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10 ANTONIO AND INES OCEGUEDA, JORGE OREJEL AND
GRICELDA GARCIA AND JUDY JONES,
and all others similarly situated

11 *Additional counsel on Page 2*

13 SUPERIOR COURT OF THE STATE OF CALIFORNIA

14 COUNTY OF SANTA CLARA

15 **111 CV 202525**

16 ANTONIO OCEGUEDA, an individual,
17 INES OCEGUEDA, an individual, JORGE
OREJEL, an individual, GRICELDA
18 GARCIA, an individual, and JUDY JONES,
an individual, on behalf of themselves and all
19 others similarly situated,

20 Plaintiffs,

21 v.

22 KEN NATHANSON, an individual,
NATHANSON LAW CENTER, a California
23 Professional Corporation, SHERMAN &
NATHANSON, P.C., a California
24 Professional Corporation, ADEEL AMIN, an
individual, AMERICAN BROTHER
25 CORPORATION, a California Corporation
d/b/a REWIREMYLOAN.COM, and DOES 1
26 THROUGH 100, inclusive,

27 Defendants.

ENDORSED

2011 JUN -8 A 9:4L

David H. Yamamoto, Clerk of the Superior Court
County of Santa Clara, California
By L. Kontorovsky
Clerk

CASE NO.

CLASS ACTION COMPLAINT FOR:

- (1) Breach of Contract
- (2) Failure to Translate a Contract
(Civ. Code, § 1632)
- (3) Unfair Competition (Bus. & Prof.
Code, § 17200)

DEMAND FOR JURY TRIAL

FAXED

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2 Plaintiffs Antonio Ocegueda, Ines Ocegueda, Jorge Orejel, Gricelda Garcia, and Judy
3 Jones (“Plaintiffs”), on behalf of themselves and a class of all other persons similarly situated,
4 allege as follows:

5 **I.**

6 **INTRODUCTION**

7 1. This is an action brought by a class of desperate homeowners seduced by Beverly
8 Hills attorney Ken Nathanson and his statewide network of cohorts to pay thousands of dollars in
9 up-front fees for mortgage loan modification and related legal services that he never provided.

10 Defendant Nathanson sat atop a loan modification scam network that funneled homeowners who
11 were fearful of losing their homes to foreclosure to his law firm Sherman & Nathanson.

12 2. Participating with Defendant Nathanson was RewireMyLoan.com, a sham front
13 for Defendant Adeel Amin. RewireMyLoan.com served as an intermediary between Nathanson
14 and his homeowner victims, promising to assist with loan modification services, collecting loan
15 documentation from victims, and directing the victims to Nathanson—and, of course, taking a
16 healthy cut off the top of the homeowners’ upfront fees. RewireMyLoan.com also guaranteed to
17 refund the homeowners’ payments should Nathanson fail to acquire loan modifications for the
18 homeowners. Just like Nathanson, RewireMyLoan.com failed to deliver on its promises; no
19 refunds have been made.

20 3. Nathanson and RewireMyLoan.com used local real estate agents and brokers who
21 were trusted in their local communities to obtain leads on potential scam victims. These agents
22 would refer loan modification “business” to RewireMyLoan.com and Nathanson.

23 4. This scam was heavily marketed. Nathanson and his cohorts sold Nathanson’s
24 services by focusing on his years of experience as an attorney with a commercial litigation and
25 real estate background, which bought the victims’ trust and led them to believe that retaining him
26 would guarantee success in loan modification negotiation or litigation against their lenders.
27 RewireMyLoan.com trumpeted its association with Nathanson on its website, advertising his firm
28 as “one firm that rises above the rest.” One of the referring agents was a Spanish-language radio

1 personality and licensed real estate agent who solicited homeowners on his radio show and began
2 the negotiations that led victims to RewireMyLoan.com and ultimately to Nathanson. The other
3 referring agent, based in San Francisco but doing business all over the Bay Area, specialized in
4 serving police officers, firefighters and other working class individuals, and likewise served as a
5 conduit for these and other victims to enter the RewireMyLoan.com/Nathanson scam web.

6 5. These promotional activities, taken together with RewireMyLoan.com's promise
7 of a guaranteed money-back refund, were intended to induce victims to enter into an agreement
8 with Nathanson and to quickly furnish the scammers with up-front payments.

9 6. Given the inevitable differences in their individual circumstances, not all
10 homeowners were eligible for loan modifications. Nevertheless, all of the Defendants promoted
11 Nathanson's "services" on a one-size-fits-all basis, with no regard for each family's particular
12 financial circumstances. A legitimate loan modification services provider would have assessed
13 individual circumstances prior to making any guarantees.

