

FILED
MAR 01 2010
Robert C. Wilson
J.S.C.

PAULA T. DOW
ACTING ATTORNEY GENERAL OF NEW JERSEY
Division of Law
124 Halsey Street, 5th Floor
P.O. Box 45029
Newark, New Jersey 07101
Attorney for Plaintiffs

By: Wendy Leggett Faulk
Deputy Attorney General
Tel.: (973) 648-2500

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION - BERGEN COUNTY
DOCKET NO.: BER-L-7807-08

PAULA T. DOW, Acting Attorney General
of the State of New Jersey, and on
behalf of the New Jersey Division of
Consumer Affairs,

Plaintiffs,

Civil Action

v.

VEST FINANCIAL, L.L.C., ELIE GEORGE
ARMANI a/k/a ALEX ARMANI, SOHRAB
MOUSSAVIAN, FELIX NIHAMIN, GLEN B.
THOMPSON, FRANCIS A. CIAMBRONE,
ANTHONY SCORDO III, METROPOLITAN
MORTGAGE SERVICES, INC., CJM MORTGAGE
d/b/a 1st ADVISORS MORTGAGE, COMPANY,
L.P., GREENTREE MORTGAGE COMPANY,
MORTGAGE IT, INC., SETTLEMENT SOURCE,
L.L.C., DBK REALTY INVESTMENTS,
L.L.C., PHILIP L. ALTIERI, VIVIANA M.
CEBALLOS RUIZ, KRISTOPHER PILONE, TOM
A. ANDRIOPOULOS, MATTHEW BOYCE, FRANK
E. MEDINA, HAROLD SOKOL, JP GLOBAL
PROPERTY MANAGEMENT, INC., PETER H.
ECKHARDT, JR., RHYS A. HERRMANN, JOHN
DOE I-X, JANE DOE I-X, XYZ COMPANY I-
X,

Defendants.

CONSENT ORDER
AND
SETTLEMENT AGREEMENT

AS TO DEFENDANT

MATTHEW BOYCE

WHEREAS plaintiffs Paula T. Dow, as Acting Attorney General
of the State of New Jersey, and on behalf of the New Jersey
Division of Consumer Affairs (collectively referred to as
"Plaintiffs") commenced the above-captioned Civil Action
("Action") on October 15, 2008¹;

¹ This action was commenced by Anne Milgram, former Attorney General of New
Jersey, and David Szuchman, former Director of the New Jersey Division of

WHEREAS Plaintiffs have asserted in the Action claims against defendant Matthew Boyce ("Defendant") for alleged violations of the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq. ("CFA"), and the New Jersey Racketeer Influenced and Corrupt Organizations Act, N.J.S.A. 2C:41-4(b) et seq. ("New Jersey Civil RICO Act") in connection with the Defendant's actions as a registered mortgage solicitor which led to the origination and funding of at least five (5) residential mortgage loans, more fully described in Exhibit A attached hereto ("the Five Mortgage Loans");

WHEREAS Defendant denies having committed any violation of law including, but not limited to, the CFA or New Jersey Civil RICO Act;

WHEREAS the Plaintiffs and Defendant (collectively, the "Parties") have agreed to resolve the Action as to the Defendant, without trial or adjudication of any issue of fact or law, and without an admission of liability or wrongdoing of any kind; and

WHEREAS the Parties enter into this Consent Order and Settlement Agreement ("Settlement Agreement") to avoid the expenses and uncertainty associated with further investigation and/or litigation,

Consumer Affairs. Pursuant to R. 4:34-4, the caption has been changed to reflect the current successors in office.

IT IS ORDERED, ADJUDGED AND AGREED AS FOLLOWS:

JURISDICTION

1. The Parties admit jurisdiction of this Court over the subject matter and over the Parties for the purpose of entering into this Settlement Agreement. This 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 or enforcement of this Settlement Agreement.

