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FILED

JUL 15 2013

MENELAOS W. TOSKOS
J.S.C.

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION, BERGEN COUNTY
DOCKET NO. BER-C-225-12

JOHN J. HOFFMAN, Acting Attorney General of the State of New Jersey, and ERIC T. KANEFSKY, Director of the New Jersey Division of Consumer Affairs,

Plaintiffs,

v.

AAA RELIABLE, INC. d/b/a RELIABLE, INC.; OLD RELIABLE CONSTRUCTION LIMITED LIABILITY COMPANY a/k/a OLD RELIABLE CONSTRUCTION and d/b/a RELIABLE, INC.; A SAFEWAY IMPROVEMENTS, INC.; A SAFEWAY CONSTRUCTION, INC.; A SAFEWAY CONSTRUCTION, LLC; SULEJMAN LITA a/k/a SUL LITA; LIMAN LITA a/k/a LEE LITA; JANE AND JOHN DOES 1-20, individually and as owners, officers, directors, shareholders, founders, managers, agents, servants, employees, representatives and/or independent contractors of AAA RELIABLE, INC., OLD RELIABLE CONSTRUCTION LIMITED LIABILITY COMPANY, A SAFEWAY IMPROVEMENTS, INC., A SAFEWAY CONSTRUCTION, INC., and A SAFEWAY CONSTRUCTION, LLC; and XYZ CORPORATIONS 1-20,

Defendants.

Civil Action

FINAL CONSENT JUDGMENT

The parties to this Action and Final Consent Judgment ("Consent Judgment") are plaintiffs John J. Hoffman, Acting Attorney General of the State of New Jersey ("Attorney General"),[1] and Eric T. Kanefsky, Director of the New Jersey Division of Consumer Affairs ("Director"), (collectively, "Plaintiffs") and defendants AAA Reliable, Inc. d/b/a Reliable, Inc. ("AAA Reliable"), Old Reliable Construction Limited Liability Company a/k/a Old Reliable Construction and d/b/a Reliable, Inc. ("Old Reliable Construction"), A Safeway Improvements, Inc. ("A Safeway Improvements"), A Safeway Construction, Inc., A Safeway Construction, LLC, Sulejman Lita a/k/a Sul Lita ("S. Lita") and Liman Lita a/k/a Lee Lita ("L. Lita") (collectively, "Defendants") (collectively, "Parties"). As evidenced by their signatures below, the 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; and Defendants stand on their pleadings denying the allegations asserted by Plaintiffs in this Action.

PRELIMINARY STATEMENT

Plaintiffs commenced this Action on July 27, 2012, alleging that AAA Reliable, Old Reliable Construction and S. Lita violated the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq. ("CFA"), and related statutes and regulations, specifically the Contractors' Registration Act, N.J.S.A. 56:8-136 et seq., the Regulations Governing Contractor Registration, N.J.A.C. 13:45A-17.1 et seq. ("Contractor Registration Regulations"), the Regulations Governing Home Improvement Practices, N.J.A.C. 13:45A-16.1 et seq. ("Home Improvement Regulations"), and the Regulations Governing General Advertising, N.J.A.C. 13:45A-9.1 et seq. ("Advertising Regulations") through their Advertisement, offering for Sale, Sale and performance of various home improvements, particularly

[1] This action was commenced on behalf of Jeffrey S. Chiesa, former Attorney General, and the Director. In accordance with R. 4:34-4, the caption has been revised to reflect the current Acting Attorney General.

chimneys, roofing and gutter cleaning, in the State of New Jersey ("State" or "New Jersey") and elsewhere. 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, Bergen 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 capitalized words or terms shall have the following meanings, which meanings shall apply wherever the words and terms appear in this Consent Judgment:

4.1 "A Safeway Website" refers to the website located at www.asafewayconstruction.com.

4.2 "AAA Reliable Website" refers to the website located at www.aaareliable.com.

4.3 "Action" shall refer to the action titled John J. Hoffman, et al. v. AAA Reliable, Inc. d/b/a Reliable, Inc., et al., Superior Court of New Jersey, Chancery Division, Bergen County, Docket No. BER-C-225-12, and all pleadings and proceedings related thereto, Including the Verified Complaint, filed July 27, 2012, the First Amended Verified Complaint, filed December 21, 2012, AAA Reliable's Answer to the Verified Complaint, dated August 31, 2012, S. Lita's Answer to the Verified Complaint, dated November 14, 2012, and Defendants' Answer to the First Amended Verified Complaint, dated January 25, 2013.