14 7. Moreover, Nathanson and RewireMyLoan.com, through their network of agents,
15 promoted and negotiated the contracts with many of the victims in Spanish, but provided only
16 English-language written contracts for them to review and keep. Because this sub-class of
17 victims could not read the English-language contracts that Defendants provided to them, they
18 relied solely on the verbal representations made to them, which were that they would obtain a
19 loan modification or their money back.

20 8. Ultimately, after extracting thousands of dollars from victims already at the brink
21 of financial ruin, Nathanson did not perform the legal services that were contracted for, nor did he
22 or other Defendants return the homeowners' payments.

23 9. Much ink has been spilled in recent years regarding the housing crisis in this
24 country. The crisis has caused many homeowners to become trapped in high-cost home loans for
25 property that has plummeted in value and has therefore become difficult, if not impossible, to sell.
26 These now-unaffordable mortgages, coupled with high unemployment and underemployment that
27 has resulted from the declining economy, have left many homeowners facing late payments,
28 default or even foreclosure on their home mortgages.

1 17. Plaintiffs are informed and believe, and thereon allege, that real estate brokers and
2 agents who were used by Defendants to solicit the class representatives and many other class
3 members—key non-party witnesses about the promises made by RewireMyLoan.com and
4 Nathanson—reside in the greater San Francisco Bay Area.

5 **III.**

6 **GENERAL ALLEGATIONS**

7 **THE PARTIES**

8 18. Plaintiffs ANTONIO and INES OCEGUEDA (“Mr. and Mrs. Ocegueda”) are a
9 married couple residing at 2773 Meadowlark Drive in Union City, California.

10 19. Plaintiffs JORGE OREJEL and GRICELDA GARCIA (“Mr. Orejel” and “Ms.
11 Garcia”) are a married couple residing at 1891 Mandarin Way in San Jose, California.

12 20. Plaintiff JUDY JONES (“Ms. Jones”) is an individual residing at 7859 Prestwick
13 Circle in San Jose, California.

14 21. Defendant KEN NATHANSON (“Nathanson”) is an individual who is, and was at
15 all relevant times, an attorney licensed to practice by the State Bar of California and is a partner at
16 Defendant Sherman & Nathanson P.C. and the principal attorney at Defendant Nathanson Law
17 Center. Through the use of local agents to solicit and obtain clients for his legal services,
18 Defendant Nathanson conducted business activities in Santa Clara County during the time period
19 relevant for this complaint.

20 22. Defendant SHERMAN & NATHANSON, P.C. (“Sherman & Nathanson”) is a
21 professional law corporation existing under the laws of the State of California. Sherman &
22 Nathanson maintains its principal place of business at 9454 Wilshire Boulevard, Suite 900 in
23 Beverly Hills, California. Through the use of local agents to solicit and obtain clients for its legal
24 services, Defendant Sherman & Nathanson conducted business activities within Santa Clara
25 County during the time period relevant for this complaint.

26 23. Defendant NATHANSON LAW CENTER (“Nathanson Law Center”) is a
27 successor-in-interest to defendant Sherman & Nathanson and maintains its principal place of
28 business at 9454 Wilshire Boulevard, Suite 900 in Beverly Hills, California. Through the use of

1 local agents to solicit and obtain clients for its legal services, Defendant Nathanson Law Center
2 conducted business activities within Santa Clara County during the time period relevant for this
3 complaint.

4 24. Defendant AMERICAN BROTHER CORPORATION (“American Brother
5 Corporation”) is a California corporation maintaining a principal place of business at 17700
6 Castleton Street, Suite 200 in City of Industry, California. Defendant American Brother
7 Corporation does business under the fictitious business name of RewireMyLoan.com (sometimes
8 referred to hereinafter as “Rewire”). Through the use of local agents to solicit and obtain clients
9 for its services, Defendant American Brother Corporation conducted business activities within
10 Santa Clara County during the time period relevant for this complaint.

11 25. Defendant ADEEL AMIN (“Amin”) is an individual who, at all relevant times,
12 was the owner of Defendant American Brother Corporation d/b/a RewireMyLoan.com. Through
13 the use of local agents to solicit and obtain clients for his services, Defendant Amin conducted
14 business activities within Santa Clara County during the time period relevant for this complaint.

