

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NASSAU

-----	x	
	:	
Henry Mook, David Thorpe, Ellen Shanahan,	:	
Terry Boddie, Joylynn Boddie, Angela	:	
Warbington-Hopkins, Albert Darwin, Melody	:	
Darwin, Randall Sweatt, Robert Moffett, Susan	:	
Moffett, Concetta Baker, Pherry Elden Baker,	:	
Joseph Iorio, Dianne Iorio	:	
	:	
Plaintiffs,	:	Index No.
	:	
- against -	:	<u>VERIFIED COMPLAINT</u>
	:	<u>JURY TRIAL DEMANDED</u>
Homesafe America, Inc., United Legal	:	
Solutions, Inc. (a/k/a United Solutions Law	:	
Firm, United Solutions Corporation), Scott	:	
Schreiber, Guy Samuel, Angel Gonzalez, Josef	:	
Dahari, Chad Walters, Teresa Marie Votto,	:	
Damon Laylock, Rupali Ahluwalia (a/k/a Rupa	:	
Singh, Rupi Singh, Rupa Ahluwalia), Darrell	:	
Keys, David Ainbinder, Nicole Lake, William	:	
DiDonato, Richard Gates, Kevin Cogan,	:	
Odette Talbert, Angie Estevez, Sophia	:	
Ricketts, Miladys Borohquez, Debra Rennie	:	
	:	
Defendants.	:	
-----	x	

Plaintiffs Henry Mook, David Thorpe, Ellen Shanahan, Terry Boddie, Joylynn Boddie, Angela Warbington-Hopkins, Albert Darwin, Melody Darwin, Randall Sweatt, Robert Moffett, Susan Moffett, Concetta Baker, Pherry Elden Baker, Joseph Iorio and Dianne Iorio (collectively, “Plaintiffs”), by their attorneys Linda H. Mullenbach and Hyon Min Rho, on behalf of the Lawyers’ Committee for Civil Rights Under Law (the “Lawyers’ Committee”), and Davis Polk & Wardwell LLP, as and for their complaint against Homesafe America, Inc., United Legal Solutions, Inc. (a/k/a United Solutions Law Firm, United Solutions Corporation), Scott Schreiber,

Guy Samuel, Angel Gonzalez, Josef Dahari, Chad Walters, Teresa Marie Votto, Damon Laylock, Rupali Ahluwalia (a/k/a Rupa Singh, Rupi Singh, Rupa Ahluwalia), Darrell Keys, David Ainbinder, Nicole Lake, William DiDonato, Richard Gates, Kevin Cogan, Odette Talbert, Angie Estevez, Sophia Ricketts, Miladys Borohquez, and Debra Rennie (collectively, “Defendants”), hereby allege the following based upon personal knowledge as to Plaintiffs and their own acts and documents, and information and belief as to all other matters based upon, *inter alia*, the investigation conducted by and through Plaintiffs’ attorneys, which included but was not limited to a review of the Defendants’ public documents, court filings, interviews of Plaintiffs and other homeowners who have had contact with Defendants, and information readily obtainable on the Internet.

PRELIMINARY STATEMENT

1. Defendants’ business relies on a simple scheme: a false promise to modify a homeowner’s mortgage in exchange for an up-front payment of several thousand dollars. With the help of fast-talking salespeople and masterfully deceptive websites, the operation specifically targets lower- and middle-income families desperate for a solution to their financial troubles. The perpetrators lure in victims with a series of attractive offers: Defendants will convince lenders to lower the homeowners’ monthly mortgage payments; the homeowners need not make their monthly payments until this ostensible negotiation period is complete; homeowners will receive regular, personalized updates about the process. The scammers back up these promises with a “100% money back guarantee.” The homeowners are then convinced to sign a package of “enrollment” contracts. At no point are they told that these services are typically provided for free by federally certified housing counselors.

2. As soon as the homeowners pay their fee, the lavish attention ends. They are then transferred from the salesperson to a “processor” or a “negotiator,” who collects their financial documents and promises to pass them along to the homeowners’ mortgage lender(s). In many cases, the employee does nothing with the file. On those occasions when he or she does send it to the bank, the preparation is so minimal that it does nothing to improve the homeowner’s likelihood of receiving a loan modification. None of this is communicated to the homeowners, of course, who have stopped making their monthly mortgage payments at the instruction of the scammers and on the belief that their “expert” negotiators are making progress toward a modification.

3. As time goes on, the homeowners find it increasingly difficult to reach anyone at the operation. Calls to the processor go unreturned; e-mails to the salesperson are ignored. Eventually, the homeowners realize that nothing is being done on their behalf, and they demand a refund. Suddenly, they are unable to find anyone who can help. When they call the operation, the homeowners are passed from employee to employee, all of whom have a different excuse for why the callers are not entitled to their 100% money back guarantee.

4. The effects of the scam are devastating. In addition to the thousands of dollars that the victims lose in up-front fees, they suffer a variety of other damages, including bank fees and penalties, reduced credit scores, increased borrowing costs and the risk of foreclosure. Those who stopped paying their monthly mortgage payments find themselves in default, thus disqualifying them from certain federal assistance programs. Families already facing tremendous financial strain are pushed to the breaking point.

5. Defendants have perpetrated this scam largely under the guise of a for-profit loan modification company, Homesafe America, Inc. (“Homesafe”), which was founded and operated by Defendants Scott Schreiber (“Schreiber”) and Guy Samuel (“Samuel”). In addition, the company manages a constellation of websites that direct victims from across the country to call or e-mail representatives in their Long Island office. The websites appropriate images, logos, and text from major financial institutions and federal government agencies, all to grant an air of legitimacy to these purely predatory operations.

6. The true extent of the companies’ operations is unknown, but the injuries are far-reaching. On a scale of A+ to F, the Better Business Bureau of Metropolitan New York (“BBB”) gives Defendant Homesafe a failing “F” grade, with more than eighty complaints lodged against the company in the past twelve months. See “HomeSafe America,” BBB Business Review, <http://www.bbb.org/new-york-city/business-reviews/mortgage-brokers/homesafe-america-in-levittown-ny-106398/> (last visited June 8, 2011). Ripoff Report, an online portal for consumers who believe they have been scammed, contains more than two dozen reports against Defendant Homesafe and its successor corporation, Defendant United Legal Solutions Corp. (“United Legal”). Type “Homesafe America” into Google and one will find page after page of complaints about the company’s operations.

7. This case exemplifies the destruction that the “for-profit loan modification industry” has inflicted on low- and middle-income homeowners nationwide. Across the country, the pernicious nature of such schemes has attracted the scrutiny of advocates, legislators, law enforcement officials, and regulators. A coordinated national campaign – the Loan Modification Scam Prevention Network (“LMSPN”) – was created to strengthen the fight against these scammers. Led by the Lawyers’ Committee, the Homeownership Preservation Foundation,

Fannie Mae, and Freddie Mac, LMSPN includes members of the U.S. Department of Housing and Urban Development (“HUD”), the U.S. Department of the Treasury, and the Federal Trade Commission (“FTC”).

8. State and federal actors have taken action to prevent the abuse and exploitation of vulnerable homeowners. In August 2008, Governor David A. Paterson signed into law New York Real Property Law Section 265-b, which specifically targets these types of scams by creating new rules for so-called “distressed property consultants” that prohibit upfront payments and require specifically-worded contracts. In November 2010, the FTC issued Final Rule 16 C.F.R. Part 322, which prohibits for-profit providers of “Mortgage Assistance Relief Services” from accepting upfront fees, making representations about the likelihood of results, or instructing homeowners to cease communications with their lender or servicer.

9. In this case, two of the Defendants have already acknowledged that they run an “illegal” operation. Rho Aff., Ex. 21 at 5 (Memorandum of Law in Opposition to Plaintiff’s Order to Show Cause and In Support of Defendants Motion to Dismiss at 5, Schreiber v. Homesafe, 2011 N.Y. Slip Op. 31445U, No. 002344-11 (N.Y. Sup. Ct., May 16, 2011) (hereinafter “Samuel Memorandum”)). In a case before the Honorable Justice Stephen A. Bucaria of the Nassau County State Supreme Court, the attorney for Defendant Guy Samuel admitted in a court filing that “the entire operation was illegal” and that Homesafe “continues to operate illegally.” Id. Justice Stephen A. Bucaria later concluded Samuel and Schreiber – in addition to Homesafe itself – had “willful[ly]” violated New York Real Property Law Section 265-b. Schreiber, 2011 N.Y. Slip Op. 31445U at *4.

10. Defendants continue their scam to this day. In December 2010, Defendant Samuel left Homesafe to form a rival company, called “Consumer First Corp.,” and Defendant Schreiber rechristened Homesafe as “United Legal Solutions, Inc.” United Legal Solutions continues to operate in the same office as Homesafe, using the same employees and the same tactics to deceive victims.

11. Defendants have managed to evade prosecution in part by operating online, which makes it especially difficult to investigate and shut down their operations. Real Property Law Section 265-b only protects homeowners with property in New York State. See N.Y. Real. Prop. Law § 265-b(1)(f). Even though Defendants’ physical offices remain on Long Island, their victims are nationwide, and so few are able to bring claims or recover under Section 265-b.

12. Plaintiffs seek redress for Defendant Homesafe’s illegal practices, as well as those of its agents, employees, and successor corporations, in violation of the New York General Business Law § 349 (“Deceptive Acts and Practices”); New York General Business Law § 350 (“False Advertising”); New York Banking Law § 590 (“Registration of Mortgage Brokers”); and other statutory and common law claims.

13. By this action, Plaintiffs seek to enjoin Defendants from the deceptive practices alleged herein and to attach Defendants’ assets to safeguard Plaintiffs’ ability to recover. Plaintiffs also seek to recover a monetary sum totaling not less than \$60,000.00 together with pre-judgment interest at the statutory rate of 9% per annum, as well as other actual and consequential damages. These damages include, but are not limited to, the loss of equity in some Plaintiffs’ homes, fees from their mortgage lenders or servicers resulting from heeding Defendants’ improper advice to stop paying their mortgages, the effects of impairment on their

credit ratings, and the costs associated with foreclosure proceedings, where relevant. Finally, Plaintiffs seek punitive damages of not less than \$1,500,000.00, to prevent Defendants and others from engaging in similar schemes.

JURISDICTION AND VENUE

14. This Court has personal jurisdiction over Defendants pursuant to CPLR § 301 because Defendants reside and/or are doing business within the State of New York. Alternatively, Defendants are subject to long-arm jurisdiction pursuant to CPLR § 302(a).

15. Venue is proper in Nassau County pursuant to CPLR § 503(a) and (c) because one or more of the Defendants have their principal place of business in Nassau County.

THE PARTIES

Plaintiffs

16. Henry Mook is a citizen of the State of Virginia, in which he owns and resides in a home at 3512 Brentmoor, Williamsburg, Virginia 23188. Mr. Mook and his partner Elaine Abbott jointly have two mortgages on the property, the first of which is owned by Chase Bank and the second by Wells Fargo.

17. David Thorpe is a former police officer and an explosives specialist with the Department of Homeland Security. Mr. Thorpe is a citizen of the State of Iowa, in which he owns and resides in a home at 10418 30th Avenue, Prole, Iowa 50229. With his wife Beverly, Mr. Thorpe has a mortgage on the property, which is owned and serviced by Nationwide Advantage Mortgage Co.

18. Ellen Shanahan is a citizen of the State of New York, in which she owns and resides in a home at 12 Richards Street, Sloatsburg, New York 10974. She has two mortgages on the property, the first of which is owned and serviced by Vericrest Financial and the second by CitiMortgage. Each mortgage contract includes an “acceleration clause,” which entitles the lender to accelerate full payment of the mortgage and repossess the property upon one or more defaults by the mortgagor.

19. Terry and Joylynn Boddie (the “Boddies”) are citizens of the State of Virginia, in which they own and reside in a home at 741 Vestal Street, Woodbridge, Virginia 22191. The Boddies have two mortgages on the property, the first of which is owned by GMAC Mortgage LLC and the second by Green Tree Servicing LLC.

20. Angela Warbington-Hopkins is a citizen of the State of Kentucky, in which she owns and resides in a home at 500 Lonnie Haynes Road, Irvington, Kentucky 40146. Ms. Warbington-Hopkins has a mortgage on the property, which is owned and serviced by Vanderbilt Mortgage and Financial Institution.

21. Albert and Melody Darwin (the “Darwins”) are citizens of the State of Nevada, in which they own and reside in a home at 7440 Northcreek Drive, Reno, Nevada 89506. Mr. and Mrs. Darwin jointly hold two mortgages on the property, the first of which is owned by Bank of America, and the second of which is owned by Saxon.

22. Randall Sweatt was a citizen of the State of Ohio, in which he owned and resided in a home at 687 Parkbluff Way, Lewis Center, Ohio 43035. Mr. Sweatt had a mortgage on the property, which was owned by U.S. Bank. Mr. Sweatt lost his home to foreclosure in the summer of 2010.

23. Robert and Susan Moffett (the “Moffetts”) are citizens of the State of Arizona, in which they own and reside in a home at 4927 Buckskin Trail, Snowflake, Arizona 85937. The Moffetts have a mortgage on the property, which is owned and serviced by Freedom Mortgage, Inc.

24. Concetta and Pherry Elden Baker (the “Bakers”) are citizens of the State of Texas, in which they used to own and reside in a home at 1914 Fountain Spray Drive, Wylie, Texas 75098. The Bakers had a mortgage on the property, which was owned and serviced by Chase Bank and later transferred to Deutsche Bank. The Bakers lost their home in the summer of 2010 when it was sold by Deutsche Bank.

25. Joseph and Dianne Iorio (the “Iorios”) are citizens of the State of New Jersey, in which they own and reside in a home at 2113 Shadow Brook Drive, Wall, New Jersey 07719. The Iorios have two mortgages on the property, the first of which is owned by IndyMac Bank (now, One West Bank) and the second by Green Tree Servicing LLC.

Defendants

26. Defendants operate a network of for-profit loan modification companies. The operation has divided responsibility into a variety of roles within Defendant Homesafe and its successor entity, Defendant United Legal. At the top have been Defendants Schreiber and Samuel. They have been surrounded by a group of senior managers, who oversee “quality control” and who frequently claim to be attorneys, regardless of whether they are admitted to the bar or not.

27. Beneath the senior management, there are at least three additional positions within the enterprise: (1) “Loss Mitigation Specialists,” who make initial contact with homeowners and

convince them to sign the company's "enrollment documents"; (2) "Negotiators," who collect the homeowners' paperwork and promise to "negotiate" a loan modification with the bank; and (3) "Processors," who oversee the homeowners' loan application and send out occasional auto-generated updates to homeowners about their "client file."

(a) Corporate Defendants

28. Defendant Homesafe America, Inc. ("Homesafe") is a domestic business corporation, organized and existing under the laws of the State of New York, with its principal place of business in Nassau County. During relevant times, Defendant Homesafe has conducted business at 1975 Hempstead Turnpike, East Meadow, New York; 3000 Hempstead Turnpike, Suite 200, Levittown, New York and 3000 Hempstead Turnpike, Suite 317, Levittown, New York. The company has never registered as a mortgage broker with the New York State Banking Department.

29. Defendant United Legal Solutions Incorporated (d/b/a United Solutions Law Firm) ("United Legal") is a domestic business corporation, organized and existing under the laws of the State of New York, with its principal place of business in Nassau County. During relevant times, Defendant United Legal has conducted business at 3000 Hempstead Turnpike, Suite 200, Levittown, New York and 3000 Hempstead Turnpike, Suite 317, Levittown, New York. During relevant times, Defendant United Legal was not registered as a mortgage broker with the New York State Banking Department and there is no evidence that Defendant United Legal employs any licensed attorneys.

30. On or around December 10, 2010, Defendant Homesafe shifted a portion of its assets, employees, and customer files to its successor corporation, Defendant United Legal.

(b) Corporate Owners

31. Defendant Scott Schreiber (“Schreiber”) has been an owner, director, officer, manager, and agent of Defendants Homesafe and United Legal. He is designated as a recipient for service of process in the incorporation documents of Defendants Homesafe and United Legal. In addition, Defendant Schreiber is currently listed as the “Administrative Contact” and “Technical Contact” for the web-domain registration of Homesafe America, which operates the website <http://www.homesafeamerica.com>, and of United Legal Solutions, which operates the website <http://www.ulsinc.co>. During relevant times, Defendant Schreiber engaged in business activities in the State of New York, offering loan modification services to consumers, without being registered as a mortgage broker with the New York State Banking Department. He resides in Nassau County.

32. Defendant Guy Samuel (“Samuel”) has been an owner, director, officer, manager, and agent of Defendant Homesafe. During relevant times, Defendant Samuel engaged in business activities in the State of New York, offering loan modification services to consumers, without being registered as a mortgage broker with the New York State Banking Department. He is not admitted to practice law in New York. Defendant Samuel resides in Nassau County.

(c) Senior Management, In-House Counsel, and “Quality Control” Supervisors

33. Defendant Angel Gonzalez (“Gonzalez”) has been a manager, employee, agent, or independent contractor of Defendants Homesafe, United Legal and/or affiliated business entities. During relevant times, Defendant Gonzalez engaged in business activities in the State of New York, offering loan modification services to consumers, without being registered as a mortgage broker with the New York State Banking Department.

34. Defendant Josef Dahari (a/k/a Josef Dahara) (“Dahari”) has been a manager, employee, agent, or independent contractor of Defendants Homesafe, United Legal and/or affiliated business entities. During relevant times, Defendant Dahari engaged in business activities in the State of New York, offering loan modification services to consumers, without being registered as a mortgage broker with the New York State Banking Department.

(d) Loss Mitigation Specialists, Agents, and Brokers

35. Defendant Chad Walters (“Walters”) has been an employee, agent, or independent contractor of Defendants Homesafe, United Legal and/or affiliated business entities. During relevant times, Defendant Walters engaged in business activities in the State of New York, offering loan modification services to consumers, without being registered as a mortgage broker with the New York State Banking Department.

36. Defendant Teresa Marie Votto (a/k/a Teresa Voto) (“Votto”) has been an employee, agent, or independent contractor of Defendants Homesafe, United Legal and/or affiliated business entities. During relevant times, Defendant Votto engaged in business activities in the State of New York, offering loan modification services to consumers, without being registered as a mortgage broker with the New York State Banking Department. Defendant Votto is not licensed to practice law in New York.

37. Defendant Damon Laylock (“Laylock”) has been an employee, agent, or independent contractor of Defendants Homesafe, United Legal and/or affiliated business entities. During relevant times, Defendant Laylock engaged in business activities in the State of New York, offering loan modification services to consumers, without being registered as a mortgage broker with the New York State Banking Department.

38. Defendant Darrell Keys (“Keys”) has been an employee, agent, or independent contractor of Defendants Homesafe, United Legal and/or affiliated business entities. During relevant times, Defendant Keys engaged in business activities in the State of New York, offering loan modification services to consumers, without being registered as a mortgage broker with the New York State Banking Department.

39. Defendant David Ainbinder (“Ainbinder”) has been an employee, agent, or independent contractor of Defendants Homesafe, United Solutions and/or affiliated business entities. During relevant times, Defendant Ainbinder engaged in business activities in the State of New York, offering loan modification services to consumers, without being registered as a mortgage broker with the New York State Banking Department.

40. Defendant Nicole Lake (“Lake”) has been an employee, agent, or independent contractor of Defendants Homesafe, United Solutions and/or affiliated business entities. During relevant times, Defendant Lake engaged in business activities in the State of New York, offering loan modification services to consumers, without being registered as a mortgage broker with the New York State Banking Department.

41. Defendant William DiDonato (“DiDonato”) has been an employee, agent, or independent contractor of Defendants Homesafe, United Legal, Consumer First and/or affiliated business entities. During relevant times, Defendant DiDonato engaged in business activities in the State of New York, offering loan modification services to consumers, without being registered as a mortgage broker with the New York State Banking Department.

42. Defendant Richard Gates (“Gates”) has been an employee, agent, or independent contractor of Defendants Homesafe, United Legal and/or affiliated business entities. During

relevant times, Defendant Gates engaged in business activities in the State of New York, offering loan modification services to consumers, without being registered as a mortgage broker with the New York State Banking Department.

43. Defendant Kevin Cogan (“Cogan”) has been an employee, agent, or independent contractor of Defendants Homesafe, United Legal and/or affiliated business entities. During relevant times, Defendant Cogan engaged in business activities in the State of New York, offering loan modification services to consumers, without being registered as a mortgage broker with the New York State Banking Department.

(e) Negotiators

44. Defendant Odette Talbert (“Talbert”) has been an employee, agent, or independent contractor of Defendants Homesafe, United Legal and/or affiliated business entities. During relevant times, Defendant Talbert engaged in business activities in the State of New York, offering loan modification services to consumers, without being registered as a mortgage broker with the New York State Banking Department.

45. Defendant Rupali Ahluwalia (a/k/a Rupa Singh, Rupi Singh, Rupa Ahluwalia) (“Ahluwalia”) has been an employee, agent, or independent contractor of Defendants Homesafe, United Legal and/or affiliated business entities. During relevant times, Defendant Ahluwalia engaged in business activities in the State of New York, offering loan modification services to consumers, without being registered as a mortgage broker with the New York State Banking Department.

46. Defendant Sophia Ricketts (“Ricketts”) has been an employee, agent, or independent contractor of Defendants Homesafe, United Legal and/or affiliated business entities.

During relevant times, Defendant Ricketts engaged in business activities in the State of New York, offering loan modification services to consumers, without being registered as a mortgage broker with the New York State Banking Department.

47. Defendant Angie Estevez (“Estevez”) has been an employee, agent, or independent contractor of Defendants Homesafe, United Legal and/or affiliated business entities. During relevant times, Defendant Estevez engaged in business activities in the State of New York, offering loan modification services to consumers, without being registered as a mortgage broker with the New York State Banking Department.