VENUE

2. Venue as to all matters between the Parties hereto relating to or arising out of this Settlement Agreement shall lie exclusively in the Superior Court of New Jersey, Law Division, Bergen County, provided that nothing in this Agreement shall limit or be construed as limiting the exercise of jurisdiction by the New Jersey Department of Banking and Insurance ("NJDOBI") in its implementation of the laws and rules governing Defendant's conduct as a licensee under the New Jersey Licensed Lenders Act ("LLA"), N.J.S.A. 17:11C-1 et seq., or prospectively as a licensee under the LLA's successor statute, the New Jersey Residential Mortgage Lending Act ("RMLA"), N.J.S.A. 17:11C-51 et seq.

EFFECTIVE DATE

3. This Settlement Agreement shall be effective on the date that it is entered with the Court ("Effective Date").

DEFINITIONS

4. As used in this Settlement Agreement, the following words or terms shall have the following meanings, which meanings shall apply wherever the words and terms appear in this Settlement:

- a) "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.
- b) "Consumer" shall refer to any Person, defined in accordance with N.J.S.A. 56:8-1(d), who is offered Merchandise, defined in accordance with N.J.S.A. 56:8-1(c), for Sale, defined in accordance with N.J.S.A. 56:8-1(e).
- c) "Division" or "Division of Consumer Affairs" shall refer to the New Jersey Division of Consumer Affairs.
- d) "Licensed Lenders Act" or "LLA" shall refer to the New Jersey Licensed Lenders Act, N.J.S.A. 17:11C et seq.
- e) "Licensed Lenders Regulations" shall refer to Chapter 15, Licensed Lenders, of Title 3 of the New Jersey Administrative Code.
- f) "Residential Mortgage Lending Act" or "RMLA" shall refer to the New Jersey Residential Mortgage Lending Act, N.J.S.A. 17:11C-51 et seq.
- g) "Residential Mortgage Lending Act Regulations" or "RMLA Regulations" shall refer to Chapter 15, Residential Mortgage Lenders, of Title 3 of the New Jersey Administrative Code.

NO ADMISSION OF LIABILITY

5. The Parties enter into this Settlement Agreement to resolve disputed claims and to avoid the cost, expense, distraction, uncertainty, delay and inconvenience associated with continued litigation of the Action as to the Defendant. Neither the fact of, nor any provision contained in this Settlement Agreement nor any action taken hereunder shall constitute, or be construed as:

a) An admission by Defendant that any alleged acts or practices by him referred to in the Action or in this Settlement Agreement are or were violative of the CFA or the New Jersey Civil RICO Act;

b) A concession by Defendant as to the validity of the claims against him in the Action; or

c) An approval, sanction or authorization by the Attorney General, the Division, or any other governmental unit of the State, including but not limited to the NJDOBI, of any act or practice of the Defendant.

6. Neither the existence of, nor the terms of this Settlement Agreement shall be deemed to constitute evidence or precedent of any kind except in any action or proceeding by one of the Parties to enforce or otherwise interpret any or all of the terms herein. The Plaintiffs and Defendant have sole standing to allege any breach of this Settlement Agreement.

SETTLEMENT AMOUNT

7. The Parties hereto have agreed to a settlement of the Action as to the Defendant in the amount of Forty Thousand and Zero Dollars (\$40,000.00) (the "Settlement Amount"), which is comprised of fees received by the Defendant in connection with the origination of the Five Mortgage Loans, civil monetary penalties, and reimbursement to Plaintiffs for legal and investigative costs.

8. Contemporaneous with the execution of this Settlement Agreement, Defendant shall remit to Plaintiffs Three Thousand and Zero Dollars (\$3,000.00). Payment of this portion of the Settlement Amount shall be tendered in certified funds made payable to "New Jersey Division of Consumer Affairs" and forwarded to the undersigned:

Wendy Leggett Faulk
Deputy Attorney General
State of New Jersey
Office of the Attorney General
Department of Law and Public Safety
Division of Law
Affirmative Litigation Section
124 Halsey Street - 5th Floor
P.O. Box 45029
Newark, New Jersey 07101

9. Upon 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 or income derived therefrom, shall inure entirely to the benefit of the Plaintiffs pursuant to the terms herein.