4.4 "Advertisement" shall be defined in accordance with N.J.S.A. 56:8-1(a). For purposes of the Advertising Regulations, "Advertisement" shall be defined in accordance with N.J.A.C. 13:45A-9.1. These definitions apply to other forms of the word "Advertisement" including, without limitation, "Advertise," "Advertising" and "Advertised." For purposes of the Contractor Registration Regulations, "Advertise" shall be defined in accordance with N.J.A.C. 13:45A-17.2. This definition applies to other forms of the word "Advertise" including, without limitation, "Advertisement," "Advertising" and "Advertised."

4.5 "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.

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

4.7 "Contractor" shall be defined in accordance with N.J.S.A. 56:8-137.

4.8 "Home Improvement" shall be defined: (a) for purposes of the Contractors' Registration Act in accordance with N.J.S.A. 56:8-137; (b) for purposes of the Home Improvement Regulations in accordance with N.J.A.C. 13:45A-16.1; and (c) for purposes of the Contractor Registration Regulations in accordance with N.J.A.C. 13:45A-17.2.

4.9 "Home Improvement Contract" shall be defined: (a) for purposes of the Contractors' Registration Act in accordance with N.J.S.A. 56:8-137; (b) for purposes of the Home Improvement Regulations in accordance with N.J.A.C. 13:45A-16.1; and (c) for purposes of the Contractor Registration Regulations in accordance with N.J.A.C. 13:45A-17.2.

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

4.11 "New Jersey" and "State" shall refer to the State of New Jersey.

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

4.13 "Represent" shall mean 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, without limitation, "Representation," "Representing," "Misrepresent" and "Misrepresenting."

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

4.15 "Senior Citizen[s]" shall be defined in accordance with N.J.S.A. 56:8-14.2.

5. INJUNCTIVE RELIEF AND BUSINESS PRACTICES

5.1 Defendants shall not engage in any unfair or deceptive acts or practices in the conduct of their businesses in the State and shall comply with all applicable State and/or Federal laws, rules and regulations as now constituted or as may hereafter be amended including, but not limited to, the

CFA, the Contractors' Registration Act, the Contractor Registration Regulations, the Home Improvement Regulations and/or the Advertising Regulations.

5.2 AAA Reliable, Old Reliable Construction, A Safeway Construction, LLC and A Safeway Improvements are permanently enjoined from Advertising, offering for Sale, selling and/or performing Home Improvements, as authorized by the CFA, N.J.S.A. 56:8-8.

5.3 Effective July 31, 2013, A Safeway Construction, Inc. agrees to cease Advertising, offering for Sale, selling and/or performing Home Improvements.

5.4 The registration as a Contractor with the Division of AAA Reliable and A Safeway Improvements shall be permanently revoked, in accordance with N.J.S.A. 56:8-8.

5.5 Effective July 31, 2013, A Safeway Construction, Inc. agrees to permanently relinquish its registration as a Contractor with the Division.

5.6 On or before the Effective Date, S. Lita shall arrange for the shut down of the AAA Reliable Website.

5.7 By July 31, 2013, A Safeway Construction, Inc. agrees to arrange for the shut down of the A Safeway Website.

5.8 S. Lita and L. Lita are permanently enjoined from managing, operating or having any involvement in the operation of A Safeway Construction, Inc. and from deriving any compensation or other monetary benefit from the operation of A Safeway Construction, Inc.

5.9 For a period of three (3) years from the Effective Date and subject to the provisions of Section 11.1, S. Lita is enjoined from engaging in the Advertisement, offering for Sale, Sale and/or performance of Home Improvements in New Jersey, in accordance with N.J.S.A. 56:8-8. Nothing

contained herein shall prohibit S. Lita from performing Home Improvements or renovations to any property in which S. Lita has an ownership interest.

5.10 For a period of three (3) years from the Effective Date and subject to the provisions of Section 11.1, S. Lita is enjoined from managing, operating and/or owning any of the following businesses within the State which require licensing or registration with the Division: Contractor, master plumber, electrician, architect, engineer, fire and/or burglar alarm installer, locksmith, home inspector, heating, ventilating, air conditioning and refrigeration (HVACR) contractor, interior designer, landscape architect, land surveyor, professional planner, and/or real estate appraiser, in accordance with N.J.S.A. 56:8-8.

5.11 The corporate or limited liability charters of AAA Reliable, Old Reliable Construction, A Safeway Construction, LLC and A Safeway Improvements in the State shall be permanently vacated and/or annulled, as authorized by the CFA, N.J.S.A. 56:8-8.