15 26. The true names and capacities of the Defendants identified only as DOES 1
16 through 100 (“Doe Defendants” or “Doe Defendant”) are unknown to Plaintiffs at this time.
17 Plaintiffs will amend this Complaint to insert the true names and capacities of the Doe Defendants
18 when such are finally ascertained. Plaintiffs are informed and believe, and thereon allege, that
19 each of the fictitiously named Doe Defendants is liable to Plaintiffs and the Class for the acts,
20 events and occurrences alleged herein as a result of said Doe Defendants’ relationship to the
21 named Defendants or participants in said acts, events and occurrences, or approval or ratification
22 thereof. In particular, some of the Doe Defendants are real estate agents, brokers and staff
23 members who worked for the named Defendants, or conspired with, aided and abetted or
24 otherwise assisted or knowingly permitted the named Defendants to carry out their schemes and
25 the unlawful conduct alleged herein. Other Doe Defendants are persons or entities to whom the
26 illicit profits and fruits of the named Defendants’ schemes and unlawful acts were transferred, or
27 who assisted, aided and/or abetted the transfers, or the property resulting from such transfers.

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1 offered by the Nathanson Defendants and the Rewire Defendants, including potential litigation
2 services.

3 32. Some of the victims were solicited via a Spanish language radio show, in response
4 to which Spanish-speaking consumers called a San Jose-based agent (“San Jose agent”) to obtain
5 loan modification services. These meetings were conducted in Spanish and, during these
6 meetings, the broker’s staff collected the homeowners’ personal and financial information and
7 informed consumers that they would get a loan modification through Nathanson or their money
8 back. Subsequently, the agent’s staff presented the Spanish-speaking homeowners with English-
9 language contracts with the Nathanson Defendants and the Rewire Defendants and told them to
10 sign these contracts.

11 33. Plaintiffs are informed and believe, and thereon allege, that the Nathanson
12 Defendants and the Rewire Defendants authorized the agent to present these contracts to
13 consumers and paid referral fees to the agent, which were intended to increase the number of
14 victims funneled to the Nathanson Defendants and the Rewire Defendants so that they could
15 maximize the number of up-front fees that they could extract from the victim class.

16 34. Plaintiffs are informed and believe, and thereon allege, that the referral network
17 included numerous other agents throughout California who solicited consumers in a similar
18 manner, referred them to the Rewire Defendants and the Nathanson Defendants, and received
19 referral fees in exchange.

20 35. To promote Nathanson’s supposed loan modification services, the brokers and
21 agents in the referral network impressed upon the victims Nathanson’s status as a member of the
22 State Bar of California, and stated that the loan modification services that Nathanson would
23 provide could include litigation against the bank holding the victim’s mortgage, making them
24 superior to standard loan modification services. In addition, the referral network also made
25 representations about the results that Nathanson could achieve. These results included interest
26 rate and principal balance reductions. These promises were backed by a contractual money-back
27 guaranty provided by the Rewire Defendants.

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1 36. The Rewire Defendants themselves made similar representations to the public.
2 For example, on August 23, 2009, www.RewireMyLoan.com stated:

3 *“We are not a loan modification company. We do not beg and plead for*
4 *the lender to change your home loan and hope they oblige and we*
5 *encourage that you don’t either. This approach doesn’t work. Instead we*
6 *partner you with top real estate attorneys with successful track records*
7 *and lengthy resumes. We monitor their progress, keep tabs on their*
8 *customer service and ensure that they’re getting the most aggressive*
9 *deals. We let THEM audit your loan to find out how it may be 100%*
10 *unenforceable. That means the lender can’t collect payments, can’t*
11 *accept your payments, and not even foreclose on the home! Now that’s a*
12 *service I’d pay for ...but you don’t have to. We’ll do it for free!”*
13 [formatting and emphases in original]

14 37. The August 23, 2009, statement on www.RewireMyLoan.com in the previous
15 paragraph was attributed to Defendant Amin.

16 38. Following their deceptive statements and improper referrals, one or more of the
17 named Defendants—or individuals authorized to act on their behalf, such as the network of agents
18 and their staffs—presented form contracts for the victims to sign. One such contract was the
19 “Attorney-Client Fee Agreement” entered into between the Nathanson Defendants and the
20 victims. This form agreement stated that the Nathanson Defendants, and specifically Nathanson,
21 were being engaged by each victim “to review all documents you provide, contact and negotiate
22 with your lender (either through this office or through our outside consultant firm), and to provide
23 you with options on modifying your current loan.”

24 39. The Attorney-Client Fee Agreement further provided that the Nathanson
25 Defendants “will advise you as to the legal consequences and effect of all modification
26 documents that are generated by your lender before you sign them. I will use my skill as an
27 attorney to determine the benefits of the loan modifications offered by the lender, and do my
28 utmost to obtain the best possible rate and term reduction for you.”

 40. The Attorney-Client Fee Agreements signed by the Nathanson Defendants also
included provisions for the victims to make an up-front payment in exchange for a “loan
modification package” provided by the Nathanson Defendants together with the Rewire
Defendants. The Attorney-Client Fee Agreements called for victims to pay upfront fees to
Defendant Nathanson based on how many loans and different lenders they had. These upfront

1 fees ranged from \$2,975.00 to \$4,995.00 per property. Plaintiffs are informed and believe, and
2 thereon allege, that class members may have paid amounts in excess of this range of upfront fees
3 for the loan modification services that were to be provided by the Nathanson Defendants and the
4 Rewire Defendants.