10. Defendant shall remit to the Division an additional payment of Twelve Thousand Dollars (\$12,000.00) according to the following schedule: beginning March 15, 2010, and continuing thereafter on the fifteenth day of the next thirty-five (35) consecutive months, Defendant shall remit to the Division payment in the amount of Two Hundred and Fifty Dollars (\$250.00). By or before March 15, 2013, Defendant shall remit to the Division a final payment of Three Thousand Two Hundred Fifty Dollars (\$3,250.00). Payments toward this portion of the Settlement Amount shall be tendered in certified funds made payable to "New Jersey Division of Consumer Affairs" and forwarded to:

Jennifer Micco, Supervising Investigator
Office of Consumer Protection
Division of Consumer Affairs
124 Halsey Street - 7th Floor
P.O. Box 45025
Newark, New Jersey 07101

Include on all remissions: "Vest Financial Settlement - M. Boyce"

11. For a period of three (3) years from the Effective Date, the balance of the Settlement Amount, Twenty Five Thousand and Zero Dollars (\$25,000.00) shall be suspended and automatically vacated at the end of that period, provided:

a) Defendant complies in all material respects with the terms and conditions set forth in this Settlement Agreement;

b) Defendant does not engage in any acts or practices in violation of the CFA and any regulations promulgated

thereunder, the Licensed Lenders Act, the Licensed Lenders Regulations, the RMLA and/or the RMLA Regulations; and

c) Defendant remits payment of the portion of the Settlement Amount as required herein.

12. Plaintiffs have relied on the representations made by the Defendant, individually in the attached Certification, and through his counsel, regarding Defendant's conduct and financial gain in connection with originating and processing the Five Mortgage Loans. If, within three (3) years from the Effective Date, Plaintiffs determine that any material representation made by Defendant in this regard was false in any respect, or that Defendant materially failed to fully disclose his knowledge or involvement in the allegedly illegal activities complained of in the Action, Plaintiffs may, upon prior written notice to Defendant, move for an Order vacating this Agreement. If the Court grants the motion, then Plaintiffs shall have six (6) months therefrom to re-file a complaint against Defendant, and Defendant shall be precluded from asserting any time defenses.

13. In the event Defendant fails to comply with the terms and conditions of this Settlement Agreement, the entire suspended portion of the Settlement Amount, Twenty Five Thousand and Zero Dollars (\$25,000.00) shall be immediately due and payable upon notice by the Plaintiffs. In any such notice, however, Plaintiffs shall provide Defendant with the specific details of

the alleged noncompliance and Defendant shall be afforded a reasonable period within which to cure any such noncompliance. In the event of Defendant's failure to cure any such noncompliance, Plaintiffs may move on notice or by Order to Show Cause to have a Judgment entered for the suspended portion of the Settlement Amount, which the Defendant shall have the right to oppose. The Attorney General (or designated representative) shall have the authority to enforce the provisions of this Settlement Agreement, or to seek sanctions for violations hereof, or both.

DISMISSAL OF ACTION

14. The entry of this Settlement Agreement constitutes a dismissal with prejudice of the Action as to the claims therein against the Defendant, as those claims relate to the Five Mortgage Loans.

COOPERATION

15. The Defendant shall fully and promptly cooperate with Plaintiffs and/or their respective representatives in court or administrative proceedings, any preparations therefore, and any investigations regarding the subject matter of the Action or any subsequent Amendments thereto. Such cooperation shall include, without limitation and without subpoena:

a) Voluntary production of all documents or other tangible evidence requested which has not already been produced to Plaintiffs;

b) Voluntary and prompt attendance at all proceedings at which the Defendant's presence and/or testimony is requested by Plaintiffs, where Defendant shall give voluntary forthright and complete testimony; and

c) Voluntary forthright and complete responses to all inquiries from Plaintiffs to the Defendant.

