

JOHN J. HOFFMAN
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

RECEIVED/FILED

NOV 19 2013

Superior Court of New Jersey
General Equity - Essex Vicinage

By: Jah-Juin Ho- #033032007
Glenn Graham- #013822009
Edward Mullins- #027892006
Deputy Attorneys General
973-648-2500

Kevin Jespersen-#019151981
Brian McDonough- #026121980
Assistant Attorneys General

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION,
ESSEX COUNTY
DOCKET NO.

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.

E-SPORTS ENTERTAINMENT, LLC; ERIC
THUNBERG and SEAN HUNCZAK; JANE and
JOHN DOES 1-10, individually and as owners,
officers, directors, shareholders, founders,
managers, agents, employees, representatives
and/or independent contractors of E-SPORTS
ENTERTAINMENT, LLC; and XYZ
CORPORATIONS 1-10,

Defendants.

Civil Action

COMPLAINT

Plaintiffs John J. Hoffman, Acting Attorney General of the State of New Jersey (“Attorney General”), with offices located at 124 Halsey Street, Fifth Floor, Newark, New Jersey, and Eric T. Kanefsky, Director of the New Jersey Division of Consumer Affairs (“Director”), with offices located at 124 Halsey Street, Seventh Floor, Newark, New Jersey, by way of Complaint state:

PRELIMINARY STATEMENT

1. In April 2013, Defendants E-Sports Entertainment, LLC (“ESEA” or the “Company”), Eric Thunberg (“Thunberg”) and Sean Hunczak (“Hunczak”) (collectively “Defendants”) created and developed malicious software code that infected the computers of thousands of ESEA customers (“end-users”). Using ESEA’s videogame anti-cheat software program (“ESEA Software”), from April 12, 2013 through April 30, 2013, at least Defendant Hunczak, downloaded the malicious software code onto end-users’ computers to create an unauthorized computer network for the purpose of mining for bitcoins (“ESEA Botnet”).

2. Additionally, from at least April 3, 2013, at least defendant ESEA purposely or knowingly and without authorization, or in excess of authorization, accessed and monitored the computer activities of end-users, at all times, even when those end-users were not using ESEA services or logged onto ESEA servers.

3. Defendants’ conduct constitutes deceptive and unconscionable commercial practices pursuant to the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq. (“CFA”) and unauthorized access pursuant to the New Jersey Computer Related Offenses Act, N.J.S.A. 2A:38A-1 et seq. (“CROA”). The Attorney General and Director (collectively, “Plaintiffs”) submit this Complaint seeking equitable relief, to prevent any more consumers from being

victimized by Defendants' practices, as well as penalties, restitution, investigative costs, and attorneys' fees.

JURISDICTION AND PARTIES

4. The Attorney General is charged with the responsibility of enforcing the CFA and the CROA. The Director is charged with the responsibility of administering the CFA and the CROA on behalf of the Attorney General.

5. By this action, Plaintiffs seek injunctive and other relief for violations of the CFA and the CROA. Plaintiffs bring this action pursuant to their authority under the CFA, specifically N.J.S.A. 56:8-8, 56:8-11, 56:8-13 and 56:8-19, and the CROA, specifically N.J.S.A. 2A:38A-5. Venue is proper in Essex County, pursuant to R. 4:3-2, because it is a county in which Defendants have otherwise conducted business.

6. Defendant ESEA is a New York Limited Liability Company established on October 10, 2006. Upon information and belief, at all relevant times, ESEA has maintained a business and mailing address of 62 Rensselaer Drive, Commack, New York 11725. ESEA's registered agent is Craig Levine, who maintains a mailing address of 62 Rensselaer Drive, Commack, New York 11725.

7. Defendant Thunberg is a member and co-founder of ESEA. Upon information and belief, at all relevant times Thunberg maintained a business address of 62 Rensselaer Drive, Commack, New York 11725.

8. At all relevant times, Defendant Hunczak was the software developer for ESEA. Upon information and belief, at all relevant times Hunczak maintained a business address of 62 Rensselaer Drive, Commack, New York 11725.

9. Upon information and belief, John and Jane Does 1 through 10 are fictitious individuals meant to represent the owners, officers, directors, shareholders, founders, managers, agents, employees, representatives and/or independent contractors of ESEA who have been involved in the conduct that gives rise to this Complaint, but are heretofore unknown to the Plaintiffs. As these defendants are identified, Plaintiffs shall amend the Complaint to include them.

10. Upon information and belief, XYZ Corporations 1 through 10 are fictitious corporations meant to represent any additional corporations that have been involved in the conduct that gives rise to this Complaint, but are heretofore unknown to the Plaintiffs. As these defendants are identified, Plaintiffs shall amend the Complaint to include them.

FACTUAL BACKGROUND AND GENERAL ALLEGATIONS

11. ESEA is an online video game subscription company that sells anti-cheat services for popular video games such as Counter Strike, Counter Strike Global Offensive, Counter Strike Source, and Team Fortress 2 (“ESEA Supported Games”). The company purports to be the “largest competitive video gaming community in North America.”

12. Sometime in April 2013, defendants Hunczak and Thunberg created and developed software code that Hunczak later executed on end-user computers via the ESEA Software. The software code created and developed by Hunczak and Thunberg enabled Defendants to use the graphics processing unit (“GPU”) of end-users’ computers to mine for bitcoins without any notice to those end-users (“ESEA Bitcoin Mining Code”).

13. On or about April 3, 2013, ESEA, through its employees, further created code to monitor the programs that ESEA end-users ran on their computers, even when those end-users

were not using ESEA services and the ESEA Software was not turned on (“ESEA Monitoring Code”).

ESEA General Business Practices and the ESEA Software

14. ESEA end-users pay a \$6.95 monthly subscription fee to play ESEA Supported Games on the Company’s hosted anti-cheat game servers.