48. Defendant Miladys Bohorquez (“Bohorquez”) has been an employee, agent, or independent contractor of Defendants Homesafe, United Legal and/or affiliated business entities. During relevant times, Defendant Bohorquez engaged in business activities in the State of New York, offering loan modification services to consumers, without being registered as a mortgage broker with the New York State Banking Department. Defendant Bohorquez is not licensed to practice law in New York.

49. Defendant Debra Rennie (“Rennie”) has been an employee, agent, or independent contractor of Defendants Homesafe, United Legal and/or affiliated business entities. During relevant times, Defendant Rennie engaged in business activities in the State of New York, offering loan modification services to consumers, without being registered as a mortgage broker with the New York State Banking Department.

FACTUAL BACKGROUND

50. The facts are set forth below in three sections: a description overall of the false and misleading statements that Defendant Homesafe makes to customers, a recounting of Plaintiffs' individual experiences with Homesafe, and an overview of Homesafe's operations.

SECTION I: Homesafe's False and Misleading Statements

51. Defendant Homesafe and its successor corporation, Defendant United Legal, misrepresent their services at all stages of their interactions with consumers – from a customer's first expression of interest until the final fight over the company's refund policy. The most widely disseminated misrepresentations appeared on the company's website and in the package of standard "enrollment documents" sent to all prospective customers.

(a) Websites and Internet Advertisements

52. Defendant Homesafe has marketed itself extensively on the Internet. It has maintained several websites, each of which contains numerous fraudulent or misleading statements regarding the type of services provided by Defendant Homesafe and its managers, employees, agents or independent contractors ("representatives"). These websites have included:

- www.homesafeamerica.org (Rho Aff., Ex. 2)
- www.homesafeamerica.com (Rho Aff., Ex. 1)
- www.theobamahamp.com (Rho Aff., Ex. 3)
- www.theobamahamp.net (Rho Aff., Ex. 4)
- www.yourmortgagereliefnow.com (Rho Aff., Ex. 5)
- www.ulsinc.co (Rho Aff., Ex. 6)
- www.unitedsolutionscorp.com (Rho Aff., Ex. 7)
- www.homemods.us

53. *www.homesafeamerica.org*: The website stated that “Homesafe America is affiliated for Modification with these Banks and many more...” and included the logos of HSBC, Wells Fargo, Citibank, GMAC Mortgage, and Chase Bank. Rho Aff., Ex. 2. The statement was intended to create the appearance that Defendant Homesafe had a formal relationship with these financial institutions that would increase the likelihood of homeowners obtaining loan modifications. In reality, Defendant Homesafe has no affiliation with these financial institutions. In addition, the website promised a “100% Money Back Guarantee!” without caveat or limitation. Id.

54. *www.homesafeamerica.com*: The website stated that “Working with HomeSafe America will help you save a great deal of money and will give you peace of mind.” Rho Aff., Ex. 1. The statement was intended to convince homeowners that Defendant Homesafe would successfully obtain a mortgage modification for its customers, thereby saving them money in their monthly mortgage payments. In reality, Defendant Homesafe knew that many of their customers were not entitled to a modification and, if anything, Defendant Homesafe’s services would likely cost the homeowners more money than they would save. In addition, the website included two logos, one which claimed that Defendant Homesafe was an “Affiliate Member” of “The National Loss Mitigation Association” (“TNLMA”) and that Defendant Homesafe was “Certified” as a “Loan Modification Specialist” by TNLMA. Id. These logos were intended to create the misleading appearance that Defendant Homesafe was affiliated with a legitimate trade organization and that the company’s representatives possessed special skills that would increase homeowners’ likelihood of receiving loan modifications.

55. *www.theobamahamp.net*: The website creates the impression that Defendant Homesafe is endorsed by or associated with President Barack Obama. The site prominently

features a photograph of President Obama and carries the name “The Obama Hamp” in a font and color that resembles those used in the President’s 2008 campaign. Rho Aff., Ex. 4. In addition, under the header “President Obama’s Making Homes Affordable Program,” the website states that “[t]he funds the Obama Administration has made available for this program come from YOUR tax dollars. Take advantage of this program while it is still available! You will be able to lower your rate [to] as low as 2%, obtain a fixed lower monthly payment, and save your home from foreclosure.” Id. Only in very small font, at the top of the page, does the website warn that “[t]his website is not affiliated with any government organization.” Id. These statements were intended to create the appearance that the website was a legitimate organization somehow supported by the U.S. government, and that a successful modification was guaranteed. In reality, the website is nothing more than an effort to direct vulnerable homeowners to Defendant Homesafe. The toll-free phone number provided at the top of the website – 866-442-5063 – is owned and operated by Defendant Homesafe, which is not affiliated with any government organization. Defendant Homesafe knew that homeowners were not guaranteed to obtain a modification under the Making Home Affordable Program.

56. *www.yourmortgagereliefnow.com*: The website states that “Homesafe America is a company that specializes in working with your lender to restructure your loan, and make your home affordable. We understand the challenges homeowners are facing today, so we work with loan servicers, lenders, and investors to work out a solution tailored to your financial needs. Our experience, along with an industry leading qualification process, give[s] us the ability to resolve your mortgage problems fast and effectively.” Rho Aff., Ex. 5. These statements were intended to create the appearance that Defendant Homesafe would provide homeowners with customized advice “tailored” to their needs and would operate “fast and effectively” to achieve a loan

modification. In reality, Defendant Homesafe lacked specialized knowledge of the loan modification process and had no intention of operating with speed or the expectation of achieving success for most of its customers.

57. *www.unitedsolutionscorp.com*: The website contains language that is virtually identical to that found on a site operated by Defendant Homesafe, <http://www.yourmortgagereliefnow.com> (quoted above). *Unitedsolutionscorp.com* states: “We specialize in working with your lender to restructure your loan, and make your home affordable. We understand the challenges homeowners are facing today with increasing interest rates, falling behind on your payments, owing more on your home than it is actually worth That is why our team of experienced mitigators work with loan servicers, lenders and investors to work out a solution tailored to your financial needs. . . . Our industry leading qualification process, combined with our extensive experience and our commitment to excellent service, give us the ability to resolve your mortgage problems fast and effectively.” *Rho Aff.*, Ex. 7. These statements were intended to create the appearance that Defendant United Legal would provide homeowners with customized advice “tailored” to their needs and would operate “fast and effectively” to achieve a loan modification. In fact, Defendant United Legal lacked specialized knowledge of the loan modification process and had no intention of operating with speed or the expectation of achieving success for its customers.

(b) Enrollment Documents

58. Once potential customers express interest in retaining Defendant Homesafe’s services, they receive a package of “enrollment documents,” which include eight to twelve forms and contracts. (*Rho Aff.*, Exs. 10-14.) These documents serve several purposes: to convince the

desperate homeowners that the Defendants operate a legitimate loan modification company, to obtain sensitive financial information from homeowners, and to lure Plaintiffs into a devastating financial scam.

59. Among other materials, the four most important documents are:

- “Authorization to Represent” (Rho Aff., Ex. 10)
- “Homeowner disclosure” (Rho Aff., Ex. 11)
- “Client’s Responsibilities during Loss Mitigation Processing” (Rho Aff., Ex. 12)
- “Payment Authorization Form” (Rho Aff., Ex. 13)

60. Defendant Homesafe’s enrollment documents are modeled on generic forms posted online by The Loan Post, a Florida-based web portal that caters to for-profit loan modification companies. In some cases, Defendant Homesafe copied The Loan Post’s generic documents verbatim. In other cases, Defendant Homesafe copied the generic forms, but removed any language that warned consumers of the risks of working with a for-profit loan modification company. Rho Aff., Ex. 15 (The Loan Post Blackline of Homeowner Disclosure).

(1) Form Authorization to “Represent” Victim as Designated Agent

61. The first document that Defendant Homesafe typically sends is an “Authorization to Represent,” which asks for the victim’s name, address, and mortgage information. The document authorizes Defendant Homesafe and its “Employees, Officers, agents and directors” to serve as the victim’s “Designated Agent” in its negotiations with the mortgage company. Rho Aff., Ex. 10. The form creates the impression that Defendant Homesafe will operate as a client’s zealous advocate, and that the company has a duty to faithfully represent the customer before his or her mortgage company.

(2) Homeowner Disclosure Form

62. After it has received authorization to “represent” the victim, Defendant Homesafe then asks the customer to sign a form titled “Homeowner Disclosure.”

63. In the “Homeowner Disclosure,” Defendant Homesafe promises to provide its customers with high-quality loan modification and negotiation services. Rho Aff., Ex. 11.

Among other promises, it states:

Our job is to make sure that you do not slip through the cracks. With your assistance, we will stay on top of your lender, supplying them all of the documentation they will need to determine their ability to assist you. We remain in constant contact with loss mitigation teams and negotiators to make sure your file is given the individual attention you deserve.

We are committed to keeping you informed with regular updates about your case, and with transparency throughout the process. You will have regular contact from your dedicated negotiator and always get a live person answering the phone when you call, not an automated voice-mail maze. You will be able to view your case history, as well as real time status updates online and by e-mail using our Online Tracking System. We understand how significant this is, and we are dedicated to providing the degree of service and support you expect and deserve when dealing with your home. We are here to provide you with answers and solutions, not to create more questions and problems.

While we cannot guarantee acceptance into any particular distressed mortgage program or any specific modification terms, we constantly monitor lender procedures, laws relating to homeowner’s assistance, and your financial changes as well. Combined with our unrelenting persistence in dealing with your lender(s), we have a very high rate of success with the client we Prequalify. Therefore, we are able to provide you with a Money Back guarantee (details below) if we are unsuccessful in getting you a resolution.

Money Back Guarantee:

A refund credit will be given to your account if through no fault of your own, Homesafe America fails or cannot deliver you a solution as defined in the working agreement.

[Id. (Emphasis added).]

(3) Client's "Responsibilities" Form

64. The next document is titled "Client's Responsibilities during Loss Mitigation Processing." Rho Aff., Ex. 12. Despite its name, the document not only outlines the client's responsibilities but also includes additional promises about Defendant Homesafe's services. Among other things, the document instructs victims to stop making their monthly mortgage payments and to limit their communications with their mortgage servicer. In addition, the document includes statements implying that Defendant Homesafe will be able to achieve a loan modification in less than three months:

1. Client understands that they are to save money equal to their mortgage payment during the mitigation process of procuring a loss mitigation alternative. These funds are NOT to be forwarded to lender unless otherwise directed, but are held in your trust until completion of loss mitigation work.

[. . .]

3. Client understand that they are not to negotiate or agree to terms of any loss mitigation alternative without first contacting the loss mitigation specialist handling their case file at our office.

4. Client understands the process of loss mitigation for some lenders can take as long as 1 to 90 days to complete. Most cases are completed in less than 60 days, although, we have experienced cases that have taken more than two years for lender to complete. However, this type of delay in completion time is a very rare occurrence.

[Id. (Emphasis added).]

(4) Payment Authorization Form

65. Defendant Homesafe also sends victims a "Payment Authorization Form," in which the homeowners are asked to agree to a payment schedule. Rho Aff., Ex. 13. If a

homeowner intends to pay by credit or debit card, he or she is also asked to provide their card number, expiration date, and CCV2 number.

66. In some cases, the form's "payment schedule" includes a single, upfront payment, which the homeowner is expected to pay in full before Defendant Homesafe begins its services. In other cases, the Payment Schedule includes a list of regular payments, to be charged at regular or semi-regular intervals over the course of several months. The Payment Authorization Form indicates the "bill date" when various payments would be due under the payment schedule.

67. In some cases, Defendant Homesafe established a schedule of regular payments with its customers, only to ignore the schedule as soon as the company received the victim's debit or credit card information. Several victims have reported that they agreed to a payment schedule with Defendant Homesafe, and later discovered that the company charged the full amount within days of receiving the victim's completed payment form.

(5) Additional Documents

68. Defendant Homesafe also sends homeowners several documents seeking financial information and approval of other terms and conditions. The forms include "Homeowner Application Form," "Homeowner Questionnaire," "Income Worksheet," "Expenses Worksheet," and a "Working Agreement," as well as a copy of Internal Revenue Service form 4506T-EZ, "Short Form Request for Individual Tax Return Transcript." See Rho Aff., Ex. 14.

69. Among other things, these financial forms ask homeowners to provide sensitive information, including their Social Security numbers, their mortgage account numbers, and a full list of their creditors, lenders, and servicers.

SECTION II: Facts Relating to Plaintiffs

(a) Henry Mook

70. Mr. Mook is 85 years old. He and his wife have two home mortgages, the first of which is held by Chase Bank and the second by Wells Fargo.

71. Mr. Mook and his wife work in the tourism industry near their home in Williamsburg, Virginia. When Mr. Mook's employer, Kingsmill Resort, was bought by a group of private investors in mid-2010, he suddenly feared for his job. The new owners reduced his hours and employee benefits, forcing him and his wife to draw on the equity in their home to cover their living expenses. By August 2010, they were looking for someone who could help them modify the terms of their mortgages with Chase and Wells Fargo.

72. Mr. Mook found Defendant Homesafe on the Internet at the website homesafeamerica.com. He received a call from Defendant Damon Laylock ("Laylock") shortly after he submitted this information online. Defendant Laylock said that he was capable of reducing Mr. Mook's interest rate to 2%. There were no explicit guarantees or promises of success; however, there were implied promises that Defendant Homesafe had a contact with Chase Bank and that they could "work something out." Additionally, Defendant Laylock promised a full and complete refund if Mr. Mook did not obtain a modification. It was this promise that largely impacted Mr. Mook's decision to retain the services of Defendant Homesafe.

73. After Mr. Mook agreed to retain Defendants' services, the company sent him a collection of "enrollment documents" through the mail. These materials helped to convince him that Defendant Homesafe was a legitimate business.

74. Among the materials included in the “enrollment package” was Defendant Homesafe’s “Homeowner disclosure” form. Mr. Mook was reassured by the document’s “Money Back Guarantee,” the promise that the company would work with “unrelenting persistence,” and the representation that Defendant Homesafe had “a very high rate of success.”

75. Mr. Mook signed this document on August 30, 2010 and returned it to Defendant Homesafe’s offices as instructed. Rho Aff., Ex. 37.

76. Mr. Mook also received a copy of Defendant Homesafe’s “Client’s Responsibilities during Loss Mitigation Processing.” Based upon this document, Mr. Mook understood that Defendant Homesafe was instructing him to stop making monthly payments to his mortgage servicer for as long as he was a customer of Defendant Homesafe. Additionally, Mr. Mook understood that it was very likely he would receive a loan modification within 90 days.

77. Mr. Mook signed this document on August 30, 2010 and returned it to Defendant Homesafe’s offices as instructed. Rho Aff., Ex. 38.

78. Mr. Mook completed other forms that Defendant Homesafe sent to him, including a “Homeowner Application Form” and a “Homeowner Questionnaire.” These documents requested sensitive personal and financial information, including his Social Security number and a breakdown of his various debts and monthly expenses. Mr. Mook returned the documents to Defendant Homesafe’s offices as instructed. Rho Aff., Ex. 39.

79. Based on Defendant Laylock’s representations and the promises contained in Defendant Homesafe’s online and printed materials, Mr. Mook paid Defendant Homesafe

\$1,995.00 by two separate certified cashier's checks, one in the amount of \$1,000.00 and the other in the amount of \$995.00. Rho Aff., Ex. 40.

80. For six months, Defendant Homesafe told Mr. Mook that the company's employees were calling his banks and working to modify his mortgage payments. During these months, Mr. Mook contacted Defendant Homesafe but found it extremely difficult to actually reach an employee on the phone. When he did, the employees would tell him not to worry about anything because the company was processing his file.

81. On September 8, 2010, Kim Day ("Day") e-mailed him basic information about his client file. The document listed Defendant Laylock as his "Agent" and "Broker," and Day as his "QC." Rho Aff., Ex. 41.

82. On October 15, 2010, Defendant Rupali Ahluwalia ("Ahluwalia") e-mailed Mr. Mook again about his client file. In addition to listing Defendant Laylock as his "Agent" and "Broker," the e-mail also listed Defendant Ahluwalia as his "Negotiator." The document included the e-mail addresses for Defendants Laylock and Ahluwalia, as well as the address guy@homesafeamerica.com, which upon information and belief belonged to Defendant Samuel. In the "Notes" field of the document, Defendant Ahluwalia wrote "File submitted to Chase & Wells Fargo with supporting documents." Rho Aff., Ex. 42.

83. Mr. Mook thereafter called Chase in November 2010 to check the status of his loan application. However, the representative told him over the phone that he had never heard of Defendant Homesafe. Mr. Mook communicated this to Defendant Ahluwalia.

84. On November 5, 2010, Defendant Ahluwalia wrote to Mr. Mook stating that she “spoke to chase Bank,” and that his file was “very much under review.” Defendant Ahluwalia further wrote: “I don’t know who called you stating that they don’t [sic] have docs but I have confirmed it once again. Not to worry. I will take an update after a week and inform you then.” Rho Aff., Ex. 43.

85. On December 1, 2010, Defendant Ahluwalia e-mailed Mr. Mook another update about his file. Rho Aff., Ex. 44. She wrote:

Hi! Mr. Mook, I spoke to the bank, the eminent default team, but they wanted me to send the authorization to get an endorsement from the legal department. I just faxed the same to them. I will have to check back after 48 hrs from now for the status update. I will call them on Friday and update you. Thanks Rupa

86. On December 30, 2010, Defendant Ahluwalia sent him one final update. Rho Aff., Ex. 45. She stated:

Hi! Spoke to the bank. File is under review. A few documents which were scanned on 12/13 were not too clear with the bank so refaxed them. Will follow up after 2 weeks and update you. Have a great new years!!!! RUpa. [sic]

87. Any time that Mr. Mook expressed concern and questioned the integrity of the operation, Defendant Laylock would act outraged and accuse Mr. Mook of calling him a crook. Defendant Laylock constantly assured Mr. Mook that everything was being taken care of.

88. Mr. Mook tried calling Defendant Homesafe’s offices for additional information but was unable to reach anyone who could speak to him about his file. He never received a modification and never received a refund for Defendant Homesafe’s failure to perform. It was

impossible to even request a refund because Mr. Mook was unable to contact anyone at the company by January 2011.

89. Mr. Mook's total damages include the \$1,995.00 paid to Defendant Homesafe, as well as the \$50.00 he paid to ship the forms and documents that Defendant Homesafe requested from him.

90. Defendant Homesafe has not returned the various forms and documents Mr. Mook sent Defendant Homesafe as part of his "enrollment" package. The company continues to hold sensitive personal and financial information without Mr. Mook's permission.

(b) David Thorpe

91. David Thorpe is currently a citizen of the State of Iowa. He and his wife, Beverly Thorpe, currently own and reside in a home at 10418 30th Avenue, Prole, Iowa 50229.

92. The Thorpes hold one mortgage on their property, which is owned and serviced by Nationwide Advantage Mortgage Co. Because Mrs. Thorpe is a disabled military veteran, the Thorpes qualified for and received a mortgage loan guaranteed by the U.S. Department of Veteran Affairs (a "VA loan").

93. In November 2008, Mr. Thorpe retired as a police officer in Colorado and took a position as an explosives specialist with the Department of Homeland Security. The new job required him and Mrs. Thorpe to move to suburban Iowa. The move cost more than they expected, and Mr. Thorpe was forced to withdraw money from the small pension he had earned as a police officer to cover their expenses. Their financial situation worsened upon arriving in Iowa, as Ms. Thorpe was unable to find regular work and Mr. Thorpe was required to increase

child support and alimony payments to his ex-wife in Colorado. The Thorpes fell behind on their credit card bills, mortgage payments, and taxes.

94. By the middle of 2010, they were approximately three months behind on their mortgage. They began searching the Internet for a company that could help them obtain a loan modification. Sometime in June or July 2010, Mr. Thorpe came across one of the websites operated by Defendant Homesafe. At first, Mr. Thorpe was suspicious of the New York organization, and so he checked the company's Better Business Bureau ("BBB") rating. At the time, Defendant Homesafe had a positive rating from BBB, which reassured Mr. Thorpe. He decided to give the company a call using the toll-free number provided on Defendant Homesafe's website.

95. His initial contact was with Defendant Chad Walters ("Walters"), a Homesafe representative who described himself as a "Senior Loss Mitigation Specialist." They spoke over the telephone, with Defendant Walters speaking from a landline based in New York. Defendant Walters initially told Mr. Thorpe that his mortgage was eligible for a modification under the federal Home Affordable Modification Program ("HAMP"), and that Defendant Homesafe would negotiate with the bank to obtain a loan modification. Defendant Walters stated that Mr. Thorpe could get his 5% interest rate reduced to 2% or 3%, and that he would most likely see his monthly payments of approximately \$1,400.00 reduced to approximately \$1,000.00 per month. Defendant Walters said that he would be able to achieve a loan modification in a short period of time, and assured Mr. Thorpe that his mortgage company would be "forced" to modify the loan. Defendant Walters also told Mr. Thorpe not to pay his monthly mortgage payments.

96. During this phone call, Mr. Thorpe explained to Defendant Walters that their home loan was a “VA loan” – a result of Mrs. Thorpe’s status as a disabled veteran. At the time, Mr. Thorpe did not realize that VA loans are not eligible for the HAMP modification program. At no point did Defendant Walters inform Mr. Thorpe of their ineligibility.

97. On July 13, 2010, Defendant Walters e-mailed Mr. Thorpe asking the Thorpes to sign a Homesafe form document titled “Authorization to Represent.” Defendant Walters’ e-mail contained an electronic signature, which included the BBB logo, an icon that stated “Satisfaction Guaranteed – 100% Money Back Guarantee,” and a logo for “Halo Mac,” which appears to stand for the “Home Loan Modification Association of Companies.” Thorpe Aff., Ex. 1.

