

IAS  
At a Special Term Part 37  
of the  
Supreme Court of the State of New  
York, held in and for the County of  
Nassau, at the Courthouse thereof,  
at 100 Supreme Court Drive,  
Mineola, New York on the 28<sup>th</sup> day of  
June, 2011.

PRESENT:

HON. ~~Walter J. Kelly~~  
John M. Galasso Justice.

Index 9472/2011

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NASSAU

7/11  
OOA

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

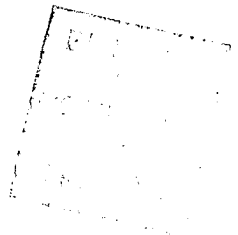
Plaintiffs,

- 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, Debra Rennie

Defendants.

**EX PARTE ORDER TO  
SHOW CAUSE WITH  
TEMPORARY  
RESTRAINING ORDER  
SEEKING ORDER OF  
ATTACHMENT,  
PRELIMINARY  
INJUNCTION, AND  
EXPEDITED DISCOVERY**



On reading the summons and complaint duly verified on June <sup>27</sup> 26, 2010; the ~~annexed~~ affidavits of David Thorpe (sworn to on June 20, 2011), Ellen Shanahan (sworn to on June 17, 2011), Hyon Min Rho (sworn to on June 24, 2011), and Dan Kolb (sworn to on June 26, 2011), and the exhibits annexed thereto; the affidavit as to the need for emergency relief sworn to on June 26, 2011; the accompanying Memorandum of Law; and ~~the undertaking herein, all to be filed on June 27, 2011~~, it is hereby

ORDERED that Defendants Homesafe America, Inc. ("Homesafe"), United Legal Solutions Incorporated (a/k/a United Solutions Law Firm, United Solutions Corporation)

("United Legal"), Scott Schreiber, and Guy Samuel (collectively, "Defendants") or their counsel appear and show cause before <sup>the Hon. John M. Galasso</sup> this Court, at an IAS Term, Part 37 thereof, to be held in and for the County of Nassau, at the Courthouse thereof, located at 100 Supreme Court Drive, Mineola, New York 11501, on the 11<sup>th</sup> day of July, 2011 at 9:30am of that day, or as soon thereafter as counsel can be heard, (1) why an order of attachment should not be issued with respect to Defendants, pursuant to C.P.L.R. § 6201 et seq., against the assets of the Defendants and any interest of the Defendants in personal or real property situated in the State of New York, or any debt owed to said Defendants, for the purpose of securing satisfaction of any judgment ultimately to be entered in this action; (2) why a preliminary injunction should not be issued with respect to Defendants, pursuant to C.P.L.R. § 6301 et seq., staying and enjoining Defendants, their affiliates, agents, employees, servants, and assigns from engaging in any of the following practices:

- (a) Marketing, advertising, offering, selling or engaging in Mortgage Assistance Relief Services, as that term is defined in this Order to Show Cause, or aiding and abetting the marketing, advertising, offering, selling, or carrying out of these services;

- (b) Owning, managing, operating, creating, or assisting in the creation of any entity that markets, advertises, offers, sells, or carries out Mortgage Assistance Relief Services;
- (c) Being employed by, or serving as a consultant to, any person or entity that sells or carries out Mortgage Assistance Relief Services; and
- (d) Engaging in any deceptive acts and practices or false advertising in violation of New York General Business Law §§ 349 or 350, including:
  - i. Charging consumers an upfront fee for Mortgage Assistance Relief Services;
  - ii. Misrepresenting to consumers the nature and mechanics of Mortgage Assistance Relief Services;
  - iii. Falsely promising to engage in negotiations with consumers' mortgage lenders or servicers;
  - iv. Misrepresenting the progress of loan modification applications;
  - v. Falsely representing that refunds will be issued if the offered Mortgage Assistance Relief Services does not succeed;
  - vi. Encouraging consumers to stop either paying their monthly mortgage payments and/or communicating with their lenders or servicers; and
  - vii. Forming a business or organizational identity or operating as a "doing business as" organization as a method of evading consumers;

and (3) why any other order should not be issued granting such other further relief to Plaintiffs as this Court deems just and proper, because:

