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Attorneys for Beneficial Financial I, Inc., *et al.*

)	SUPERIOR COURT OF NEW JERSEY
)	CHANCERY DIVISION
IN RE APPLICATION BY BENEFICIAL)	PASSAIC COUNTY
FINANCIAL I, INC., ET AL., TO ISSUE)	
CORRECTED NOTICES OF INTENT)	DOCKET NO.: F-48972-13
TO FORECLOSE ON BEHALF OF)	
IDENTIFIED FORECLOSURE)	<u>CIVIL ACTION</u>
PLAINTIFFS)	
)	
)	VERIFIED COMPLAINT IN SUPPORT
)	OF ORDER TO SHOW CAUSE
)	

Beneficial Financial I, Inc. (“Beneficial Financial”), Beneficial Mortgage Corporation (“Beneficial Mortgage”), and Household Finance Corporation III (“Household”) (collectively, “HSBC”) bring this action pursuant to the April 4, 2012 Order of the New Jersey Supreme Court (the “April 4th Order”) that was entered following the Court’s decision in U.S. Bank, N.A. v. Guillaume, 209 N.J. 449 (2012), (“Guillaume”). HSBC respectfully states as follows:

1. HSBC services mortgage loans for residential properties in New Jersey.¹
2. When HSBC is the servicer of a loan, it undertakes payment collection, loss mitigation (modifications, short sales, deeds in lieu, etc.) and collection efforts, including foreclosure, with respect to a mortgage loan. As the entity collecting and processing payments,

¹ HSBC also appears as a plaintiff in foreclosure proceedings where it may not be the servicer of the loan. This current application to the Court does not include those cases in which the loan is serviced by an entity other than HSBC.

HSBC has the information relevant to the payments, escrows paid, amounts due, and whether a loan is in default and by how much. This information is maintained on HSBC's system of record. HSBC makes this application to the Court in its own capacity.

3. Each of the entities for which HSBC is seeking to issue corrected Notices of Intention to Foreclose ("NOI") are identified in Counts One through Four. Attached as Exhibits A-1 through A-4 to each of those Counts are the current lists of the pending, uncontested foreclosure cases that require corrected NOIs (collectively referred to hereafter as the "Corrected NOI List").

4. One of the duties of a servicer on a defaulted mortgage loan in New Jersey is to prepare and serve the NOI in accordance with N.J.S.A. 2A:50-56 of the Fair Foreclosure Act. The NOI is prepared based on current loan information held by HSBC and includes, among other data elements, information about the amount that is required to reinstate the loan and the date by which reinstatement must occur.

5. On February 27, 2012, the Supreme Court decided Guillaume and held that the Fair Foreclosure Act requires strict adherence to the notice requirements set forth in N.J.S.A. 2A:50-56(c) for all NOIs. The Court further held that a court adjudicating a foreclosure action in which the strict requirements of N.J.S.A. 2A:50-56 were not followed has the discretion to choose the appropriate remedy, permitting a cure of the deficient NOI, or imposing such other remedy as may be appropriate to the specific case.

6. Following its decision in Guillaume, the Court entered the April 4th Order which authorizes the Hon. Margaret Mary McVeigh, P.J.Ch., Passaic Vicinage, and the Hon. Paul Innes, P.J.Ch., Mercer Vicinage, to entertain summary actions by Orders to Show Cause as to why plaintiffs in any uncontested residential mortgage foreclosure actions filed on or before

February 27, 2012, in which final judgment has not been entered, who caused NOIs to be served that are deficient under the Fair Foreclosure Act, N.J.S.A. 2A:50-56, should not be allowed to serve corrected NOIs on defendant mortgagors and/or parties obligated on the debt (the “Foreclosure Defendants”).

7. The April 4th Order further states that any corrected NOI must be accompanied by a letter to the Foreclosure Defendants setting forth the reasons why the corrected NOI is being served, the procedure to follow in the event a Foreclosure Defendant wishes to object to the NOI, the name of a person to contact with any questions, and that the receipt of the corrected NOI allows Foreclosure Defendants thirty (30) days in which to object or to cure the default.

8. HSBC reviewed its pending foreclosure cases to identify those foreclosure cases which will require a corrected NOI. The Corrected NOI List was reviewed for accuracy to verify the status of the foreclosure, the effect of loss mitigation on pending foreclosures, whether there are relevant bankruptcy proceedings and whether, since the original NOIs were sent, there were intervening deaths of Foreclosure Defendants.

9. The Corrected NOI List includes the portfolio of loans that are pre-judgment, uncontested foreclosures that HSBC is servicing and in which deficient NOIs were served by HSBC. Specifically, as directed by the Supreme Court in Guillaume and the April 4th Order, the Corrected NOI List will include a listing of:

- a. foreclosures that were filed on or before February 27, 2012 and which HSBC is servicing the loans in its own capacity;
- b. in which final judgment has not been entered; and,
- c. in which HSBC is seeking leave to file a corrected NOI to include the identity of the lender, the lender’s address, and any other requirements of N.J.S.A. 2A:50-56(c)(1)-(11).

10. The Corrected NOI List also identifies (1) the name of the lender on each loan which is listed as the plaintiff in the foreclosure action, (2) the last name of the first named Foreclosure Defendant, (3) the foreclosure docket number, and (4) the vicinage.² The various HSBC Plaintiffs in these foreclosure actions are both lenders and servicers and maintain the records for each such loan, and are responsible for mailing corrected NOIs.

11. To comply with the April 4th Order, attached as Exhibit B to the Verified Complaint is the proposed form of letter that HSBC intends to send to each Foreclosure Defendant (the “Explanatory Letter”). As instructed by the Supreme Court in the April 4th Order, the proposed form of Explanatory Letter:

- a. explains the reason why the corrected NOI is being served;
- b. the procedure to follow in the event a Foreclosure Defendant wishes to object to the NOI;
- c. identifies the individual(s) a Foreclosure Defendant should contact with any questions; and
- d. advises the Foreclosure Defendant of the right to object to the corrected NOI as well as the right to cure the default within 35 days of the date of the corrected NOI.

The corrected NOIs will exclude attorneys’ fees and costs incurred in the pending foreclosure cases.

12. Attached as Exhibit C to the Verified Complaint is the proposed form of corrected NOI which HSBC will send to each of the Foreclosure Defendants identified on the Corrected NOI List. Each Foreclosure Defendant will be served with a corrected NOI that includes, *inter alia*, the information specific to their mortgage loan, their default, the lender’s name and address

² Because considerable time has passed since NOIs were originally sent in the foreclosure actions, the lender initially identified in the foreclosure action as plaintiff may not be the current lender listed in the corrected NOI. For sake of clarity, the corrected NOI will list the current lender and lender’s address and HSBC will require that foreclosure counsel take appropriate steps to change the plaintiff in affected foreclosure actions where required.

and the amount to reinstate, as provided for in the Order to Show Cause.

COUNT ONE —BENEFICIAL FINANCIAL I, INC.

13. Beneficial Financial acts as servicer and is the mortgagee of record for certain residential mortgage loans in New Jersey.

14. Attached as Exhibit A-1 is a list of the pending, uncontested foreclosures in New Jersey where HSBC previously sent an NOI that did not include the name and address of the lender, as well as omitted information about seeking legal assistance.

COUNT TWO — BENEFICIAL MORTGAGE CORPORATION

15. Beneficial Mortgage acts as servicer and is the mortgagee of record for certain residential mortgage loans in New Jersey.

16. Attached as Exhibit A-2 is a list of the pending, uncontested foreclosures in New Jersey where HSBC previously sent an NOI that did not include the name and address of the lender, as well as omitted information about seeking legal assistance.