98. Attached to the e-mail was a copy of the “Authorization to Represent” form. The document authorized Mr. Thorpe’s Mortgage Company to discuss his loan modification request and to release information for payment assistance to Defendant Homesafe. Among other things, the attachment indicated that his “Designated Agent” in the modification proceedings would be Defendant Homesafe. In addition, the document stated that “I/We have authorized: Homesafe America to represent me/us in all matters regarding the above referenced loan(s).” The Thorpes signed and dated this document on July 16, 2010, and returned it to Defendant Homesafe’s offices as instructed. Thorpe Aff., Ex. 2.

99. Six days later, on July 19, Defendant Walters again e-mailed Mr. Thorpe, this time attaching an “enrollment package,” which included several additional Homesafe documents. These materials helped to convince Mr. Thorpe that Homesafe was a legitimate business. In the e-mail, Defendant Walters wrote that he “look[ed] forward to working with [them] on completing this process as soon as possible.” Thorpe Aff., Ex. 3.

100. Among the materials included in the “enrollment package” was Defendant Homesafe’s “Homeowner disclosure.” This document described some of the services that Defendant Homesafe promised to provide in exchange for Mr. Thorpe’s up-front payment. The document stated that “our job is to make sure that you do not slip through the cracks.” It further promised that “[w]e are committed to keeping you informed with regular updates about your case, and with transparency throughout the process. You will have regular contact from your dedicated negotiator and always get a live person answering the phone when you call, not an automated voice-mail maze.” Mr. Thorpe was reassured by the document’s statement that “[w]e are here to provide you with answers and solutions, not to create more questions and problems.”

101. The “Homeowner disclosure” also contained several promises about Defendant Homesafe’s likelihood of success and Mr. Thorpe’s ability to receive a refund if the company’s efforts to obtain a loan modification were unsuccessful. Although the document cautioned that “we cannot guarantee acceptance into any particular distressed mortgage program or any specific modification terms,” it did state that the company would work with “unrelenting persistence” and that it had “a very high rate of success.”

102. In the second-to-last paragraph of the “Homeowner disclosure,” the document promised that “we are able to provide you with a Money Bank guarantee (details below) if we are unsuccessful in getting you a resolution.” In the last paragraph, under the header “Money Back Guarantee,” the document spelled out those “details”: “A refund credit will be given to your account if through no fault of your own, Homesafe America fails or cannot deliver you a solution as defined in the working agreement.”

103. The Thorpes signed and dated this document on July 26, 2010. Thorpe Aff., Ex. 4.

104. The Thorpes also received a copy of Defendant Homesafe's "Client's Responsibilities during Loss Mitigation Processing" document, which described various "requirements" that Defendant Homesafe insisted Mr. Thorpe "adhere[] to during the loss mitigation process." He understood this document to include statements about the type and quality of work that Defendant Homesafe would perform on his behalf.

105. In the first paragraph of this document, it instructed Mr. Thorpe to set aside money "equal to [his] mortgage payment during the mitigation process" and that these funds were "NOT to be forwarded to lender unless otherwise directed." Mr. Thorpe understood this statement to be an instruction to stop making monthly payments to his mortgage servicer for as long as he was a customer of Defendant Homesafe.

106. In the fourth paragraph, the document stated that the "process of loss mitigation for some lenders can take as long as 1 to 90 days to complete," but that "most cases are completed in less than 60 days." It noted that "we have experienced cases that have taken more than two years for lender to complete[, h]owever, this type of delay in completion time is a very rare occurrence." Mr. Thorpe understood this statement to mean that it was very likely he would receive a loan modification within 90 days.

107. The Thorpes signed and dated this document on July 26, 2010. Thorpe Aff., Ex. 5.

108. Mr. Thorpe completed other forms that Defendant Homesafe sent to him, including a "Homeowner Application Form" and a "Homeowner Questionnaire." These documents requested sensitive personal and financial information, including his Social Security

number and a breakdown of his various debts and monthly expenses. Mr. Thorpe returned the documents to Defendant Homesafe's offices as instructed. Thorpe Aff., Ex. 6.

109. Mr. Thorpe also received a document titled "Payment Authorization Form." In this document, he agreed to make an up-front payment to Defendant Homesafe in exchange for the company's promise to obtain a loan modification on his behalf. Mr. Thorpe made this decision based on the various representations made to him orally and in writing by Defendant Homesafe and its representatives. The "Payment Authorization Form" indicated that they would pay \$1,895.00 for Defendant Homesafe's services. The "Payment Schedule" contained only one typewritten entry: a payment for \$1,895.00. Mr. Thorpe added several handwritten notations to the form, indicating that the initial payment would be for \$700.00, with a bill date of July 26, 2010, and that "the balance pmt [of \$1,195.00] will be set with Chad." Mr. Thorpe initialed the document and provided his debit card account number, expiration date, and CCV2 number, as well as his and his wife's Social Security numbers. It was Mr. Thorpe's understanding that the remainder of his balance would not be withdrawn from his account until the loan modification was complete or Defendant Walters and he mutually agreed to the payment of the remainder of the balance.

110. The header of the "Payment Authorization Form" listed Defendant Homesafe's address as 3000 Hempstead Turnpike, Suite 200, Levittown, NY 11756." Mr. Thorpe understood this information to mean that he was paying for the services of a company based in the State of New York.

111. Mr. Thorpe signed and dated this document on July 26, 2010 and returned it to Defendant Homesafe's offices as instructed. Thorpe Aff., Ex. 7.

112. As indicated on the Payment Authorization Form, Defendant Homesafe charged \$700.00 to his debit card via electronic funds transfer in late July 2010.

113. Walters also asked Mr. Thorpe to draft and send Defendant Homesafe a “hardship letter” describing his current financial status. Mr. Thorpe drafted this document on August 8, 2010, and returned it to Defendant Homesafe’s offices as instructed. Thorpe Aff., Ex. 8.

114. On September 14, 2010, Defendant Odette Talbert (“Talbert”) e-mailed Mr. Thorpe basic information about his client file. Thorpe Aff., Ex. 9. The document listed Defendant Walters as their “Agent” and “Broker,” Defendant Talbert as their “Negotiator,” and Defendant Ahluwalia as their “Processor.” The document included the e-mail addresses for Defendants Walters, Talbert, and Ahluwalia, as well as the address “guy@homesafeamerica.com.”

115. The e-mail indicated that it had been sent by Defendant Talbert using the address “info@mailers.theloanpost.com.” Id.

116. On September 20, Mr. Thorpe e-mailed Defendant Ahluwalia, stating that he had “been trying to get a call back from Odette or Chad. Mort[gage] company has referred us to an atty for foreclosure. Need some updates please.” Thorpe Aff., Ex. 10.

117. Three days later, on September 23, Defendant Ahluwalia responded, asking if Mr. Thorpe had “received any notice from the bank.” She explained that, if Mr. Thorpe had received a notice, he should fax it to Defendant Homesafe and “refer it to our legal team.” Defendants Samuel, Schreiber, Josef Dahari (“Dahari”), and Angel Gonzalez (“Gonzalez”) were copied on the e-mail, which Mr. Thorpe understood to be Homesafe’s “legal team.” Id.

118. On or around September 2010, Mr. Thorpe discovered an unexpected charge on his debit card. When reviewing his debit card statement, he noticed that Defendant Homesafe withdrew \$597.00 from his account via electronic fund transfer on September 13, 2010. Thorpe Aff., Ex. 11. Mr. Thorpe immediately contacted Defendant Walters and demanded an explanation. Defendant Walters explained that the unauthorized charge was “accidental” and that he would correct it immediately. On Mr. Thorpe’s debit card statement, the entry is listed as “Homesafe America Inc.” in Levittown, New York.

119. On or around September 27, Defendant Homesafe withdrew another \$597.50 via electronic fund transfer. Id. Again, as soon as Mr. Thorpe learned of this unauthorized withdrawal, he called Defendant Walters, who blamed the transfer on an “over-zealous clerk in the finance department.” Defendant Walters promised to reverse the charges and return the money to Mr. Thorpe.

120. Over the next month, Mr. Thorpe had difficulty reaching anyone at Defendant Homesafe’s offices to discuss his file. Finally, on October 20, 2010, Defendant Walters and Mr. Thorpe briefly exchanged e-mails about his file. Thorpe Aff., Ex. 12. Mr. Thorpe asked whether “everything [is] still good to go?” Defendant Walters responded by stating that “Yeah, you’re good Dan, I’m going to be on top of your file from now until Friday.”

121. During this time, Mr. Thorpe and his wife fell further and further behind on their mortgage payments. They had followed Defendant Walters’ initial instruction to stop making their monthly payments, and during the months they waited for Defendant Homesafe to complete their modification, they fell more than \$10,000.00 behind in their payments. Mr. Thorpe’s credit

score declined substantially, and Mr. Thorpe was forced to file for Chapter 7 bankruptcy in January 2011. Mr. Thorpe filed for Chapter 13 bankruptcy in June 2011.

122. In early 2011, Mr. Thorpe called his mortgage company to ask what, if any, work Defendant Homesafe had performed on his behalf in seeking a loan modification. The representative at the mortgage company informed Mr. Thorpe that Defendant Homesafe had done nothing at all and that he was likely the victim of a scam. The representative explained that Defendant Homesafe *could not* have done anything even if it had tried, because, as a matter of policy, the mortgage company did not deal with third-party loan modifiers such as Defendant Homesafe. The representative further explained that because Mr. Thorpe's loan was a "VA loan," it was automatically ineligible for modification through HAMP.

123. On November 24, 2010, Mr. Thorpe filed a Debit Card Dispute Form with Bank of the West regarding his payments to Defendant Homesafe. Thorpe Aff., Ex. 13. The bank ultimately reimbursed him for the \$1,195.00 that was withdrawn in September 2010, but to date Mr. Thorpe has not been able to receive the \$700.00 that he initially paid to Defendant Homesafe in July 2010.

124. The Thorpes' total damages, including the unreimbursed payment to Defendant Homesafe of \$700.000, as well as fees related to his bankruptcy and late payments, have exceeded \$10,000.00. In addition, Mr. Thorpe's mortgage-related issues have had a significant impact on his family. His wife has become ill from stress and he has suffered tremendous anguish as a result of this scam.

125. Defendant Homesafe has not returned the various forms and documents Mr. Thorpe sent them as part of his “enrollment package.” The company continues to hold sensitive personal and financial information without his permission.

(b) Ellen Shanahan

126. Ms. Shanahan is currently a citizen of the State of New York. She owns and resides in a home at 12 Richards Street, Sloatsburg, New York 10974.

127. Ms. Shanahan and her ex-husband currently hold two mortgages on their property, which are owned and serviced by Vericrest Financial and CitiMortgage. At the time Ms. Shanahan was working with Defendant Homesafe, she used the last name Phares, which was her then-husband’s last name.

128. In September 2010, Ms. Shanahan was having trouble making her monthly mortgage payments and was behind on both of her mortgages. She was looking for ways to modify her home loan and found Defendant Homesafe on the Internet. She input her information through their website and soon after received a call from Defendant Teresa Votto (“Votto”), who represented herself as an employee of Defendant Homesafe.

129. In the initial call, Defendant Votto told Ms. Shanahan that Defendant Homesafe would help her obtain a loan modification by taking advantage of several programs backed by the federal government. Defendant Votto explained that Defendant Homesafe would perform this service in exchange for \$800.00, including an up-front fee of \$400.00. As part of Defendant Votto’s efforts to convince Ms. Shanahan to hire Defendant Homesafe, Defendant Votto told Ms. Shanahan over the phone that the company offered a money back guarantee.

130. Shortly thereafter, on September 14, 2010, Defendant Votto sent Ms. Shanahan a five-page fax, which included Defendant Homesafe's "Authorization to Represent" form and its "Payment Authorization Form." According to the fax cover sheet, Defendant Votto sent the materials from Defendant Homesafe's fax number – (800) 856-4324 – which, on information and belief, connected to Defendant Homesafe's offices in Levittown, New York.

131. On or around September 14, 2010, Ms. Shanahan signed the "Payment Authorization Form." Shanahan Aff., Ex. 2. The document indicated that Ms. Shanahan would pay \$800.00 for Defendant Homesafe's services. The "Payment Schedule" included two entries: a \$400.00 payment with a "Bill Date" of September 14, 2010, and a second \$400.00 payment with a "Bill Date" of September 28, 2010. Ms. Shanahan signed this form and provided Defendant Homesafe with her Visa credit card information.

132. Shortly after authorizing the fees, Ms. Shanahan became suspicious of the organization and asked her bank to put a stop on the payment. Ms. Shanahan then received a call from Defendant Schreiber, who informed her that he was the head of the business. He stated that Defendant Homesafe was a legitimate company, that Ms. Shanahan had nothing to worry about, and that she should let the payment go through. She subsequently authorized the payment of \$800.00.

133. On September 14, 2010, Defendant Homesafe charged \$400.00 to Ms. Shanahan's credit card. Defendant Votto provided her with a receipt. Shanahan Aff., Ex. 3. The receipt indicated that Defendant Homesafe was based at 1975 Hempstead Turnpike, East Meadow, New York 11554.

134. Defendant Homesafe also asked Ms. Shanahan to draft and send the company a “hardship letter” describing her current financial status. She signed and dated this letter on September 15 and returned it to Defendant Homesafe’s offices as instructed. Shanahan Aff., Ex. 4.

135. Ms. Shanahan subsequently signed Defendant Homesafe’s “Authorization to Represent” form on September 17, 2010. Shanahan Aff., Ex. 1. This document authorized her mortgage company to discuss her loan modification request and to release information for payment assistance to Defendant Homesafe, her “Designated Agent.”

136. Soon thereafter, she received from Defendant Homesafe a package of additional enrollment documents, which she completed over the next few days and returned to the company’s offices in Levittown, New York. Among the documents she signed was the company’s “Homeowner Disclosure.” Ms. Shanahan was reassured by the document’s “Money Back Guarantee,” the promise that the company would work with “unrelenting persistence,” and the representation that Defendant Homesafe had “a very high rate of success.”

137. On October 4, 2010, a Homesafe representative, Kimberlee Dworczyk (“Dworczyk”), e-mailed Ms. Shanahan basic information about her client file. The e-mail listed her “Agent” as “Teresa,” which upon information and belief was Defendant Votto. In addition, the e-mail identified Defendant Samuel as the “Attorney Manager.” Most employees had phone numbers with a “516” area code, which upon information and belief is the area code for Nassau County, New York. The e-mail also indicated that Defendant Homesafe had received several of Ms. Shanahan’s “Financial Docs,” including the “Homeowners disclosure.” Shanahan Aff., Ex. 5.

138. The e-mail indicated that it had been sent by Dworczyk using the address “info@mailers.theloanpost.com.” Id.

139. Ms. Shanahan received additional updates via e-mail throughout October, November and December 2010. Shanahan Aff., Ex. 6.

140. On January 14, 2011, Dworczyk e-mailed Ms. Shanahan another update about her file. The agent information was changed from “Teresa and Homesafe America” to “Teresa and United Solutions Law Firm.” The Branch/AE information was still “Homesafe America,” but the e-mail contact was changed from guy@homesafeamerica.com to scott@unitesolutionscorp.com. Similar e-mail address changes were made as to other employees. This update also noted that Ms. Shanahan’s file would be passing to Dworczyk’s associate, Miladys, who upon information and belief is Defendant Miladys Bohorquez (“Bohorquez”). Shanahan Aff., Ex. 7.

141. The e-mail indicated that it had been sent by Dworczyk using the address “info@mailers.theloanpost.com.” Id.

142. On February 1, 2011, Ms. Shanahan received an e-mail from Defendant Bohorquez (miladys.homesafe@gmail.com), although other communications indicate that her last name may be Rodriguez. The e-mail stated “Dear Ellen, I called the bank today. Per rep you should be receiving a package from bank witinhg [sic] 30-60 business days, once you receive the package please mail it to me. Do not fill anything out, just sign where it ask [sic] for your signature. Make sure you send the package along with the pre-pay envelope put attn: Miladys.”

The e-mail signature was: “HomeSafe America, 3000 Hempstead Tpke, ste 200, Levittown, NY 11756, Miladys Bohorquez, 516-280-4444x333, (206) 495-3122. Shanahan Aff., Ex. 8.

143. A few weeks later, on February 10, 2011, Ms. Shanahan e-mailed Defendant Bohorquez, “I will submit my own documents. The only reason I pre qualify is I called a Help line that is cost free who did a three way call with Citimortgage. I want my money returned, there is nothing your company can do that I can’t do myself.” Shanahan Aff., Ex. 9. This was her final contact with Defendant Homesafe.

144. Defendant Homesafe failed to obtain a loan modification for Ms. Shanahan and failed to refund her initial payments.

145. Ms. Shanahan’s damages include \$800.00 paid to Defendant Homesafe. Additionally, she has suffered damages due to Defendant Homesafe’s inaction as she was forced to file for personal bankruptcy.

146. Defendant Homesafe has not returned the various forms and documents she sent them as part of her “enrollment package.” The company continues to hold sensitive personal and financial information without her permission.

(d) Terry & Joylynn Boddie

147. By the beginning of September 2010, Terry and Joylynn Boddie were struggling to pay the mortgages on their home in Woodbridge, Virginia. Their primary mortgage was held by GMAC Mortgage LLC and their second mortgage was held by Green Tree Servicing LLC. Ms. Boddie began searching the Internet for information about federal loan modification programs.

148. During her search, Ms. Boddie came across a website called <http://www.TheObamaHAMP.com>, which she believed to be affiliated with the Obama Administration's Home Affordable Modification Program ("HAMP"). The website stated that "you may be eligible for President Obama's loan modification program!" and claimed that the site had been "featured on" CNBC, CNN, SmartMoney, MSN, and Google.

149. The website also included an electronic form that invited visitors to "Check Eligibility." The form requested the user's name, contact information, gross monthly household income, and mortgage information. Believing that the website was affiliated with the government, Ms. Boddie submitted her contact information.

150. Soon thereafter, Ms. Boddie received a phone call from Defendant Laylock, who introduced himself as a representative of Defendant Homesafe. Defendant Laylock told Ms. Boddie that Defendant Homesafe would successfully negotiate a loan modification, with a promise to refund the Boddies' money if Defendant Homesafe was unsuccessful. Defendant Laylock claimed that the Boddies were already qualified for a HAMP modification, in part, he said, because Mr. Boddie worked for the government and would be going overseas in January. Specifically, Defendant Laylock promised that the Boddies would receive a modification that lowered the interest rate to two percent on their first mortgage and approximately three percent on their second mortgage.

151. Convinced by Defendant Laylock's representations, the Boddies agreed to retain the services of Defendant Homesafe to help them modify their mortgage. After they agreed to retain Defendant Homesafe, the company sent them a package of "enrollment documents" to sign and return through the mail to Defendant Homesafe's offices at 3000 Hempstead Turnpike,

Levittown, New York, 11758. These materials helped to convince the Boddies that Defendant Homesafe was a legitimate business.

152. Among the materials included in the “enrollment package” was Defendant Homesafe’s “Homeowner disclosure.” The Boddies were reassured by the document’s “Money Back Guarantee,” the promise that the company would work with “unrelenting persistence,” and the representation that Defendant Homesafe had “a very high rate of success.”

153. They Boddies signed the document on September 15, 2010 and returned it to Defendant Homesafe’s offices as instructed. Rho Aff., Ex. 46.

154. The Boddies also received a copy of Defendant Homesafe’s “Client’s Responsibilities during Loss Mitigation Processing.” Based upon this document, they understood that Defendant Homesafe was instructing them to stop making monthly payments to their mortgage servicer for as long as they were customers of Defendant Homesafe. Additionally, the Boddies understood that it was very likely they would receive a loan modification within 90 days.

155. The Boddies signed this document on September 15, 2010 and returned it to Defendant Homesafe’s offices as instructed. Rho Aff., Ex. 47.

156. The Boddies completed other forms that Defendant Homesafe sent to them, including a “Homeowner Application Form” and a “Homeowner Questionnaire.” These documents requested sensitive personal and financial information, including their Social Security Numbers and a breakdown of their various debts and monthly expenses. They completed these forms as instructed. Rho Aff., Ex. 48.

157. The Boddies also received a document titled “Payment Authorization Form.” In this document, they agreed to make an up-front payment to Defendant Homesafe in exchange for the company’s promise to obtain a loan modification on their behalf. The Boddies made this decision based on the various representations made to them orally and in writing by Defendant Homesafe and its representatives.

158. The header of the “Payment Authorization Form” listed Defendant Homesafe’s address as 3000 Hempstead Turnpike, Suite 200, Levittown, NY 11756.” They understood this information to mean that they were paying for the services of a company based in the State of New York.

159. Ms. Boddie signed this document on September 15, 2010. Rho Aff., Ex. 49.

160. The “Payment Schedule” contained only one payment: \$2,495.00, with the “bill date” left blank. Defendant Laylock told Ms. Boddie that Defendant Homesafe needed the payment immediately, and when she said it would be difficult for her and her husband to make the payment so quickly, Defendant Laylock encouraged her to pay Defendant Homesafe’s fee instead of her monthly mortgage payment. Ms. Boddie followed this advice and sent a check for \$2,500.00 to Defendant Homesafe.

161. Around this time, Homesafe assigned Defendant Ahluwalia to the Boddies’ file. In early October 2010, Defendant Ahluwalia faxed the Boddies a form called “Third Party Authorization and Agreement to Release,” which authorized their mortgage company to discuss their loan modification request and to release information for payment assistance to Defendant Homesafe. The Boddies signed this form on October 3, 2010 and returned it to Defendant Homesafe’s offices as instructed. Rho Aff., Ex. 50.