- (a) The Honorable Stephen A. Bucaria of the New York State Supreme Court concluded in a May 16, 2011 Order that Defendants engaged in "willful" violations of N.Y. Real Property Law § 265-b, which prohibits individuals and corporations from accepting up-front payments for Mortgage Assistance Relief Services (Rho Aff., Ex. 23 at 3 (Schreiber v. Homesafe, 2011 N.Y. Slip Op. 31445U, No. 002344-11 (N.Y. Sup. Ct., May 16, 2011)));
- (b) Defendant Samuel admitted in a March 2011 court filing that "the entire operation was illegal" and that Homesafe "continues to operate illegally" (Rho Aff., Ex. 21 at 5);
- (c) Defendants have looted corporate assets for their personal benefit;

- (d) Defendant Samuel has recently departed Homesafe to form a rival loan modification company, called Consumer First Corp., while Defendant Schreiber has created a successor to Homesafe, called United Legal Solutions Incorporated, that engages in identical activities.

It is further

ORDERED that, for the purposes of this Order, the term "Mortgage Assistance Relief Services" shall mean any service, plan, or program, offered or provided to the consumer in exchange for consideration that is represented, expressly or by implication, to assist or attempt to assist the consumer with any of the following:

- (a) Stopping, preventing, or postponing any mortgage or deed of trust foreclosure sale for the consumer's dwelling, any repossession of the consumer's dwelling, or otherwise saving the consumer's dwelling from foreclosure or repossession;
- (b) Negotiating, obtaining, or arranging a modification of any term of a dwelling loan, including a reduction in the amount of interest, principal balance, monthly payments, or fees;
- (c) Obtaining any forbearance or modification in the timing of payments from any dwelling loan holder or servicer on any dwelling loan;
- (d) Negotiating, obtaining, or arranging any extension of the period of time within which the consumer may:
- i. Cure his or her default on a dwelling loan,
  - ii. Reinstate his or her dwelling loan,
  - iii. Redeem a dwelling, or
  - iv. Exercise any right to reinstate a dwelling loan or redeem a dwelling;
- (e) Obtaining any waiver of an acceleration clause or balloon payment contained in any promissory note or contract secured by any dwelling; or
- (f) Negotiating, obtaining or arranging:
- i. A short sale of a dwelling,
  - ii. A deed-in-lieu of foreclosure, or

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iii. Any other disposition of a dwelling other than a sale to a third party who is not the dwelling loan holder.

It is further

and determination

ORDERED that, pending the hearing of this motion, Defendants and all persons acting in participation with it and having notice of this Order, and the garnishees, trustees, and constructive trustees in respect of the property of and debts owed to Defendants, be and the same hereby are restrained and prohibited from transferring or paying out any assets of the Defendants or any personal or real property in which Defendants have an interest, or discharging any debt owed to said Defendants. It is further

and determination

ORDERED that, pending the hearing of this motion, Defendants, their affiliates, agents, employees, servants, and assigns are enjoined from:

- (a) Marketing, advertising, offering, selling or engaging in Mortgage Assistance Relief Services or aiding and abetting the marketing, advertising, offering, selling, or carrying out of these services;
- (b) Owning, managing, operating, creating, or assisting in the creation of any entity that markets, advertises, offers, sells, or carries out Mortgage Assistance Relief Services;
- (c) Being employed by, or serving as a consultant to, any person or entity that sells or carries out Mortgage Assistance Relief Services; and
- (d) Engaging in any deceptive acts and practices or false advertising in violation of New York General Business Law §§ 349 or 350, including:
  - i. Charging consumers an upfront fee for Mortgage Assistance Relief Services;
  - ii. Misrepresenting to consumers the nature and mechanics of Mortgage Assistance Relief Services;
  - iii. Falsely promising to engage in negotiations with consumers' mortgage lenders or servicers;
  - iv. Misrepresenting the progress of loan modification applications;