COUNT THREE — HOUSEHOLD FINANCE CORPORATION III

17. Household acts as servicer and is the mortgagee of record for certain residential mortgage loans in New Jersey.

18. Attached as Exhibit A-3 is a list of the pending, uncontested foreclosures in New Jersey where HSBC previously sent an NOI that did not include the name and address of the lender, as well as omitted information about seeking legal assistance.

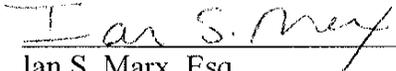
COUNT FOUR— PENDING BANKRUPTCY MATTERS

19. Attached as Exhibit A-4 is a list of the pending, uncontested foreclosures in New Jersey that are being serviced by HSBC entities listed in Counts One through Three that are currently subject to the automatic bankruptcy stay. HSBC intends to send corrected NOIs in

these matters when permitted by the Bankruptcy Court and in accordance with the instructions of this Court.

WHEREFORE, Plaintiff respectfully requests that this Court enter an Order permitting HSBC to issue corrected NOIs in an omnibus manner as permitted in the April 4th Order in the pending, uncontested foreclosure cases listed on the Corrected NOI List and for such other and further relief as this Court deems just and equitable.

GREENBERG TRAURIG LLP

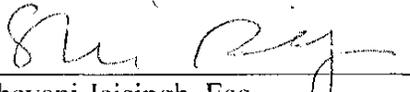


Ian S. Marx, Esq.

Dated: *January 16, 2014*

CERTIFICATION

I certify pursuant to Rule 4:5-1 that, to the best of my knowledge, this matter is not the subject of any other action pending in any court or of a pending arbitration proceeding, nor is any other action or arbitration proceeding contemplated, other than the pending foreclosure actions on the Corrected NOI List to be submitted to the Court. I further certify that I am unaware of any non-party who should be joined in this action pursuant to Rule 4:28 or who is subject to joinder pursuant to Rule 4:29-1(b) because of potential liability to any party based on the same transactional facts.



Shevani Jaisingh, Esq.

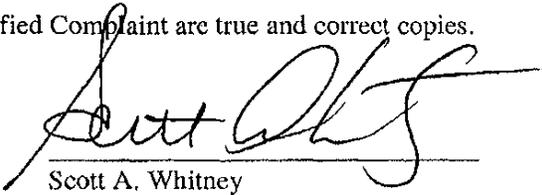
Dated: *January 16, 2014*

VERIFICATION

STATE OF *Florida* :
COUNTY OF *Hillsborough*

I, Scott A. Whitney, being duly sworn states:

1. I am the Vice President of HSBC, the applicant named in the foregoing Verified Amended Complaint.
2. The factual allegations in the Verified Complaint are true to the best of my knowledge and belief.
3. The Exhibits attached to the Verified Complaint are true and correct copies.



Scott A. Whitney

Sworn and subscribed before me
this *26* day of *Dec*, 2013

Christina Berdecia



Exhibit A-1

Primary Borrower Name	County Name	Docket	Plaintiff
LINDA M JUBAK	Ocean	F-048291-10	BENEFICIAL FINANCIAL I INC.
MARK A YAJCAJI	Burlington	F-27217-09	BENEFICIAL FINANCIAL I INC.
JANET CRUZ	Monmouth	F-21789-10	BENEFICIAL FINANCIAL I INC.
FRANK LOMBARDI	Monmouth	F-48303-09	BENEFICIAL FINANCIAL I INC.
CARL KAPS	Somerset	F-16411-10	BENEFICIAL FINANCIAL I INC.
CHARLES DAVIS	Somerset	F-061356-09	BENEFICIAL FINANCIAL I INC.
REGINA FORESTER	Union	F-054815-10	BENEFICIAL FINANCIAL I INC.
MARTHA DEARTEAGA	Middlesex	F-044020-10	BENEFICIAL FINANCIAL I INC.
WALTER KOWALSKI	Cumberland	F-039799-10	BENEFICIAL FINANCIAL I INC.
GEORGE B SOOY	Cumberland	F-39550-09	BENEFICIAL FINANCIAL I INC.
MICHAEL G POPLASKI	Sussex	F-32108-10	BENEFICIAL FINANCIAL I INC.
MICHAEL K PETERSEN	BERGEN	F-20547-09	BENEFICIAL FINANCIAL I INC.
RUTH BASILIO-DY	Bergen	F-50269-08	BENEFICIAL FINANCIAL I INC.
MARK TRUCKSESS	Warren	F-28192-10	BENEFICIAL FINANCIAL I INC.
PORFIRIO SOSA	Middlesex	F-28223-09	BENEFICIAL FINANCIAL I INC.
THOMAS W BRANIN	Atlantic	F-19190-10	BENEFICIAL FINANCIAL I INC.
O'NEILL, VICKIE LYNN	Warren	F-039639-10	BENEFICIAL FINANCIAL I INC.
FUSARO, RANDY J.	Warren	F-11813-09	BENEFICIAL FINANCIAL I INC.
COLEMAN, DARREN L.	Gloucester	F-25974-08	BENEFICIAL FINANCIAL I INC.
KLEINSCHMIDT, STANLEY	Morris	F-39103-09	BENEFICIAL FINANCIAL I INC.
HOLMES, JAMES	Ocean	F-042016-10	BENEFICIAL FINANCIAL I INC.
MCELVEEN, CARL	Ocean	F-42016-10	BENEFICIAL FINANCIAL I INC.
RIEL	Camden	F-055101-10	BENEFICIAL FINANCIAL I INC.
BRUNO, DINA L.	Cumberland	F-6648-09	BENEFICIAL FINANCIAL I INC.
JEFFERSON, ELVENE A	Camden	F-30539-09	BENEFICIAL FINANCIAL I INC.

Exhibit A-2

Primary Borrower Name	County Name	Docket	Plaintiff
GIBBS, DOROTHY J.	Camden	F-1290-08	BENEFICIAL MORTGAGE CORP