162. Over the first two weeks of October, Defendant Ahluwalia and Ms. Boddie exchanged e-mails about providing additional documents to Defendant Homesafe, which would in turn submit the materials to the Boddies' lenders.

163. On October 13, 2010, Defendant Ahluwalia e-mailed Ms. Boddie to confirm that their "file is submitted to both banks. . . . bye for now and hope for the best." Rho Aff., Ex. 51.

164. On November 2, 2010, Ms. Boddie received a call from a representative at Green Tree Mortgage. The representative, who went by David, stated that he had spoken with Defendant Ahluwalia two weeks earlier, on October 21, 2010. David also asked Ms. Boddie to provide Green Tree with list of her family's bills and expenses. Ms. Boddie e-mailed Defendant Ahluwalia describing the conversation.

165. Later that day, Defendant Ahluwalia responded to Ms. Boddie's e-mail, writing "Hi!Dont send any documents directly to him.Let me speak to him and do the needful.Do you have his phone no or extention.Please forward." [sic] Rho Aff., Ex. 52.

166. In December 2010, Green Tree denied the Boddies' modification request. Ms. Boddie informed Defendant Homesafe by e-mail, but received no acknowledgement. When Defendant Homesafe finally did respond, the company stated that Green Tree was "playing hardball," and that there was nothing else that Defendant Homesafe could do.

167. Following the denial of her modification request, Ms. Boddie demanded a refund from Defendant Homesafe. In a phone call with the company, she was told that a man named "Howard" was processing the refund, but when she was transferred to "Howard," he said that he did not know how long the processing would take. Howard promised to call Ms. Boddie back

with further updates, but never did. Ms. Boddie called the company's offices numerous times and was unable to reach anyone who could help her with her file.

168. The Boddies' total damages include the \$2,495.00 paid to Defendant Homesafe. Additionally, Defendant Homesafe has not returned the various forms and documents the Boddies sent them as part of their "enrollment package". The company continues to hold sensitive personal and financial information without their permission

(e) Angela Warbington-Hopkins

169. Angela Warbington-Hopkins is currently a citizen of the Commonwealth of Kentucky, where she owns and resides in a home at 500 Lonnie Haynes Road, Irvington, Kentucky 40146.

170. She has one mortgage on her property, which is owned and serviced by Vanderbilt Mortgage and Financial Institution. She shares title to the home with her husband, although the mortgage is in her name only. Ms. Warbington-Hopkins received notice of her mortgage default on November 15, 2010, before her initial contact with Defendant Homesafe.

171. Ms. Warbington-Hopkins is medically ill; she had a stroke at age 19, brain surgery at ages 21 and 28, and was diagnosed with Severe Degenerative Disc Disease in 2005. She was approved for disability in October 2008. Ms. Warbington-Hopkins and her husband have a three-year-old daughter and a difficult financial situation.

172. In late 2010, Ms. Warbington-Hopkins was disabled and looking for ways to reduce household expenses and save her home. Her husband was searching the Internet for loan modification programs and came across Defendant Homesafe's website. He submitted a

summary of their situation online and shortly thereafter received a call from Defendant Darrell Keys (“Keys”) in late November 2010. Ms. Warbington-Hopkins took over the communication with Defendant Homesafe because the mortgage is in her name only.

173. Defendant Keys generally explained in vague language what Defendant Homesafe was capable of doing to help her with her mortgage. He said that “their people” would take a look at her documents. His implications led her to believe that an attorney on staff at Defendant Homesafe would review her file. Therefore, she felt confident that she would be professionally represented in saving her home from foreclosure.

174. Ms. Warbington-Hopkins thought that Defendant Homesafe was affiliated with the Making Home Affordable program because of the logos and text in their documents. For example, Defendant Homesafe gave her a document to sign titled “Dodd-Frank Certification.” Rho Aff., Ex. 53. This type of document led her to believe that Defendant Homesafe was legitimate and likely affiliated with the government.

175. In December 2010, Defendant Homesafe sent a package of enrollment documents for Ms. Warbington-Hopkins to sign and return through the mail to their office at 3000 Hempstead Turnpike, Levittown, NY 11758.

176. Among the documents she signed was Defendant Homesafe’s “Homeowner disclosure” form. Ms. Warbington-Hopkins was reassured by the document’s “Money Back Guarantee,” the promise that the company would work with “unrelenting persistence,” and the representation that Defendant Homesafe had “a very high rate of success.”

177. Ms. Warbington-Hopkins signed this document on December 20, 2010 and returned it to Defendant Homesafe's offices as instructed. Rho Aff., Ex. 54.

178. Ms. Warbington-Hopkins also received a document titled "Client's Responsibilities during Loss Mitigation Processing." Based upon this document, Ms. Warbington-Hopkins understood that if she had sufficient funds at the time to set aside, Defendant Homesafe was instructing her to stop making monthly payments to her mortgage servicer for as long as she was a customer of Defendant Homesafe. Additionally, she understood that it was very likely she would receive a loan modification within 90 days.

179. She signed this document on December 20, 2010 and returned it to Defendant Homesafe's offices as instructed. Rho Aff., Ex. 55.

180. Ms. Warbington-Hopkins completed other forms that Defendant Homesafe sent to her, including an "Authorization to Represent," "Homeowner Application Form," and a "Homeowner Questionnaire." These documents requested sensitive personal and financial information, including her Social Security number and a breakdown of her various debts and monthly expenses. Ms. Warbington-Hopkins completed these forms as instructed and returned them to Homesafe's offices. Rho Aff., Ex. 56.

181. Ms. Warbington-Hopkins also received a document titled "Payment Authorization Form." In this document, she agreed to make an up-front payment to Defendant Homesafe in exchange for the company's promise to obtain a loan modification on her behalf. Ms. Warbington-Hopkins made this decision based on the various representations made to her orally and in writing by Defendant Homesafe and its representatives. Defendant Homesafe demanded

that Ms. Warbington-Hopkins pay \$1,995.00 for the company's services, to be paid in three installments.

182. The header of the "Payment Authorization Form" listed Defendant Homesafe's address as 3000 Hempstead Turnpike, Suite 200, Levittown, NY 11756." She understood this information to mean that she was paying for the services of a company based in the State of New York.

183. Ms. Warbington-Hopkins signed this document on December 20, 2010 and returned it to Defendant Homesafe's offices as instructed. Rho Aff., Ex. 57.

184. Ms. Warbington-Hopkins paid the first installment of \$750.00 by MoneyGram at her local Walmart, for which she paid a \$46.00 fee. She listed Defendant Schreiber as the "Receiver" of the MoneyGram payment. Rho Aff., Ex. 58. She made this first payment on December 11, 2010 at Homesafe's request. This was before Homesafe sent her any documents to review through the mail.

185. Ms. Warbington-Hopkins paid the second installment of \$500.00 to Defendant Homesafe by direct withdrawal from her checking account. The payment was made to the order of "Citibank Account # 021000089, For Deposit Only, Homesafe America 9947104903." Rho Aff., Exs. 59 – 60.

186. Though the Payment Authorization Form lists a third payment of \$745.00 on February 3, 2011, this payment was never withdrawn because Ms. Warbington-Hopkins changed her account so that Defendant Homesafe could not access the funds.

187. On January 19, 2011, Ms. Warbington-Hopkins provided further information to Keys regarding her 2009 taxes. She also filled out an application for a loan modification on Defendant Homesafe's forms. However, she later found out that this application was never submitted to her lender.

188. On January 29, 2011, she looked for Defendant Homesafe on the BBB website. Homesafe's address was listed as 1975 Hempstead Avenue Suite 208, East Meadow, NY 11554. The BBB report stated that Defendant Homesafe was incorporated in 2008, and listed the co-owners as Defendants Schreiber and Samuel. According to the website, Defendant Homesafe was not accredited by BBB and had been given an "F" rating due to the high number of complaints against the company. Rho Aff., Ex. 61.

189. On January 31, 2011, Ms. Warbington-Hopkins received an e-mail from Defendant Debra Rennie ("Rennie") with the subject "File Updated for Angela Warbington-Hopkins Agent: Darrell." Rho Aff., Ex. 62. The e-mail lists four actions taken by Defendant Homesafe on her behalf, indicating that her file was sent to Vanderbilt on January 26, 2011 and that on January 31, 2011: "Vanderbilt [was] not budging-need more income. Client's husband is waiting on a disability case. Additional income of 600-1000 per month will facilitate modification." The e-mail lists Defendant Nicole Lake ("Lake") as Ms. Warbington-Hopkins' "Processor" and Defendant Rennie as her "Negotiator." All of the listed individuals had phone numbers with a "516" area code, which is the area code for Nassau County, New York.

190. Ms. Warbington-Hopkins became suspicious by the end of January because Homesafe was stringing her along and kept telling her to "not worry about it." Whenever she raised her concerns with Defendant Homesafe, the company's representatives said that a loan

modification is not something that happens quickly. In January 2011, Ms. Warbington-Hopkins called Making Home Affordable and specifically asked about Defendants Homesafe and United Legal; however, they replied that they had never heard of either company and were not affiliated with them. Ms. Warbington-Hopkins had a conversation with her husband's attorney and was advised not to make the final payment in February to Defendant Homesafe.

191. Ms. Warbington-Hopkins eventually contacted her mortgage company, Vanderbilt, over the phone and found out from a Vanderbilt representative named Seth Smith that Defendant Homesafe had never submitted an application on her behalf and, in fact, had never contacted Vanderbilt.

192. When she called Defendant Homesafe's offices in New York, the receptionist would answer the phone as "United Legal Solutions," which added to her suspicions about the legality and legitimacy of the company.

193. Ms. Warbington-Hopkins' last contact with Defendant Keys occurred near the end of February 2011. He called her to ask why she did not make her last payment, which, according to Defendant Homesafe, meant that she had breached her contract and therefore did not qualify for a refund. She explained that she was not comfortable using Defendant Homesafe's services anymore.

194. Mrs. Warbington-Hopkins notified the Office of the Commonwealth of Kentucky Attorney General to report her experience with Defendant Homesafe. Rho Aff., Ex. 63.

195. In order to save her home, Ms. Warbington-Hopkins has been forced to short-sell an adjoining piece of property that she owns. By doing so, she is losing \$31,000.00 in proceeds

from the settlement. This would not have been necessary if she had been able to obtain a loan modification.

196. The total damages Ms. Warbington-Hopkins has suffered include the unrefunded \$1,250.00 paid to Homesafe, the \$46.00 MoneyGram fee, as well as the loss of \$31,000.00 in contract-for-deed income as a result of the short sale of her adjoining investment property.

197. Homesafe has not returned the various forms and documents she sent them as part of her “enrollment package.” The company continues to hold sensitive personal and financial information without Mr. Warbington-Hopkins’ permission.

(f) Albert and Melody Darwin

198. Albert and Melody Darwin fell behind on their mortgage payments and first sought loan modification assistance from Residential Relief Foundation LLC (“RRF”). They entered into a trial modification period with their lender Bank of America, which was extended several months. At the end of the extension period, around November 2010, Bank of America informed the Darwins that they were denied a permanent modification.

199. Distraught, Mr. Darwin attempted to reach out to RRF, only to find on their website that they were under governmental receivership. On this same website, he saw the name “Homesafe America” as an alternate source for loan modification assistance. In early December 2010, Mr. Darwin called the number listed for Defendant Homesafe: (516) 280-4444.

200. When Mr. Darwin called, Defendant David Ainbinder (“Ainbinder”) answered. Mr. Darwin voiced great concern about paying a company that may either go out of business or not be able to deliver the promised results, both of which he experienced with RRF. Defendant

Ainbinder assured him that his company was legitimate and Defendant Homesafe did not operate like RRF.

201. During this conversation, Defendant Ainbinder promised Mr. Darwin that Defendant Homesafe would be able to obtain a loan modification for the Darwins. He said that his company possessed great experience with loan modifications and that if they were unable to deliver on the promised results, the Darwins would receive a refund. Mr. Darwin also let Defendant Ainbinder know that he and his wife were behind on their mortgage and facing the possibility of foreclosure. In response, Defendant Ainbinder said that he and Defendant Homesafe could save their home and that the Darwins need not worry. Defendant Ainbinder then quoted an upfront fee of \$1,995.00.

202. After they agreed to retain the services of Defendant Homesafe, the company sent the Darwins a package of “enrollment documents” via facsimile. These materials helped to convince the Darwins that Defendant Homesafe was a legitimate business.

203. Among the materials included in the “enrollment package” was Defendant Homesafe’s “Homeowner disclosure.” The Darwins were reassured by the document’s “Money Back Guarantee,” the promise that the company would work with “unrelenting persistence,” and the representation that Defendant Homesafe had “a very high rate of success.”

204. Mrs. Darwin signed and dated this document on December 9, 2010. Rho Aff., Ex. 64.

205. The Darwins also received a copy of Defendant Homesafe’s “Client’s Responsibilities during Loss Mitigation Processing.” Based upon this document, the Darwins understood that Homesafe was instructing them to stop making monthly payments to their

mortgage servicer for as long as they were customers of Defendant Homesafe. Additionally, the Darwins understood that it was very likely they would receive a loan modification within 90 days.

206. Mrs. Darwin signed and dated this document on December 9, 2010. Rho Aff., Ex. 65.

207. Mrs. Darwin completed other forms that Defendant Homesafe sent to them, including an “Authorization to Represent” and a “Homeowner Application Form.” These documents requested sensitive personal and financial information, including her Social Security number and a breakdown of her various debts and monthly expenses. Ms. Darwin returned the documents to Defendant Homesafe’s offices as instructed. Rho Aff., Ex. 66.

208. In addition, the Darwins faxed other requested financial documents, including recent pay stubs, hardship letter, the couple’s 2009 tax return, and mortgage statement.

209. The Darwins also completed and faxed an “eCheck Authorization Form,” giving Defendants Ainbinder and Homesafe permission to withdraw \$1,995.00 from Ms. Darwin’s checking account held at Bank of America. Rho Aff., Ex. 67. The Darwins faxed this form on December 9, 2010, to Homesafe’s New York office, along with a voided check. Id.

210. On December 10, 2010, Defendants Ainbinder and Homesafe withdrew \$1,995.00 from Ms. Darwin’s Bank of America account. Rho Aff., Ex. 68.

211. Two weeks passed without word from either Defendant Ainbinder or anyone else from Defendant Homesafe. On December 24, 2010, Yanez e-mailed Ms. Darwin to request “hardship letter, mortgage statement, [Bank of America] authorization form, all pages of 2009

tax returns.” The e-mail asked Ms. Darwin to fax these documents to (516) 977-7463. Rho Aff., Ex. 69. The Darwins were surprised at this request, as they had faxed these documents to Defendants Ainbinder and Homesafe already.

212. In early January 2011, the Darwins received another notice from Bank of America informing them that their home was still under foreclosure.

213. Distraught, Mr. Darwin called Defendant Ainbinder to follow up on both the e-mail from Yanez and the letter from Bank of America. When Mr. Darwin expressed his concern about the possibility of foreclosure, Defendant Ainbinder reassured Mr. Darwin, promising that the application process was under way, and that it would take about three to four months to complete. Defendant Ainbinder also promised that he and Defendant Homesafe would be able to save the Darwins’ home from foreclosure.

214. Relying on Defendant Ainbinder’s word, Mr. Darwin decided to wait about three months before contacting either Defendant Ainbinder or anyone else at Defendant Homesafe. In early April 2011, when the Darwins had not heard about their loan modification, Mr. Darwin decided to again call Defendant Ainbinder. Mr. Darwin was shocked to hear a voice recording informing him that Defendant Homesafe was facing problems and had shut down. The recording also informed Mr. Darwin that Defendant Homesafe would continue to serve its existing customers.

215. Because Mr. Darwin was unable to reach anyone at Defendant Homesafe, he was never able to request a refund for \$1,995.00 or determine what, if any, services were provided.

216. Defendant Homesafe failed to obtain a loan modification for the Darwins and failed to refund their initial payment.

217. The Darwins' damages include the \$1,995.00 paid to Defendant Homesafe. Additionally, Defendant Homesafe has not returned the various forms and documents the Darwins sent as part of their "enrollment package." The company continues to hold sensitive personal and financial information without their permission.

(g) Randall Sweatt

218. Mr. Sweatt is 53 years old and currently is a citizen of the State of Florida, where he rents and resides in a home at 916 E. Gonzalez Street, Pensacola, Florida 32503. Prior to August 2009, he owned and resided in a home at 687 Parkbluff Way, Lewis Center, Ohio 43035.

219. Mr. Sweatt had one mortgage on the Ohio property, held by U.S. Bank.

220. Mr. Sweatt lost his job in December 2008. In the first few months of unemployment, he was able to make his mortgage payments to U.S. Bank. But he quickly fell behind, and by March 2009, he was looking for ways to modify his home loan. His wife, Ellen Sweatt, found Defendant Homesafe on the Internet and submitted their information through Defendant Homesafe's website.

221. Shortly thereafter, Defendant Lake called their home from a New York telephone number. Mr. Sweatt explained that he was desperate for a loan modification, but that he was unsure whether U.S. Bank would grant him one. In particular, he expressed his concern to Defendant Lake that he had heard that U.S. Bank did not allow its mortgagors to hire third-party loan modification companies to assist with a modification. Defendant Lake relieved his fears by describing Defendant Homesafe's supposedly high success rates in negotiating modifications. She promised that the company would "get it done." She also guaranteed a full refund if they

were not successful. This promise of a guaranteed refund largely impacted Mr. Sweatt's decision to hire Defendant Homesafe.

222. After Mr. Sweatt agreed to retain the services of Defendant Homesafe, the company sent him a package of "enrollment documents." These materials helped to convince him that Defendant Homesafe was a legitimate business.

223. Among the documents Mr. Sweatt received was an "Authorization to Represent." The document authorized his mortgage company to discuss his loan modification request and to release information for payment assistance to Defendant Homesafe, as his "Designated Agent."

224. Mr. Sweatt signed this document on March 19, 2010 and returned it to Defendant Homesafe's offices as instructed. Rho Aff., Ex. 70.

225. Mr. Sweatt also received a document titled "Client's Responsibilities during Loss Mitigation Processing." Based upon this document, Mr. Sweatt understood that Defendant Homesafe was instructing him to stop making monthly payments to his mortgage servicer for as long as he was a customer of Defendant Homesafe. Additionally, Mr. Sweatt understood that it was very likely he would receive a loan modification within 90 days.

226. Mr. Sweatt signed this document on March 25, 2010 and returned it to Defendant Homesafe's offices as instructed. Rho Aff., Ex. 71.

227. On March 25, 2010, he signed and dated several other forms that Defendant Homesafe sent to him, including a "Homeowner Application Form" and a "Homeowner Questionnaire." These documents requested sensitive personal and financial information, including his Social Security number and a breakdown of his various debts and monthly

expenses. Mr. Sweatt completed these forms as instructed and subsequently faxed these documents to Defendant Homesafe's fax machine in its New York office. Rho Aff., Ex. 72.

228. Mr. Sweatt agreed to pay Defendant Homesafe \$1,700.00 for loan modification services. In late March 2010, he provided his debit card information to Defendant Homesafe, which initially charged him \$1,000.00 as an upfront payment. The company subsequently charged Mr. Sweatt's debit card for two additional payments totaling \$700.00.

229. In or around late March of 2010, Mr. Sweatt was assigned Defendant Sophia Ricketts ("Ricketts") as his "negotiator" and "loan processor" at Defendant Homesafe.

230. After submitting his enrollment documents and payment information, Mr. Sweatt received only limited updates from Defendant Homesafe. On May 4, 2010, Defendant Ricketts e-mailed him basic information about his client file. Rho Aff., Ex. 73. The e-mail listed his "Agent" and "Broker" as "Nicole," which upon information and belief was Defendant Nicole Lake. In addition, the e-mail identified Defendant Ricketts as his "Negotiator"; Defendant Gonzalez as his "QC"; Defendant Lake as his "Processor"; and Defendant Samuel as the "Attorney Manager." The "Notes" section of the e-mail also indicated that Defendant Schreiber served as his "QC," and had updated his client file on March 26, 2010. All of these Homesafe representatives had telephone numbers with a "516" area code, which is the area code for Nassau County, New York.

231. Mr. Sweatt became increasingly frustrated with Defendant Homesafe's inability to negotiate a loan modification with his bank. Furthermore, he had difficulty reaching company representatives for information. When he expressed his concerns to the representatives at

Defendant Homesafe, he was repeatedly told that his loan modification was being taken care of and that it was just a slow process, especially with U.S. Bank.

232. On July 3, 2010, Mr. Sweatt received a letter from U.S. Bank denying his loan modification request. Two days later, on July 5, a sheriff from Delaware County, Ohio came to his front door and informed him that U.S. Bank planned to sell the property in a sheriff's sale and that Mr. Sweatt faced imminent eviction.

233. That day, Mr. Sweatt e-mailed Defendants Ricketts and Lake, explaining the situation and demanding a refund. Rho Aff., Ex. 74. They explained to Mr. Sweatt at a later date over the phone that they were unable to authorize a refund.

234. On July 14, 2010, Mr. Sweatt e-mailed Defendant Samuel, once again asking for a refund. Rho Aff., Ex. 75. His e-mail stated:

Could you tell me who can authorize a refund for my \$1700.00 that you all charged me but could not deliver any results? I did everything the contract with you all required but my mortgage issue through US Bank was not solved. Sophia [Ricketts] keeps saying how difficult US Bank is and I told Nicole that even before I signed the contract. You all did nothing to help me therefore I am entitled to my \$1700.00. Sophia can't even get them to send quick sale paperwork to me.

Basically, I paid \$1700.00 for absolutely nothing. I want my full refund that I am I entitled to.

Mr. Sweatt never received a response.

235. On July 15, 2010, Mr. Sweatt sent an e-mail to the company's general inquiries e-mail address—info@homesafeamerica.com—and again requested a refund. Rho Aff., Ex. 76. Again, he received no response.