5.12 On or before December 31, 2013, A Safeway Construction, Inc. agrees to arrange for the dissolution of the company including, but not limited to, payment of creditors, liquidation of assets, winding down of its affairs and filing a certificate of dissolution with the New Jersey Secretary of State.

6. PROHIBITED CONDUCT

6.1 Without the Defendants acknowledging commission of the foregoing, it is understood and agreed that any of the following conduct is prohibited and constitutes a material breach of this Consent Judgment:

(a) Any "bait and switch" practice by Advertising and offering for Sale Home Improvements at a specified price (e.g. $49.99 or $50.00 gutter cleaning, $29.99 or

$49.99 chimney and fireplace cleaning), where the purpose or effect of the offer was not to sell those Home Improvements, but to bait or entice the Consumer into the purchase of other or higher priced Home Improvements (e.g. installation of chimney liner), in violation of N.J.S.A. 56:8-2 and N.J.S.A. 56:8-2.2.

(b) Advertising that they will perform Home Improvements at an Advertised price (e.g. Gutter Cleaning for $49.99 or $50.00), and then failing to perform the services for that price, in violation of N.J.A.C. 13:45A-9.2(a)9.

(c) Providing, through Advertisements and direct mailings, coupons offering Home Improvements (e.g. gutter cleaning, chimney caps) at a specified price, and then failing to perform such Home Improvements at the Advertised price in accordance with the terms of the Advertisement, in violation of N.J.A.C. 13:45A-9.2(a)9.

(d) Failing to include their Contractor registration number as required in Advertisements or otherwise, in violation of N.J.S.A. 56:8-144(a) and N.J.A.C. 13:45A-17.11(d)(2).

(e) Misrepresenting that any Contractor (e.g. AAA Reliable) is a member of the Better Business Bureau ("BBB") or a BBB accredited business, when such is not the case, in violation of N.J.A.C. 13:45A-16.2(a)(4)(ii) and N.J.A.C. 13:45A-9.2(a)9.

(f) Misepresenting that any Contractor (e.g. AAA Reliable) is a member of the National Chimney Sweep Guild, when such is not the case, in violation of N.J.A.C. 13:45A-16.2(a)(4)(ii) and N.J.A.C. 13:45A-9.2(a)9.

(g) Misrepresenting on the AAA Reliable Website, the A Safeway Website or any other Advertisement, any location where they maintain an office, in violation of N.J.A.C. 13:45A-9.2(a)9.

(h) Misrepresenting on the AAA Reliable Website or otherwise, any state in which AAA Reliable is licensed or registered to perform Home Improvements, in violation of N.J.A.C. 13:45A-9.2(a)9.

(i) Misrepresenting on the AAA Reliable Website or otherwise, the length of time during which AAA Reliable has been in operation, in violation of N.J.A.C. 13:45A-9.2(a)9.

(j) Misrepresenting on the A Safeway Website or otherwise, the length of time during which A Safeway Construction, Inc. has been in operation, in violation of N.J.A.C. 13:45A-9.2(a)9.

(k) Including in Advertisements a reference to "Consumer Affairs" or otherwise wrongfully implying that they are a branch of or associated with any department or agency of the Federal Government or of the State or any of its political subdivisions, or using any seal, insignia, envelope, or other format which simulates that of any governmental department or agency, in violation of N.J.S.A. 56:8-2.1, N.J.A.C. 13:45A-16.2(a)(4)(iv) and N.J.A.C. 13:45A-9.2(a)9.

(l) Engaging, through their Advertisement, offering for Sale, Sale and/or performance of Home Improvements, in any scheme, plan, or course of conduct directed at Senior Citizens which results in pecuniary injury to Senior Citizens, in violation of N.J.S.A. 56:8-14.3.

(m) Engaging in high pressure Sales tactics to frighten or persuade Consumers into purchasing chimney repairs or services.

(n) Offering for Sale specific Home Improvements (e.g. chimney cleaning, gutter cleaning), where the real purpose is not to sell as represented but to enter the Consumer's home and use high pressure Sales tactics to obtain the Consumer's consent to purchase higher priced Home Improvements, in violation of N.J.A.C. 13:45A-16.2(a)(3)(i).

(o) Disparaging, degrading or otherwise discouraging the purchase of Home Improvements offered for Sale to induce the buyer to purchase other or higher priced substitute Home Improvements, in violation of N.J.A.C. 13:45A-16.2(a)(3)(ii).