5 41. All of the victims also received a “Corporate Guaranty” from the Rewire
6 Defendants that provided that Rewire would serve as Guarantor on behalf of the Nathanson
7 Defendants. According to its terms, the Corporate Guaranty was provided as a “material
8 inducement” to the victims “to enter into an Attorney-Client Agreement with Sherman &
9 Nathanson” and the Corporate Guaranty “absolutely, presently, continually, unconditionally, and
10 irrevocably guarantees the refund to Guaranteed Party of the entire amount charged Guaranteed
11 Party by Sherman & Nathanson, a Professional corporation (S&N) in the event S&N fails to
12 provide the services that S&N promises to perform pursuant to said Attorney-Client Agreement.”

13 42. The form contracts presented by the Defendants contained numerous legal
14 provisions. However, Plaintiffs are informed and believe, and thereon allege, that the contracts
15 were offered on a “take it or leave it” basis with limited opportunity by the victims to review and
16 sign the forms and no opportunity to change them.

17 43. Furthermore, Plaintiffs are informed and believe, and thereon allege, that no
18 reasonable pre-qualification or other assessment of the victim’s individual circumstances to
19 determine whether loan modification was a feasible alternative was made prior to executing these
20 contracts. Plaintiffs are informed and believe, and thereon allege, that such an assessment could
21 have spared many victims the significant up-front out-of-pocket payment and time wasted with
22 the Rewire Defendants and the Nathanson Defendants.

23 44. Plaintiffs are informed and believe, and thereon allege, that the victims’ payments
24 for the purported loan modification and/or litigation services were handled by the Defendants in a
25 systematic fashion. Victims made their payments directly to Defendant Nathanson. Plaintiffs are
26 informed and believe, and thereon allege, that Defendant Nathanson, in turn, paid the Rewire
27 Defendants and provided referral fees to brokers and/or other agents in the referral network.

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1 45. A subclass of the victims negotiated their Attorney-Client Agreements with
2 Defendant Nathanson through the San Jose agent, described above. The agent and his staff
3 conducted those negotiations orally in Spanish in late May and June 2009 after the Rewire
4 Defendants and the Nathanson Defendants had delegated responsibility for signing people up for
5 their services to the San Jose agent. However, the members of this subclass were not provided
6 with Spanish-language written contracts. This failure to provide a complete translation of the
7 form agreements placed these victims at a further disadvantage vis-à-vis the Defendants, given
8 the relative complexity of the contracts and Defendants’ sophistication. This subclass of victims
9 received a version of the Attorney-Client Agreement with Defendant Nathanson that did not
10 guarantee a refund of their fees paid, but was otherwise identical to the Attorney-Client Fee
11 Agreement signed by the other members of the class. Because these victims—who negotiated
12 their contracts orally in Spanish and did not receive Spanish-language translations of their
13 contract documents—relied upon the oral representations of a guaranteed loan modification, they
14 believed that they would receive a loan modification or their money back.

15 46. A second subclass of victims entered into contracts with the Nathanson
16 Defendants that required the payment of upfront fees to the Nathanson Defendants ranging from
17 the known values of \$2,975.00 to \$4,995.00, and further required the Nathanson Defendants to
18 refund upfront fees if they could not obtain a favorable mortgage modification, less charges of
19 \$750.00 to \$1,150.00 to account for attorney work done in attempt to modify the loan. Contrary
20 to these representations, made orally and agreed to in written contracts, none of the second
21 subclass members obtained a mortgage modification or any refund whatsoever.

22 47. Plaintiffs are informed and believe, and thereon allege, that, after receiving the up-
23 front payments of thousands of dollars from desperate homeowners who could ill afford such
24 sums, the Nathanson Defendants and/or the Rewire Defendants did not substantially perform the
25 promised services. Instead, they did little, if anything, for each victim and did not communicate
26 with the victims regarding the status of their mortgage modifications.

27 48. Ultimately, as a result of the activities of the Nathanson Defendants and the
28 Rewire Defendants, the victims received little or none of the results “guaranteed” by the

1 Defendants. Further, Plaintiffs are informed and believe, and thereon allege, that few, if any, of
2 the victims received the purported “litigation services” that the Defendants promised the Rewire
3 Defendants and/or the Nathanson Defendants would provide.

4 49. In the aggregate, despite paying thousands of dollars each that they could ill
5 afford, few, if any, of the victims received any promised loan modification at all, let alone the
6 significant reductions in interest rates and/or principal amounts “guaranteed” by the Defendants.