236. Mr. Sweatt's home was sold on August 18, 2010. He moved from Ohio to Pensacola, Florida, which cost him approximately \$3,000.00 in moving expenses.

237. Mr. Sweatt's total damages include \$1,700.00 paid to Defendant Homesafe, as well as \$3,000.00 in moving costs. Additionally, he has suffered a substantial decline in his credit rating due to Defendant Homesafe's inaction and the resulting foreclosure. His credit score has decreased from approximately 620 to 340.

238. Defendant Homesafe has not returned the various forms and documents Mr. Sweatt sent to the company as part of his "enrollment package." Defendant Homesafe continues to hold sensitive personal and financial information without his permission.

(h) Robert & Susan Moffett

239. At the end of 2009, Robert and Susan Moffett faced several unexpected medical emergencies – and with them, increased financial distress. Ms. Moffett had retired several years earlier, and Mr. Moffett planned to retire at the start of the new year, making it difficult for them to cover the cost of their health care. Caring for a disabled son and an elderly mother stretched their limited savings even further. With mounting mortgage, utility, and credit card bills, the Moffetts feared that they would soon be unable to remain in their home.

240. In early January 2010, they were put in touch with Defendant William DiDonato ("DiDonato"), a Homesafe representative. Defendant DiDonato explained that Defendant Homesafe would help them obtain a loan modification in exchange for an upfront payment of \$1,495.00. Defendant DiDonato made promising statements about his abilities, specifically that he could reduce their mortgage payments by at least \$300 per month. He convinced the Moffetts

to retain the services of Defendant Homesafe in part by promising a full refund if the company failed to modify their mortgage successfully. It was this promise of a refund that largely influenced the Moffetts' decision to retain Defendant Homesafe.

241. At no point did Defendant DiDonato or any other Homesafe representative explain to the Moffetts that other organizations – such as non-profit loan counselors – typically provided the same loan modification services at low or no cost.

242. After the Moffetts agreed to retain the services of Defendant Homesafe, the company sent them a package of “enrollment documents” for them to sign and return through the mail to Defendant Homesafe’s offices at 3000 Hempstead Turnpike, Levittown, New York, 11758. These materials helped to convince them that Defendant Homesafe was a legitimate business.

243. The first document the Moffetts received was titled “Authorization to Represent.” They signed this document on January 5, 2010 and returned it to Defendant Homesafe’s offices as instructed. Rho Aff., Ex. 77.

244. In addition, the Moffetts received a copy of Defendant Homesafe’s “Homeowner disclosure.” The Moffetts were reassured by the document’s “Money Back Guarantee,” the promise that the company would work with “unrelenting persistence,” and the representation that Defendant Homesafe had “a very high rate of success.”

245. The Moffetts signed this document on January 8, 2010 and returned it to Defendant Homesafe’s offices as instructed. Rho Aff., Ex. 78.

246. They also received a document titled “Client’s Responsibilities during Loss Mitigation Processing.” Based upon this document, the Moffetts understood that Defendant Homesafe was instructing them to stop making monthly payments to their mortgage servicer for as long as they were customers of Defendant Homesafe. Additionally, the Moffetts understood that it was very likely they would receive a loan modification within 90 days.

247. They signed this document January 8, 2010 and returned it to Defendant Homesafe’s offices as instructed. Rho Aff., Ex. 79.

248. The Moffetts completed other forms that Defendant Homesafe sent to them, including a “Homeowner Application Form” and a “Homeowner Questionnaire.” These documents requested sensitive personal and financial information, including their Social Security numbers and a breakdown of their various debts and monthly expenses. The Moffetts returned the documents to Defendant Homesafe’s offices as instructed. Rho Aff., Ex. 80.

249. The Moffetts also received a document titled “Payment Authorization Form.” In this document, the Moffetts agreed to make several up-front payments to Defendant Homesafe in exchange for the company’s promise to obtain a loan modification on their behalf. The Moffetts made this decision to agree to these payments based on the various representations made to them orally and in writing by Defendant Homesafe and its representatives about the services that Defendant Homesafe would provide.

250. The header of the “Payment Authorization Form” listed Defendant Homesafe’s address as 3000 Hempstead Turnpike, Suite 200, Levittown, New York 11756.” The Moffetts

understood this information to mean that they were paying for the services of a company based in the State of New York.

251. Mr. Moffett signed this document on two separate occasions. The first form, signed on January 8, 2010, was blank except for his name, address, and an entry stating that the “total fee due” was \$1,495.00. Rho Aff., Ex. 81. The second form, signed on January 13, 2010, had additional payment information. The “Payment Schedule” included four entries: a first payment of \$495.00 with a “bill date” of January 14, 2010; second and third payments of \$300.00 with bill dates of January 22 and February 5, 2010, respectively; and a final, fourth payment of \$400.00 with a bill date of February 19, 2010. The Moffetts returned this form to Defendant Homesafe’s offices as instructed. Rho Aff., Ex. 82.

252. Defendant Homesafe withdrew funds from the Moffetts’ bank account in four installments, although not on the dates agreed to in the Payment Authorization Form. These payments were taken by “Homesafe America Inc East Meadow NY US” and “2491016E803241QHG Homesafe America Inc East Meadow NY.” Whereas the Moffetts agreed that the payments would occur on January 14, January 22, February 5, and February 19, Defendant Homesafe instead undertook electronic funds transfers (“EFTs”) on January 19, January 22, February 24, and February 26. Rho Aff., Ex. 83. The company initiated these EFTs without providing them with advance, written notice.

253. Moreover, Defendant Homesafe withdrew a larger sum from their account than had been agreed to in the Payment Authorization Form. Whereas the Moffetts had agreed that the third payment would be for \$300.00, Defendant Homesafe instead withdrew \$400.00 via EFT.

The company undertook the larger-than-agreed EFT without authorization and without providing the Moffetts with advance, written notice.

254. Defendant Homesafe provided few services in exchange for its fee. In late January or early February 2010, Defendant DiDonato helped them complete a standard application form for the federal “Making Home Affordable Program,” which Defendant Homesafe said it would submit to the Moffetts’ mortgage servicer. These documents added to the appearance of legitimacy of the company. Rho Aff., Ex. 84.

255. Weeks passed, and the Moffetts heard nothing from Defendant Homesafe or their mortgage servicer. They became increasingly concerned that Defendant Homesafe was not providing the services it had promised.

256. They questioned whether they should contact their lender themselves, but Defendant DiDonato said they should not because he and Defendant Homesafe would handle everything.

257. Ms. Moffett expressed her concern about the status of their loan modification request in a February 28, 2010 letter to Defendant Homesafe. Rho Aff., Ex. 85. She wrote that their monthly mortgage payments had recently increased and that they were “really in need of a modification.” She explained:

We got very concerned about the money we put out for your help, felt like we just spent money we didn’t have and there are no guarantees we will get a modification that will do some good. If that happens, we will get our \$1495.00 back, right?

She did not receive a response from any Defendant Homesafe representative.

258. On May 5, 2010, a Homesafe representative, Rosa Yanez (“Yanez”), e-mailed them basic information about their client file. Rho Aff., Ex. 86. The e-mail listed their “Broker” as “Bill,” which upon information and belief was Defendant DiDonato. In addition, the e-mail indentified Defendant Estevez as their “Negotiator”; Defendant Gonzalez as their “QC”; Yanez as their “Processor”; and Defendant Samuel as the “Attorney Manager.” All of these Homesafe representatives had phone numbers with a “516” area code, which is the area code for Nassau County, New York.

259. On June 1, 2010, another Homesafe employee, Defendant Ricketts, e-mailed the Moffetts an update about their client file. Rho Aff., Ex. 87. The e-mail indicated that Defendant Ricketts was now also serving as one of their “Negotiators.”

260. On July 14, 2010, Yanez e-mailed them another update about their file. Rho Aff., Ex. 88. The e-mail indicated that Defendant Arlene Jobe (“Jobe”) was now also serving as one of their “Negotiators” and that Defendant Lake was serving as one of their “Processors.” The update did not indicate any progress by Defendant Homesafe in obtaining a loan modification for the Moffetts.

261. The Moffetts tried to call Defendant Homesafe’s New York office numerous times, but had difficulty finding anyone to speak to about their file. When they finally did reach someone, they would receive the same explanation, time and again: that their file was “under review.”

262. Eventually, in late July 2010, they became frustrated with the company's failure to provide the services originally promised, and they demanded a refund by e-mail. Rho Aff., Ex.

89. On July 26, 2010, Mrs. Moffett e-mailed Defendant Lake, explaining:

I have tried three times to contact Bill Denato [sic] this AM and each time get cut off. Bob and I are very concerned about the money we paid Homesafe America to negotiate our home mortgage loan with Freedom Mortgage. Each time I call or get an e-mail, everything is still being reviewed. . . .

The last time I talked with Mr. Denato [sic], he told me that our contract has a clause to refund our money if no negotiation can be [sic] reached. It has now been nearly seven [sic] months and it is getting more difficult to talk with anyone concerning this matter. We are requesting that our money be returned and we will seek other options. We have been told repeatedly from other sources that negotiating a mortgage is free, and charges for this service is unethical. I also asked to speak to the attorney listed in this e-mail, Guy Samuel, and was cut off.

Since I have not been able to talk to anyone, I will expect a check in the mail for the entire \$1,485.00 we paid your company to negotiate this Mortgage. I believe I have every right to seek a refund based on your inability to negotiate this loan and my inability to speak with anyone in your organization concerning this matter. I am terminating our relationship with your company and expect a refund forthwith.

Mrs. Moffett did not receive a response to the letter, nor did she receive the requested refund.

263. In one of their various attempts to speak to a Defendant Homesafe employee about their concerns, the Moffetts asked for an employee in a supervisory capacity. They were told by the customer representative on the phone that "Guy Samuel" was in charge but that he was in the Dominican Republic. They were then given his voice-mail to leave a message, which was never returned.

264. The Moffett's final contact with Defendant Homesafe occurred on August 31, 2010, when Mrs. Moffett called the company's office hoping to speak with Defendant DiDonato. She was transferred to another Defendant Homesafe employee, Defendant Ahluwalia, who explained that Defendant DiDonato no longer worked for the company, and that the new manager was yet another representative, Defendant Dahari.

265. Defendant Homesafe failed to obtain a loan modification for the Moffetts and failed to refund their initial payments. The Moffetts' total damages include the \$1,495.00 fee paid to Defendant Homesafe, as well as the extra \$100.00 taken out by the company without the Moffetts' authorization.

266. Defendant Homesafe has not returned the various forms and documents the Moffetts sent to the company as part of their "enrollment package." Defendant Homesafe continues to hold sensitive personal and financial information without their permission.

(i) Concetta & Pherry Elden Baker

267. Concetta Baker and her husband Pherry Elden Baker currently are citizens of the State of Texas. They used to own and reside in a home at 1914 Fountain Spray Drive, Wylie, Texas 75098.

268. The Bakers had a mortgage on their Wylie, Texas property, which was held by Chase Bank and later transferred to Deutsche Bank. They bought the home in or around 2005 for \$191,000.00 and regularly made their monthly mortgage payments until facing financial strain in or around 2010. In the summer of 2010, the Bakers were forced to move out the home when it was sold by Deutsche Bank.

269. In early June 2010, Mr. Baker was unemployed, and the Bakers were struggling to make their mortgage payments, partly resulting from an extended and costly custody battle over Mr. Baker's daughter from a previous marriage. The Bakers began looking for ways to reduce their mortgage expenses.

270. At the time, the Bakers were sending their monthly mortgage payments to Chase Bank. Unbeknownst to them at the time, at some point before June 2010, Chase had sold the mortgage to Deutsche Bank. The Bakers were never notified of the transfer, and so continued sending payments to Chase, unaware that they were defaulting on their mortgage by failing to pay Deutsche Bank.

271. Sometime in early June, Ms. Baker was searching government websites for information on home loan modifications, and came across Defendant Homesafe's Internet page. Based on the appearance and language of the website, Mrs. Baker assumed that the company offered legitimate services. She thus contacted the company through the site and was put in touch with Defendant Richard Gates ("Gates"), a representative of Defendant Homesafe who described himself as a "Senior Loss Mitigation Specialist." Defendant Gates was a fast-talking salesman who convinced Ms. Baker and her husband to seek a loan modification with Defendant Homesafe.

272. The first document the Bakers received from Defendant Gates via e-mail on June 10, 2010, was an "Authorization to Represent." Rho Aff., Ex. 90. The document authorized the Baker's mortgage company to discuss their loan modification request and to release information for payment assistance to Defendant Homesafe, as their "Designated Agent." The Bakers signed

this document – believing it to create a fiduciary relationship between them and Homesafe – and returned the form to Defendant Homesafe’s offices as instructed.

273. Six days later, on June 16, Defendant Gates e-mailed Ms. Baker an “enrollment package,” which included several additional Defendant Homesafe documents. These materials helped to convince the Bakers that Defendant Homesafe was a legitimate business.

274. Among the materials included in the “enrollment package” was Defendant Homesafe’s “Homeowner disclosure” form. Rho Aff., Ex. 91. The Bakers were reassured by the document’s “Money Back Guarantee,” the promise that the company would work with “unrelenting persistence,” and the representation that Defendant Homesafe had “a very high rate of success.” The Bakers signed this document and returned it to Defendant Homesafe’s offices as instructed.

275. The Bakers also received a document titled “Client’s Responsibilities during Loss Mitigation Processing.” Rho Aff., Ex. 92. Based upon this document, the Bakers understood that Defendant Homesafe was instructing them to stop making monthly payments to their mortgage servicer for as long as they were customers of Defendant Homesafe. Additionally, the Bakers understood that it was very likely they would receive a loan modification within 90 days. The Bakers signed this document and returned it to Defendant Homesafe’s offices as instructed.

276. The Bakers completed other forms that Defendant Homesafe sent to them from Defendant Gonzalez, including a “Homeowner Application Form” and a “Homeowner Questionnaire.” Rho Aff., Ex. 93. These documents requested sensitive personal and financial information, including their Social Security numbers and a breakdown of their various debts and

monthly expenses. The Bakers returned the documents to Defendant Homesafe's offices as instructed.

277. The Bakers also received a document titled "Payment Authorization Form." In this document, they were asked to make several up-front payments to Defendant Homesafe in exchange for the company's promise to obtain a loan modification on their behalf.

278. The header of the "Payment Authorization Form" listed Defendant Homesafe's address as 3000 Hempstead Turnpike, Suite 200, Levittown, NY 11756." The Bakers understood this information to mean that they were paying for the services of a company based in the State of New York.

279. The June 16 Payment Authorization Form indicated that the Bakers would pay \$2,495.00 for Defendant Homesafe's services. The "Payment Schedule" contained three entries: a \$1,495.00 payment with a "bill date" of June 17, 2010, and two \$500.00 payments with bill dates of July 2 and July 16, 2010, respectively. Rho Aff., Ex. 94.

280. Mrs. Baker objected to the large up-front fee, and, over the next two days, Defendant Gates and Mrs. Baker negotiated a new schedule that stretched out the payments over a longer period. On June 18, 2010, Defendant Gates e-mailed the Bakers a new Payment Authorization Form. Rho Aff., Ex. 95. The Payment Schedule now contained four entries: a first payment \$995.00 with a bill date of June 18, 2010, and three additional payments of \$500.00 with bill dates of July 2, July 9, and July 23, 2010, respectively. Ms. Baker provided her debit card information, signed the June 18 Payment Authorization Form, and returned it to

Defendant Homesafe. The Bakers made this decision based on the various representations made to them orally and in writing by Defendant Homesafe and its representatives.

281. In late June, the Bakers noticed an unexpected charge to their debit card. They discovered that Defendant Homesafe made two EFTs from their account – the first, on June 23 for \$995.00, and the second, on June 25, for \$400.00. They were immediately concerned, as neither the June 16 Payment Authorization Form nor the June 18 Payment Authorization Form included a payment scheduled for June 25. Their bank statement indicated that the payment was made to Defendant Homesafe’s offices in Levittown, New York. To prevent Defendant Homesafe from making any additional unauthorized withdrawals, the Bakers subsequently cancelled their bank card.

282. Things changed dramatically for the Bakers in mid-July. They returned home one day to discover a notice posted on their front door, with a message stating that their home had been sold. Stunned, Ms. Baker called the realtor for an explanation. It turned out that they had defaulted on their mortgage, and the bank had sold their home to new owners. Since they had never been informed that Chase had transferred the mortgage to Deutsche Bank, they had failed to send monthly payments to Deutsche Bank, thus sending their mortgage into default.

283. As they scrambled for new housing, Ms. Baker tried to contact Defendant Homesafe to discuss the sudden change in circumstances. Ms. Baker wanted a refund of the \$1,395.00 withdrawn from their account – not simply because Defendant Homesafe had failed to obtain a loan modification, but because the company, as their “Designated Agent,” had failed to discover that their mortgage had been transferred to Deutsche Bank.

284. When Ms. Baker called Defendant Homesafe, she asked to speak with the owner, and was connected to an individual representing to be “Scott James,” which on information and belief was Defendant Schreiber. The individual stated that Defendant Homesafe was unable to help the Bakers, and then abruptly hung up. When Ms. Baker tried calling Defendant Homesafe’s offices several more times that day, she was unable to reach anyone willing to speak with her.

285. Mrs. Baker then notified the Office of the Attorney General of Texas and the BBB of Metropolitan New York to report her experience with Homesafe.

286. On July 16, 2010, Defendant Gonzalez and Ms. Baker spoke by phone. She explained that she wished to terminate their relationship with Defendant Homesafe and receive a full refund. Defendant Gonzalez agreed to provide a refund and to send a follow-up e-mail regarding the refund later that day.

287. On July 19, 2010, Defendant Gonzalez e-mailed Ms. Baker, stating that “I DID PROCESS YOUR REFUND AND I STATED THERE IS A 30 DAY PERIOD FOR ALL REFUNDS. YOU WILL BE GETTING YOUR REFUND SHORTLY.” Ms. Baker responded that day, stating that she wanted a refund immediately, noting that Homesafe had “cause[d] a bad situation to become dire.” Rho Aff., Ex. 96.

288. Weeks later, Ms. Baker received a phone call from Defendant Gonzalez. Rather than following up on his promise to refund their money, he expressed his frustration that the Bakers had “caused [them] a lot of problems.” Mrs. Baker interpreted the statement as a reference to her notifying the Texas Attorney General’s Office and the BBB. During the

conversation, Defendant Gonzalez claimed that it was Defendant Homesafe – and not the Bakers – who were owed money, stating that they had never made the final two payments indicated on the June 18 Payment Authorization Form. Ms. Baker responded that she had no intention of paying the remaining balance to Defendant Homesafe given that its employees had failed to perform the services they had promised.

289. To date, the Bakers have still not received a refund. The total damages they have suffered include the \$1,395.00 debited from their account by Defendant Homesafe, as well as the costs associated with their foreclosure.

290. Defendant Homesafe has not returned the various forms and documents the Bakers sent to the company as part of their “enrollment package.” Defendant Homesafe continues to hold sensitive personal and financial information without their permission.

(j) Joseph & Dianne Iorio

291. Dianne and Joseph Iorio are citizens of the State of New Jersey and currently own and reside in a home at 2113 Shadow Brook Drive, Wall, New Jersey 07719.

292. The Iorios hold two mortgages on their property, the first of which is held by IndyMac Bank (now One West Bank) and the second of which is held by Green Tree Servicing LLC.

293. Between 2005 and 2007, the Iorios faced a series of crises that destroyed their personal finances. In short succession, Mr. Iorio suffered a brain aneurysm and then was diagnosed with cancer. Around the same time, the Iorios lost their business and a large share of their investment portfolio. To cover these unexpected costs, they re-mortgaged their home.

294. Between January 2009 and September 2010, Mr. Iorio was out of work, putting additional financial strain on the family. They tried to sell their home, only to find that no one was willing to buy the property during an economic downturn. As their financial situation worsened, the Iorios began looking for ways to reduce their monthly mortgage payments.

295. The Iorios had their first contact with Defendant Homesafe in or around May 2010. Defendant Kevin Cogan (“Cogan”), who represented himself as a “Senior Loss Mitigation Specialist” for Defendant Homesafe, contacted the Iorios through cold-calls and e-mail. To this day, they are unsure how Defendant Homesafe obtained their contact information.

296. After several contacts, the Iorios asked their personal attorney whether he believed Defendant Homesafe was a legitimate business. The attorney stated his belief that it was, and so they decided to respond to Defendant Cogan’s entreaties. Neither of them had ever met a Homesafe representative in person.

297. During their conversations with Defendant Cogan and other Homesafe representatives, the Iorios were told that they would receive a loan modification in three months and that Defendant Homesafe would remain in regular, weekly contact. Defendant Cogan told them that he would not charge them for any of Defendant Homesafe’s services until the company had obtained a loan modification for them.

298. On June 29, 2010, Defendant Cogan, using a Homesafe e-mail address, sent the Iorios a collection of “authorization forms” for them to print, sign, and return to their office at 3000 Hempstead Turnpike, Levittown, NY, 11758. These materials helped to convince them that Defendant Homesafe was a legitimate business. Defendant Cogan’s e-mail contained an

electronic signature, which included a logo indicating that Defendant Homesafe was a member of “Halo Mac,” otherwise known as the “Home Loan Modification Association of Companies.” This purported affiliation also helped to convince them that Defendant Homesafe was a legitimate business. Rho Aff., Ex. 97.

299. The first document they received was titled “Authorization to Represent.” The document authorized their mortgage company to discuss their loan modification request and to release information for payment assistance to Defendant Homesafe, their “Designated Agent.”

300. Ms. Iorio signed this document on June 29, 2010 and faxed it to Defendant Homesafe’s offices as instructed. Rho Aff., Ex. 98.