(p) Substituting products or materials for those specified in the Home Improvement Contract (e.g. aluminum chimney liner for stainless steel chimney liner), without the knowledge or consent of the Consumer, in violation of N.J.A.C. 13:45A-16.2(a)(3)(iv).

(q) Commencing Home Improvement work prior to obtaining the Consumer's approval, in violation of N.J.A.C. 13:45A-16.2(a)(7)(i).

(r) Selling and/or performing unnecessary Home Improvements.

(s) Arriving at Consumers' homes for simple or minor Home Improvements (e.g. gutter cleaning or replacement of chimney cap), and then causing damage to the home (e.g. chimney), thus requiring consumers to retain Defendants or other Contractors to make more extensive and expensive Home Improvements.

(t) Misrepresenting to Consumers that their chimney or any portion thereof is in a dangerous or defective state, or requires immediate repair or replacement, in violation of N.J.A.C. 13:45A-16.2(a)(9)(iii).

(u) Misrepresenting to Consumers that products or materials used in the Home Improvement were of a specific size, weight, grade or quality (e.g. selling stainless steel chimney liner, but installing aluminum chimney liner), in violation of N.J.A.C. 13:45A-16.2(a)(2)(iii).

(v) Misrepresenting to Consumers that products or materials used in the Home Improvement were of sufficient size, capacity or character to properly vent the Consumer's appliances through the chimney, in violation of N.J.A.C. 13:45A-16.2(a)(2)(vii).

(w) Any failure to set forth their legal name and business address on Home Improvement Contracts, pursuant to N.J.S.A. 56:8-151(a)(1) and N.J.A.C. 13:45A-16.2(12)(i).

(x) Any failure to include in Home Improvement Contracts the legal name and the business address of the sales representative or agent who solicited or negotiated the Home Improvement Contract, in accordance with N.J.A.C. 13:45A-16.2(12)(i).

(y) Any failure to include the required cancellation language in Home Improvement Contracts, in accordance with N.J.S.A. 56:8-151(b).

(z) Any failure to include in Home Improvement Contracts a description of the work to be done and the principal products and materials to be used or installed in performance of the Home Improvement Contract, in accordance with N.J.A.C. 13:45A-16.2(a)(12)(ii).

(aa) Any failure to include in Home Improvement Contracts a statement of the terms and conditions affecting the price of the Home Improvement Contract, including cost of materials and hourly labor rate, in accordance with N.J.A.C. 13:45A-16.2(a)(12)(iii).

(bb) Any failure to include in Home Improvement Contracts the dates or time periods within which work is to be commenced and completed, in accordance with N.J.A.C. 13:45A-16.2(a)(12)(iv).

(cc) Any failure to set forth the signatures of both parties to every Home Improvement Contract, pursuant to N.J.S.A. 56:8-151(a) and N.J.A.C. 13:45A-16.2(a)(12), and any failure to have every Home Improvement Contract signed by both parties prior to the commencement of any Home Improvement.

(dd) Entering into Home Improvement Contracts that do not comply with the requirements of N.J.S.A. 56:8-151 (e.g. failing to set forth the signatures of both parties), in violation of N.J.A.C. 13:45A-17.13.

(ee) Any failure to include on any invoice, Home Improvement Contract and/or correspondence which is given to a Consumer the informational statement and toll-free telephone number provided by the Director for Consumers making inquiries regarding Contractors, pursuant to N.J.S.A. 56:8-144(b) and N.J.A.C. 13:45A-17.11(f).

(ff) Any failure to include with Home Improvement Contracts a copy of their certificate of commercial general liability insurance as well as the telephone number of the company issuing the certificate, in accordance with N.J.S.A. 56:8-151(a)(2).

(gg) Including in Home Improvement Contracts any language that is contrary to the provisions and/or requirements of the CFA, the Contractors' Registration Act, the Contractor Registration Regulations and/or the Home Improvement Regulations (e.g.

language limiting a Consumer's recovery to "actual economic loss" and/or waiving attorneys' fees, costs and treble damages).

(hh) Including in Home Improvement Contracts a reference to a county and/or telephone number, if Defendants do not have an office in that county.

(ii) Including in Home Improvement Contracts any language that Misrepresents the states in which Defendants are licensed or registered to perform Home Improvements.

(jj) Failing to provide Consumers with Home Improvement guarantees or warranties made for labor services, products or materials used that are specific, clear and definite and state all exclusions or limitations, in accordance with N.J.A.C. 13:45A-16.2(a)(11)(i).