7 50. Moreover, though the Defendants induced the victims to make their up-front
8 payments based on a money-back guaranty, and despite the fact that the form contracts the
9 victims signed provided for refunds to the victims should the Rewire Defendants and/or the
10 Nathanson Defendants fail to obtain loan modification, upon information and belief, Defendants
11 did not provide the guaranteed refunds to the victims, despite receiving requests to do so by
12 victims.

13 51. In many cases, entering into the agreements with the Defendants actually caused
14 the victims’ situations to worsen beyond the loss of their out-of-pocket up-front payment, as they
15 relied upon representations by the Rewire Defendants or the Nathanson Defendants that they
16 should not continue to pay their mortgages or contact their banks while their loans were
17 supposedly being modified.

18 52. Plaintiffs are informed and believe, and thereon allege, that at least ninety (90)
19 distressed homeowners have been victimized by the Defendants to date.

20 **Plaintiffs Mr. Antonio and Mrs. Ines Ocegueda (Main Class, 1632 Subclass)**

21 53. Mr. Antonio and Mrs. Ines Ocegueda are a married couple of Mexican origin who
22 speak Spanish as their primary language. Mr. Ocegueda is a supervisor for a commercial
23 landscaping company and Mrs. Ocegueda does not work outside the home because she cares for
24 their oldest daughter, age 17, who has Down’s syndrome. Mr. and Mrs. Ocegueda have two other
25 children, ages 12 and 7.

26 54. Mr. and Mrs. Ocegueda purchased their single-family home at 2773 Meadowlark
27 Drive in Union City, California in 2004. At the time that they purchased their home, they secured
28 it with a deed of trust in the amount of \$358,000.00. Because their original mortgage loan on the

1 property had an adjustable rate, they refinanced in 2007 in order to obtain a fixed rate loan in the
2 amount of \$370,000.00. The Oceguedas' interest-only monthly payment on this mortgage was
3 over forty (40) percent of their monthly income.

4 55. In May or June 2009, Mr. and Mrs. Ocegueda, though current on their payments at
5 the time, sought out a loan modification to allow them to start paying down the principal balance
6 on their mortgage. Mr. Ocegueda heard about a loan modification opportunity on the San Jose
7 agent's Spanish-language radio show. The agent told people over the radio that they qualified for
8 loan modifications based on their mortgage amounts and incomes, and stated that he worked with
9 a group of lawyers to obtain modifications. The agent stated that the lawyers were really good,
10 and that they could obtain lower interest rates and principal reductions on mortgage loans. The
11 agent further stated that if the lawyers succeeded at modifying a loan, the client would pay, but if
12 they did not succeed, the client would not have to pay.

13 56. After hearing these statements, Mr. Ocegueda went to the San Jose agent's office
14 in San Jose and spoke with a staff member to set up a meeting in the next few days. During that
15 arranged meeting, Mr. and Mrs. Ocegueda and the staff member spoke only in Spanish. The staff
16 member repeated the substance of the radio program that had brought Mr. and Mrs. Ocegueda
17 into the agent's office, stating that the loan modification was guaranteed and that "the lawyers"
18 had good luck with their cases. He also promised that "the lawyers" would represent Mr. and
19 Mrs. Ocegueda if they had to go to court.

20 57. During this June 18, 2009 meeting, Mr. and Mrs. Ocegueda also were presented
21 with several English-language documents to sign, in order to start the process of obtaining a loan
22 modification. Because each of these documents was written in English, the staffer explained their
23 contents to Mr. and Mrs. Ocegueda orally in Spanish. Mr. and Mrs. Ocegueda trusted the
24 staffer's explanations of the documents. Mr. and Mrs. Ocegueda were not provided with Spanish-
25 language translations of any of the documents that they signed during this meeting, or at
26 subsequent meetings at which they signed documents. Plaintiffs are informed and believe, and
27 thereon allege, that the Rewire Defendants and the Nathanson Defendants did not instruct their
28 referral network agents to provide foreign-language contracts to individuals with whom the

1 contracts were negotiated in languages other than English.

2 58. During the June 18, 2009, meeting, Mr. and Mrs. Ocegueda provided various
3 financial documents to the agent's staffer, including recent pay stubs, recent mortgage statements
4 and a tax return. Mr. and Mrs. Ocegueda believed that the agent's staffer would provide these
5 documents to "the attorneys" who would process their loan modification.