Exhibit A-3

Primary Borrower Name	County Name	Docket	Plaintiff
JERRY A BANKS	Essex	F-40760-09	HOUSEHOLD FINANCE CORP III
MELISA MARTINSEN	Ocean	F-059450-10	HOUSEHOLD FINANCE CORP III
ELIJAH HALL	Hudson	F-034937-10	HOUSEHOLD FINANCE CORP III
GERALD BARTIROMO	Ocean	F-27166-09	HOUSEHOLD FINANCE CORP III
MICHAEL G SAHLIN	Ocean	F-006655-10	HOUSEHOLD FINANCE CORP III
BRUCE ROBINSON	Ocean	F-22734-07	HOUSEHOLD FINANCE CORP III
EST OF DEBRA J CUNNINGHAM	Ocean	F-054366-10	HOUSEHOLD FINANCE CORP III
NATALIE WIEDEMAN	Monmouth	F-9650-09	HOUSEHOLD FINANCE CORP III
KATHLEEN TUCCI	Ocean	F-051485-10	HOUSEHOLD FINANCE CORP III
LOUIS ORLANDO	Monmouth	F-24858-10	HOUSEHOLD FINANCE CORP III
JOHN A LANEADER	Gloucester	F-26429-08	HOUSEHOLD FINANCE CORP III
FRED HELMICK	Hunterdon	F-049798-10	HOUSEHOLD FINANCE CORP III
JANIE R FULLER	Middlesex	F-039815-10	HOUSEHOLD FINANCE CORP III
DAVID COHEN	Somerset	F-037746-10	HOUSEHOLD FINANCE CORP III
MICHAEL J MONAHAN	Somerset	F-007569-10	HOUSEHOLD FINANCE CORP III
LINDA L JOHNSON	Gloucester	F-13064-10	HOUSEHOLD FINANCE CORP III
DAVID SHIRLEY	Monmouth	F-036709-10	HOUSEHOLD FINANCE CORP III
PHILIP C ADAMS	Sussex	F-035827-10	HOUSEHOLD FINANCE CORP III
CASSANDRA FEDERICO	Sussex	F-038469-10	HOUSEHOLD FINANCE CORP III
WAYNE W BLACKNIAK	Gloucester	F-054268-10	HOUSEHOLD FINANCE CORP III
DANIEL GREENBERG	Passaic	F-13864-10	HOUSEHOLD FINANCE CORP III
MARIA MONTAGNARO	Burlington	F-08937-10	HOUSEHOLD FINANCE CORP III
RUTH S HODGE	Burlington	F-34420-08	HOUSEHOLD FINANCE CORP III
JAMES M SORRELL	Burlington	F-48115-10	HOUSEHOLD FINANCE CORP III
EST OF ANNE TUNSTALL HOLLOWAY	Burlington	F-044097-10	HOUSEHOLD FINANCE CORP III
VINCENT J LASKOSKI	Morris	F-36110-09	HOUSEHOLD FINANCE CORP III
DAVID EVANS	Morris	F-19345-10	HOUSEHOLD FINANCE CORP III
COLEY C MATTHEWS	Essex	F-25557-07	HOUSEHOLD FINANCE CORP III
DONALD W ENNIS	Essex	F-045432-10	HOUSEHOLD FINANCE CORP III
FERNANDO J CASINI	Middlesex	F-27302-10	HOUSEHOLD FINANCE CORP III
JESUS MARTINEZ	Middlesex	F-25520-10	HOUSEHOLD FINANCE CORP III
CARLOS CRUZ	Middlesex	F-37209-08	HOUSEHOLD FINANCE CORP III
CHARLES KENON	Monmouth	F-039277-10	HOUSEHOLD FINANCE CORP III
ROLAND PASCHE	Atlantic	F-31035-09	HOUSEHOLD FINANCE CORP III
BUCKENMYER, RANDY C.	Warren	F-39345-08	HOUSEHOLD FINANCE CORP III
SHUEY, STEPHEN M	Hunterdon	F-052346-10	HOUSEHOLD FINANCE CORP III
FOWLER, MARVIN L.	Burlington	F-10246-09	HOUSEHOLD FINANCE CORP III
ONTEK, STEPHEN	Ocean	F-6983-05	HOUSEHOLD FINANCE CORP III
ARANEDA, CAROL	Ocean	F-052416-10	HOUSEHOLD FINANCE CORP III

Exhibit A-4

Primary Borrower Name	County Name	Docket	Plaintiff
LIVECCHIA, CARL D.	Morris	F-601-09	BENEFICIAL FINANCIAL I INC.
O'BRIEN, GAYLE	Essex	F-023045-09	BENEFICIAL FINANCIAL I INC
CHABOT, KEVIN A.	Ocean	F-56067-09	HOUSEHOLD FINANCE CORP III
HAUSER, DORIS R	Union	F-59039-09	BENEFICIAL FINANCIAL I INC
DEL ROSARIO, LILLIAN	Union	F-6848-09	BENEFICIAL FINANCIAL I INC
CAMERON, GLORIA A.	Union	F-12301-08	HOUSEHOLD FINANCE CORP III

Exhibit B

[HSBC Entity Letterhead]

[Date]

[Defendant Name(s)]

[Defendant Address]

[Defendant City, State ZIP]

Re: Order to Show Cause -- *In re Application by Beneficial Financial I, Inc., et al.*, Superior Court of New Jersey, Chancery Division, Passaic County, Docket No. F-48972-13

Dear [Defendant Name(s)]:

Please be advised that the New Jersey Supreme Court recently held in *U.S. Bank N.A. v. Guillaume*, 209 N.J. 449 (2012), that mortgage lenders seeking to foreclose must strictly comply with the New Jersey Fair Foreclosure Act's notice requirements for all Notices of Intention to Foreclose.

Why You Are Receiving This Letter

You are receiving this letter because you are the defendant in a pending foreclosure action, and it is believed that the Notice of Intention to Foreclose served upon you prior to the commencement of the foreclosure action did not comply with the requirements of the Fair Foreclosure Act.

By the court's Order to Show Cause dated _____, 2014, and in compliance with the Supreme Court's opinion in *U.S. Bank N.A. v. Guillaume*, Hon. Margaret Mary McVeigh, P.J.Ch., Passaic County, gave permission to Beneficial Financial I, Inc., Beneficial Mortgage Corporation, and Household Finance Corporation III (collectively, "HSBC") to serve, along with the Order to Show Cause and verified complaint, corrected Notices of Intention to Foreclose on all defendant mortgagors/parties obligated on the debt in pending foreclosure actions filed before February 28, 2012.

Information About the Order to Show Cause and Verified Complaint

Enclosed with this letter are copies of the Order to Show Cause and verified complaint. The verified complaint lists the following lenders in the following counts:

- Count One – Beneficial Financial I, Inc.
- Count Two – Beneficial Mortgage Corporation
- Count Three – Household Finance Corporation III
- Count Four – Pending Bankruptcy Matters

The attachments to the verified complaint, which lists the foreclosure actions in which the above-named lenders are the plaintiffs, will be made available on the New Jersey Courts' website at <http://www.judiciary.state.nj.us/>. If you are unsure of the docket number for your foreclosure action, you can access that information on the Courts' website on the attached exhibits to the verified complaint by entering your name into the automatic search on the website. If you do not have access to a computer or have trouble locating that information on the Courts' website, you can

contact a representative from HSBC at [telephone number] who can assist you with locating the information about your foreclosure action.

Information About the Corrected Notice of Intention to Foreclose

Also enclosed with this letter is the corrected Notice of Intention to Foreclose. It allows you an additional 35 days in which to cure the default without having to pay the plaintiff's court costs and attorneys' fees. It also sets forth important information about your loan, including information on how you can cure the default; the consequences of failing to cure the default; contact information for the plaintiff; and information about retaining counsel and borrower assistance. If you fail to cure the default by the date set forth in the corrected Notice of Intention to Foreclose, the foreclosure action against you will proceed.

With the passage of time since the foreclosure action was filed against you, the lender on your loan may have changed from the named plaintiff in the foreclosure action. The corrected Notice of Intention to Foreclose lists the name and address of the current lender on your loan.

Questions about the Notice of Intention to Foreclose

Should you have questions with regard to your loan or the corrected Notice of Intention to Foreclose, please contact HSBC at [telephone number]. Additional contact information is provided in the corrected Notice of Intention to Foreclose.

How to File an Objection

You have the right to object to the enclosed Order to Show Cause (the process by which the court gave the plaintiff permission to serve the corrected Notice of Intention to Foreclose). To do so, you must file a written objection under the docket number for the Order to Show Cause.

You also have the right to object to the enclosed corrected Notice of Intention to Foreclose. To do so, you must file a written objection under the docket number for the foreclosure action in your individual case.

For either type of objection, you must set forth with specificity the basis of the objection, and file the objection with the Superior Court Clerk's Office at the following address within 30 days:

Superior Court Clerk's Office, Foreclosure Processing Services
Attention: Objection to Notice of Intention to Foreclose
P.O. Box 971
Trenton, New Jersey 08625

You must also serve a copy of the objection on the plaintiff's attorney:

D. Brian O'Dell
Bradley Arant Boult Cummings, LLP
1819 Fifth Avenue North
Birmingham, AL 35203

and mail a copy of the objection to Judge McVeigh at:

The Honorable Margaret Mary McVeigh, P.J. Ch.
Superior Court of New Jersey
Passaic County Courthouse
71 Hamilton Street, 1st Floor
Paterson, New Jersey 07505

Your personal appearance at the Superior Court Clerk's Office or your local courthouse will not qualify as an objection. A telephone call will not protect your rights; you must file your objection and serve it on the plaintiff's attorney if you want the court to hear your objection to the relief the plaintiff is seeking. If you file a specific written objection, the case will be sent to a Judge for resolution. You will be informed by the Judge of the time and place of the hearing on your objection.