(kk) Failing to inform Consumers of any permits that are required for Home Improvements prior to the commencement of such work, in accordance with N.J.A.C. 13:45A-16.2(a)(9)(ii).

(ll) Except as permitted by State or local law, commencing Home Improvements without the necessary governmental permits to perform the contracted-for work, in violation of N.J.A.C. 13:45A-16.2(a)(10)(i).

(mm) Failing to inform Consumers that an inspection is required after completion of Home Improvements for which a permit was or should have been issued, in violation of N.J.A.C. 13:45A-16.2(a)(9)(ii).

(nn) Any failure to arrange for the required inspection of Home Improvements performed and/or collecting final payments from Consumers prior to such final inspection, in violation of N.J.A.C. 13:45A-16.2(a)(10)(ii).

(oo) Any failure to arrange for the required inspection of Home Improvements for which a permit should have been issued.

(pp) Any failure to obtain an inspection certificate upon completion of the Home Improvements for which a permit should have been issued.

(qq) Requiring complete payment from Consumers without providing the requisite inspection certificate.

(rr) Improperly performing Home Improvements which result in dangerous and/or unsafe conditions for Consumers, as certified to by the local building inspector, and failing to remediate said condition forthwith.

(ss) Causing damage to a Consumer's home while performing Home Improvements and then unreasonably failing to repair, clean, or compensate for the damage.

(tt) Misrepresenting to Consumers that Defendants will return to Consumers' homes to perform corrective repairs and then failing to do so.

(uu) Conducting business under an assumed name that they have not registered in the State as a business entity or trade name, in violation of N.J.S.A. 56:1-2.

(vv) Advertising, offering for Sale, selling and/or performing Home Improvements under any name (e.g. Reliable, Inc.), which is not registered as a Contractor with the Division, in violation of N.J.S.A. 56:8-138(a) and N.J.A.C. 13:45A-17.3(a)(1).

(ww) Using another Contractor's registration number in Defendants' Home Improvement Contracts (i.e., Home Improvement Contracts bearing the name Reliable, Inc., but including the Contractor registration number for AAA Reliable, Inc.).

(xx) Any failure to disclose accurate and full information on any Home Improvement Contractor Application for Initial Registration, Disclosure Statements and renewals (e.g., all addresses used by the business, all business names used, all criminal convictions), in accordance with N.J.A.C. 13:45A-17.5 and -17.6, and any failure to inform the Director of the Division of any changes or additions thereto within twenty (20) calendar days of the change or addition, in accordance with N.J.A.C. 13:45A-17.7.

7. SETTLEMENT AMOUNT

7.1 The Parties have agreed to a settlement of this Action in the amount of Six Hundred Fifteen Thousand and 00/100 Dollars ($615,000) ("Settlement Amount").

7.2 The Settlement Amount consists of: a civil penalty of Three Hundred Thirty-Two Thousand Five Hundred and 00/100 Dollars ($332,500), pursuant to N.J.S.A. 56:8-13; enhanced civil penalties of Seventeen Thousand Five Hundred and 00/100 Dollars ($17,500), pursuant to N.J.S.A. 56:8-14.3; Restitution of One Hundred Fifty Thousand and 00/100 Dollars ($150,000), pursuant to N.J.S.A. 56:8-8; and One Hundred Fifteen Thousand and 00/100 Dollars ($115,000) in reimbursement of Plaintiffs' attorneys' fees and investigative costs, pursuant to N.J.S.A. 56:8-11 and N.J.S.A. 56:8-19.

7.3 Plaintiffs agree to suspend Two Hundred Ninety-Two Thousand Five Hundred and 00/100 Dollars ($292,500) of the civil penalty portion of the Settlement Amount, and Seven

Thousand Five Hundred and 00/100 Dollars ($7,500) of the enhanced civil penalties portion of the Settlement Amount ("Suspended Penalty"), subject to the conditions set forth in Section 7.7.

7.4 S. Lita shall pay Three Hundred Fifteen Thousand and 00/100 Dollars ($315,000) ("Settlement Payment") in the following manner:

(a) Twenty-Five Thousand and 00/100 Dollars ($25,000) on or before the Effective Date;

(b) One Hundred Twenty-Five Thousand and 00/100 Dollars ($125,000) on or before August 31, 2013;

(c) Fifty Thousand and 00/100 Dollars ($50,000) on or before August 15, 2014; and

(d) One Hundred Fifteen Thousand and 00/100 Dollars ($115,000) on or before August 15, 2015.