15. To play on ESEA hosted game servers, end-users must download and install ESEA Software onto their computers. Once installed, the ESEA Software enables ESEA full administrative access of end-users’ computers.

16. At least defendants Hunczak and Thunberg had full administrative access to all end-users’ computers. The ESEA Software enabled Defendants to not only monitor end-user computer activity but also view and upload any and all end-users’ computer files.

17. Among the many monitoring activities conducted by ESEA, the ESEA Software was programmed to automatically capture screen shots of computers, track computer mouse movements, and monitor end-users’ computer activities even when they were not logged onto ESEA servers.

18. ESEA did not place any restrictions on Hunczak and Thunberg’s ability to access end-users’ computers.

19. ESEA did not put policies and procedures in place to ensure its employees were not abusing their full administrative access privileges or inappropriately accessing end-users’ computer files.

ESEA Computer Monitoring and File Copying

20. On or about April 3, 2013, using the full administrative access to end-users’ computers, ESEA created the ESEA Monitoring Code to track the programs that ESEA end-

users ran on their computers. The ESEA Monitoring Code monitored computer activity even when end-users were not using ESEA services and the ESEA Software was not turned on. ESEA concealed the ESEA Monitoring Code in the ESEA Software driver on end-users' computers. ESEA also programmed the ESEA Software to reload the ESEA Monitoring Code even if end-users attempted to "unload" the driver.

21. Prior to implementation, Thunberg approved the ESEA Monitoring Code and allowed the ESEA Monitoring Code to be placed on end-users' computers via the ESEA Software.

22. In at least several instances, ESEA employees used the ESEA Software to copy files from ESEA end-users' computers.

Background on Bitcoins

23. Bitcoins are a decentralized virtual form of currency that are purchased through online exchanges, transferred between individuals through electronic "wallets," or acquired through "mining."

24. Each bitcoin is generated through a process known as "mining." To mine for bitcoins, the central processing unit ("CPU") and GPU of computers are set to solve complex mathematical problems on a peer-to-peer network. To maintain a consistent level of bitcoin mining, the more processing power that users dedicate to the peer-to-peer mining network, the more difficult the mathematical problems become.

25. Multiple users can join mining "pools" and use their computers collaboratively toward mining for bitcoins.

26. Once a bitcoin is mined, a timestamped public record of that bitcoin is maintained on a "block chain." The public record of each timestamped bitcoin acts to prevent double

spending. Once mined, a bitcoin can then be transferred between users or purchased and sold through online exchanges.

Background on Botnets

27. Generally, a botnet is a network of computers running malicious software (“malware”). A botnet is comprised of numerous computers, scattered across many locations, infected with malware. The individuals and organizations running a botnet via malware are able to command and control infected computers for a variety of purposes, typically without an user’s knowledge that malware is even running on their computer.

28. A computer may become infected and part of a botnet when, for example, a computer user interacts with a malicious website advertisement, views a malicious email attachment, or downloads a malicious piece of software.

29. In this action, Defendants Hunczak and Thunberg developed and created a botnet, via the ESEA Bitcoin Mining Code, for the purpose of mining for bitcoins using the GPU of end-users’ computers.

ESEA Bitcoin Mining Botnet

30. Defendant Hunczak developed and created the ESEA Bitcoin Mining Code.

31. Defendant Thunberg supervised Hunczak’s activities, provided Hunczak with input, and authorized Hunczak to use ESEA company time to develop, create, and test the ESEA Bitcoin Mining Code.

32. Defendant Hunczak later executed the ESEA Bitcoin Mining Code on end-users’ computers via the ESEA Software to create the ESEA Botnet.

33. From at least April 12, 2013 through April 30, 2013, the ESEA Botnet used the GPU of end-users' computers to mine for bitcoins without notice to and authorization from, or in excess of authorization from, end-users.

34. Once executed and running on end-users' computers, the ESEA Bitcoin Mining Code was set to mine for bitcoins only when end-users' were away from their computer. Among other methods, the code detected whether end-users were active on their computers by monitoring end-users' mouse movements and/or mouse location.

35. Defendant Hunczak created at least four bitcoin wallet addresses where he deposited bitcoins mined from the ESEA Botnet.

36. Defendant Hunczak then sold the bitcoins from the ESEA Botnet, converting the bitcoins into U.S. dollars. The proceeds were then deposited into Hunczak's personal bank account.

COUNT I

VIOLATION OF THE CFA BY DEFENDANTS (UNCONSCIONABLE COMMERCIAL PRACTICES)

37. Plaintiffs repeat and reallege the allegations contained in Paragraphs 1 through 36 above as if more fully set forth herein.

The CFA, N.J.S.A. 56:8-2, prohibits:

The act, use or employment by any person of any unconscionable commercial practice, deception, fraud, false pretense, false promise, misrepresentation, or the knowing [] concealment, suppression, or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale or advertisement of any merchandise....

38. In the sale of their services, Defendants have engaged in unconscionable commercial practices and deceptions, including, but not limited to, the following:

- a. Obtaining full computer access to end-users' computers without placing adequate security measures, policies, protocols, or restrictions on ESEA employees' use of such access;
- b. Failing to supervise, monitor, review, or maintain records of the ESEA Software updates downloaded onto end-users' computers by ESEA employees;
- c. Failing to supervise, monitor, or review the information collected from end-users' computers by ESEA employees;
- d. Creating and downloading the ESEA Monitoring Code onto end-users' computers;
- e. Monitoring the computer activities of end-users through the ESEA Monitoring Code, even when end-users' computers were not using ESEA services and the ESEA Software was not turned on;
- f. Authorizing, directing, developing, and/or creating malware for the purposes of infecting end-users' computers to mine for bitcoins; and
- g. Using the ESEA Software to download and deploy malware onto end-users' computers, thereby creating a botnet to mine for bitcoins;

39. Defendants' unconscionable commercial practices constitute multiple violations of N.J.S.A. 56:8-2.

COUNT II

VIOLATION OF THE CFA BY DEFENDANTS (MISREPRESENTATIONS AND OMISSIONS OF MATERIAL FACT)

40. Plaintiffs repeat and reallege the allegations contained in Paragraphs 1 through 39 above as if more fully set forth herein.