301. Among the materials included was Defendant Homesafe’s “Homeowner disclosure” form. The Iorios were reassured by the document’s “Money Back Guarantee,” the promise that the company would work with “unrelenting persistence,” and the representation that Defendant Homesafe had “a very high rate of success.”

302. The Iorios signed this document on August 16, 2010 and returned it to Defendant Homesafe’s offices as instructed. Rho Aff., Ex. 99.

303. They also received a document titled “Client’s Responsibilities during Loss Mitigation Processing.” Based upon this document, they understood that Defendant Homesafe was instructing them to stop making monthly payments to their mortgage servicer for as long as they were customers of Defendant Homesafe. Additionally, the Iorios understood that it was very likely they would receive a loan modification within 90 days.

304. The Iorios signed this document August 16, 2010 and returned it to Defendant Homesafe's offices as instructed. Rho Aff., Ex. 100.

305. The Iorios were sent other forms by Defendant Homesafe, including "Loan Modification Proposals" for both their first and second lien mortgages. Rho Aff., Ex. 101. Many of the documents the Iorios completed required sensitive personal and financial information, including their Social Security numbers and a breakdown of their various debts and monthly expenses.

306. They also received a document titled "Payment Authorization Form." In this document, they agreed to make one up-front payment to Defendant Homesafe in exchange for the company's promise to obtain a loan modification on their behalf. They made this decision based on the various representations made to them orally and in writing by Homesafe and its representatives. The "Payment Schedule" contained only one payment: \$3,250.00, with a "bill date" of August 19, 2010. The form included the account number, expiration date, and CCV2 number for their American Express card, as well as both of the Iorios' Social Security numbers.

307. The header of the "Payment Authorization Form" listed Homesafe's address as 3000 Hempstead Turnpike, Suite 200, Levittown, NY 11756." The Iorios understood this information to mean that they were paying for the services of a company based in the State of New York.

308. Ms. Iorio signed a copy of this document on August 16, 2010, and returned it to Defendant Homesafe's offices as instructed. Rho Aff., Ex. 102.

309. Defendant Homesafe charged the Iorios' credit card immediately after the company received the payment information, despite Defendant Cogan's assurance that the Iorios would not need to make any payments until the loan modification was completed.

310. In early September, the Iorios sent Defendant Homesafe a one-page "hardship letter" describing their need for a loan modification. Rho Aff., Ex. 103. Weeks passed, and they heard nothing from Defendant Homesafe. Ms. Iorio tried calling several times, but was unable to reach Defendant Cogan. Eventually, the Iorios learned that Defendant Cogan had left Defendant Homesafe, and that their file had been transferred to at least two other Homesafe representatives, Defendant Delsy Velasquez ("Velasquez") and Defendant Ahluwalia. Ms. Iorio e-mailed Velasquez on November 9, 2010, explaining that she had left 4 messages for someone to call her and "to date [had] not had the courtesy of a return call." She requested to be informed of the status of her account. Rho Aff., Ex. 104.

311. On November 11, 2010, Defendant Ahluwalia e-mailed the Iorios basic information about their client file. Rho Aff., Ex. 105. The document listed Defendant Gonzalez as their "Agent" and "QC," and Defendant Ahluwalia as their "Negotiator." The document included the e-mail addresses for Defendants Gonzalez and Ahluwalia, as well as the address "guy@homesafeamerica.com," which, based on information and belief, belonged to Defendant Samuel.

312. Around this time, the Iorios became concerned that Defendant Homesafe and its representatives were doing little or nothing to help them obtain a loan modification. Thus, they contacted American Express regarding their payment to Defendant Homesafe; on November 12,

2010, American Express sent a letter to them stating that it had opened a “formal investigation” into the inquiry. Rho Aff., Ex. 106.

313. On December 20, 2010, the Iorios sent a letter to Defendant Homesafe seeking a return of their client file. Rho Aff., Ex. 107. The letter stated that “it has been almost impossible to speak with anyone in your office whenever we called.” In addition, the letter stated:

Kevin Cogan negotiated with us and told us that no monies would be deposited until they obtained the loan modification for us. Your company immediately put the charge on our credit card. When we received our bill we called your company and were given a run around. No one had any information for us. We were told that the modification would take 3 months and Homesafe would be in contact with us every week. We never heard from your company. We feel we were lied to by Homesafe and that you took our money and did nothing with our file.

314. On December 28, 2010, Douglas DiPaola, a vice president of dispute resolution at American Express, replied to the Iorios’ billing inquiry. DiPaola stated that, following an investigation, Defendant Homesafe had “not given [American Express] the information we need to resolve the matter,” and therefore American Express would issue the Iorios a credit for \$3,250.00. Rho Aff., Ex. 108.

315. On January 20, 2011, the Iorios sent a certified letter to Defendant Homesafe demanding the return of their client file. Rho Aff., Ex. 109. The letter stated that the Iorios had terminated their relationship with Defendant Homesafe because of the company’s “unprofessional” manner, and because they “fear[ed]” that Defendant Homesafe’s refusal to return their personal information “could cause a problem.” They have not received any response from Defendant Homesafe or any of its employees.

316. Defendant Homesafe has not returned the various forms and documents the Iorios sent it as part of their “enrollment package.” The company continues to hold sensitive personal and financial information without their permission.

SECTION III: The Rise and Fall of Homesafe America, Inc.

317. The inner workings of Defendant¹ Homesafe were laid bare in the spring of 2011, when Scott Schreiber sued the company and Guy Samuel in a stockholder derivative action, claiming that Samuel stole nearly \$200,000.00 worth of corporate assets before his departure from the company in December 2010. The subsequent litigation resulted in various court filings, which included two affidavits of Schreiber, an affidavit of Samuel, and numerous exhibits outlining Homesafe’s operations and finances. These public materials, attached as Rho Affidavit Exhibits 19 through 36, provide the basis for much of Plaintiffs’ knowledge of Homesafe’s operations.

(a) Creation of Homesafe America

318. Homesafe America, Inc. was incorporated on December 2, 2008 by Defendants Schreiber and Samuel. The two met through a mutual friend in 2000, but remained acquaintances until late 2008, when they began discussing a joint business venture. According to Schreiber, Samuel approached him with a business plan that he had “acquired and modified” from business contacts in the Florida mortgage industry. Rho Aff., Ex. 24 at ¶ 3 (Feb. 15, 2011 Affidavit of Scott Schreiber, Schreiber v. Homesafe, No. 002344-11 (N.Y. Sup. Ct., May 16, 2011), hereinafter “Schreiber Feb. Aff.”).

¹ For ease of reading, this section of the Complaint does not in each instance refer to Homesafe America, Inc., United Legal Solutions Incorporated, Scott Schreiber, and Guy Samuel as Defendants.

319. At the time they launched their business, Schreiber and Samuel had virtually no experience in the loan modification industry. Samuel states that he was interested in partnering with Schreiber because Samuel considered him “business savvy” and because Schreiber had experience running his own business, a children’s entertainment company called “Jump N’ Entertainment.” Rho Aff., Exs. 24 ¶ 3 (Schreiber Feb. Aff.), 25 ¶ 3 (Mar. 5, 2011 Affidavit of Guy Samuel, Schreiber v. Homesafe, No. 002344-11 (N.Y. Sup. Ct., May 16, 2011), hereinafter “Samuel Aff.”). Samuel himself claims to have worked as a loan officer for mortgage bankers and brokers “periodically” since 2006. Rho Aff., Ex. 25 ¶ 2 (Samuel Aff.).

320. Samuel states that shortly after he and Schreiber met in 2008 to discuss their business idea, the two traveled to Florida to meet with “people who were operating a loan modification consulting company” and observe their operations. Rho Aff., Ex. 25 ¶ 4 (Samuel Aff.). After the trip, the two of them agreed to create Homesafe. Id. ¶ 5.

321. Samuel and Schreiber each controlled fifty percent of the company’s 200 shares and were the only two directors of the Company’s board. Rho Aff., Exs. 19 ¶¶ 1 – 2 (Complaint, Schreiber v. Homesafe, No. 002344-11 (N.Y. Sup. Ct., May 16, 2011), hereinafter “Schreiber Complaint”); 22 ¶ 2 (Plaintiffs’ Mar. 9, 2011 Reply Affirmation in Support of Order to Show Cause / Opposition to “Cross-Motion”, Schreiber v. Homesafe, No. 002344-11 (N.Y. Sup. Ct., May 16, 2011), hereinafter “Schreiber Reply”); 24 ¶ 4 (Schreiber Feb. Aff.).

322. Schreiber states that he provided much of the up-front capital to launch Homesafe. Rho Aff., Ex. 24 ¶ 5 (Schreiber Feb. Aff.). He claims that Samuel had “a very poor credit rating” and “no real access to funds,” and so Schreiber took the lead in obtaining money for the

company. He states that he obtained a \$10,000.00 loan from his parents and used \$8,000.00 of his own money to start the business. Id.

(b) Management of Homesafe America

323. Schreiber and Samuel disagree on the roles each played within the corporation. Both seem to claim that they were responsible for “marketing,” while the other was responsible for overseeing the client’s files. Samuel describes Schreiber as the company’s “chief financial officer” (Rho Aff., Ex. 25 ¶ 34 (Samuel Aff.)), and Schreiber describes Samuel as Homesafe’s “Chief Operating Officer” (Rho Aff., Ex. 19 ¶ 93 (Schreiber Complaint)), although Schreiber later claims that “we had no titled positions at HomeSafe.” Rho Aff., Ex. 26 ¶ 7 (Mar. 9, 2011 Affidavit of Scott Schreiber, Schreiber v. Homesafe, No. 002344-11 (N.Y. Sup. Ct., May 16, 2011), hereinafter “Schreiber Mar. Aff.”).

324. According to Schreiber, he focused on marketing, while Samuel “drafted and handled the business contracts and made all of the important policy decisions.” Rho Aff., Ex. 24 ¶ 4 (Schreiber Feb. Aff.). Schreiber states that Samuel “always assumed the day to day responsibility to pay the Corporation’s bills” (Rho Aff., Ex. 19 ¶ 28 (Schreiber Complaint)) and that Samuel was “by far the more dominant person in the business.” Rho Aff., Ex. 24 ¶ 9 (Schreiber Feb. Aff.).

325. Samuel, on the other hand, states that his own work “included overseeing and managing the sales and marketing operations,” as that “was where [his] strengths lied.” Rho Aff., Ex. 25 ¶ 6 (Samuel Aff.). Samuel states that Schreiber was in charge of customer support, corporate finances, and “dealing with the customers after they signed up for [Homesafe’s] services.” Id. ¶¶ 6 – 8. Samuel claims that Schreiber was the “dominant partner when it came

to controlling finances.” Id. ¶ 47. He also claims that Schreiber “consistently mishandled clients, sometimes committing fraud.” Id. ¶ 18.

326. Samuel took primary responsibility for the company’s online presence. Both parties agree that Samuel had “administrative rights to [Homesafe’s] e-mail server” and that Homesafe’s websites “were in [Samuel’s] name.” Rho Aff., Ex. 24 ¶ 12 (Schreiber Feb. Aff.); see also Rho Aff., Ex. 25 ¶ 44 (Samuel Aff.). Schreiber states that when Samuel left the company, he intentionally locked Schreiber out of Homesafe’s e-mail and website. Samuel disagrees, claiming that Homesafe’s website and e-mail server were shut down because Schreiber failed to pay the bills on time. Rho Aff., Ex. 25 ¶ 43 (Samuel Aff.).

327. Samuel claims that Schreiber hired his friends to serve as Homesafe employees, who Samuel describes as “incompetent.” Id. ¶ 19. Samuel further claims that Schreiber refused to discipline these employees when they “failed to do their jobs.” Id. Samuel alleges that Schreiber overpaid his friends for work they did not perform, costing the company more than \$100,000 in corporate assets. Id. Samuel also claims that Schreiber allowed employees to smoke marijuana in the office and that some of the employees were undocumented workers. Id. Schreiber states that he and Samuel approved “[e]very single person” the company hired. Rho Aff., Ex. 26 ¶ 26 (Schreiber Mar. Aff.).

(c) Operations of Homesafe America

328. Schreiber and Samuel both acknowledge that Homesafe was a for-profit loan modification company. Schreiber states that Homesafe was “in the business of aiding distressed mortgagors to restructure their mortgages.” Rho Aff., Ex. 19 ¶ 25 (Schreiber Complaint). They

both admit that they collected up-front fees from customers. Rho Aff., Exs. 19 ¶ 34 (Schreiber Complaint); 25 ¶ 5 (Samuel Aff.).

329. In papers submitted to the New York State Supreme Court, Samuel claimed that because Homesafe took up-front fees, the “entire operation was illegal.” As a defendant in Schreiber’s stockholder derivative action, Samuel sought dismissal of the complaint by arguing that Homesafe repeatedly took such payments, in violation of New York Real Property Law 265-b, and therefore any agreement arising from this plan to violate this law was unenforceable.

Samuel’s Memorandum of Law in Opposition to Plaintiff’s Order to Show Cause states:

It is clear that Schreiber and Samuel were not attorneys, banks, title insurers, or any other classification outlined in 265-b(1)(e), and were prohibited from taking compensation for their services before they were completed. In spite of this, Schreiber and Samuel, through HomeSafe, collected fees up front, in violation of Real Prop. Law 265-b. As admitted by Schreiber and Samuel, HomeSafe collected the fees before the services were provided and completed. Schreiber stated that ‘Homesafe America, Inc. has close to 1,000 files which were pending as of December 3, 2010 . . . These customers either need to have their work completed or money returned.’ See Schreiber Affid. ¶ 15.

Because HomeSafe took the client’s money before the services were provided, and neither principal was an attorney, title insurance company or bank, the entire operation was illegal, and all of the funds deposited into HomeSafe’s accounts were the result of an illegal agreement. It is these very funds obtained illegally that Plaintiff requests the Court place in escrow for the return to the illegal corporation, HomeSafe, which continues to operate illegally.”

(Rho Aff., Ex. 21 at 4-5 (Samuel Memorandum (emphasis added))).²

² Samuel’s Memorandum of Law also looks to the legislative history of Section 265-b. He quotes the “Sponsor’s Memo” in support of the bill creating Section 265-b, writing that “RPL 265-b was instituted ‘to prevent certain foreclosure rescue scams’” and that the purpose of the prohibition against up-front fees “was to ‘target foreclosure rescue scams operated by consultants who seek to take advantage of homeowners in default.’” Rho Aff., Ex. 21 at 4 (Samuel Memorandum), quoting S.8143 (2008) (Sponsor’s Memo).

Samuel’s Memorandum of Law asks the court to deny Plaintiff’s request for an injunction because it would be a “complete misuse of the Court to order funds returned to an illegal operation.” Rho Aff., Ex. 21 at 11 (Samuel Memorandum). The memo explains:

(...continued)

330. Homesafe found most, if not all, of its customers online. Rho Aff., Ex. 25 ¶ 42 (Samuel Aff.). According to Samuel, Homesafe “marketed itself extensively on the Internet.” He states that the company paid Google for ad terms such as “loan modification,” and that potential customers would visit the company’s websites and then call into the office to inquire about Homesafe’s services. Id. ¶ 20. Google billed Homesafe an average of \$51,356.15 per month for its advertising services. Rho Aff., Ex. 24 ¶ 8 (Schreiber Feb. Aff.). According to the Homesafe’s Profit & Loss Statement, the company spent \$159,772.18 on “advertising and promotion” and \$327,254.66 on “marketing” between January and October 2010. Rho Aff., Ex. 30 (Order to Show Cause Memorandum Exhibit D, Schreiber v. Homesafe, No. 002344-11 (N.Y. Sup. Ct., May 16, 2011), hereinafter “Profit & Loss”). Samuel claims that when he departed Homesafe in December 2010, he “left behind more than 30,000 leads” the company had culled from Google and “other marketing strategies.” Rho Aff., Ex. 25 ¶ 40 (Samuel Aff.).

331. Samuel asserts that the company’s websites generated a “large volume of calls.” Id. ¶ 21. Schreiber states that, as of Samuel’s departure in December 2010, Homesafe had “close to 1,000 files which were pending.” Rho Aff., Ex. 24 ¶ 15 (Schreiber Feb. Aff.). In February 2011, Schreiber reportedly delivered “900 outstanding [customer] files” to Samuel’s new offices at Consumer First Corp. Rho Aff., Ex. 26 ¶ 31 (Schreiber Mar. Aff.).

(continued...)

If two partners to an illegal Ponzi scheme – not the investors, but the operators of a Ponzi scheme – came to the Court seeking enforcement of their illegal agreement and division of their illegal profits, would the Court utilize its resources to assist such a plaintiff? If a bookie running an illegal gambling operation petitioned the Court to assist it in collecting a debt from another bookie, would the Court assist such a plaintiff? Surely not.

Id.

332. The court filings in Schreiber v. Homesafe contain virtually no information about how Homesafe actually sought loan modifications for its customers and whether it ever achieved successful results. It appears that Homesafe relied largely on a Florida-based company³ called “The Loan Post” to help it manage client relationships.⁴ According to The Loan Post’s website, the company is “the leading provider of web based loan modification software.” The Loan Post, <http://www.themodpost.com> (last visited June 24, 2011). Homesafe’s December 2010 bank statement indicates that Homesafe paid \$1,300.00 to The Loan Post on December 8, 2010 and \$595.00 to the company on December 21, 2010. Rho Aff., Ex. 33 (Order to Show Cause Memorandum Exhibit G, Schreiber v. Homesafe, No. 002344-11 (N.Y. Sup. Ct., May 16, 2011), hereinafter “Citibusiness Account Statement 3.”).

(d) Finances of Homesafe

333. As noted earlier, Schreiber provided most of the start-up capital for Homesafe. Rho Aff., Exs. 24 ¶ 5 (Schreiber Feb. Aff.); 25 ¶ 9 (Samuel Aff.) . In addition to these initial funds, Homesafe obtained at least three additional loans: an \$8,000.00 loan from Schreiber’s friend, Anthony Crisano; a \$10,000.00 loan from Schreiber’s friend Vaughn Orlandi⁵; and a \$50,000.00 loan from Leonid and Anna Grosfeld. Rho Aff., Exs. 24 ¶ 6 (Schreiber Feb. Aff.);

³ It is unknown whether this is same loan modification company that Schreiber and Samuel “observed” when they visited Florida before launching Homesafe in December 2008. See supra ¶ 323.

⁴ Homesafe’s scheme could not operate without assistance from The Loan Post, which conducts business at 951 Brickell Avenue, Suite 3110, Miami, Florida 33131 and 17645 SW 84th Avenue, Miami, Florida, 33157. The Loan Post operates at least two websites, <http://www.theloanpost.com> and <http://www.themodpost.com>, which advertise the company’s services and offers support to its clients. The Loan Post provides Homesafe with crucial web-based software and technological assistance that allows Homesafe and its partners to correspond with their victims and to create the appearance of a legitimate loan modification business.

⁵ Samuel spells his name “Vaughn Orlando,” and says that he is now dead. Rho Aff., Ex. 25 ¶ 10 (Samuel Aff.).

25 ¶ 10 – 11 (Samuel Aff.). Schreiber also claims that, from time to time, he was asked to put additional money into the corporation. Rho Aff., Ex. 24 ¶ 6 (Schreiber Feb. Aff.).

334. Schreiber describes Homesafe’s business as “somewhat erratic,” and as recently as January 2010 the company was grossing less than \$50,000 per month. Rho Aff., Ex. 30 (Profit & Loss).

335. The company experienced tremendous growth starting in January 2010. According to Homesafe’s Profit & Loss Statement for January to October 2010, which were included in Samuel’s court filings in Schreiber, Homesafe’s gross revenue nearly doubled between January and February 2010, and then doubled again in March 2010. Id. By July 2010, the company was grossing more than \$200,000 per month. Id.

336. Samuel states that by the time he left the company in December 2010, the company was “grossing approximately \$400,000 a month.” Rho Aff., Ex. 25 ¶ 38 (Samuel Aff.).

337. Homesafe’s Profit & Loss Statement indicates that approximately forty percent of the company’s revenue was used to pay “commissions.” Rho Aff., Ex. 30 (Profit & Loss). The Profit & Loss Statements include no other entries for employee salaries.

Below is a monthly breakdown of Homesafe’s gross revenues, commissions paid, and money spent on marketing, advertising and promotion as reported in the Profit & Loss Statement.⁶

⁶ This chart should be viewed with some skepticism. Samuel claims that Schreiber underreported the company’s income and that, as a result, the Profit & Loss Statement are “a fiction.” Rho Aff., Ex. 25 ¶ 28 – 29 (Samuel Aff.) According to Samuel, the company’s October 2010 merchant account statement indicate that Homesafe collected \$50,000.00 more in revenue that month than was recorded in the Profit & Loss Statement. If anything, the company’s actual gross revenues were quite a bit higher. Id. ¶ 31.

MONTH	GROSS INCOME	COMMISSIONS	MARKETING, PROMOTION AND ADVERTISING
January 2010	\$45,614.95	\$11,918.00	\$5,311.38
February 2010	\$80,668.83	\$15,687.00	\$7,536.98
March 2010	\$166,017.48	\$71,345.75	\$27,016.68
April 2010	\$162,834.00	\$80,517.92	\$46,595.04
May 2010	\$198,743.00	\$83,472.06	\$53,660.61
June 2010	\$187,266.12	\$92,440.42	\$49,625.52
July 2010	\$245,610.96	\$104,848.96	\$66,314.96
August 2010	\$245,611.00	\$103,156.62	\$75,233.99
September 2010	\$324,616.00	\$149,417.00	\$77,908.32
October 2010	\$331,309.00	\$160,761.00	\$77,823.35
YTD 2010	\$1,988,293.34	\$873,582.73	\$487,026.83

[Id.]