Questions about Filing an Objection

Should you have questions related to the procedure for filing an objection, please visit the New Jersey Courts On-Line Self-Help Center at <http://www.judiciary.state.nj.us/prose/index.htm>. You may also contact the Superior Court Clerk's Office at (609) 421-6100, or at SCCOForeclosure.Mailbox@judiciary.state.nj.us.

Exhibit C

[HSBC ENTITY LETTERHEAD]

[DATE]

[BORROWER NAME]
[BORROWER NAME]
[BORROWER ADDRESS 1]
[BORROWER ADDRESS 2]
[CITY], [STATE] [ZIP CODE]

Re: [PROPERTY ADDRESS 1]
[PROPERTY ADDRESS 2]

Account #: [ACCOUNT NUMBER]

Dear [BORROWER NAME(S)]:

At [ENTITY NAME] we are committed to working with our borrowers who may be experiencing financial difficulties. As part of this commitment, I, [PRIMARY CONTACT NAME], am pleased to be your designated Mortgage Servicing Specialist. Please contact me with any questions that you may have specific to your account or the important correspondence contained within this letter. My direct contact number is [PRIMARY CONTACT NUMBER], extension [PRIMARY EXTENSION]. If you cannot reach me and do not wish to leave a message, additional Mortgage Servicing Specialists are available at [SECONDARY CONTACT NUMBER], extension [SECONDARY EXTENSION] who can also provide assistance.

If there is any documentation that you may need to provide as I assist you with your account, please call me directly to get the appropriate fax number. Faxing is preferred as this method ensures a more timely receipt of any needed documents. To communicate electronically, please visit us at [WEBSITE].

PLEASE NOTE THIS IMPORTANT COMMUNICATION REGARDING YOUR ACCOUNT.

I am here to help answer your questions and provide assistance navigating through the best solution for your circumstances. Please do not hesitate to call me at [PRIMARY CONTACT NUMBER], extension [PRIMARY EXTENSION].

Sincerely,

[PRIMARY CONTACT NAME]
[ENTITY NAME]

[LETTER CODE]

NOTICE OF INTENTION TO FORECLOSE

The Note you executed on [DATE] which is secured by a Security Instrument on the above referenced property is in default because [ENTITY NAME] (the "Lender") has not received the installments due for the months [DATE] through [DATE].

As of the date of this letter, the amount you owe is \$[TOTAL AMOUNT DUE]*.

The following itemization lists the past due amounts causing the Loan to be in default.

Payments:	\$ [PAYMENTS]
Insurance and Taxes:	\$ [INSURANCE AND TAXES]
Late Charge Fees:	\$ [LATE CHARGES]
All Other Fees Accrued to Date:	\$ [OTHER FEES]

Total Due: \$ [TOTAL AMOUNT DUE]*

* The sum of the amounts itemized above may not account for funds held in suspense (if any).

Please contact us if you have questions about this information, or if you would like further itemization.

OR

As of the date of this letter, the amount you owe is \$[TOTAL AMOUNT DUE].

This total amount due includes delinquent contractual monthly payments, and lender placed insurance and taxes advanced, if any, as itemized below.

Payments:	\$ [PAYMENTS]
Insurance and Taxes:	\$ [INSURANCE AND TAXES]
Total Due:	\$ [TOTAL AMOUNT DUE]

Please contact us if you have questions about this information, or if you would like further itemization.

RIGHT TO CURE DEFAULT

You may cure your default by paying \$[TOTAL AMOUNT DUE] to the Lender. This amount must be received by the Lender on or prior to [DATE]. You must also pay any other scheduled installment and late charge that will become due to the Lender during this time period. Your payment must be mailed to the Lender at [ADDRESS 1] [CITY], [STATE] [ZIP CODE], Attn: [PRIMARY CONTACT NAME] at [PRIMARY CONTACT NUMBER], extension [PRIMARY EXTENSION]. Your payment must be in the form of a certified check, cashier check, or money order with your account number included thereon.

IF YOU FAIL TO CURE THE DEFAULT(S) STATED ABOVE BY [DATE], THEN THE LENDER MAY COMMENCE A FORECLOSURE ACTION AGAINST YOU WHICH MAY RESULT IN A JUDGMENT OF FORECLOSURE BEING ENTERED AGAINST YOU AND THE ABOVE REFERENCED PROPERTY BEING SOLD AT A SHERIFF'S SALE. IN THE EVENT OF A JUDGMENT OF FORECLOSURE AND SALE BY THE SHERIFF, YOU WILL LOSE ALL OWNERSHIP RIGHTS IN THE PROPERTY.

IN THE EVENT THAT THE LENDER COMMENCES A FORECLOSURE ACTION AGAINST YOU, YOU WILL STILL HAVE A RIGHT TO CURE THE DEFAULT PURSUANT TO SECTION 5 OF THE NEW JERSEY FAIR FORECLOSURE ACT, PRIOR TO THE ENTRY OF THE FORECLOSURE JUDGMENT, PROVIDED, HOWEVER, THAT YOU WILL BE REQUIRED TO REIMBURSE THE LENDER FOR ANY AND ALL COURT COSTS AND ATTORNEYS' FEES INCURRED BY THE LENDER IN COMMENCING AND PROSECUTING THE FORECLOSURE ACTION. THE ATTORNEYS' FEES SHALL NOT EXCEED THE AMOUNT PERMITTED BY THE RULES GOVERNING THE COURTS OF THE STATE OF NEW JERSEY.

In the event that you transfer ownership of the property to another person, the transfer is still subject to the Lender's rights in the security instrument covering the property. The new owner of the property may have the right to cure the default pursuant to the provisions of the New Jersey Fair Foreclosure Act and further subject to the provisions of the Security Instrument.

You also have the right to bring a court action, or if applicable to assert in the foreclosure proceeding, the non-existence of a default or any other defense you may have to acceleration, foreclosure, and/or sale of the property.

RIGHT TO SEEK LEGAL ADVICE

You are hereby advised to seek legal advice from an attorney of your own choosing concerning your rights under the security instrument documents and the Fair Foreclosure Act.

If you are unable to pay for an attorney, call a Legal Services Office. An individual not eligible for free legal assistance may obtain a referral to an attorney by calling the New Jersey State Bar Association or the Lawyer Referral Service for the county in which the property is located. These numbers are listed on the attached Schedule.

POSSIBLE FINANCIAL ASSISTANCE

You may be eligible for financial assistance for curing your default pursuant to programs operated by the state or federal government or nonprofit organizations, as identified by the Commissioner of Banking. These numbers are listed on the attached Schedule.

If you dispute that you are in default and/or the correctness of the amount necessary to cure the default, you should contact me at [PRIMARY CONTACT NUMBER], extension [PRIMARY EXTENSION].

Sincerely,

[PRIMARY CONTACT NAME]
[PRIMARY CONTACT NUMBER], extension [PRIMARY EXTENSION]
[ENTITY NAME]

[LETTER CODE]

THIS IS AN ATTEMPT TO COLLECT A DEBT BY A DEBT COLLECTOR AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE. *

* PLEASE NOTE THIS STATEMENT AND ANY REFERENCE IN THIS NOTICE TO A PERSONAL OBLIGATION TO MAKE PAYMENT DO NOT APPLY TO YOU IF YOU FILED A BANKRUPTCY PETITION AND RECEIVED A DISCHARGE OF YOUR PERSONAL LIABILITY FOR THE OBLIGATION IDENTIFIED IN THIS LETTER OR THERE IS AN AUTOMATIC STAY CURRENTLY IN EFFECT. IN EITHER CASE WE MAY NOT AND DO NOT INTEND TO PURSUE COLLECTION OF THE OBLIGATION FROM YOU PERSONALLY AND THIS LETTER IS NOT INTENDED AS A DEMAND FROM YOU PERSONALLY. UNLESS THE BANKRUPTCY COURT HAS ORDERED OTHERWISE, HOWEVER, PLEASE ALSO NOTE THAT DESPITE ANY SUCH BANKRUPTCY, [ENTITY NAME] RETAINS A SECURITY INTEREST IN THE PROPERTY IDENTIFIED IN THIS LETTER, WHICH [ENTITY NAME] MAY PURSUE AND ENFORCE.