6 59. Among the documents that the agent's staffer directed Mr. and Mrs. Ocegueda to
7 sign on June 18, 2009 was an Attorney-Client Agreement with Sherman & Nathanson. A true
8 and correct copy of the Attorney-Client Agreement signed by Mr. and Mrs. Ocegueda is attached
9 to this Complaint as Exhibit A. This agreement, which was pre-printed and pre-signed by
10 Defendant Nathanson, required Mr. and Mrs. Ocegueda to pay \$3,995.00 for services provided by
11 Defendant Sherman & Nathanson. In exchange, Defendant Nathanson's and Defendant Sherman
12 & Nathanson's obligations were to include diligently working on Mr. and Mrs. Ocegueda's loan
13 modification in order to obtain a favorable result in as quick a time as possible.

14 60. The Attorney-Client Agreement also stated—in English only—that the fee paid
15 would not be refundable under any circumstances. The agent's staffer did not orally convey the
16 fact that this contract stated that Mr. and Mrs. Ocegueda's up-front payment was non-refundable.
17 Moreover, this feature of the agreement contradicted the San Jose agent's and his staffer's
18 representations regarding the guaranty of loan modification services or their money back.

19 61. Mr. and Mrs. Ocegueda paid the \$3,995.00 fee to modify their single mortgage to
20 Defendant Sherman & Nathanson with their Visa card.

21 62. Also during the June 18, 2009 meeting, the agent's staffer gave Mr. and Mrs.
22 Ocegueda an English-language copy of the Corporate Guaranty provided by Defendant Rewire.
23 A true and correct copy of the Corporate Guaranty provided to Mr. and Mrs. Ocegueda is
24 attached to this Complaint as Exhibit B. This document provided that Defendant Rewire would,
25 "as a material inducement" to Mr. and Mrs. Ocegueda to execute and enter into the Attorney-
26 Client Fee Agreement with Defendant Sherman & Nathanson, "absolutely, presently, continually
27 and irrevocably" guarantee to refund the amount paid in the event that Defendant Sherman &
28 Nathanson did not perform its obligations to them.

1 63. For three months after Mr. and Mrs. Ocegueda signed their paperwork and made
2 their almost \$4,000 payment to Defendant Sherman & Nathanson, they did not hear from any of
3 the Defendants. Ultimately, Mr. Ocegueda called and spoke on the telephone with Nania Riles of
4 Defendant Rewire. This telephone communication with Ms. Riles occurred after both Mr. and
5 Mrs. Ocegueda had called and left several messages for Defendant Rewire without receiving a
6 response. Ms. Riles told Mr. Ocegueda that “the lawyers” had his case and that they needed
7 copies of two paystubs, his most recent mortgage statement and his income tax return. Mr.
8 Ocegueda sent these documents right away to the address provided by Ms. Riles.

9 64. After Mr. Ocegueda sent the documents requested by Ms. Riles, he tried to reach
10 someone at Defendant Rewire, but did not reach Ms. Riles again until two months later, when she
11 told him that he would have to talk to “the attorneys,” who were in Los Angeles. Ms. Riles
12 provided Mr. Ocegueda with their telephone number.

13 65. In November or December 2009, Mr. Ocegueda called the office of Defendant
14 Sherman & Nathanson. He spoke to a woman, who told him that he had to wait until he got
15 something in the mail from their office or the bank.

16 66. About three weeks later, after not receiving anything, Mr. Ocegueda started calling
17 Defendant Sherman & Nathanson again; Mr. Ocegueda called more than ten times before his call
18 was answered.

19 67. When Mr. Ocegueda finally spoke again with someone from Defendant Sherman
20 & Nathanson, it was with a woman who asked him if he was behind on his mortgage. Mr.
21 Ocegueda told the woman that he was not. In response, the woman told him that Defendant
22 Sherman & Nathanson would not be able to help him unless he was behind on his mortgage. Mr.
23 Ocegueda was not interested in intentionally defaulting on his mortgage; to the contrary, he had
24 been working hard to make his payments and did not want to ruin his credit. He told the woman
25 that he wanted to cancel everything and get his money back. The woman told Mr. Ocegueda that
26 a refund was not possible.

27 68. After speaking with the woman from Defendant Sherman & Nathanson, Mr.
28 Ocegueda called Wachovia Bank, his mortgage lender. The representative from Wachovia told

1 him that they had never received documents regarding a loan modification from Defendant
2 Rewire or from Defendant Sherman & Nathanson.

3 69. Mr. and Mrs. Ocegueda made two written demands to Defendant Nathanson,
4 which went unanswered.

5 70. After submitting paperwork to Wachovia on their own, in an attempt to obtain a
6 loan modification through the federal Home Affordable Modification Program (HAMP), Mr. and
7 Mrs. Ocegueda received a letter dated March 23, 2010, stating that they were officially denied a
8 loan modification because they had not sufficiently documented a financial hardship that reduced
9 their income or increased their expenses, thereby impacting their ability to make their mortgage
10 payments.