RELEASE

16. In consideration of the payments, undertakings, mutual promises and obligations provided for in this Settlement Agreement, and expressly conditioned on Defendant remitting the portion of the Settlement Amount required herein, Plaintiffs hereby agree to release Defendant from any and all civil and administrative claims which the Plaintiffs brought or could have brought prior to the Effective Date against Defendant for violations of the CFA or the New Jersey Civil RICO Act in connection with his participation in the origination of the Five Mortgage Loans specifically addressed by this Settlement Agreement, and any mortgage loan he originated in connection with JP Global Property Management, Inc. and/or Rhys Herrmann (the "Released Claims").

17. Notwithstanding any term of this Settlement Agreement, the following do not comprise Released Claims: (a) private rights of action by Consumers against the Defendant; (b) actions

to enforce this Settlement Agreement; or (c) any claims against Defendant by any other agency or subdivision of the State, including but not limited to the NJDOBI.

GENERAL PROVISIONS

18. This Settlement Agreement 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 hereby.

19. This Settlement Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State.

20. This Settlement Agreement contains the entire agreement among the Parties, and shall be modified only by a written instrument signed by or on behalf of Plaintiffs and Defendant.

21. Except as otherwise explicitly provided for in this Settlement Agreement, 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.

22. If any portion of this Settlement Agreement is held invalid or unenforceable by operation of law, the remaining terms thereof shall not be affected.

23. This Settlement Agreement shall be binding upon the Parties and their successors in interest. In no event shall assignment of any right, power or authority under this Settlement

Agreement avoid compliance herewith.

24. Unless otherwise prohibited by law, any signatures by the Parties required for entry of this Settlement Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall together be one and the same Settlement Agreement.

COMPLIANCE WITH ALL LAWS

25. Except as provided in this Settlement Agreement, 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 the 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 the Plaintiffs to obtain such information, documents or testimony.

NOTICES UNDER THIS SETTLEMENT

26. Until such time as the Defendant's obligations are fulfilled under this Settlement Agreement, Defendant shall promptly advise Plaintiffs' counsel of the address of his residence, whether in the United States or abroad, should that address differ from his residence as of the Effective Date

hereof.

27. Except as otherwise provided herein, any notices or other documents required to be sent to the Parties pursuant to this Settlement Agreement shall be sent by any 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:

Wendy Leggett Faulk, Deputy Attorney General
State of New Jersey
Office of the Attorney General
Department of Law and Public Safety
Division of Law
Affirmative Litigation Section
124 Halsey Street - 5th Floor
P.O. Box 45029
Newark, New Jersey 07101


For the Defendant:

Mark J. Tolstoi, Esq.
75 Eisenhower Pkwy, Suite 110
Roseland, NJ 07068-1693

If the Defendant is no longer represented by counsel above, notice is to be provided to the Defendant's last known address, which, as of the Effective Date is:

154 Crown Prince Dr., Marlton, NJ 08053

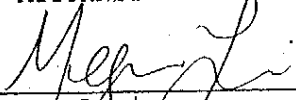
IT IS ON THE 1st DAY OF March 2010 SO ORDERED,
ADJUDGED AND DECREED.


Hon. Robert C. Wilson, J.S.C.

JOINTLY APPROVED AND
SUBMITTED FOR ENTRY:

FOR THE PLAINTIFFS:

PAULA T. DOW
ACTING ATTORNEY GENERAL OF NEW JERSEY

By: 
Megan Lewis
Deputy Attorney General
Chief, Affirmative Litigation Section

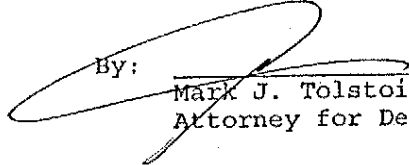
Dated: 2/24/10

124 Halsey Street - 5th Floor
P.O. Box 45029
Newark, New Jersey 07101
Telephone: (973) 648-4518

FOR DEFENDANT:

By: 
Matthew J. Boyca

Dated: 2/8/10

By: 
Mark J. Tolstoi, Esq.
Attorney for Defendant

Dated: 2/11/10