[HSBC ENTITY LETTERHEAD]

[DATE]

[BORROWER NAME]
[BORROWER NAME]
[BORROWER ADDRESS 1]
[BORROWER ADDRESS 2]
[CITY], [STATE] [ZIP CODE]

Asunto: [PROPERTY ADDRESS 1]
[PROPERTY ADDRESS 2]

Número de Cuenta: [ACCOUNT NUMBER]

Estimado/a: [BORROWER NAME(S)]:

En [ENTITY NAME] mantenemos el compromiso de trabajar con los prestatarios que pueden estar experimentando dificultades financieras. Como parte de este compromiso, yo, [PRIMARY CONTACT NAME], tengo el honor de ser su especialista designado de servicios hipotecarios. Contácteme para realizar cualquier pregunta que pueda tener sobre su cuenta o la correspondencia importante incluida con esta carta. Mi número de contacto directo es [PRIMARY CONTACT NUMBER], extensión [PRIMARY EXTENSION]. Si no puede ubicarme y no desea dejar un mensaje, puede llamar al [SECONDARY CONTACT NUMBER], extensión [SECONDARY EXTENSION] y comunicarse con otros especialistas de servicios hipotecarios que también se encuentran disponibles para brindarle asistencia.

Si hubiera documentación que deba proporcionar mientras lo/a asisto con su cuenta, llámeme directamente para obtener el número de fax correspondiente. Se recomiendan los envíos por fax, ya que este método garantiza la recepción oportuna de cualquier documento necesario. Para comunicarse por medios electrónicos, ingrese en [WEBSITE].

TENGA EN CUENTA ESTE COMUNICADO IMPORTANTE CON RESPECTO A SU CUENTA.

Mi función es contribuir a responder las preguntas y brindar asistencia durante la búsqueda de la mejor solución para su situación. No dude en llamarme al [PRIMARY CONTACT NUMBER], extensión [PRIMARY EXTENSION].

Atentamente,

[PRIMARY CONTACT NAME]
[ENTITY NAME]

[LETTER CODE]

AVISO DE EJECUCIÓN

El aviso que usted firmó el [DATE] y que está respaldado por un Instrumento de Garantía que cubre la propiedad mencionada anteriormente ha incurrido en incumplimiento, ya que [ENTITY NAME] (el "Prestamista") no ha recibido las cuotas adeudadas correspondientes a los meses de [DATE] a [DATE].

A la fecha de la presente, el monto adeudado es de \$[TOTAL AMOUNT DUE]*.

A continuación se detallan los montos adeudados que han provocado el incumplimiento del préstamo.

Pagos:	\$ [PAYMENTS]
Seguro e impuestos:	\$ [INSURANCE AND TAXES]
Cargos por mora:	\$ [LATE CHARGES]
Todos los demás cargos acumulados hasta la fecha:	\$ [OTHER FEES]
Total adeudado:	\$ [TOTAL AMOUNT DUE]*

* Es posible que la suma de los montos detallados anteriormente no correspondan a los fondos retenidos (si hubiera).

Contáctenos si tiene preguntas sobre esta información o si desea un detalle más exhaustivo.

OR

A la fecha de la presente, el monto adeudado es de \$[TOTAL AMOUNT DUE].

Este monto total adeudado incluye los pagos mensuales contractuales en mora, el seguro contratado por el prestamista y los impuestos anticipados, si hubiera, según se detalla a continuación.

Pagos:	\$ [PAYMENTS]
Seguro e impuestos:	\$ [INSURANCE AND TAXES]
Total adeudado:	\$ [TOTAL AMOUNT DUE]

Contáctenos si tiene preguntas sobre esta información o si desea un detalle más exhaustivo.

DERECHO A SUBSANAR EL INCUMPLIMIENTO

Puede subsanar el incumplimiento mediante el pago de \$[TOTAL AMOUNT DUE] al prestamista, [ENTITY NAME]. El prestamista debe recibir este monto el [DATE] o antes de esa fecha. También debe pagar al prestamista cualquier otra cuota programada, más el cargo por mora, que se vence durante este periodo. El pago debe enviarse al prestamista a [ADDRESS 1] [CITY], [STATE] [ZIP CODE]; Atención: [PRIMARY CONTACT NAME] at [PRIMARY CONTACT NUMBER], extension [PRIMARY EXTENSION]. El pago debe realizarse mediante un cheque certificado, cheque bancario o giro bancario con su número de cuenta incluido en él.

SI NO SUBSANA LOS INCUMPLIMIENTOS MENCIONADOS ANTERIORMENTE ANTES DEL [DATE], EL PRESTAMISTA PUEDE INICIAR LA EJECUCIÓN EN SU CONTRA, LO CUAL PUEDE DERIVAR EN UN AUTO DE EJECUCIÓN DICTADO EN SU CONTRA Y EN LA VENTA DE LA PROPIEDAD MENCIONADA ANTERIORMENTE MEDIANTE SUBASTA PÚBLICA. EN CASO DE DICTARSE UN AUTO DE EJECUCIÓN Y SUBASTA PÚBLICA, USTED PERDERÁ TODOS LOS DERECHOS DE PROPIEDAD SOBRE EL INMUEBLE.

EN CASO DE QUE EL PRESTAMISTA INICIE LA EJECUCIÓN EN SU CONTRA, USTED AÚN TENDRÁ DERECHO A SUBSANAR EL INCUMPLIMIENTO CONFORME A LA SECCIÓN 5 DE LA LEY EQUITATIVA DE EJECUCIÓN HIPOTECARIA DE NUEVA JERSEY, ANTES DE DICTARSE EL AUTO DE EJECUCIÓN, SIEMPRE Y CUANDO USTED REEMBOLSE AL PRESTAMISTA TODAS LAS COSTAS PROCESALES Y HONORARIOS DE LOS ABOGADOS EN QUE HUBIERA INCURRIDO EL PRESTAMISTA AL INICIAR Y LLEVAR ADELANTE LA EJECUCIÓN. LOS HONORARIOS DE LOS ABOGADOS NO DEBEN SUPERAR EL MONTO PERMITIDO POR LOS REGLAMENTOS QUE RIGEN LOS TRIBUNALES DEL ESTADO DE NUEVA JERSEY.

En caso de que usted transfiera la propiedad del inmueble a otra persona, la transferencia seguirá sujeta a los derechos del prestamista establecidos en el Instrumento de Garantía que cubre al inmueble. El nuevo propietario del inmueble puede tener derecho a subsanar el incumplimiento conforme a las disposiciones de la Ley Equitativa de Ejecución Hipotecaria de Nueva Jersey y también sujeto a las disposiciones del Instrumento de Garantía.

Asimismo, usted tiene derecho a iniciar acciones legales o, si corresponde, a declarar en el procedimiento de ejecución hipotecaria la inexistencia de un incumplimiento, o cualquier otra defensa que pueda tener frente a la amortización acelerada, la ejecución hipotecaria o la venta del inmueble.

DERECHO A SOLICITAR ASESORAMIENTO LEGAL

Por la presente se le recomienda solicitar asesoramiento legal a un abogado de su elección con respecto a sus derechos en virtud de los documentos del instrumento de garantía y la Ley Equitativa de Ejecución Hipotecaria.

Si no puede pagar un abogado, llame a una oficina de asistencia legal. Las personas no elegibles para la asistencia legal gratuita serán derivadas a un abogado; para ello deben llamar al Colegio de Abogados del estado de Nueva Jersey o al Servicio de Asesoría Jurídica del condado donde se encuentra el inmueble. Estos números se indican en el cronograma adjunto.