41. In the operation of ESEA, Defendants have made false promises, misrepresentations and/or knowing omissions of material fact, including, but not limited to:

- a. Misrepresenting to end-users that the ESEA Software is used for anti-cheat services when it was used for other purposes by ESEA employees; and
- b. Failing to disclose that the ESEA Software monitored the computer activities of end-users even when they were not using ESEA services or logged onto the ESEA Software.

42. Defendants' misrepresentations, false promises, and/or omissions of material fact constitute multiple violations of N.J.S.A. 56:8-2.

COUNT III

VIOLATION OF THE CROA BY DEFENDANTS

43. Plaintiffs repeat and reallege the allegations contained in Paragraphs 1 through 42 above as if more fully set forth herein.

44. The Computer Related Offenses Act prohibits:

The purposeful or knowing, and unauthorized accessing or attempt to access any computer, computer system or computer network;

[N.J.S.A. 2A:38A-3(c)]

45. ESEA end-users' computers were damaged as a result of Defendants' ESEA Bitcoin Mining Code, ESEA Monitoring Code, and other related business activities.

46. Defendants violated the CROA through the following acts:

- a. Purposefully or knowingly accessing or attempting to access, without authorization, end-users' computers through the ESEA Software;
- b. Purposefully or knowingly accessing or attempting to access, without authorization, end-users' computers through the use of the ESEA Monitoring Code; and
- c. Purposefully or knowingly accessing or attempting to access, without authorization, end-users' computers through their use of the ESEA Bitcoin Mining Code.

47. Defendants' conduct constitutes multiple violations of the CROA.

PRAYER FOR RELIEF

WHEREFORE, based upon the foregoing allegations, Plaintiffs respectfully request that the Court enter judgment against Defendants:

- (a) Finding that the acts and omissions of Defendants constitute multiple instances of unlawful practices in violation of the CFA and CROA;
- (b) Permanently enjoining Defendants and their owners, officers, directors, shareholders, founders, managers, agents, employees, representatives, independent contractors and all other persons or entities directly under their control, from engaging in, continuing to engage in, or doing any acts or practices in violation of the CFA and CROA, including, but not limited to, the acts and practices alleged in this Complaint;
- (c) Permanently enjoining Defendants Eric Thunberg and Sean Hunczak and their agents, employees, representatives, independent contractors and all other persons or entities directly under their control, from operating, managing or otherwise controlling any business activity within the State of New Jersey or directed to New Jersey consumers;
- (d) Directing the assessment of restitution amounts against Defendants, jointly and severally, to restore to any affected person, whether or not named in this Complaint, any money or real or personal property acquired by means of any alleged practice herein to be unlawful and found to be unlawful, as authorized by N.J.S.A. 56:8-8, N.J.S.A. 2A:38A-3, and N.J.S.A. 2C:41-1;
- (e) Assessing the maximum statutory civil penalties against Defendants, jointly and severally, for each violation of the CFA, in accordance with N.J.S.A. 56:8-13;
- (f) Directing the assessment of costs and fees, including Plaintiffs' investigation costs and attorneys' fees against Defendants, jointly and severally, for the use of the State of New Jersey, as authorized by the CFA and CROA; and
- (g) Granting such other relief as the interests of justice may require.

JOHN J. HOFFMAN
ACTING ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs

By: _____

Jah-Juin Ho

Deputy Attorney General

Glenn Graham
Edward Mullins
Deputy Attorneys General

Kevin Jespersen
Brian McDonough
Assistant Attorneys General

Dated: November 19, 2013
Newark, New Jersey

RULE 4:5-1 CERTIFICATION

I certify, to the best of my information and belief, that the matter in controversy in this action involving the aforementioned violations of the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq., is not the subject of any other action pending in any other court of this State. I am aware that private contract and other actions have been brought against the Defendants, but have no direct information that any such actions involve consumer fraud allegations. I further certify that the matter in controversy in this action is not the subject of a pending arbitration proceeding in this State, nor is any other action or arbitration proceeding contemplated. I certify that there is no other party who should be joined in this action at this time.

JOHN J. HOFFMAN
ACTING ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs

By: _____

Jah-Juin Ho
Deputy Attorney General

Glenn Graham
Edward Mullins
Deputy Attorneys General

Kevin Jespersen
Brian McDonough
Assistant Attorneys General

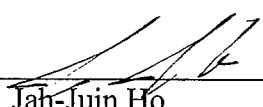
Dated: November 19, 2013
Newark, New Jersey

DESIGNATION OF TRIAL COUNSEL

Pursuant to R. 4:25-4, Deputy Attorneys General Jah-Juin Ho, Edward Mullins, and Glenn Graham and Assistant Attorneys General Kevin Jespersen and Brian McDonough are hereby designated as trial counsel on behalf of Plaintiffs in this action.

JOHN J. HOFFMAN
ACTING ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs

By: _____


Jah-Juin Ho
Deputy Attorney General

Glenn Graham
Edward Mullins
Deputy Attorneys General

Kevin Jespersen
Brian McDonough
Assistant Attorneys General

Dated: November 19, 2013
Newark, New Jersey

JOHN J. HOFFMAN
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: Jah-Juin Ho- #033032007
Glenn Graham- #013222009
Edward Mullins- #027892006
Deputy Attorneys General
973-648-2500

Kevin Jespersen
Brian McDonough- #026121980
Assistant Attorneys General

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION,
ESSEX COUNTY
DOCKET NO.