11 71. Plaintiffs are informed and believe, and thereon allege, that had the Defendants
12 employed a pre-qualification process in which they assessed Mr. and Mrs. Ocegueda's income,
13 expenses and mortgage in relation to the publicly-available HAMP criteria, they would have
14 discovered that Mr. and Mrs. Ocegueda never would have qualified for a loan modification.

15 72. Throughout the purported modification process, Mr. and Mrs. Ocegueda fully
16 cooperated with the Rewire Defendants and the Nathanson Defendants, and performed all of their
17 obligations under the contracts that they signed.

18 73. Mr. and Mrs. Ocegueda never received a loan modification through Defendant
19 Rewire or Defendant Sherman & Nathanson and never received a refund of the \$3,995.00 that
20 they had paid to Defendant Sherman & Nathanson.

21 74. On information and belief, the Nathanson Defendants paid the San Jose agent a
22 portion of the \$3,995.00 paid to them by Mr. and Mrs. Ocegueda as a referral fee.

23 75. As a result of the lack of services provided by the Nathanson Defendants and the
24 Rewire Defendants, Mr. and Mrs. Ocegueda have suffered financial harm.

25 **Plaintiffs Jorge Orejel and Gricelda Garcia (Main Class, 1632 Subclass)**

26 76. Mr. Jorge Orejel and Ms. Gricelda Garcia are a married couple of Mexican origin
27 who speak Spanish as their primary language. Mr. Orejel is an assistant supervisor in a
28 warehouse and Ms. Garcia works stocking shelves in Target.

1 77. Mr. Orejel and Ms. Garcia purchased their single-family home located at 1891
2 Mandarin Way in San Jose, California in 2004. During the time that they have owned the house,
3 they have refinanced two times—once in 2006 and the second time in 2007. The principal on
4 their 2007 refinance loan was \$508,000.

5 78. After almost two years into their 2007 refinanced loan, Ms. Garcia had her work
6 hours cut. In addition Mr. Orejel and Ms. Garcia’s rental income became irregular. As a
7 consequence, Mr. Orejel’s and Ms. Garcia’s mortgage payment was roughly 60 percent of their
8 total monthly income by 2009. Though they continued to make their mortgage payments in full
9 and on time, Mr. Orejel and Ms. Garcia felt financial pressure from their reduced income.

10 79. In February 2009, after hearing the San Jose agent on his Spanish-language radio
11 show speak about loan modification services, Mr. Orejel and Ms. Garcia sought loan modification
12 services from his office. However, those efforts were unsuccessful.

13 80. In late May or early June 2009, one of the San Jose agent’s staffers told Mr. Orejel
14 and Ms. Garcia about another option for obtaining a loan modification through attorneys. The
15 staffer stated that with the attorneys the process would be faster and that Mr. Orejel and Ms.
16 Garcia would be entitled to a refund if they didn’t get a modification. The staffer also stated that
17 the attorneys would help them reduce their principal and interest.

18 81. On or about June 2, 2009, Mr. Orejel and Ms. Garcia met with the staffer in order
19 to enter a new loan modification agreement with the attorneys advertised by the San Jose agent.

20 82. During this meeting at the San Jose agent’s office in San Jose the staffer said that,
21 with the attorneys doing the loan modification, Mr. Orejel and Ms. Garcia would get a refund if
22 the attorneys were unable to obtain a modification of their mortgage loan. The staffer also re-
23 iterated that the loan modification process would be fast with the attorneys, and that the attorneys
24 could get Mr. Orejel and Ms. Garcia a lower interest rate and lower their principal. This
25 conversation took place in Spanish.

26 83. Both the San Jose agent and the staffer also explained, in Spanish, to Mr. Orejel
27 and Ms. Garcia that they would be entitled to a discount on their loan modification with the
28 attorneys due to their prior efforts to secure a loan modification. Instead of paying \$3,995.00 for

1 a modification of one loan, which was the attorneys' regular rate, they would pay \$2,295.00.

2 84. Because of the promise of a money-back guaranty made by the San Jose agent and
3 the staffer, Mr. Orejel and Ms. Garcia decided to move forward with trying to obtain a loan
4 modification through the attorneys with whom the San Jose Agent and staffer worked.

5 85. During their June 2, 2009 meeting, the staffer presented Mr. Orejel and Ms. Garcia
6 with several English-language documents to sign in order to start the process of obtaining a loan
7 modification. Because each of these documents was written in English, the staffer explained their
8 contents to Mr. Orejel and Ms. Garcia orally in Spanish. Mr. Orejel and Ms. Garcia felt that they
9 could trust the staffer's explanation of each of the documents. The staffer did not provide Mr.
10 Orejel or Ms. Garcia with Spanish-language translations of any of the documents that the staffer
11 provided for them to sign during this meeting, or at subsequent meetings at which they signed
12 documents. Plaintiffs are informed and believe, and thereon allege, that the Rewire Defendants
13 and the Nathanson Defendants did not instruct individuals in their referral network to provide
14 foreign-language contracts to individuals with whom the contracts were negotiated in languages
15 other than English.