7.5 The Settlement Payment shall be made by bank check, attorney trust account check, or other guaranteed funds made payable to the "New Jersey Division of Consumer Affairs" and forwarded to:

Lorraine K. Rak, Section Chief
Nicholas Kant
Deputy Attorneys General
Consumer Fraud Prosecution Section
124 Halsey Street - 5th Floor
P.O. Box 45029
Newark, New Jersey 07101

7.6 Upon making the Settlement Payment, S. Lita shall immediately be fully divested of any interest in, or ownership of, the moneys paid. All interest in the moneys, and any subsequent interest or income derived therefrom, shall inure entirely to the benefit of Plaintiffs pursuant to the terms herein. Additionally, Plaintiffs have sole discretion as to the application of any monies

remaining after payment of the restitution portion of the Settlement Payment including, but not limited to, the furtherance of Division initiatives.

7.7 For a period of three (3) years from the Effective Date, the Suspended Penalty shall be suspended and automatically vacated at the end of that period, provided:

(a) S. Lita complies in all material respects with the injunctive relief and business practices set forth in Section 5;

(b) S. Lita does not engage in any of the prohibited conduct set forth in Section 6;

(c) S. Lita does not engage in any acts or practices in violation of the CFA, the Contractors' Registration Act, the Contractor Registration Regulations, the Home Improvement Regulations and/or the Advertising Regulations; and

(d) S. Lita makes the Settlement Payment in the manner required under Sections 7.4 and 7.5.

7.8 Barring material failure by S. Lita to comply with Section 7.7 and to cure any such default in accordance with Section 7.9, this Consent Judgment shall not be docketed as a Statewide lien.

7.9 In the event S. Lita materially fails to comply with Section 7.7, Plaintiffs shall provide S. Lita with written notice of default or noncompliance seeking payment of the entire Suspended Penalty of Three Hundred Thousand and 00/100 Dollars ($300,000) as well as any unpaid portion of the Settlement Payment. In any such notice, however, Plaintiffs shall provide S. Lita with the specific details of S. Lita's alleged default or noncompliance, as well as any supporting documents. S. Lita shall be afforded a fifteen (15) day period from receipt of such notice within which to cure any such default or noncompliance.

7.10 In the event of S. Lita's failure to cure any such default or noncompliance, Plaintiffs may move on notice or by Order to Show Cause to have a Judgment entered against S. Lita for the

entire Suspended Penalty as well as any unpaid portion of the Settlement Payment. S. Lita shall have a right to submit opposition to any motion or Order to Show Cause application filed by Plaintiffs and to contest same on any return date.

7.11 Upon entry by the Court of any such Judgment, Plaintiffs shall then arrange for entry of such Judgment upon the Statewide docket.

7.12 Within ten (10) days of the request by or on behalf of S. Lita and the vacating of the Suspended Penalty, Plaintiffs shall provide S. Lita with a Warrant of Satisfaction of the Settlement Amount. Such Warrant of Satisfaction shall have no effect upon Defendants' continuing obligations under any other provision of this Consent Judgment.

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 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.

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 the Plaintiffs and Defendants.

9.5 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.

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.

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 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 the Defendant; 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 10) to support a defense of res judicata, collateral estoppel, release or other theory of claim preclusion, issue preclusion or similar defense.

9.9 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, except as otherwise provided in this Consent Judgment.

9.10 The Parties represent and warrant that their signatories to this Consent Judgment have authority to act for and bind the respective Parties.

9.11 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.

9.12 For a period of three (3) years from the Effective Date, S. Lita shall provide Plaintiffs with written notification within five (5) days of relocating to a new address.

10. RELEASE

10.1 In consideration of the injunctive relief, payments, undertakings, mutual promises and obligations provided for in this Consent Judgment, and subject to the provisions of Sections 10.2 and 10.3, Plaintiffs hereby agree to release Defendants, as well as their past and present owners, principals, members, officers, directors, stockholders, managers and employees, from any and all civil claims or Consumer related administrative claims, to the extent permitted by State law, which the Plaintiffs brought or could have brought prior to the Effective Date against Defendants, as well as their past and present owners, principals, members, officers, directors, stockholders, managers and employees, for all violations of the CFA, the Contractors' Registration Act, the Contractor Registration Regulations, the Home Improvement Regulations and the Advertising Regulations

occurring prior to the Effective Date, based upon the conduct alleged in the Action, as well as the matters specifically addressed in this Consent Judgment ("Released Claims").

