Four Thousand Five Hundred Eighty Three and 37/100 Dollars (\$4,583.37) shall be paid on or before April 15, 2021; and
- (c) Four Thousand Five Hundred Eighty Three and 33/100 Dollars (\$4,583.33) shall be paid on or before the fifteenth day of each month beginning on May 15, 2021 and concluding on March 15, 2022.

6.3 All payments made in satisfaction of the Settlement Payment shall be paid by certified check, cashier's check, money order, credit card or wire transfer payable to the "New Jersey Division of Consumer Affairs" and forwarded to:

Case Initiation and Tracking Unit
New Jersey Department of Law & Public Safety
Division of Consumer Affairs
124 Halsey Street
P.O. Box 45029
Newark, New Jersey 07101
Attn: Van Mallett, Lead Investigator

6.4 Upon making the Settlement Payment, so long as this Consent Order has been entered by the Court, 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 or income derived therefrom, shall inure entirely to the benefit of the Plaintiffs pursuant to the terms herein.

6.5 In the event Defendant fails to comply with Section 6.2, Plaintiffs shall provide Defendant with written notice of default or noncompliance ("Notice of Noncompliance") seeking payment of any unpaid portion of the Settlement Payment. In any such Notice of Noncompliance, Plaintiffs shall provide Defendant with the specific details of the alleged default or noncompliance, and shall afford Defendant a fifteen (15) day period from receipt of the Notice of Noncompliance within which to cure the default or noncompliance ("Cure Period").

6.6 In the event of Defendant's failure to cure any such default or noncompliance

within the Cure Period, Defendant consents to the entry of a judgment for any unpaid portion of the Settlement Payment.

7. DISMISSAL OF ACTION

7.1 The entry of this Consent Judgment constitutes a dismissal with prejudice of the Action as between Plaintiffs and Defendant provided, however, that the Court shall retain jurisdiction to enforce the terms of this Consent Judgment.

8. GENERAL PROVISIONS

8.1 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.

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

8.3 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.

8.4 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 Defendant.

8.5 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.

8.6 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.

8.7 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.

8.8 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 Defendant; and (b) an admission by Defendant that any of his acts or practices described in or prohibited by this Consent Judgment were or are unfair or deceptive or violate or are governed by 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 10) to support a defense of res judicata, collateral estoppel, release or other theory of claim preclusion, issue preclusion or similar defense.

8.9 Nothing contained in this Consent Judgment shall be construed to limit or otherwise affect the rights of any Persons who are not Parties to this Consent Judgment with respect to any of the matters contained herein.

8.10 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.

9. REPRESENTATIONS AND WARRANTIES

9.1 The Parties represent and warrant that their signatories to this Consent Judgment

have authority to act for and bind the respective Parties.

9.2 Defendant represents and warrants that he has provided to Plaintiffs Documents reflecting all of the Sales of Merchandise into New Jersey from November 8, 2018 to the Effective Date.

9.3 Defendant represents and warrants that he does not ship any Unserialized Firearm Kits and/or 80% Receivers to the State of New Jersey.

10. RELEASE

10.1 In consideration of the injunctive relief, payments, undertakings, mutual promises and obligations provided for in this Consent Judgment and conditioned on Defendant making the Settlement Payment in the manner referenced in Section 6, Plaintiffs hereby agree to release Defendant from any and all Consumer related civil claims or Consumer related administrative claims to the extent permitted by State law, which Plaintiffs brought or could have brought prior to the Effective Date against Defendant, including but not limited to, for violations of the CFA, the Hazardous Products Regulations and the Advertising Regulations as alleged in the Action.

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

11. COMPLIANCE WITH ALL LAWS

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

- (a) Relieving Defendant of his 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 Defendant 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 Defendant may otherwise have pursuant to any State or Federal law, regulation or rule, to oppose any process employed by Plaintiffs to obtain such information, documents or testimony.

12. NOTICES UNDER THIS CONSENT JUDGMENT

12.1 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 Plaintiffs:

Jesse J. Sierant, DAG/ASC
Consumer Fraud Prosecution Section
State of New Jersey
Office of the Attorney General
Department of Law and Public Safety
Division of Law
124 Halsey Street - 5th Floor
P.O. Box 45029
Newark, New Jersey 07101

For Defendant:

Daniel L. Schmutter, Esq.
Hartman & Winnicki, PC
74 Passaic Street
Ridgewood, New Jersey 07450

James Tromblee, Jr.
d/b/a U.S. Patriot Armory
13631 Pawnee Road, Suite #1
Apple Valley, California 92308

IT IS ON THE 16th DAY OF March 2021, SO ORDERED,
ADJUDGED AND DECREED.

Jodi Lee Alper
HON. JODI LEE ALPER, P.J.CH.

JOINTLY APPROVED AND
SUBMITTED FOR ENTRY:

FOR PLAINTIFFS:

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY

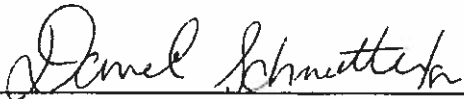
By: Jesse Sierant
Jesse J. Sierant
Deputy Attorney General
Assistant Section Chief
Consumer Fraud Prosecution Section

Dated: March 16, 2021

124 Halsey Street - 5th Floor
P.O. Box 45029
Newark, New Jersey 07101
Telephone: (973) 648-4802

FOR DEFENDANT:

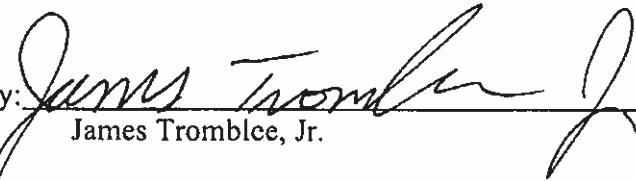
HARTMAN & WINNICKI, PC

By: 
Daniel L. Schmutter, Esq.

Dated: 3-12-, 2021

74 Passaic Street
Ridgewood, New Jersey 07450
Telephone: (201) 967-8040

JAMES TROMBLEE, JR.
D/B/A U.S. PATRIOT ARMORY

By: 
James Tromblee, Jr.

Dated: 03-11-, 2021

13631 Pawnee Road, Suite #1
Apple Valley, California 92308