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.

E-SPORTS ENTERTAINMENT, LLC; ERIC
THUNBERG and SEAN HUNCZAK; JANE and
JOHN DOES 1-10, individually and as owners,
officers, directors, shareholders, founders, managers,
agents, employees, representatives and/or
independent contractors of E-SPORTS
ENTERTAINMENT, LLC; and XYZ
CORPORATIONS 1-10,

Defendants.

Civil Action

**CONSENT JUDGMENT OF
DEFENDANTS E-SPORTS
ENTERTAINMENT, LLC AND
ERIC THUNBERG**

1. The Attorney General of the State of New Jersey ("Attorney General") is charged with the responsibility of enforcing the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq. ("CFA") and the Director of the New Jersey Division of Consumer Affairs ("Director") is charged

with the responsibility of administering the CFA on behalf of the Attorney General.

2. This matter was opened to the Court by the filing of a Complaint on behalf of the Attorney General and Director (collectively, "Plaintiffs") pursuant to the provisions of the CFA and the New Jersey Computer Related Offenses Act, N.J.S.A. 2A:38A-1 etseq. ("CROA") against defendants E-Sports Entertainment, LLC ("ESEA"), Eric Thunberg ("Thunberg") (collectively, "Settling Defendants") and Sean Hunczak ("Hunczak") (collectively with Settling Defendants, "Defendants") alleging that Defendants have engaged in conduct in violation of the CFA and CROA.

3. Plaintiffs and Settling Defendants entered into this Consent Judgment for settlement purposes only. Settling Defendants deny the allegations and claims as set forth in the Complaint. Neither the fact of, nor any provision contained in this Consent Judgment shall be construed as an admission by Settling Defendants that any of their acts or practices described in the Complaint or prohibited by this Consent Judgment violate the CFA and CROA.

THEREFORE IT IS on this _____ day of _____, 2013 **ORDERED**
AND ADJUDGED as follows:

EFFECTIVE DATE

4. This Consent Judgment is effective on the date that it is entered by the Court ("Effective Date").

DEFINITIONS

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

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.

6. “Clearly and Conspicuously” shall mean a statement that, regardless of the medium in which it is made, is presented in such type, 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 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 and in a manner that is readily apparent and understandable.

7. “Consumer Information” shall mean information Defendant collects from or about a person, including but not limited to: (a) first and last name; (b) home or other physical address, including street name and city; (c) email address or other online contact information, such as a user identifier or screen name; (d) persistent identifier (e.g. IP address or UDID); (e) telephone number; (f) contact lists or address books; (g) geographic/physical location; (h) demographic information (e.g. race, gender, age, etc.); or (h) any other information about a person that is combined with subsections (a) through (g) above.

8. “Person[s],” “Consumer,” or “End User” shall mean “Person” as defined in N.J.S.A. 56:8-1(d).

9. “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” and “Misrepresent.”

10. “State” shall refer to the State of New Jersey.

BUSINESS PRACTICES

11. Settling 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 and CROA.

12. Settling Defendants shall not download or otherwise deploy any computer code, program, or software onto a person's computer without explicit authorization and without clear and conspicuous notification prior to such deployment.

13. Settling Defendants shall not upload, copy, store, or otherwise access the files stored on a consumers' computers without explicit authorization and without clear and conspicuous notification prior to such access.

14. Settling Defendants shall not monitor the computer activities of any person without explicit authorization and without clear and conspicuous notification prior to such monitoring.

15. Settling Defendants shall not misrepresent or omit a material fact concerning: (1) the purposes for which they collect and use data or Consumer Information about a person or their computer; or (2) the extent to which Settling Defendants exercise control over the collection and use of data or Consumer Information about a person or their computer.

16. No later than thirty (30) days from the Effective Date, Settling Defendants shall post a page or pages on the ESEA website to provide consumers with information about the types of data and information ESEA collects and the manner such information and types of data are used ("Consumer Information Page"). A link to the Consumer Information Page shall be clearly and conspicuously posted on the ESEA homepage. The contents of the Consumer Information Page shall include:

- a. a detailed list of the types of data and Consumer Information ESEA collects or is capable of collecting about consumers and their computers;
- b. a detailed description of how the types of data and Consumer Information listed in

subsection (a) is maintained and used and whether such data or Consumer Information is transferred to third parties; and

- c. information about how consumers can restrict, limit, opt-out or otherwise control the data or Consumer Information collected by ESEA about them or their computers.

17. Within thirty (30) days of the Effective Date, Settling Defendants shall implement a privacy and data security program ("Privacy and Data Security Program"), that contains comprehensive privacy controls and procedures and that is designed to protect the privacy, security, and confidentiality of consumer data and Consumer Information.

18. The Privacy and Data Security Program shall include:

- a. the designation of an employee or employees responsible for such program;
- b. an independent privacy and data security audit report ("Privacy and Security Audit Report");
- c. the designation and implementation of reasonable privacy and security controls and procedures to address the risks and issues identified in the Privacy and Security Audit Report; and
- d. Regular testing or monitoring of the effectiveness of privacy and data security controls and procedures.

19. The Privacy and Security Audit Report shall be prepared by an independent third-party professional who uses procedures and standards generally accepted in the profession. A person qualified to prepare the Privacy and Security Audit Report shall have a minimum of five (5) years of experience in the fields of privacy and data protection. All persons preparing a Privacy and Security Audit Report shall be approved by the New Jersey Office of the Attorney General, Division of Law at its sole discretion. The reporting period shall cover: (1) the first 90 days after the Effective Date; and (2) every two year period thereafter for ten years after the Effective Date. Settling Defendants shall submit a copy of the Privacy and Security Audit Report to the Division no later than 10 business days after each reporting period.