POSIBLE ASISTENCIA FINANCIERA

Usted puede ser elegible para recibir asistencia financiera para subsanar el incumplimiento, conforme a los programas gubernamentales estatales o federales, u organizaciones sin fines de lucro, según lo establece el Comisionado de Servicios Bancarios. Estos números se indican en el cronograma adjunto.

Si usted cuestiona su estado de incumplimiento o la exactitud del monto necesario para subsanar el incumplimiento, contácteme llamando al [PRIMARY CONTACT NUMBER], extensión [PRIMARY EXTENSION].

Atentamente,

[PRIMARY CONTACT NAME]
[PRIMARY CONTACT NUMBER], extensión [PRIMARY EXTENSION]
[ENTITY NAME]

[LETTER CODE]

ESTE ES UN INTENTO DEL GESTOR DE COBROS POR COBRAR UNA DEUDA Y TODA INFORMACIÓN RECOPIADA SE USARÁ PARA TAL FIN. *

*TENGA EN CUENTA QUE ESTA DECLARACIÓN Y CUALQUIER REFERENCIA EN ESTE AVISO A UNA OBLIGACIÓN PERSONAL DE REALIZAR PAGOS NO SE APLICAN SI USTED PRESENTÓ UNA SOLICITUD DE QUIEBRA Y RECIBIÓ UN DESCARGO DE SU RESPONSABILIDAD CIVIL POR LAS OBLIGACIONES IDENTIFICADAS EN ESTA CARTA, O SI HUBIERA UN APLAZAMIENTO AUTOMÁTICO EN VIGENCIA ACTUALMENTE. EN CUALQUIERA DE LOS DOS CASOS NO PODRÍAMOS NI INTENTARÍAMOS COBRARLE A USTED PERSONALMENTE Y ESTA CARTA NO PRETENDE SER UNA EXIGENCIA HACIA USTED PERSONALMENTE. A MENOS QUE EL TRIBUNAL DE QUIEBRAS HAYA ORDENADO LO CONTRARIO, TENGA TAMBIÉN EN CUENTA QUE A PESAR DE DICHA QUIEBRA, [ENTITY NAME] USTED CONSERVA UN DERECHO DE GARANTÍA SOBRE LA PROPIEDAD IDENTIFICADA EN ESTA CARTA, QUE [ENTITY NAME] PUEDE INTENTAR OBTENER Y APLICAR.

Fair Foreclosure Act Notice of Intention to Foreclose - List of Entities Providing Assistance

The following is a list of governmental and non-profit entities that may provide financial assistance or counseling to borrowers in foreclosure.

American Credit Alliance, Inc. 26 S. Warren St. Trenton, NJ 08608 609-393-5400	Atlantic Human Resources, Inc. 1 S. New York Ave. Atlantic City, NJ 08401 609-348-4131	Consumer Credit Counseling Service of Central New Jersey 1931 Nottingham Way Hamilton, NJ 08619 609-586-2574
Consumer Credit Counseling Service of New Jersey 185 Ridgedale Ave. Cedar Knolls, NJ 07927-1812 973-267-4324	Fair Housing Council of Northern New Jersey 131 Main St. Hackensack, NJ 07601 201-489-3552	Garden State Consumer Credit Counseling, Inc. 225 Willowbrook Road Freehold, NJ 07728 1-800-992-4557
Jersey Counseling & Housing Development, Inc. 29 S. Blackhorse Pike Blackwood, NJ 08012 856-227-3683	Jersey Counseling & Housing Development, Inc. 1840 S. Broadway Camden, NJ 08104 856-541-1000	Mercer County Hispanic Association 200 E. State St., 2nd Floor Trenton, NJ 08607 609-392-2446
Middlesex County Economic Opportunities Corporation 1215 Livingston Ave. North Brunswick, NJ 08902 732-790-3344	Monmouth County Human Services Housing Services Unit P.O. Box 3000 Freehold, NJ 07728 732-431-7998	NJ Citizen Action (main office/financial education center) 744 Broad St., Suite 2080 Newark, NJ 07102 973-643-8800 1-800-NJ-OWNER (loan counseling) 1-888-TAXES-11 (free tax preparation assistance)
NJ Citizen Action (Central Jersey) 85 Raritan Ave., Suite 100 Highland Park, NJ 08904 732-246-4772	NJ Citizen Action (South Jersey) 2 Riverside Drive, Suite 362 Camden, NJ 08103 856-966-3091	Ocean Community Economic Action Now, Inc. 22 Hyers St. Toms River, NJ 08753-0773 732-244-2351, ext. 2
Paterson Coalition for Housing, Inc. 262 Main St., 5th Floor Paterson, NJ 07505 973-684-5998	Paterson Task Force for Community Action, Inc. 155 Ellison St. Paterson, NJ 07505 973-279-2333	Puerto Rican Action Board Housing Coalition Unit 90 Jersey Ave. New Brunswick, NJ 08903 732-249-9700
Tri-County Community Action Agency, Inc. 110 Cohansey St. Bridgeton, NJ 08302 856-451-6330	Urban League for Bergen County 106 W. Palisade Ave. Englewood, NJ 07631 201-568-4988	Urban League for Essex County 508 Central Ave. Newark, NJ 07101 973-624-9535
Urban League of Union County 288 N. Broad St. Elizabeth, NJ 07208 908-351-7200	Homelessness Prevention Program New Jersey Department of Community Affairs (866) 889-6270*	

*Basic eligibility is limited to: (a) single family owner/occupied dwellings with all those on the deed and mortgage occupying the house; (b) no more than one mortgage or lien encumbrance on the property; (c) no initiated or ongoing bankruptcy. Assistance will be in the form of a loan, and a lien will be placed on the property. The family must document the financial reason for nonpayment. At the time of the eligibility decision, the household must have and document income sufficient to support the household and repay the loan. There is a fee for the credit check and property search.

New Jersey Bar Association Lawyer Referral Service or Legal Services Contact Information

<p>Atlantic County Bar Association 1201 Bacharach Boulevard Atlantic City, NJ 08401 609-345-3444 E-Mail: Tamara.Lamb@atcobar.org Internet: www.atcobar.org Exec. Dir.: Tamara M. Lamb</p>	<p>Bergen County Bar Association 15 Bergen Street Hackensack, NJ 07601 201-488-0044 Internet: www.bergenbar.org Exec. Dir.: Frank O'Marra Jr.</p>
<p>Burlington County Bar Association 45 Grant Street Mount Holly, NJ 08060 609-261-4862 or 609-261-4863 Email: bcba@burlicobar.org Internet: www.burlicobar.org Director: Kara E. Edens</p>	<p>Camden County Bar Association 1040 North Kings Highway, Suite 201 Cherry Hill, NJ 08034 856-482-0618 Internet: www.camdencountybar.org Exec. Dir.: Laurence B. Paletier</p>
<p>Cape May County Bar Association 9 North Main Street Cape May Courthouse, NJ 08210 609-463-0313 E-Mail: cmcba@comcast.net Exec. Dir.: Michele Devine-Hartnett</p>	<p>Cumberland County Bar Association PO Box 2374 Vineland, NJ 08362 856-453-7000 E-Mail: info@cumbnjbarassoc.org Internet: www.cumbnjbarassoc.org Exec. Dir.: Lou Ann Ferrari-Brooks</p>
<p>Essex County Bar Association 470 Martin Luther King Jr. Boulevard Newark, NJ 07102 973-533-6775 E-mail: info@essexbar.com Internet: www.essexbar.com Exec. Dir.: Wendy E. Deer</p>	<p>Gloucester County Bar Association PO Box 338 Woodbury, NJ 08096 856-848-4589 Email: baroffice@gcbanj.org Internet: www.gcbanj.org Exec. Dir.: Lynn Silverstein</p>
<p>Hudson County Bar Association 583 Newark Avenue Jersey City, NJ 07308 201-798-4708 Internet: www.hcbalaw.com Exec. Dir.: Lisa Burke</p>	<p>Hunterdon County Bar Association PO Box 573 Annandale, NJ 08801 908-236-6109 E-mail: director@huntcolaw.org Internet: www.huntcolaw.org Exec. Dir.: Jeannine A. Gorman</p>
<p>Mercer County Bar Association 1245 White Horse Mercerville Road, Suite 420 Mercerville, NJ 08619 609-585-6200 E-mail: cbrennan@mercerbar.com Internet: www.mercerbar.com Exec. Dir.: Christine S. Brennan</p>	<p>Middlesex County Bar Association 87 Bayard Street New Brunswick, NJ 08901 732-828-0053 ext. 100 E-mail: admin@mcbalaw.com Internet: www.mcbalaw.com Exec. Dir.: Jonathan P. Cowles</p>