338. Samuel claims that Schreiber “has all of [Homesafe’s] documentation or books and records in his possession.” Rho Aff., Ex. 25 ¶ 9 (Samuel Aff.). Schreiber claims that, when Samuel left Homesafe in December 2010, the company’s billing department was “in shambles,” and that “everything was extremely disorganized.”⁷ Rho Aff., Ex. 26 ¶ 19 (Schreiber Mar. Aff.). According to the preceding chart, Homesafe America, Inc. had a net income of \$111,841.50 between January and October 2010. Rho Aff., Ex. 30 (Profit & Loss).

⁷ On December 9, 2010, Scott Schreiber’s attorney, Elliott Martin, sent a letter to Guy Samuel demanding the return of the \$175,000.00 he withdrew on December 3. In the letter, Martin warned Samuel that litigation would not only be “costly to both sides,” but that it “might well be extraordinarily complex and intrusive.” Martin wrote that, “[j]ust as one example, since the inception of the business you have withdrawn amounts well in excess of that withdrawn by Scott [Schreiber]; to calculate that amount we will need to correlate the company’s books with your personal tax returns and other financial records. It is in your interest to sit down and straighten this situation out before it expands in directions you are well advised not to let it go.” Exhibit B to Order to Show Cause Memorandum, Schreiber v. Homesafe, No. 002344-11 (N.Y. Sup. Ct., May 16, 2011). This may or may not be a veiled threat to expose tax evasion.

(e) Banking and Merchant Accounts of Homesafe America

339. Homesafe maintains at least one checking account, one money market account, and three merchant accounts. The checking account was used for day-to-day company operations, the money market account was used to store company profits, and the merchant accounts were used to process customer payments. Rho Aff., Exs. 31 – 32 (Order to Show Cause Memorandum Exhibits A, Schreiber v. Homesafe, No. 002344-11 (N.Y. Sup. Ct., May 16, 2011), hereinafter “Citibusiness Account Statements 1-2”); 33 (Citibusiness Account Statement 3); 34 (Cross-Motion Exhibit C, Schreiber v. Homesafe, No. 002344-11 (N.Y. Sup. Ct., May 16, 2011), hereinafter “Trisource.”).

340. Homesafe maintains its checking account with Citibank and bears the account number 009947104903. Rho Aff., Exs. 31 – 32 (Citibusiness Account Statements 1-2); 33 (Citibusiness Account Statement 3). Schreiber claims that Samuel kept the “corporate checkbook” in his office, and that he would refuse to let Schreiber use it if Samuel disagreed with the proposed expenditure. Rho Aff., Ex. 26 ¶ 8 (Schreiber Mar. Aff.). Homesafe also has or had several debit cards associated with the checking account.

341. In addition, Homesafe maintains a CitiBusiness Insured Money Market Account (“IMMA”), which bears the account number 009982133128. It was from this account that Samuel withdrew the \$175,000.00 on December 3, 2010, giving rise to Schreiber’s lawsuit. Immediately prior to Samuel’s withdrawal, the account had a balance of \$200,738.74. Rho Aff., Exs. 31 – 32 (Citibusiness Account Statements 1-2).

342. Homesafe also operates several merchant accounts. Most of the merchant transactions are or were processed through an account operated by TriSource Solutions LLC and bearing the number bearing the number 544068076211427. Schreiber claims that Samuel “ran” the TriSource account (Rho Aff., Ex. 26 ¶ 9 (Schreiber Mar. Aff.)), while Samuel claims that Schreiber “handled” the account “exclusively,” and that it was in Schreiber’s name. Rho Aff., Ex. 25 ¶ 34 (Samuel Aff.).⁸

343. TriSource processed Visa, MasterCard, and Discover credit card transactions for Homesafe. TriSource’s October 2010 Billing Statement for Homesafe indicates that the company processed 449 credit card transactions worth a total of \$376,104.58 between October 1 – 31, 2010. Rho Aff., Ex. 34 (Trisource). This amount is approximately \$45,000.00 more than Homesafe’s total monthly income listed in the company’s Profit & Loss Statements for that same time period. Rho Aff., Ex. 30 (Profit & Loss).

344. Schreiber and Samuel both indicate that TriSource shut down Homesafe’s account in or around November 2010. Rho Aff., Exs. 25 ¶ 45 (Samuel Aff.); 24 ¶ 10 (Schreiber Feb. Aff.); 26 ¶ 17 – 18 (Schreiber Mar. Aff.). Schreiber states that TriSource blocked his and Samuel’s access to the account after Samuel made several unauthorized transactions involving customers’ credit cards.⁹ Rho Aff., Ex. 24 ¶ 10 (Schreiber Feb. Aff.). Schreiber states that these unauthorized transactions totaled more than \$16,000.00. Id.; Rho Aff., Ex. 26 ¶ 9 (Schreiber Mar. Aff.).

⁸ Homesafe’s October 2010 Monthly Billing Statement from TriSource does not indicate any specific individuals associated with the account. Rho Aff., Ex. 34 (Trisource).

⁹ According to Schreiber, after Samuel left in December 2010, the majority of Homesafe’s charges posted to the TriSource account were “charge-backs.” Rho Aff., Ex. 26 ¶ 18 (Schreiber Mar. Aff.).

345. Homesafe also maintains merchant accounts with Aurum Bankcard and Check 21. Rho Aff., Exs. 34 (Trisource); 25 ¶ 30 (Samuel Aff.).

(f) Schreiber's and Samuel's Disputes Over Homesafe Funds

346. In 2010, Guy Samuel took two trips to the Dominican Republic, purportedly on behalf of Homesafe. Rho Aff., Ex. 19 ¶ 86 (Schreiber Complaint). The first trip was for ten weeks beginning in May 2010, the second was for one week in August 2010. Rho Aff., Ex. 24 ¶ 7 (Schreiber Feb. Aff.). According to Schreiber, Samuel's trip to the Dominican Republic "never resulted in any benefit to the company," (Rho Aff., Exs. 19 ¶¶ 87, 90 (Schreiber Complaint)); 26 ¶¶ 10 – 12 (Schreiber Mar. Aff.) and was nothing more than an "extended vacation" that cost the company more than \$46,000.00. Schreiber states that Samuel was never able to produce any receipts or a business itinerary for the trips. Rho Aff., Exs. 19 ¶¶ 89 – 90 (Schreiber Complaint); 24 ¶ 7 (Schreiber Feb. Aff.).

347. A breakdown of expenses supposedly incurred by Samuel while in the Dominican Republic was included as an exhibit in Schreiber's Order to Show Cause. Rho Aff., Ex. 30 (Order to Show Cause Memorandum Exhibit F, Schreiber v. Homesafe, No. 002344-11 (N.Y. Sup. Ct., May 16, 2011), hereinafter "Dominican Republic Spending"). The chart indicates that Samuel paid for nearly everything in cash, withdrawing the equivalent of more than \$32,000.00 from ATMs in Santo Domingo over a nine-week period.

348. Samuel defends the trip by claiming he traveled to the Dominican Republic to establish a call center in the country. Rho Aff., Ex. 25 ¶ 21 (Samuel Aff.). Samuel does not explain why Homesafe, which caters to an English-speaking clientele, would want to operate a call center in a nation with a Spanish-speaking population.

349. Samuel's trip created tension between Homesafe's co-owners. This tension escalated further in October 2010, when Schreiber began using a fake name with at least one of Homesafe's customers.

350. In late October, a Homesafe customer, Robin Piervinanzi, visited the company's offices and demanded a refund. Rho Aff., Ex. 26 ¶ 28 (Schreiber Mar. Aff.). Schreiber acknowledges that he used a pseudonym so that the customer would not be aware of his real identity. Id. At ¶ 29. Schreiber claims that though Samuel refused to offer Piervinanzi a refund, Schreiber and Anthony Blackwell, Homesafe's "in house counsel," eventually agreed to provide one to Mr. Piervinanzi. Id. ¶ 29 – 30. Schreiber admits to signing a promissory note to the customer using the pseudonym, which Samuel claims was "John Goldfadden." Id. ¶ 30; Rho Aff., Ex. 25 ¶ 35 (Samuel Aff.).

351. The conflict between Schreiber and Samuel reached a breaking point at the end of November 2010. By the first week of December, Samuel had left the company and absconded with approximately \$181,000.00 in corporate assets.

352. The precise reasons for Samuel's departure remain in dispute. Samuel claims that, after he learned about Schreiber's use of a fake name with a client, he became "[f]earful of what other fraud Schreiber had committed, or was capable of committing." Id. ¶ 36. Schreiber claims that Samuel's departure was part of a premeditated scheme to steal as much of the corporation's money as possible while Schreiber was on vacation. Rho Aff., Ex. 19 ¶¶ 40 – 43 (Schreiber Complaint).

353. Samuel admits to withdrawing \$175,000.00 from Homesafe's money market account in a single certified check, dated December 3, 2010. He claims, however, that he was entitled to these funds as a co-owner of the corporation. Rho Aff., Ex. 25 ¶ 37 (Samuel Aff.).

354. Schreiber states that, immediately before Samuel's departure, Homesafe had total liquid assets of approximately \$200,000.00 (Rho Aff., Ex. 19 ¶ 47 (Schreiber Complaint)), and that Samuel's withdrawal "stripped virtually all of the liquidity from the Corporation." *Id.* ¶ 51; Rho Aff., Ex. 24 ¶ 10 (Schreiber Feb. Aff.) (stating that the withdrawals represented "between 80% and 90% of the Corporation's liquidity").¹⁰ Moreover, Schreiber alleges that Homesafe had a "substantial amount of outstanding debt" at the time, which he claims totaled \$157,068.44. Rho Aff., Exs. 24 ¶ 11 (Schreiber Feb. Aff.); 19 ¶ 59 (Schreiber Complaint). Schreiber states that, to "keep [Homesafe] afloat" after Samuel's departure, he was forced to invest \$42,900.00 of his own money and \$75,000.00 of his parents' money. Rho Aff., Exs. 24 ¶ 11 (Schreiber Feb. Aff.); 19 ¶ 141 (Schreiber Complaint). According to Schreiber, Samuel's withdrawals had a "negative effect" on Homesafe's short term and long term "profitability" and "ability . . . to provide, as a going concern, goods [and] services." Rho Aff., Ex. 19 ¶¶ 107, 110 – 111, 114 (Schreiber Complaint).

(g) Fallout from Samuel's Departure

355. On November 10, 2010, a month before he left Homesafe, Samuel filed incorporation documents with the New York Secretary of State's Office, creating a new company called "Consumer First Corp." According to the incorporation documents, the business

¹⁰ Schreiber also states that, before Samuel left Homesafe on December 3, 2010, Samuel handwrote payroll checks to Homesafe employees, which bounced when the employees tried to cash them the following Monday. Rho Aff., Ex. 26 ¶ 16 (Schreiber Mar. Aff.).

was located at 3000 Hempstead Turnpike, Suite 317, Levittown, New York. He is the sole owner and the sole director of the new entity. It is unknown what, if anything, Consumer First Corp. did before Samuel's departure from Homesafe.

356. Schreiber alleges that Consumer First Corp. is controlled "entirely" by Samuel (Id. ¶¶ 133 – 134) and that Consumer First Corp. is Samuel's "alter ego" Id. ¶ 135. Schreiber alleges that all or some of Consumer First Corporation's start-up and ongoing operating costs were funded with money Samuel withdrew from Homesafe's account between November 29, 2010 and December 6, 2010. Id. ¶¶ 9 – 10, 53 – 54, 130.

357. Schreiber also states that when Samuel left Homesafe for Consumer First, he took with him computers that contained "critical contracts and marketing documents from Homesafe" on their hard drives, and that Samuel is now using these materials in the operation of Consumer First. Rho Aff., Ex. 24 ¶ 12 (Schreiber Feb. Aff.).

358. Based on information and belief, Consumer First Corp. now operates at 1000 Woodbury Road, Suite 107, Woodbury, New York 11797 and 2320 Paseo Del Prado, Suite B101, Las Vegas, Nevada 89102. Consumer First Corp. does business as Consumer First Law Group. Rho Aff., Ex. 19 ¶ 7 (Schreiber Complaint).

359. Meanwhile, after Samuel left for Consumer First, Schreiber gave Homesafe a new name: "United Legal Solutions." On December 10, 2010, Schreiber incorporated a new entity, called United Legal Solutions Incorporated, which was based at 3000 Hempstead Turnpike. He began conducting all Homesafe business through this new entity, and all remaining funds, employees and clients were subsequently transferred from Homesafe to United Legal. Rho Aff., Ex. 25 ¶¶ 13, 49 (Samuel Aff.).

360. According to Samuel, United Solutions uses “the same office, equipment, personnel, phone lines, [and] marketing plans” as Homesafe -- and, like its predecessor corporation, “continues to collect the fees upfront.” Id. The “only difference” between Schreiber’s business before and after December 2010, Samuel states, is that it now “operates . . . under the name of United Solutions Corp.” Id.

361. The remnants of Homesafe have struggled to survive since Samuel’s departure. Schreiber states that, in January and February 2011, “it became increasingly apparent” that Homesafe would be unable to process the 900 outstanding customer files that were pending when Samuel left the corporation. Rho Aff., Ex. 26 ¶ 31 (Schreiber Mar. Aff.). Schreiber states that, on February 28, 2011, he and seven or eight workers delivered thirty to thirty-five boxes to Samuel’s new office at Consumer First Corp. According to Schreiber, they left the boxes in a “public hallway outside of Samuel’s office.” Id. ¶ 32. The photographs included as Exhibit G in the Schreiber litigation show that these offices belonged to Consumer First Law Group, as that company’s logo is clearly visible. Samuel claims that Schreiber came to Consumer First’s offices on February 28 in “an attempt to intimidate and threaten” him. Rho Aff., Ex. 25 ¶ 50 (Samuel Aff.). Samuel states that he filed a police report related to this incident. Id.

362. Schreiber states that when he returned to Homesafe’s offices the next morning, on March 1, 2011, he found that the files “had been messily left outside Homesafe’s office building with no one watching over them.” Rho Aff., Ex. 26 ¶ 34 (Schreiber Mar. Aff.).

FIRST CAUSE OF ACTION

(Violation of N.Y. Gen. Bus. Law § 349 (the “Deceptive Practices Act”))

(By All Plaintiffs Against Defendants Homesafe, United Legal, Schreiber, and Samuel)

and specifically:

(By Plaintiff Mook Against Defendant Laylock)

(By Plaintiff Thorpe Against Defendant Walters)

(By Plaintiff Shanahan Against Defendant Votto)

(By Plaintiffs Boddie Against Defendant Laylock and Ahluwalia)

(By Plaintiff Warbington-Hopkins Against Defendant Keys)

(By Plaintiffs Darwin Against Defendant Ainbinder)

(By Plaintiff Sweatt Against Defendant Lake)

(By Plaintiffs Moffett Against Defendant DiDonato)

(By Plaintiffs Baker Against Defendant Gates)

(By Plaintiffs Iorio Against Defendant Cogan)

363. Plaintiffs repeat and re-allege each and every allegation contained above.

364. Defendants “conducted a business” or “furnished a service” as those terms are defined in N.Y. Gen. Bus. Law § 349 (the “Deceptive Practices Act”).

365. Defendants knowingly and willfully violated the Deceptive Practices Act by engaging in acts and practices that were misleading in a material way, unfair, deceptive, and contrary to public policy and generally recognized standards of business.

366. These practices include but are not limited to:

- a. Charging customers an upfront fee for mortgage modification services when this service is typically provided at little or no cost through HUD-approved housing counselors;
- b. Misrepresenting to Plaintiffs the nature of the transaction;
- c. Misrepresenting Defendants’ level of expertise in performing loan modification services;

- d. Promising Plaintiffs a refund if the loan modification did not succeed;
- e. Falsely promising that Defendants would engage in negotiations with the Plaintiffs' mortgage lenders or servicers;
- f. Misrepresenting that Defendants would be readily available to address the Plaintiffs' questions and concerns;
- g. Misrepresenting the progress of the loan modification application;
- h. Falsely advertising "loan modification" services in the course of conducting business, trade, or commerce in the State of New York; and
- i. Encouraging Plaintiffs to stop either paying their monthly mortgage payments and/or communicating with their lenders or servicers.

367. Plaintiffs suffered damages as a proximate result of Defendants' deceptive acts because Plaintiffs accrued various costs, fees, penalties and consequential damages for Defendants' nonperformance of loan modification services; whereas Plaintiffs would have commenced negotiations with their lender for a loan modification with lower monthly payments at an earlier date had Defendants' deceptive practices not delayed their efforts.

368. Defendants' deceptive scheme originated in New York, involved communications and statements made in New York, and injured Plaintiffs in transactions that occurred in New York.

369. Defendants' practices have had and may continue to have a broad impact on consumers throughout New York State.

370. Defendants' statements and actions described hereinabove entitle Plaintiffs to increased damages, attorneys' fees and injunctive relief under N.Y. Gen. Bus. Law § 349(h).

SECOND CAUSE OF ACTION

(Violation of N.Y. Gen. Bus. Laws §§ 350, 350-a ("False Advertising"))

*(By All Plaintiffs Against Defendants Homesafe, United Legal, Schreiber, and Samuel
and specifically:*

(By Plaintiff Mook Against Defendant Laylock)
(By Plaintiff Thorpe Against Defendant Walters, Dahari, and Gonzalez)
(By Plaintiff Shanahan Against Defendant Votto)
(By Plaintiffs Boddie Against Defendant Laylock and Ahluwalia)
(By Plaintiff Warbington-Hopkins Against Defendant Keys)
(By Plaintiffs Darwin Against Defendant Ainbinder)
(By Plaintiff Sweatt Against Defendant Lake)
(By Plaintiffs Moffett Against Defendant DiDonato)
(By Plaintiffs Baker Against Defendant Gates)
(By Plaintiffs Iorio Against Defendant Cogan)

371. Plaintiffs repeat and re-allege each and every allegation contained above.

372. Defendants' promotion, marketing, and advertising of its services and products are misleading in a material respect, deceptive, and are directed at the general public and consumers within the State of New York.

373. Such promotion, marketing, and advertising include statements made in person, in writing, by Internet communication, and over the phone to Plaintiffs regarding the costs, timing, nature, and efficacy of Defendants' services.

374. Defendants' products and services have been, and continue to be, advertised and sold within the State of New York.

375. Defendants' false advertising, marketing and promotion described hereinabove intentionally, deliberately, willfully or knowingly deceives the public and consumers, confuses or is likely to confuse the public and consumers, and materially misleads consumers as to the nature, characteristics and/or qualities of its products and services.

376. Consumers have reasonably relied and/or are likely to reasonably rely upon these misrepresentations in making purchase decisions and have been injured and damaged and are likely to be further injured and damaged by Defendants' statements and actions described hereinabove in violation of N.Y. Gen. Bus. Laws §§ 350, 350-a.

377. A reasonable consumer acting reasonably under the circumstances would have believed, as Plaintiffs did, that Defendants' statements made in person, online, in printed materials, and over the phone regarding the costs, timing, nature, and efficacy of Defendants' services were truthful.

378. Plaintiffs were injured as a result of Defendants' deceptive acts, because Plaintiffs paid a substantial advance payment for mortgage modification services; whereas they would not have done so absent Defendants' statements relating to the cost, timing, nature, and efficacy of their services including but not limited to the following:

- a. That Defendants' services would be prompt;
- b. That Defendants had a high success rate in obtaining loan modifications;
- c. That Defendants were affiliated with many major U.S. mortgage lenders;
- d. That Plaintiffs would receive a full refund if Defendants could not achieve the promised results;
- e. That Defendants would be able to obtain the lowest interest rate possible for Plaintiffs;
- f. That Defendants are one of the few companies that have contracted with the federal government to assist with loan modifications; and
- g. That for-profit loan modification companies are more likely to obtain the desired results for homeowners than non-profit or HUD-approved loan modification services.

379. Defendants' statements and actions described hereinabove entitle Plaintiffs to increased damages, reasonable attorneys' fees and injunctive relief under N.Y. Gen. Bus. Law § 350-e.

THIRD CAUSE OF ACTION

(Violation of N.Y. Banking Law § 590 (“Registration of Mortgage Brokers”))

(By All Plaintiffs Against Defendants Homesafe, United Legal, Schreiber, and Samuel)

and specifically:

(By Plaintiff Mook Against Defendant Laylock and Ahluwalia)

(By Plaintiff Thorpe Against Defendant Walters, Dahari, and Gonzalez)

(By Plaintiff Shanahan Against Defendant Votto)

(By Plaintiffs Boddie Against Defendant Laylock and Ahluwalia)

(By Plaintiff Warbington-Hopkins Against Defendant Keys and Rennie)

(By Plaintiffs Darwin Against Defendant Ainbinder)

(By Plaintiff Sweatt Against Defendant Lake)

(By Plaintiffs Moffett Against Defendant DiDonato, Estevez, and Ricketts)

(By Plaintiffs Baker Against Defendant Gates)

(By Plaintiffs Iorio Against Defendant Cogan and Ahluwalia)

380. Plaintiffs repeat and re-allege each and every allegation contained above.

381. Under N.Y. Banking Law § 590(2)(b), entities or individuals that “engage in the business of soliciting, processing, placing or negotiating mortgage loans for others, or offering to solicit, process, place or negotiate mortgage loans for others” must register as “mortgage brokers” with the superintendent of the New York State Banking Department (“NYSBD”).

382. Defendants were in the business of “negotiating” or “offering to . . . negotiate” the “terms or conditions” of a mortgage loan on behalf of third parties, as those terms are defined in N.Y. State Banking Law § 590(1)(d).

383. In the course of soliciting Plaintiffs to hire Defendants to perform loan modification services, Defendants represented that they would negotiate the terms and conditions of Plaintiffs’ mortgages, including but not limited to those terms relating to the Plaintiffs’

interest rates and monthly loan payments. Defendants also collected information, such as Social Security numbers, income, and debt, which would be sufficient to render a credit decision. Defendants communicated these representations in various forms, including print and electronic advertisements, telephone calls, letters, e-mails and facsimile transmissions.