20. The Privacy and Security Audit Report shall:

- a. set forth, in detail, the types of data and Consumer Information collected by Settling Defendants and the purpose for collecting each type of data and Consumer Information;
- b. explain why the collection of each type of data and Consumer Information identified in subsection (a) is reasonably necessary to Settling Defendants' business activities;
- c. set forth the privacy and data security controls and procedures that Settling Defendants have implemented and maintained during each reporting period;
- d. explain how such privacy and data security controls and procedures are appropriate to adequately protect the data and Consumer Information collected by Settling Defendants;
- e. measure the impact of Settling Defendants' data collection practices on consumer privacy and data security;
- f. identify and assess the validity of all consumer complaints concerning privacy and data security during each reporting period;
- g. identify reasonably foreseeable material risk, both internal and external, that could result in Settling Defendants' unauthorized collection, use, or disclosure of data or Consumer Information; and
- h. certify that the privacy and data security controls and procedures are operating with sufficient effectiveness to protect the privacy and data security of consumers and that the controls have so operated throughout the reporting period.

21. Within thirty (30) days of the Effective Date, Settling Defendants shall:

- a. deliver this Consent Judgment to ESEA's executive management;
- b. deliver this Consent Judgment to employees of ESEA having supervisory responsibilities for implementation of the Privacy and Data Security Program;
- c. deliver this Consent Judgment to employees of Settling Defendants having access to Consumer Information; and
- d. deliver this Consent Judgment to Settling Defendants' attorneys whose responsibilities include providing advice about the privacy and data security.

22. Settling Defendants shall cooperate with any further requests made by the Office of

the Attorney General and the Director, with respect to any practices, documents, or information relating to itself, Defendant Hunczak, and any third party. Settling Defendants shall produce all such documents or information within 15 days of receiving such request.

SETTLEMENT PAYMENT

23. Plaintiffs and the Settling Defendants (collectively, the "Parties") have agreed to a settlement of Plaintiffs' Complaint in the amount of One Million and 00/100 Dollars (\$1,000,000.00) ("Settlement Payment"). ESEA shall be solely liable for the entire Settlement Payment. In the event ESEA fails to meet the Settlement Payment obligations under this Section, Thunberg shall be liable for no more than One Hundred Fifty Thousand and 00/100 (\$150,000.00) of the Settlement Payment.

24. From the Settlement Payment, Six Hundred Seventy-Five Thousand and 00/100 Dollars (\$675,000.00) shall be suspended and automatically vacated within ten (10) years of the Effective Date ("Suspended Penalty"), provided:

- a. Settling Defendants comply with the restraints and conditions set forth in this Consent Judgment; and
- b. Settling Defendants do not engage in any acts or practices in violation of the CFA and CROA.

25. In the event Settling Defendants fail to comply with the restraints and conditions of this Consent Judgment, the entire Suspended Penalty shall be immediately due and payable to Plaintiffs.

26. The Settlement Payment, excluding Suspended Penalty, shall consist of a civil penalty of Two Hundred Five Thousand Seven Hundred Ten and 49/100 Dollars (\$205,710.49) pursuant to N.J.S.A. 56:8-13 and N.J.S.A. 2A:65B-3, Fifteen Thousand Two Hundred Three and 67/100 Dollars (\$15,203.67), as reimbursement of the Division's attorneys' fees, Four Thousand

Eighty-Five and 84/100 Dollars (\$4,085.84) as reimbursement of the Division's investigative costs, pursuant to N.J.S.A. 56:8-11 and N.J.S.A. 56:8-19, and One Hundred Thousand Dollars (\$100,000.00) to be used at the sole discretion of the Attorney General for the promotion of consumer privacy programs, including the purchase of investigative tools and the retention of technologies, consultants, and experts.

27. Settling Defendant shall make the Settlement Payment, excluding Suspended Penalty, of Three Hundred Twenty-Five Thousand (\$325,000.00) in installments as follows:

- a. One Hundred Twenty-Five Thousand and 00/100 Dollars (\$125,000.00) shall be paid on or before the Effective Date; and
- b. The remaining Two Hundred Thousand and 00/100 Dollars (\$200,000.00) shall be paid in equal quarterly installments of Fifty Thousand and 00/100 Dollars (\$50,000.00) with each installment due on the first day of each quarter. For purposes of this subsection, each quarter shall start on January 1, April 1, July 1, and October 1 of every year.

28. 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 the undersigned:

Jah-Juin Ho, Deputy Attorney General
Office of the Attorney General
Division of Law
124 Halsey Street, 5th Floor
Newark, New Jersey 07101

Upon making the Settlement Payment, Settling Defendants shall immediately be fully divested of any interest in, or ownership of, the monies paid. All interest in the monies, and any subsequent interest or income derived therefrom, shall inure entirely to the benefit of the Division pursuant to the terms herein.

FORBEARANCE ON EXECUTION AND DEFAULT

29. In the event that Settling Defendants fail to make any of the payments referenced in

paragraph 28 within 15 days of their due date, all unpaid amounts due and payable under this Consent Judgment shall immediately be accelerated and due and payable, with interest calculated in accordance with R. 4:42-11 from the date of default, and with the Plaintiffs' cost of collection. In addition to the relief provided for in this Section, a default shall entitle Plaintiffs to make an application to the Court for an order directing compliance and any other relief in aid of litigant's rights, including an award of attorneys' fees.

GENERAL PROVISIONS

30. This Consent Judgment is entered into by the Settling Defendants and Plaintiffs (collectively, "Parties") as their own free and voluntary act and with full knowledge and understanding of the obligations and duties imposed by this Consent Judgment.

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

32. 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.

33. 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 Parties.

34. Except as otherwise explicitly provided in this Consent Judgment, nothing herein shall be construed to limit the authority of the Attorney General to protect the interests of the State or the people of the State.

35. 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.