10.2 Plaintiffs agree that they will not institute any action or proceeding against any principal, officer, owner, director, operator and/or manager of A Safeway Construction, Inc. based upon the Released Claims, unless the Court finds that A Safeway Construction, Inc. committed a material breach of any of its obligations under this Consent Judgment, which it failed to cure within fifteen (15) days of receipt of written notice of the alleged default or noncompliance. This does not include any violations of the CFA, the Contractors' Registration Act, the Contractor Registration Regulations, the Home Improvement Regulations and/or the Advertising Regulations law committed by A Safeway Construction, Inc. and/or any principal, officer, owner, director, operator and/or manager of A Safeway Construction, Inc. after the Effective Date.

10.3 Notwithstanding any term of this Consent Judgment, the following do not comprise Released Claims: (a) private rights of action, provided however, that nothing herein shall prevent Defendants from raising the defense of set-off against a Consumer who has received Restitution; and (b) actions to enforce this Consent Judgment.

11. FUTURE BUSINESSES OWNED AND/OR OPERATED BY S. LITA

11.1 At any time after three (3) years from the Effective Date, S. Lita may apply to the Division for any required licensure or registration, as applicable, to manage, operate and/or own any of the following businesses within the State: Contractor, master plumber, electrician, architect, engineer, fire and/or burglar alarm installer, locksmith, home inspector, heating, ventilating, air conditioning and refrigeration (HVACR) contractor, interior designer, landscape architect, land

surveyor, professional planner, and/or real estate appraiser. S. Lita shall simultaneously submit a copy of any such application to Plaintiffs, in accordance with Section 14.1.

11.2 Nothing contained herein shall operate to limit or restrain S. Lita from applying, at any time, for licensure or registration to manage, operate or own any other business aside from those expressly identified in Section 11.1.

12. PENALTIES FOR FAILURE TO COMPLY

12.1 The Attorney General (or designated representative) shall have the authority to enforce the provisions of this Consent Judgment or to seek sanctions for violations hereof or both.

12.2 The Parties agree that any future violations of the injunctive provisions of this Consent Judgment, the CFA, the Contractors' Registration Act, the Contractor Registration Regulations, the Home Improvement Regulations and/or the Advertising Regulations shall constitute a second or succeeding violation under N.J.S.A. 56:8-13 and that the Defendants may be liable for enhanced civil penalties.

12.3 In the event L. Lita and/or A Safeway Construction, Inc. commit a material breach of the terms of this Consent Judgment, Plaintiffs shall provide L. Lita and/or A Safeway Construction, Inc. with written notice of default or noncompliance. In any such notice, however, Plaintiffs shall provide L. Lita and/or A Safeway Construction, Inc. with the specific details of the alleged default or noncompliance of L. Lita and/or A Safeway Construction, Inc. as well as any supporting documents. L. Lita and/or A Safeway Construction, Inc. shall be afforded a fifteen (15) day period from receipt of such notice within which to cure any such default or noncompliance.

12.4 In the event of the failure of L. Lita and/or A. Safeway Construction, Inc. to cure any such default or noncompliance, Plaintiffs may file an application, on notice, to enforce this Consent

Judgment as against the party alleged to be in default or noncompliance. Said party shall have a right to submit opposition to any application filed by Plaintiffs and to contest same on any return date. Upon a finding by the Court that a material breach of this Consent Judgment, in fact, occurred, L. Lita and/or A Safeway Construction, Inc., as applicable, shall be required to reimburse Plaintiffs' attorneys' fees and investigative costs in a sum of not less than $25,000. Plaintiffs may also seek restitution and civil penalties arising from such material breach, in addition to any other remedies provided by the CFA, the Contractors' Registration Act, the Contractor Registration Regulations, the Home Improvement Regulations and/or the Advertising Regulations.

13. COMPLIANCE WITH ALL LAWS

13.1 Except as provided in this Consent Judgment, no provision herein 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 any 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.

14. NOTICES UNDER THIS CONSENT JUDGMENT

14.1 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 the Plaintiffs:

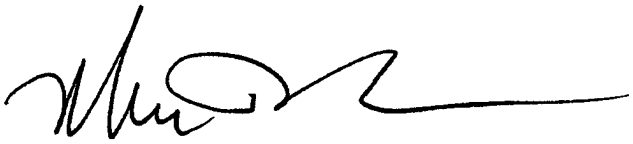
Lorraine K. Rak, Deputy Attorney General / Section Chief
Nicholas Kant, Deputy Attorney General
Consumer Fraud Prosecution Section
State of New Jersey
Office of the Attorney General
Department of Law and Public Safety
Division of Law
124 Halsey Street - 5th Floor
P.O. Box 45029
Newark, New Jersey 07101

For Defendants:

Michael F. Bevacqua, Jr., Esq.
Podvey, Meanor, Catenacci, Hildner, Cocoziello & Chattman, P.C.
The Legal Center - One Riverfront Plaza, Suite 800
Newark, New Jersey 07102

Jay I. Lazerowitz, Esq.
Law Offices of Jay I. Lazerowitz
55 Harristown Road
Glen Rock, New Jersey 07452

IT IS ON THE 15th DAY OF JULY 2013 SO ORDERED, ADJUDGED AND DECREED.