<p>Monmouth Bar Association Monmouth County Court House Freehold, NJ 07728 732-431-5544 Email: tmaciewicz.monmouthbar@verizon.net Internet: www.monmouthbarassociation.com Exec. Dir.: Tracy A. Settipane</p>	<p>Morris County Bar Association 28 Schuyler Place Morristown, NJ 07960 973-267-5882 Email: yperez@morriscountybar.com Internet: www.morriscountybar.com Exec. Dir.: Nancy M. Banglola</p>
<p>Ocean County Bar Association PO Box 381 Toms River, NJ 08754 732-240-3666 Email: kurin@oceancountybar.org Internet: www.oceancountybar.org</p>	<p>Passaic County Bar Association 401 Grand Street, 3rd Floor Paterson, NJ 07505 973-345-4585 Internet: www.passaicbar.org Exec. Dir.: Karen A. Corsi</p>
<p>Salem County Bar Association 856-935-5629 Internet: www.salemcountybar.org</p>	<p>Somerset County Bar Association 20 North Bridge Street HCH 325 Somerville, NJ 08876 908-685-2323 Email: cawinder@somersetbar.com Internet: www.somersetbar.com Exec. Dir.: Carol Ann Winder</p>
<p>Union County Bar Association 2 Broad Street 1st Floor Elizabeth, NJ 07207 908-353-4715 Internet: www.uclaw.com Exec. Dir.: Jeffrey M. Clar</p>	<p>Warren County Bar Association 413 Second Street Belvidere, NJ 07823 908-387-1835 Email: warrencountybar@yahoo.com</p>

Ian S. Marx
Direct Dial: (973) 360-7951
Direct Fax: (973) 295-1307
Email: marx@gtlaw.com

January 16, 2014

BY HAND DELIVERY

The Honorable Margaret Mary McVeigh, P.J.Ch.
Superior Court of New Jersey
Passaic County Courthouse
71 Hamilton Street, 1st Floor
Paterson, New Jersey 07505

Re: ***In re Application by Beneficial Financial I, Inc., et al., to Issue Corrected Notices of Intent to Foreclose on Behalf of Identified Foreclosure Plaintiffs in Uncontested Cases, Superior Court of New Jersey, Chancery Division, Passaic County, Docket No. F-48972-13***

Dear Judge McVeigh:

This firm represents Beneficial Financial I, Inc., Beneficial Mortgage Corporation, and Household Finance Corporation III (collectively, "HSBC"). In accordance with the direction provided by the Court at the hearing held on June 7, 2012, HSBC is providing these papers in support of its application to proceed in a Summary Action. As is set forth in the Verified Complaint, HSBC makes this application on behalf of Foreclosure Plaintiffs pursuant to the authority granted to HSBC by those Foreclosure Plaintiffs. HSBC seeks an Order from this Court permitting HSBC to issue corrected Notices of Intention to Foreclose ("NOI") as set forth in the New Jersey Supreme Court Order dated April 4, 2012, that was entered following the Court's decision in U.S. Bank, N.A. v. Guillaume, 209 N.J. 449 (2012) ("Guillaume").

HSBC services mortgage loans for residential properties in New Jersey. Ver. Comp. at ¶ 1.¹ As the servicer of mortgage loans, HSBC undertakes payment collection, loss mitigation and collection efforts, including foreclosure. Id., ¶ 2. HSBC undertakes those tasks in accordance with the contracts that govern its relationship with the owners of the loans as well as the loan documents, Rules of Court, and any applicable laws. Id. As the entity collecting and processing payments, HSBC possesses the information relevant to the payments made, escrows, payments that are due, and whether a loan is in default and by how much. Id. This information is maintained on HSBC's systems of record. Id. The Foreclosure Plaintiff is not likely to have possession of the relevant

¹ HSBC also appears as a Foreclosure Plaintiff in foreclosure cases in its capacity as a trustee for the owners of securitized loans. Where HSBC is acting as the trustee and not the servicer, HSBC plays no role in the servicing of the loans. This current application to the Court does not include those foreclosure cases in which HSBC is the trustee. Ver. Comp., n. 1.

ALBANY
AMSTERDAM
ATLANTA
AUSTIN
BOSTON
CHICAGO
DALLAS
DELAWARE
DENVER
FORT LAUDERDALE
HOUSTON
LAS VEGAS
LONDON*
LOS ANGELES
MIAMI
MILAN**
NEW JERSEY
NEW YORK
ORANGE COUNTY
ORLANDO
PALM BEACH COUNTY
PHILADELPHIA
PHOENIX
ROME**
SACRAMENTO
SAN FRANCISCO
SHANGHAI
SILICON VALLEY
TALLAHASSEE
TAMPA
TOKYO**
TYSONS CORNER
WASHINGTON, D.C.
WHITE PLAINS
ZURICH**
*CORPUS CHRISTI, HOUSTON, LOS ANGELES, PHOENIX, SAN ANTONIO, SAN DIEGO, TAMPA, WASHINGTON, D.C.
**ST. LOUIS, MIAMI

servicing information in cases in which the servicing of the loan is being handled by HSBC. Id.

One of HSBC's duties as a servicer on a defaulted mortgage is to issue the NOI in accordance with the Fair Foreclosure Act ("FFA") at N.J.S.A. 2A:50-56. The NOI is prepared based upon current loan information held by HSBC. Ver. Comp. at ¶ 4.

On February 27, 2012, the New Jersey Supreme Court decided Guillaume and held that the FFA requires strict adherence to the notice requirements set forth at N.J.S.A. 2A:50-56(c) for all NOIs. The Court also held that a court adjudicating a foreclosure action in which the strict requirements of N.J.S.A. 2A:50-56(c) were not satisfied has the discretion to choose the appropriate remedy, including allowing a corrected NOI to be served.

Following its decision in Guillaume, the Supreme Court issued an Order on April 4, 2012 (the "April 4th Order") which authorizes this Court to entertain summary actions by Order to Show Cause as to why Plaintiffs who caused deficient NOIs to be served should not be allowed to issue corrected NOIs to defendant/mortgagors and/or parties obligated on the debt ("Foreclosure Defendants") in pending, pre-judgment, uncontested foreclosures filed prior to February 27, 2012 in which final judgment has not yet been entered. The April 4th Order also instructed that any corrected NOI must be accompanied by a letter to each Foreclosure Defendant setting forth:

- the reasons why the corrected NOI is being served;
- the procedure to follow in the event a Foreclosure Defendant wishes to object to the corrected NOI;
- the name of a person to contact with any questions; and
- that the receipt of the corrected NOI allows the Foreclosure Defendant 30 days in which to object to or cure the default.