36. This Consent Judgment shall be binding upon Settling Defendants as well as their owners, officers, directors, managers, agents, employees, representatives, subsidiaries, successors and assigns, and any Person through which it may now or hereafter act, as well as any Persons who have authority to control or who, in fact, control and direct its business.

37. 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.

38. This Consent Judgment is entered into by the Parties for settlement purposes only. Neither the fact of, nor any provision contained in this Consent Judgment shall be construed as: (a) an approval, sanction or authorization by the Division or any other governmental unit of the State of any act or practice of Defendants; or (b) an admission by Settling Defendants that any of their acts or practices described in the Complaint or prohibited by this Consent Judgment violate the CFA or the CROA. Neither the existence of, nor the terms of this Consent Judgment shall be deemed to constitute evidence or precedent of any kind except in: (a) an action or proceeding by one of the Parties to enforce, rescind or otherwise implement any or all of the terms herein; or (b) an action or proceeding involving a Released Claim to support a defense of res judicata, collateral estoppel, release or other theory of claim preclusion, issue preclusion or similar defense.

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

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

RELEASE

41. In consideration of the payments, undertakings, mutual promises and obligations provided for in this Consent Judgment and conditioned on Settling Defendants making the Settlement Payment, the Plaintiffs hereby agree to release Settling Defendants, only, from any and all civil claims or Consumer related administrative claims, to the extent permitted by State law, which Plaintiffs could have brought prior to the Effective Date against Settling Defendants for violations of the CFA and CROA arising out of the Complaint ("Released Claims").

42. Notwithstanding any term of this Consent Judgment, the following do not comprise Released Claims: (a) Plaintiffs' action against Defendant Hunczak; (a) private rights of action; (b) actions to enforce this Consent Judgment; and (c) any claims against Defendants by any other agency, subdivision of the State, including the New Jersey Office of the Attorney General- Division of Criminal Justice.

PENALTIES FOR FAILURE TO COMPLY

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

44. The Parties agree that any future violations of the injunctive provisions of this Consent Judgment and the CFA shall constitute a second or succeeding violation under N.J.S.A. 56:8-13 and that Defendant may be liable for enhanced civil penalties, as provided therein.

COMPLIANCE WITH ALL LAWS

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

- a. Relieving Settling Defendants of their obligation 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 Attorney General or the Director 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 Attorney General or the Director to obtain such information, documents or testimony.

NOTICES UNDER THIS CONSENT JUDGMENT

46. Except as otherwise provided herein, any notices or other documents required to be sent to the Plaintiffs or the Settling Defendants pursuant to this Consent Judgment shall be sent by United States mail, Certified Mail Return Receipt Requested, or other nationally recognized courier service that provides 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:

Jah-Juin Ho, Deputy Attorney General
Office of the Attorney General
Division of Law
124 Halsey Street, 5th Floor
Newark, New Jersey 07101

For the Defendants:

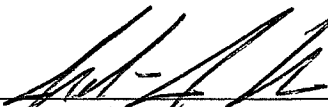
Andy Roth, Partner
Dentons US, LLP
1221 Avenue of the Americas
New York, New York 10020

HON. _____, P.J.Ch./ J.S.C.

THE PARTIES CONSENT TO THE FORM, CONTENT AND ENTRY OF THIS CONSENT JUDGMENT ON THE DATES BESIDE THEIR RESPECTIVE SIGNATURES.

FOR THE PLAINTIFFS:

JOHN J. HOFFMAN
ACTING ATTORNEY GENERAL OF NEW JERSEY

By: 
Jah-Juin Ho

Deputy Attorney General

Glenn Graham
Edward Mullins
Deputy Attorneys General

Kevin Jespersen
Brian McDonough
Assistant Attorneys General

Dated: November 4, 2013

FOR THE DEFENDANTS:

E-SPORTS ENTERTAINMENT, LLC

By: 

Craig Levine, Co-Founder

Dated: 10/31/13, 2013

ERIC THUNBERG

By: 

Eric Thunberg, Individually

Dated: 2013-10-29, 2013

DENTONS US, LLP
ATTORNEYS FOR THE DEFENDANTS

By: 

Andrew Roth, Esq.
Partner

Dated: October 31, 2013

JOHN J. HOFFMAN
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: Jah-Juin Ho- #033032007
Glenn Graham- #013222009
Edward Mullins- #027892006
Deputy Attorneys General
973-648-2500

Kevin Jespersen
Brian McDonough- #026121980
Assistant Attorneys General

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION,
ESSEX COUNTY
DOCKET NO.

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.

E-SPORTS ENTERTAINMENT, LLC; ERIC
THUNBERG and SEAN HUNCZAK; JANE and
JOHN DOES 1-10, individually and as owners,
officers, directors, shareholders, founders,
managers, agents, employees, representatives
and/or independent contractors of E-SPORTS
ENTERTAINMENT, LLC; and XYZ
CORPORATIONS 1-10,

Defendants.

Civil Action

**FINAL CONSENT JUDGMENT OF
DEFENDANT SEAN HUNCZAK**

1. The Attorney General of the State of New Jersey ("Attorney General") is charged with the responsibility of enforcing the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq. ("CFA") and the Director of the New Jersey Division of Consumer Affairs ("Director") is

charged with the responsibility of administering the CFA on behalf of the Attorney General.

2. This matter was opened to the Court on October 30, 2013 by the filing of a Complaint on behalf of the Attorney General and Director (collectively, "Plaintiffs") pursuant to the provisions of the CFA and New Jersey Computer Related Offenses Act, N.J.S.A. 2A:38A-1 et seq. ("CROA"); against defendants Sean Hunczak ("Hunczak" or "Settling Defendant"), E-Sports Entertainment, LLC ("ESEA"), and Eric Thunberg, Vice President and co-founder of ESEA, ("Thunberg") (collectively, "Defendants") alleging that Defendants have engaged in conduct in violation of the CFA and CROA.