- [Handwritten initials]*
- v. Falsely representing that refunds will be issued if the offered Mortgage Assistance Relief Services does not succeed;
  - vi. Encouraging consumers to stop either paying their monthly mortgage payments and/or communicating with their lenders or servicers; and
  - vii. Forming a business or organizational identity or operating as a "doing business as" organization as a method of evading consumers.

It is further

*[Handwritten line connecting to list]*

ORDERED that, pursuant to C.P.L.R. §§ 3102 and 6220, and to prevent further efforts to destroy or discard highly relevant evidence, Plaintiffs may at once commence discovery related to:

- (a) Practices and procedures for document storage, management, and preservation at Homesafe and United Legal;
  - (b) The extent to which officers, employees, and independent contractors of Homesafe and United Legal were aware that the company was engaged in an "illegal" operation (Rho Aff., Ex. 21 at 5);
  - (c) Plaintiffs' client files, and the files of all other customers of Homesafe and United Legal, including any handwritten notations or internal documents relating to the processing of loan modifications;
  - (d) Homesafe's online marketing strategy, including internal memoranda and strategy documents;
  - (e) Bank and merchant account records indicating payments by Plaintiffs and other customers for Homesafe's services;
  - (f) Bank and merchant account records indicating the current state of Defendants' finances, including ability to satisfy judgment should Plaintiffs prevail in this matter.
- [Handwritten initials]*

It is further

*[Handwritten line connecting to list]*

ORDERED that Plaintiffs may, upon five days' notice, take the testimony of the following individuals by deposition upon oral or written questions, and, pursuant to C.P.L.R. § 3106, may commence such depositions before Plaintiffs' time for serving a responsive pleading

has expired, on the grounds that such testimony is necessary to prevent destruction of evidence, looting of assets, or frustration of judgment:

- (a) Defendant Scott Schreiber;
- (b) Defendant Guy Samuel;
- (c) Defendant Joseph Dahari, described as a member of Homesafe's "legal team" (Thorpe Aff., Ex. 10);
- (d) Defendant Angel Gonzalez, described as a member of Homesafe's "legal team" (Thorpe Aff., Ex. 10);
- (e) Anthony J. Blackwell, a non-party described as Homesafe's "in house counsel" (Rho Aff., Ex. 26 ¶ 30);
- (f) Defendant Darrell Keys, who submitted an affidavit in Schreiber v. Homesafe relating to the disposal of relevant evidence (Rho Aff., Ex 28).

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It is further

ORDERED that Plaintiffs file a bond on or before July 11, 2011, in the sum of \$ 5,000.00, conditioned that the Plaintiffs, if it is finally determined that they were not entitled to a temporary restraining order, will pay to the Defendants all damages and costs that may be sustained by reason thereof. It is further

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ORDERED that service of a copy of this Order to Show Cause, together with all the papers appended hereto and the bond to be filed herein, be made pursuant to C.P.L.R. § 308, 311 or by delivering to someone authorized to accept service ~~2103(b)(1) or (3) upon Plaintiffs or their attorney Daniel F. Kolb, Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, NY 10017 and pursuant to C.P.L.R. § 2103(c) upon Defendants, by 5 p.m. on the 1<sup>st</sup> day of July, 2011.~~ *and the summons and verified complaint with Index Number + date of filing endorsed.*

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~~ORDERED that Defendants serve any papers in opposition on Plaintiffs pursuant to~~

~~C.P.L.R. § 2103(b)(1) or (3) before the close of business on the \_\_\_\_\_ day of \_\_\_\_\_,~~

2011.

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ENTER:

*Handwritten signature:*  
[Signature]