384. Even after Plaintiffs hired Defendants to perform loan modification and related services, Defendants made additional offers to negotiate the terms and conditions of Plaintiffs' mortgages. Defendants extended these offers in part to convince Plaintiffs to remain as clients.

385. To the extent that Defendants actually performed the services they promised to undertake on behalf of Plaintiffs, Defendants participated in negotiations regarding the terms and conditions of Plaintiffs' mortgages. Defendants' efforts to negotiate with mortgage lenders on behalf of the Plaintiffs included, but were not limited to, electronic and telephonic communications with mortgage lenders regarding Plaintiffs' monthly loan payments.

386. At all relevant times, Defendants were not registered with the NYSBD, even though Defendants provided or offered to provide the services of a mortgage broker.

387. Defendants are liable to Plaintiffs for a sum of money not less than the actual fee paid to Defendants and up to four times such sum, as per N. Y. State Banking Law § 598(5).

FOURTH CAUSE OF ACTION

(Violation of N.Y. Real Prop. Law § 265-b ("Distressed Property Consulting"))

(By Plaintiff Shanahan against Defendants Homesafe, United Legal, Votto, and Bohorquez)

388. Plaintiffs repeat and re-allege each and every allegation contained above.

389. N.Y. Real Prop. Law § 265-b(1)(c) defines distress property “consulting services” as efforts to help a homeowner that include but is not limited to “assist[ing] the homeowner to . . . refinance a distressed home loan” and “sav[ing] the homeowner’s property from foreclosure.”

390. N.Y. Real Prop. Law § 265-b(2) prohibits “distressed property consultants” from engaging in certain activities, including but not limited to “performing consulting services without a written, fully executed consulting contract with a homeowner,” “charging for or accepting any payment for consulting services before the full completion of all such services,” “retaining any original loan document,” and/or “attempting to induce a homeowner to enter a consulting contract that does not fully comply” with N.Y. Real Prop. Law § 265-b.

391. N.Y. Real Prop. Law § 265-b(3) requires that “distressed property consulting contracts” contain several features, which include but are not limited to “be[ing] in at least twelve point type,” “fully disclos[ing] the exact nature of the distressed property consulting services to be provided,” and “fully disclos[ing] the total amount and terms of compensation for such consulting services.” In addition, all such contracts must include a full-length “notice” describing the homeowner’s rights.

392. Insofar as Plaintiffs own property in New York State, Plaintiffs are “homeowners” within the meaning of N.Y. Real Prop. Law § 265-b(1)(a).

393. Insofar as Plaintiffs are or have been at times relevant herein in danger of having their homes foreclosed upon because they have one or more defaults under their respective mortgages that entitle the lender to accelerate full payment of the mortgage and repossess the property, Plaintiffs are mortgagors with “distressed home loans” within the meaning of N.Y. Real Prop. Law § 265-b(1)(d).

394. Defendants are “distressed property consultants” within the meaning of N.Y. Real Prop. Law § 265-b(1)(e).

395. Defendants intentionally or recklessly engaged in conduct that violated N.Y. Real Prop. Law § 265-b, including taking upfront fees prior to completing any distressed property consulting services, inadequately disclosing the types of services to be performed, and failing to provide homeowners with sufficient notice of their rights.

396. Plaintiffs are entitled to a trebling of the actual and consequential damages arising from these violations, as well as attorneys’ fees and costs, in an amount to be determined at trial.

FIFTH CAUSE OF ACTION
(Breach of Contract)

(By All Plaintiffs Against Defendants Homesafe and United Legal)

397. Plaintiffs repeat and re-allege each and every allegation contained above.

398. Plaintiffs entered into contracts with Defendants for loan modification services.

399. Plaintiffs performed as obligated under those contracts.

400. Defendants failed to perform their obligations to Plaintiffs in that they did not provide (a) the loan modification services required under the contract or (b) a refund upon failing to achieve the promised results, as required under the contracts.

401. Defendants breached their implied covenant of good faith and fair dealing.

402. Plaintiffs suffered damages and are entitled to recover: (a) the amount paid for Defendants’ services, together with pre-judgment interest in the amount of 9% per annum; (b) consequential damages arising from the breach, including but not limited to costs related to

Plaintiffs' missed mortgage payments, such as late fees and penalties and decreased credit ratings, in an amount to be determined at trial.

SIXTH CAUSE OF ACTION

(Common Law Fraud)

(By All Plaintiffs Against Defendants Homesafe, United Legal, Schreiber, and Samuel)
and specifically:

(By Plaintiff Mook Against Defendant Laylock)

(By Plaintiff Thorpe Against Defendant Walters, Dahari, and Gonzalez)

(By Plaintiff Shanahan Against Defendant Votto)

(By Plaintiffs Boddie Against Defendant Laylock and Ahluwalia)

(By Plaintiff Warbington-Hopkins Against Defendant Keys)

(By Plaintiffs Darwin Against Defendant Ainbinder)

(By Plaintiff Sweatt Against Defendant Lake)

(By Plaintiffs Moffett Against Defendant DiDonato)

(By Plaintiffs Baker Against Defendant Gates)

(By Plaintiffs Iorio Against Defendant Cogan)

403. Plaintiffs repeat and re-allege each and every allegation contained above.

404. Defendants made intentional misrepresentations and/or failed to provide material information, including but not limited to the following:

- a. Falsely representing to Plaintiffs that they were loan modification specialists;
- b. Falsely representing to Plaintiffs at the time of the subject transaction that Defendants would help Plaintiffs reduce their monthly home mortgage payments and obtain the lowest interest rate possible when in fact Defendants intended to take Plaintiffs' money while performing few if any actual services;
- c. Falsely representing that Defendants' services would be prompt;
- d. Falsely representing that Defendants had a very high success rate in obtaining loan modifications;

- e. Falsely representing that Defendants would issue refunds if the offered loan modifications did not succeed;
- f. Purposely concealing this information when contacted by Plaintiffs by intentionally concealing the progress of the loan modification application, when in most cases Defendants had not even attempted to submit an application;
- g. Misrepresenting to Plaintiffs that they should cease either paying their mortgage payments or communicating with their lender;
- h. Falsely representing to Plaintiffs that Defendants would be in communication throughout the course of the transaction, even if in Defendants' adverse interest; and
- i. Falsely representing that Defendants were one of the few companies that have contacted with the federal government to assist with loan modifications.

405. Defendants made these representations and omissions knowing that they were false at the time they were made.

406. Defendants offered these statements as fact, not opinion, with the intent to induce Plaintiffs to purchase their loan modification services, to convince Plaintiffs to remain as clients, or to prevent Plaintiffs from learning the true nature of Defendants' scheme.

407. Plaintiffs had a reasonable right to rely and in fact relied on Defendants' representation and omission of material facts in agreeing to what Plaintiffs believed to be a legitimate loan modification service. Had Plaintiffs known the truth about the misrepresentations and omissions, Plaintiffs would not have entered into the transaction with Defendants.

408. Plaintiffs suffered damages as a direct and proximate result of their reasonable and justified reliance on Defendants' intentional misrepresentations and failures to disclose. Plaintiffs' damages include, but are not limited to, the loss of their upfront and subsequent

payments to Defendants, as well as the additional fees, costs, and penalties accrued as a result of Defendants' misrepresentations.

409. Defendants' actions were willing, intentional, knowing, and malicious.

410. Defendants are liable to Plaintiffs for (a) actual damages in an amount to be determined at trial; (b) punitive damages in an amount sufficient to prevent others from engaging in similar schemes; (c) costs and disbursements; and (d) attorneys' fees.

SEVENTH CAUSE OF ACTION
(Fraudulent Inducement)

(By All Plaintiffs Against Defendants Homesafe, United Legal, Schreiber, and Samuel)
and specifically:

(By Plaintiff Mook Against Defendant Laylock)

(By Plaintiff Thorpe Against Defendant Walters, Dahari, and Gonzalez)

(By Plaintiff Shanahan Against Defendant Votto)

(By Plaintiffs Boddie Against Defendant Laylock and Ahluwalia)

(By Plaintiff Warbington-Hopkins Against Defendant Keys)

(By Plaintiffs Darwin Against Defendant Ainbinder)

(By Plaintiff Sweatt Against Defendant Lake)

(By Plaintiffs Moffett Against Defendant DiDonato)

(By Plaintiffs Baker Against Defendant Gates)

(By Plaintiffs Iorio Against Defendant Cogan)

411. Plaintiffs repeat and re-allege each and every allegation contained above.

412. Plaintiffs bring these claims for fraudulent inducement with respect to the contracts agreed to with Defendants for the performance of loan modification services.

413. Defendants made untrue statements of material fact and omissions of material fact. Defendants' misleading statements include but are not limited to the following misrepresentations and omissions:

- a. That Defendants' services would be prompt;
- b. That Defendants will remain in constant contact throughout the modification process;
- c. That Defendants had a very high success rate in obtaining loan modifications;
- d. That Defendants would be able to obtain the lowest interest rate possible for Plaintiffs;
- e. Falsely representing that Defendants would issue refunds if the offered loan modifications did not succeed; and
- f. That Defendants are one of the few companies that have contracted with the federal government to assist with loan modifications.

414. Defendants knew or intended that Plaintiffs would enter agreements based on the false statements.

415. Plaintiffs reasonably and justifiably relied on the false statements about the cost, speed, nature, and efficacy of Defendants' services.

416. Plaintiffs have been harmed by entering into the contracts in an amount to be determined at trial.

417. Defendants' actions were willful, intentional, knowing and malicious.

418. Defendants are liable to Plaintiffs for (a) actual damages in an amount to be determined at trial; (b) punitive damages in an amount sufficient to prevent others from engaging in similar schemes; (c) costs and disbursements; and (d) attorneys' fees.

EIGHTH CAUSE OF ACTION
(Fraudulent Concealment)

(By All Plaintiffs Against Defendants Homesafe, United Legal, Schreiber, and Samuel)
and specifically:

(By Plaintiff Mook Against Defendant Laylock)

(By Plaintiff Thorpe Against Defendant Walters, Dahari, and Gonzalez)

(By Plaintiff Shanahan Against Defendant Votto)

(By Plaintiffs Boddie Against Defendant Laylock and Ahluwalia)

(By Plaintiff Warbington-Hopkins Against Defendant Keys)

(By Plaintiffs Darwin Against Defendant Ainbinder)

(By Plaintiff Sweatt Against Defendant Lake)

(By Plaintiffs Moffett Against Defendant DiDonato)

(By Plaintiffs Baker Against Defendant Gates)

(By Plaintiffs Iorio Against Defendant Cogan)

419. Plaintiffs repeat and re-allege each and every allegation contained above.

420. Defendants suppressed and concealed material information from Plaintiffs
including but not limited to:

- a. The likelihood of Defendants' success in obtaining a loan modification;
- b. The actual amount of time it would take to get a decision on a Plaintiff's loan modification application;
- c. The likelihood that Defendants would issue refunds if the offered loan modifications did not succeed; and
- d. Falsely representing to Plaintiffs that Defendants would be in communication throughout the course of the transaction, even if in Defendants' adverse interest.

421. Defendants had a duty of disclosure to Plaintiffs, due to (i) their unique position of control over the information necessary for Plaintiffs to make an informed decision about engaging in the transaction, and (ii) their knowledge that Plaintiffs would rely on the information they provided.

422. Defendants were insiders to the transaction, and uttered statements that were false, giving rise to a duty to disclose.

423. By virtue of their reasonable reliance on the obligation of Defendants to provide full and accurate information, Plaintiffs were induced to enter into a transaction with them.

424. Plaintiffs suffered damages as a direct and proximate result of their reliance on the concealed statements in an amount to be determined at trial.

425. Defendants' actions were willful, intentional, knowing, and malicious.

426. Defendants are liable to Plaintiffs for (a) actual damages in an amount to be determined at trial; (b) punitive damages in an amount sufficient to prevent others from engaging in similar schemes; (c) costs and disbursements; and (d) attorneys' fees.

NINTH CAUSE OF ACTION
(Civil Conspiracy to Commit Fraud)

(By All Plaintiffs Against Defendants Homesafe, United Legal, Schreiber, Samuel, Gonzalez, Dahari, Walters, Votto, Laylock, Ahluwalia, Keys, Ainbinder, Lake, DiDonato, Gates, Cogan, and Rennie)

427. Plaintiffs repeat and re-allege each and every allegation contained above.

428. Defendants knowingly entered into an agreement to fraudulently induce Plaintiffs to enter into these loan modification service transactions.

429. Defendants willfully, intentionally, knowingly, and maliciously participated in their scheme by committing overt acts and making misrepresentations and/or failing to provide material information, in furtherance of the agreement, including but not limited to those representation set forth in the sixth, seventh, and eighth causes of action above.

430. Plaintiffs suffered injury as the proximate result of their reasonable and justified reliance on Defendants' intentional and material misrepresentations and omissions.

431. Defendants are liable to Plaintiffs for: (a) actual damages in an amount to be determined at trial; (b) punitive damages in an amount sufficient to prevent others from engaging in similar schemes; (c) costs and disbursements; and (d) attorneys' fees.

TENTH CAUSE OF ACTION
(Aiding and Abetting Fraud)

(By All Plaintiffs Against Defendants Homesafe, United Legal, Schreiber, Samuel, Gonzalez, Dahari, Walters, Votto, Laylock, Ahluwalia, Keys, Ainbinder, Lake, DiDonato, Gates, Cogan, and Rennie)

432. Plaintiffs repeat and re-allege each and every allegation contained above.

433. During relevant times, Defendants, by and through their affiliates, divisions, enterprises, representatives, employees and agents, knowingly and willfully aided and abetted the fraudulent loan modification scheme described above.

434. Defendants' actions were taken with full knowledge and acceptance of the fraudulent loan modification services.

435. Defendants aided and abetted the scheme to defraud Plaintiffs by providing substantial assistance by:

- a. Failing to perform promised services for which they had collected upfront fees;
- b. Purposely concealing this information when contacted by Plaintiffs by intentionally concealing the progress of the loan modification application, when in most cases Defendants had not even attempted to submit an application;

- c. Misrepresenting to Plaintiffs that they should cease either paying their mortgage payments or communicating with their lender; and
- d. Falsely representing to Plaintiffs that Defendants would be in communication throughout the course of the transaction, even if in Defendants' adverse interest.

436. Dependent actions were undertaken knowingly or as part of a highly interdependent scheme from which all defendants benefited from the fraudulent activity of the other defendants.

437. But for Defendants' substantial assistance, Plaintiffs would not have been victims to the fraudulent scheme.

438. As a direct and proximate cause of Defendants' aiding and abetting activities, Plaintiffs have suffered damages, in an amount to be determined at trial.

ELEVENTH CAUSE OF ACTION

(Conversion)

(By Plaintiffs Moffett Against Defendants Homesafe, United Legal, Schreiber, and Samuel)

439. Plaintiffs repeat and re-allege each and every allegation contained above.

440. Plaintiffs owned and had a right to possession of their monetary savings. These savings were taken from Plaintiffs and distributed to Defendants.

441. The funds were not given to Plaintiffs and were not disbursed for their benefit.

442. Defendants are liable to Plaintiffs for actual, compensatory, and punitive damages, as well as costs, disbursements, and attorneys' fees.

TWELFTH CAUSE OF ACTION

(Violation of the Electronic Funds Transfer Act, (15 U.S.C. § 1693 et seq.)

(By Plaintiffs Bakers Against Defendants Homesafe, Schreiber, Samuel, Gates, and Gonzalez)

443. Plaintiffs repeat and re-allege each and every allegation contained above.

444. Defendants made unauthorized electronic withdrawals of unauthorized payments from consumer bank accounts, without providing the advance notice required by the Electronic Funds Transfer Act, 15 U.S.C. §§ 1693 et seq. (“EFTA”).

445. At all times pertinent hereto, Plaintiffs were “consumers” as that term is defined by Section 1693a(5) of the EFTA.

446. At all times pertinent hereto, Defendant was a “person” subject to liability under Section 1693m of the EFTA.

447. Defendants violated Section 1693e(a), in that Defendants failed to obtain authorization from the Plaintiffs, in writing, of the EFT transactions.

448. Defendants violated Section 1693e(b), in that Defendant failed to provide reasonable advance notice to Plaintiffs of the amount to be transferred when amounts varied, and the scheduled date of the transfers on June 23, 2010 and June 25, 2010.

449. As a result of the conduct of Defendants as alleged herein, Plaintiffs should be awarded actual damages in the full amount provided by law, as well as costs and reasonable attorney's fees pursuant to Section 1693m(a)(2)(B) and (3) of the EFTA. The damages include money withdrawn from Plaintiffs’ account that would have accrued additional interest had the monies remained in Plaintiffs’ account.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs respectfully request that the Court award judgments in its favor as follows:

- (a) enjoin Defendants from engaging in deceptive acts and practices that affect consumers in New York State under N.Y. Gen. Bus. Law § 349(h);
- (b) enjoin Defendants from advertising, marketing or promoting its services and products in a false, materially misleading or deceptive manner in New York State under N.Y. Gen. Bus. Law § 350-e;
- (c) order Defendants to return all documents to Plaintiffs and, at the conclusion of this litigation, remove from Defendants' files all of Plaintiffs' personal and financial information;
- (d) declare that the corporate veils of all Homesafe America, Inc. entities, United Legal Solutions Incorporated, and all related, affiliated, or incorporated entities are pierced and that individual Defendants are liable for the conduct and debts of all relevant corporate entities;
- (e) declare that the corporate veils of all Homesafe America, Inc. entities, United Legal Solutions Incorporated, and all related, affiliated, or incorporated entities are pierced and that the assets of all such related corporate entities are available to satisfy all claims against any other corporate entity;
- (f) on its First Cause Of Action: Damages of not less than \$56,104.00;

(g) on its Second Cause Of Action: Damages of not less than \$42,078.00,
plus other actual and consequential damages in an amount to be determined at trial;

(h) on its Third Cause Of Action: Damages of not less than \$42,078.00,
plus other actual and consequential damages in an amount to be determined at trial;

(i) on its Fourth Cause Of Action: Damages of not less than \$2,400.00,
plus a trebling of other actual and consequential damages in an amount to be determined at;

(j) on its Fifth Cause Of Action: Damages of not less than \$14,026.00,
plus other actual and consequential damages in an amount to be determined at trial;;

(k) on its Sixth Cause Of Action: Damages of not less than \$14,026.00,
plus other actual and consequential damages in an amount to be determined at trial;;

(l) on its Seventh Cause Of Action: Damages of not less than \$14,026.00
plus other actual and consequential damages in an amount to be determined at trial;

(m) on its Eighth Cause Of Action: Damages of not less than \$14,026.00,
plus other actual and consequential damages in an amount to be determined at trial;;

(n) on its Ninth Cause Of Action: Damages of not less than \$14,026.00,
plus other actual and consequential damages in an amount to be determined at trial;

(o) on its Tenth Cause of Action: Damages of not less than \$14,026.00,
plus other actual and consequential damages in an amount to be determined at trial;

(p) on its Eleventh Cause of Action: Damages of not less than \$100.00,
plus other actual and consequential damages in an amount to be determined at trial;

(q) on its Twelfth Cause of Action: Damages of not less than \$0.03, plus other actual and consequential damages in an amount to be determined at trial;

(r) punitive damages to the extent permitted by law and not less than \$1,500,000.00;

(s) interest at the legal rate on all claims for compensatory damages;

(t) the costs and disbursements of this action;

(u) reasonable attorneys' fees to the extent permitted by law; and

(v) such other and further relief as the Court may deem just and proper.

Date: June 26, 2011
New York, NY

DAVIS POLK & WARDWELL LLP

By: 

Daniel F. Kolb

Daniel F. Kolb
Andrew J. Bruck
Joseph T. Gallagher
Noah Solowiejczyk
Jayme A. Feldheim

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
(212) 450-4000

Linda H. Mullenbach*
Hyon Min Rho

**pro hac vice admission pending*

Lawyers' Committee for
Civil Rights Under Law
1401 New York Ave., NW, Suite 400
Washington, DC 20005
(202) 662-8600

*Attorneys for Plaintiffs Henry Mook, David
Thorpe, Ellen Shanahan, Terry Boddie,
Joylynn Boddie, Angela Warbington-Hopkins,
Albert Darwin, Melody Darwin, Randall
Sweatt, Robert Moffett, Susan Moffett,
Concetta Baker, Pherry Elden Baker, Joseph
Iorio, and Dianne Iorio*


VERIFICATION

NEW YORK)
) ss
NEW YORK)

HYON MIN RHO, being duly sworn, deposes and says:

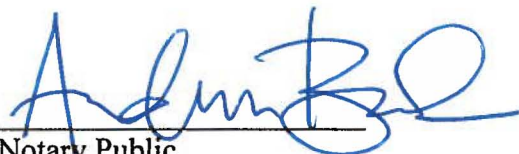
I am an associate counsel for the Legal Mobilization Project at the Lawyers' Committee for Civil Rights Under Law ("Lawyers' Committee"). I have read the foregoing Complaint and know the contents thereof, and the allegations contained in the Complaint are true to the best of my knowledge, information, and belief. The sources of my information and the grounds of my belief as to all matters in the foregoing Complaint not therein stated to be upon my personal knowledge are my interviews and interviews I supervised involving Plaintiffs, my review of Plaintiffs' documents, and my review of the records and court filings involving Homesafe America, Inc. ("Homesafe").

DATED: June 27, 2011
 New York, NY



HYON MIN RHO

Sworn to before me this
27th day of June, 2011



Notary Public

ANDREW BRUCK
NOTARY PUBLIC, State of New York
No. 02BR6217198
Qualified in Kings County
Certificate Filed in New York County
Commission Expires Feb. 8, 20 14