3. This Consent Judgment is entered into by the Parties for settlement purposes only. Neither the fact of, nor any provision contained in this Consent Judgment shall be construed as an admission by Settling Defendant that any of his acts or practices described in the Complaint or prohibited by this Consent Judgment violate the CFA or CROA. Plaintiffs are simultaneously entering into a separate Consent Judgment with ESEA and Thunberg.

THEREFORE IT IS on this _____ day of _____, 2013 **ORDERED**
AND ADJUDGED as follows:

EFFECTIVE DATE

4. This Consent Judgment is effective on the date that it is entered by the Court ("Effective Date").

DEFINITIONS

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

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.

6. “Clearly and Conspicuously” shall mean a statement that, regardless of the medium in which it is made, is presented in such type, 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 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 and in a manner that is readily apparent and understandable.

7. “Consumer Information” shall mean information Defendant collects from or about a person, including but not limited to: (a) first and last name; (b) home or other physical address, including street name and city; (c) email address or other online contact information, such as a user identifier or screen name; (d) persistent identifier (e.g. IP address or UDID); (e) telephone number; (f) contact lists or address books; (g) geographic/physical location; (h) demographic information (e.g. race, gender, age, etc.); or (h) any other information about a person that is combined with subsections (a) through (g) above.

8. “Covered Conduct” shall mean:

- a. The creation, development, deployment, and execution of software code on end-users’ computers to mine for bitcoins, between April 12, 2013 and April 30, 2013; and
- b. The creation, development, deployment, and execution of software code on end-users’ to monitor the computer activities of end-users even when they are not using or signed onto ESEA services or software.

9. “Person[s],” “Consumer,” or “End User” shall mean “Person” as defined in N.J.S.A. 56:8-1(d).

10. “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" and "Misrepresent."

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

BUSINESS PRACTICES

12. Settling Defendant shall not engage in any unfair or deceptive acts or practices in the conduct of his business 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 and CROA.

13. Settling Defendant shall not download or otherwise deploy any computer code, program, or software onto a person's computer without explicit authorization and without clear and conspicuous notification immediately prior to such deployment. Notification shall include the nature and extent that computer codes, programs, or software are downloaded or deployed on a person's computer.

14. Settling Defendant shall not upload, copy, store, or otherwise access the files stored on consumers' computers without explicit authorization and without clear and conspicuous notification immediately prior to such access. Notification shall include the nature and extent files stored on consumers' computers are uploaded, copied, stored, or otherwise accessed by Settlement Defendant.

15. Settling Defendant shall not monitor the computer activities of any person without explicit authorization and without clear and conspicuous notification prior to such monitoring. Notification shall include the nature and extent that Settling Defendant monitors the computer

activities of any person.

16. Settling Defendant shall not misrepresent or omit a material fact concerning: (1) the purposes for which he collects and uses data or Consumer Information about a person or that person's computer; or (2) the extent to which Settling Defendant exercises control over the collection and use of data or Consumer Information about a person or that person's computer.

17. Settling Defendant shall not operate, manage, or otherwise directly control any business activity concerning bitcoins or the unauthorized access of computers within the State of New Jersey or directed to New Jersey consumers.

18. For a period of five years, Settling Defendant shall notify Plaintiffs, in writing, in accordance with paragraph 43 (Notices Under this Consent Judgment), within 15 days of the occurrence of the following events:

- a. Formation of New Business. Settling Defendant shall notify Plaintiffs of the formation of any business owned, or otherwise controlled by Settling Defendant related to computer access or monitoring. Such notice shall include the name and address of the business, any alias or alternate business names, the purpose of the business, Settling Defendant's job title, and Settling Defendant's job duties;
- b. Complaints. Settling Defendant shall notify Plaintiffs of all consumer complaints related to computer access issues or governmental inquiries related to the same received by Settling Defendant concerning the business practices of any business owned or otherwise controlled by Settling Defendant; and

19. Settling Defendant shall cooperate with any further requests made by the Office of the Attorney General and the Director, with respect to any practices, documents, or information relating defendants ESEA and Thunberg on issues other than those covered by this Consent Judgment, and any third party. Settling Defendant shall produce all such documents or information within 15 days of receiving such request.

SETTLEMENT PAYMENT

20. Settling Defendant agrees to pay a settlement amount of Sixty Thousand and 00/100 Dollars (\$60,000.00) ("Settlement Payment").

21. From the Settlement Payment, Forty Thousand and 00/100 Dollars (\$40,000.00) shall be immediately suspended and automatically vacated within five years of the Effective Date ("Suspended Penalty"), provided:

- a. Settling Defendant complies with the restraints and conditions set for in this Consent Judgment; and
- b. Settling Defendant does not engage in any acts or practices in violation of the CFA or CROA.

22. In the event Settling Defendant fails to comply with the restraints and conditions, as set forth in the Business Practices section of this Consent Judgment, the entire Suspended Penalty shall be immediately due and payable to Plaintiffs.

23. The Settlement Payment, excluding Suspended Penalty, consists of a civil penalty of Twelve Thousand Three Hundred Ninety-Five and 17/100 Dollars (\$12,395.17) pursuant to N.J.S.A. 56:8-13 and N.J.S.A. 2A:65B-3, Seven Thousand Six Hundred One and 83/100 Dollars (\$7,601.83), as reimbursement of the Division's attorneys' fees, pursuant to N.J.S.A. 56:8-11 and N.J.S.A. 56:8-19.