In accordance with the decision in Guillaume, HSBC has identified a population of foreclosure cases in which the previously served NOIs failed to satisfy the strict requirements of N.J.S.A. 2A:50-56(c). For foreclosure cases in which HSBC serves as the mortgage servicer, the previously served NOIs failed to include the name and address of the lender, as required by N.J.S.A. 2A:50-56(c)(11), as well as omitted the following language, which is required by N.J.S.A. 2A:50-56(c)(9): "if you are unable to afford an attorney, you may communicate with the Legal Services Office in the county in which your property is located."

HSBC seeks an Order from this Court allowing HSBC to serve corrected NOIs in that will include the name and address of the current lender and the omitted portion N.J.S.A. 2A:50-56(c)(9) so that Certifications of Due Diligence can be signed and the uncontested foreclosures can proceed to final judgment.

HSBC has worked with its New Jersey foreclosure attorneys to compile a list of all pending, uncontested foreclosures in New Jersey in which final judgment has not been entered and in which HSBC served technically deficient NOIs prior to February 12, 2012 (“Corrected NOI List”).² For each pending case at issue in this application, the Corrected NOI List includes the Named Plaintiff, the Docket Number, the first named Foreclosure Defendant and the County.³ The Corrected NOI List, attached as Exhibits A-1 through A-3 to the Amended Verified Complaint, is broken down by each Named Plaintiff. There are a total of three Named Plaintiffs for which HSBC seeks to correct previously served NOIs. Those Named Plaintiffs (and their affiliated entities) are the following:

- Count One – Beneficial Financial I, Inc.
- Count Two – Beneficial Mortgage Corporation
- Count Three – Household Finance Corporation III
- Count Four – Pending Bankruptcy Matters⁴

Also included with the Corrected NOI List are foreclosure cases that may have at one point been contested cases that were sent back to the Office of Foreclosure after resolution of the contesting issues, pursuant to N.J. Court Rule 4:64(1)(c)(3). HSBC has included those cases within this application because the current application offers an additional benefit to these Foreclosure Defendants and will allow them to raise whatever objections they have to the process allowing the issuance of the corrected NOI or to the NOI itself, which can be asserted in their individual foreclosure action. Excluding these Foreclosure Defendants from this process will only leave those cases in a limbo state, which is not beneficial for the Parties or the Court.

In accordance with the April 4th Order, in conjunction with this Court’s guidance, HSBC will also send a form of letter (“Explanatory Letter”) to each Foreclosure Defendant on the Corrected NOI List. Attached as Exhibit B to the Verified Complaint is a form of Explanatory Letter that will:

- explain the reason why the corrected NOI is being served;

² The Corrected NOI List also identifies actions in which the bankruptcy stay might apply. Ver. Comp., ¶ 19, *Exh. A-4*.

³ Because considerable time has passed since NOIs were originally served for the foreclosure actions, the lender initially identified in the foreclosure action as the plaintiff may not be the current lender listed in the corrected NOI. For sake of clarity, the corrected NOI will list the current lender and lender's address and HSBC will require that its counsel take the appropriate steps to change the plaintiff in affected foreclosure actions where required.

⁴ Count Four of the Amended Verified Complaint and the corresponding Exhibit A-4 reference to the pending foreclosure actions that are currently impacted by the Bankruptcy Stay. HSBC will be seeking to issue corrected NOIs in those cases at the appropriate time and in accordance with the procedures set forth in the Order to Show Cause.

- explain the procedure to follow in the event that a Foreclosure Defendant wishes to object to the corrected NOI;
- identify a contact person for any questions; and
- advise the Foreclosure Defendant of their right to object to the corrected NOI as well as the right to cure the default within 35 days of the date of the corrected NOI.⁵

In further support of this application, HSBC has also supplied the proposed form of corrected NOI as Exhibit C to the Verified Complaint which HSBC will serve on each Foreclosure Defendant identified on the Corrected NOI List. The corrected NOIs will include, *inter alia*, information specific to their loan, their default, and the lender name and address, as well as the language from N.J.S.A. 2A:50-56(c)(9).⁶ In addition, the corrected NOIs will also exclude attorneys' fees and costs incurred in the pending foreclosure actions. Permitting HSBC to issue corrected NOIs will provide the Foreclosure Defendants with yet another opportunity to cure their default and reinstate their loans, without the incursion of attorneys' fees and costs that are permitted to be charged after a foreclosure case has been filed. Provision of another opportunity to cure provides a benefit to the Foreclosure Defendants.

Notice will also be provided via publication notice in four newspapers to be chosen by this Court. HSBC will publish the proposed Publication Notice provided with these papers two times in each of the four papers, thereby providing additional notice to Foreclosure Defendants.

Allowing HSBC to cure the deficient NOIs as requested in this application is the correct remedy. In Guillaume, the Supreme Court held that when faced with a deficient NOI, the trial court can determine the appropriate remedy and should consider the express purpose of the NOI provision: "to provide notice that makes 'the debtor aware of the situation' and to enable the homeowner to attempt to cure the default." 209 N.J. at 479. The Court stated that in fashioning a remedy, the trial court should "consider the impact of the defect in the notice of intention upon the homeowner's information about the status of the loan, and on his or her opportunity to cure the default." Id. In determining that a cure was the appropriate remedy, the trial court in Guillaume took such considerations into account when fashioning the remedy, including the nature of the deficiency. Id. at 480.

⁵ The Explanatory Letter will inform the Foreclosure Defendants that if they are unsure of their individual foreclosure docket numbers, they may access that information on the Court's website by using the search function and entering their names. In addition, the Explanatory Letter will provide the contact information for a HSBC representative who can assist with providing the docket number for the foreclosure actions. Thus, the Explanatory Letter will include all of the elements required by the Supreme Court's April 4th Order and will be consumer-friendly in the ways required by this Court.

⁶ HSBC respectfully requests the Court to allow HSBC at least forty-five (45) days after the entry of the Order to Show Cause to serve the corrected NOIs on Foreclosure Defendants.

As in Guillaume, in this application HSBC seeks an Order allowing it to issue corrected NOIs. The trial court in Guillaume determined that deficiencies in NOIs could be cured, as opposed to some other remedy, even in the context of a contested foreclosure. In the application before this Court, HSBC seeks to correct deficiencies but in uncontested foreclosures. The Foreclosure Defendants have already received numerous forms of notice concerning their foreclosure case during their cases and, with the issuance of a corrected NOI, will receive yet another opportunity to cure their defaults and reinstate their loans. Further, there is no indication of prejudice, nor could there be, because HSBC will waive the attorneys' fees and costs that have been incurred in the foreclosures for purposes of the corrected NOI and possible reinstatement pursuant to this application. Furthermore, as the proposed Explanatory Letter makes clear, to the extent that a Foreclosure Defendant wants to object to the information contained in the corrected NOI itself, the Foreclosure Defendant will have the opportunity to raise and voice those objections in their individual foreclosure cases. Moreover, the Order to Show Cause provides a mechanism and process whereby the Foreclosure Defendants can raise directly with this Court any concern, objection, or potential prejudice that they believe results from allowing HSBC to correct the deficient NOIs.

For the reasons set forth in HSBC's application, the Supreme Court has issued an Order that is faithful to the decision in Guillaume, and provides a mechanism to cure deficient NOIs so that Foreclosure Defendants will receive the notice that they should have received under the FFA and will also allow for the orderly judicial administration in the pending, uncontested foreclosures. For these reasons, HSBC respectfully requests that this Court:

- (a) Approve the form of Explanatory Letter at Exhibit B to the Verified Complaint;
- (b) Approve the form of corrected NOI at Exhibit C to the Verified Complaint; and
- (c) Allow HSBC to serve corrected NOIs to the Foreclosure Defendants on the Corrected NOI List.

Undersigned counsel appreciates the Court's attention to this application and will be available to the Court to respond to any questions that may arise after review of the material filed today.

Respectfully submitted,



IAN S. MARX

Enclosures

cc: Jennifer Perez, Superior Court Clerk (by JEFIS)