HON. MENELAOS W. TOSKOS, J.S.C.

JOINTLY APPROVED AND
SUBMITTED FOR ENTRY:

FOR THE PLAINTIFFS:

JOHN J. HOFFMAN
ACTING ATTORNEY GENERAL OF NEW JERSEY

By:_____ Dated: July 1, 2013

Lorraine K. Rak, Deputy Attorney General
Chief, Consumer Fraud Prosecution Section

124 Halsey Street - 5th Floor
P.O. Box 45029
Newark, New Jersey 07101
Telephone: (973) 877-1280

JOHN J. HOFFMAN
ACTING ATTORNEY GENERAL OF NEW JERSEY

By:_____ Dated: July 1, 2013

Nicholas Kant, Deputy Attorney General
Consumer Fraud Prosecution Section

124 Halsey Street - 5th Floor
P.O. Box 45029
Newark, New Jersey 07101
Telephone: (973) 693-5055

FOR DEFENDANTS:

PODVEY, MEANOR, CATENACCI,
HILDNER, COCOZIELLO & CHATTMAN, P.C.

By:_____ Dated: JUNE 29, 2013
Michael F. Bevacqua, Jr., Esq.

The Legal Center
One Riverfront Plaza, Suite 800
Newark, New Jersey 07102
Telephone: (973) 623-1000

LAW OFFICES OF JAY I. LAZEROWITZ

By:_____ Dated:_____, 2013
Jay I. Lazerowitz, Esq.

55 Harristown Road
Glen Rock, New Jersey 07452
Telephone: (201) 670-6944

AAA RELIABLE, INC. d/b/a RELIABLE, INC.

By:_____ Dated: 6-29-, 2013
Sulejman Lita, Chief Executive Officer

14 Chestnut Avenue
North Haledon, New Jersey 07508

FOR DEFENDANTS:

PODVEY, MEANOR, CATENACCI,
HILDNER, COCOZIELLO & CHATTMAN, P.C.

By:_____ Dated:_____, 2013
Michael F. Bevacqua, Jr., Esq.

The Legal Center
One Riverfront Plaza, Suite 800
Newark, New Jersey 07102
Telephone: (973) 623-1000

LAW OFFICES OF JAY I. LAZEROWITZ

By:_____ Dated: 7/1, 2013
Jay I. Lazerowitz, Esq.

55 Harristown Road
Glen Rock, New Jersey 07452
Telephone: (201) 670-6944

AAA RELIABLE, INC. d/b/a RELIABLE, INC.

By:_____ Dated:_____, 2013
Sulejman Lita, Chief Executive Officer

14 Chestnut Avenue
North Haledon, New Jersey 07508

OLD RELIABLE CONSTRUCTION LIMITED LIABILITY COMPANY A/K/A OLD RELIABLE CONSTRUCTION AND D/B/A RELIABLE, INC.

By:_____ Dated: 6-29-, 2013

Liman Lita, Managing Member

1196 High Mountain Road
North Haledon, New Jersey 07508

A SAFEWAY IMPROVEMENTS, INC.

By:_____ Dated: 6-29-, 2013

Sulejman Lita, Director

14 Chestnut Avenue
North Haledon, New Jersey 07508

A SAFEWAY CONSTRUCTION, INC.

By:_____ Dated: 6-29, 2013

John Nelson, Director

155 Penobscot Street
Clifton, New Jersey 07013

A SAFEWAY CONSTRUCTION LLC

By:_____ Dated: 6-29, 2013

Liman Lita, Managing Member

1196 High Mountain Road
North Haledon, New Jersey 07508

SULEJMAN LITA a/k/a SUL LITA

By:_____ Dated: 6-29, 2013

Sulejman Lita

14 Chestnut Avenue
North Haledon, New Jersey 07508

LIMAN LITA a/k/a LEE LITA

By:_____ Dated: 6-29, 2013

Liman Lita

1196 High Mountain Road
North Haledon, New Jersey 07508