24. Settling Defendant shall make the Settlement Payment, excluding Suspended Penalty, of Twenty Thousand and 00/100 (\$20,000.00) in installments as follows:

- a. Two Thousand Five Hundred and 00/100 Dollars (\$2,500.00) shall be paid on or before the Effective Date; and
- b. The remaining Seventeen Thousand Five Hundred and 00/100 Dollars (\$17,500.00) shall be paid in equal installments of Two Thousand Five Hundred and 00/100 Dollars (\$2,500.00) with each installment due on January 1 and July 1 of every year until paid in full.

25. In the event Settling Defendant fails to make any of the payments referenced in paragraph 24 within 30 days of its due date, the full Suspended Penalty shall immediately be accelerated and due and payment; provided, however, that the parties may agree upon written consent to alter the terms of paragraph 24 at any time. Further, Plaintiffs shall first provide written notice to Settling Defendant of any default and afford Settling Defendant with a 30 day period within which to cure any such default.

26. 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 the undersigned:

Jah-Juin Ho, Deputy Attorney General
Office of the Attorney General
Division of Law
124 Halsey Street, 5th Floor
Newark, New Jersey 07101

27. Upon making the Settlement Payment, Settling Defendant shall immediately be fully divested of any interest in, or ownership of, the monies paid. All interest in the monies, and any subsequent interest or income derived therefrom, shall inure entirely to the benefit of the Division pursuant to the terms herein.

GENERAL PROVISIONS

28. This Consent Judgment is entered into by the Settling Defendant and Plaintiffs (collectively, "Parties") as their own free and voluntary act and with understanding of the obligations and duties imposed by this Consent Judgment.

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

30. 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.

31. 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 Parties.

32. Except as otherwise explicitly provided in this Consent Judgment, nothing herein shall be construed to limit the authority of the Attorney General to protect the interests of the State or the people of the State.

33. 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.

34. This Consent Judgment shall be binding upon Settling Defendant as well as his agents, employees, representatives, successors and assigns, and any Person through which he may now or hereafter act.

35. 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.

36. This Consent Judgment is entered into by the Parties for settlement purposes only. Neither the fact of, nor any provision contained in this Consent Judgment shall be construed as: (a) an approval, sanction or authorization by the Division or any other governmental unit of the State of any act or practice of Defendants; or (b) an admission by Settling Defendant that any of his acts or practices described in the Complaint or prohibited by this Consent Judgment violate the CFA or CROA. Neither the existence of, nor the terms of this Consent Judgment shall be deemed to constitute evidence or precedent of any kind except in: (a)

an action or proceeding by one of the Parties to enforce, rescind or otherwise implement any or all of the terms herein; or (b) an action or proceeding involving a Released Claim to support a defense of res judicata, collateral estoppel, release or other theory of claim preclusion, issue preclusion or similar defense.

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

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

RELEASE

39. In consideration of the payments, undertakings, mutual promises and obligations provided for in this Consent Judgment and conditioned on Settling Defendant making the Settlement Payment, the Plaintiffs hereby agree to release Settling Defendant, only, from any and all civil claims or Consumer related administrative claims, to the extent permitted by State law, which Plaintiffs could have brought prior to the Effective Date against Settling Defendants for violations of the CFA or CROA arising out of the covered conduct and Complaint ("Released Claims").

40. Notwithstanding any term of this Consent Judgment, the following do not comprise Released Claims: (a) Plaintiffs' action against Defendants ESEA and Thunberg; (b) private rights of action; (c) criminal liability of any person or entity, including Defendants; (d) actions to enforce this Consent Judgment; and (e) any claims against Defendants by any other agency, subdivision of the State, including the New Jersey Office of the Attorney General-Division of Criminal Justice.

PENALTIES FOR FAILURE TO COMPLY

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

42. The Parties agree that any future violations of the injunctive provisions of this Consent Judgment and the CFA shall constitute a second or succeeding violation under N.J.S.A. 56:8-13 and that Settling Defendant may be liable for enhanced civil penalties, as provided therein.

COMPLIANCE WITH ALL LAWS

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

- a. Relieving Settling Defendant of his obligation 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 Attorney General or the Director 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 Attorney General or the Director to obtain such information, documents or testimony.

NOTICES UNDER THIS CONSENT JUDGMENT

44. Except as otherwise provided herein, any notices or other documents required to be sent to the Plaintiffs or the Settling Defendant pursuant to this Consent Judgment shall be sent by United States mail, Certified Mail Return Receipt Requested, or other nationally recognized courier service that provides 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:

Jah-Juin Ho, Deputy Attorney General
Office of the Attorney General
Division of Law
124 Halsey Street, 5th Floor
Newark, New Jersey 07101

For the Settling Defendant:


Thomas W. Hartmann
The Hartmann Law Firm
56 Ellisen Road
Watchung, New Jersey 07069

HON. _____, P.J.Ch./ J.S.C.

THE PARTIES CONSENT TO THE FORM, CONTENT AND ENTRY OF THIS
CONSENT JUDGMENT ON THE DATES BESIDE THEIR RESPECTIVE
SIGNATURES.

FOR THE PLAINTIFFS:

JOHN J. HOFFMAN
ACTING ATTORNEY GENERAL OF NEW JERSEY

By: 
Jah-Juin Ho
Deputy Attorney General

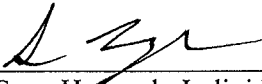
Dated: November 4, 2013

Glenn Graham
Edward Mullins
Deputy Attorneys General

Kevin Jespersen
Brian McDonough
Assistant Attorneys General

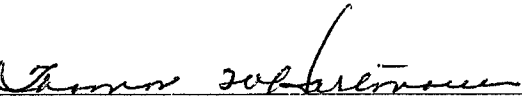
FOR THE SETTLING DEFENDANT:

SEAN HUNCZAK

By: 
Sean Hunczak, Individually

Dated: October 28, 2013

THE HARTMANN LAW FIRM
Attorney for Settling Defendant

By: 
Thomas W. Hartmann, Esq.

Dated: Oct 30, 2013