16 86. Among the documents that the staffer directed Mr. Orejel and Ms. Garcia to sign
17 on June 2, 2009 was an Attorney-Client Agreement with Defendant Sherman & Nathanson. A
18 true and correct copy of the Attorney-Client Agreement signed by Mr. Orejel and Ms. Garcia is
19 attached to this complaint as Exhibit C. This agreement, which was pre-printed and pre-signed by
20 Defendant Nathanson, required Mr. Orejel and Ms. Garcia to pay \$2,295.00 in exchange for
21 services provided by Defendant Sherman & Nathanson, which were to include diligently working
22 on their loan modification in order to obtain a favorable result as quickly as possible. The
23 agreement also stated that the fee paid would not be refundable under any circumstances. The
24 staffer did not explain that the English written agreement did not provide for a refund. Mr. Orejel
25 and Ms. Garcia paid the \$2,295.00 fee to Defendant Sherman & Nathanson with a cashier's check
26 dated June 2, 2009.

27 87. Also during the meeting on June 2, 2009, the staffer gave Mr. Orejel and Ms.
28 Garcia an English-language copy of the Corporate Guaranty provided by defendant Rewire. A

1 true and correct copy of the Corporate Guaranty provided to Mr. Orejel and Ms. Garcia is
2 attached to this Complaint as Exhibit D. This document provided that Defendant Rewire would,
3 “as a material inducement” to Mr. Orejel and Ms. Garcia to execute and enter into the Attorney-
4 Client Fee Agreement with Defendant Sherman & Nathanson, “absolutely, presently, continually
5 and irrevocably” guarantee to refund the amount paid in the event that Defendant Sherman &
6 Nathanson did not perform its obligations to them.

7 88. After not hearing about the progress of his loan modification from Defendant
8 Rewire and Defendant Sherman & Nathanson, Mr. Orejel contacted the San Jose agent, who told
9 Mr. Orejel that he would make sure that Mr. Orejel got his money back. Mr. Orejel and Ms.
10 Garcia believe that the San Jose agent wrote at least one written demand to Sherman &
11 Nathanson on their behalf, and also made other attempts to get their money back.

12 89. Throughout the purported modification process, Mr. Orejel and Ms. Garcia fully
13 cooperated with the Rewire Defendants and the Nathanson Defendants and performed all of their
14 obligations under the contracts that they signed.

15 90. Mr. Orejel and Ms. Garcia never received a loan modification through the Rewire
16 Defendants or Defendant Sherman & Nathanson, or a refund of the \$2,295.00 that they paid to
17 Defendant Sherman & Nathanson.

18 91. On information and belief, the Nathanson Defendants paid to the San Jose agent as
19 a referral fee a portion of the \$2,295.00 that Mr. Orejel and Ms. Garcia paid to the Nathanson
20 Defendants.

21 92. Mr. Orejel and Ms. Garcia have since obtained temporary loan modifications
22 through efforts outside of the agreements that they made with the Rewire Defendants and
23 Defendant Sherman & Nathanson.

24 93. As a result of the lack of services provided by the Nathanson Defendants and the
25 Rewire Defendants, Mr. Orejel and Ms. Garcia have suffered financial harm.

26 **Plaintiff Judy Jones (Main Class, Nathanson Refund Subclass)**

27 94. Plaintiff Judy Jones has had a mortgage on her home in San Jose, California, since
28 May 2007. Her mortgage was serviced by Bank of America.

1 95. In 2009, Ms. Jones worked as a Box Office Manager at the HP Pavilion. Ms.
2 Jones struggled to make mortgage payments because she had to allocate at least 75 percent of her
3 income to her mortgage.

4 96. Ms. Jones first heard about the modification services being offered by the Rewire
5 Defendants and the Nathanson Defendants from a friend who referred her to the San Francisco-
6 based real estate agent.

7 97. The San Francisco agent told Ms. Jones that the Rewire Defendants and the
8 Nathanson Defendants could obtain a lower interest rate on her mortgage and reduce her monthly
9 payments. Furthermore, the San Francisco agent stated that if the Rewire Defendants and the
10 Nathanson Defendants were unable to obtain a loan modification for Ms. Jones, she would
11 receive a full refund.

12 98. On or about April 9, 2009, Ms. Jones received the Rewire Defendants' and the
13 Nathanson Defendants' loan modification application from the San Francisco agent through
14 email.

15 99. Ms. Jones' subsequent communications with employees and authorized agents of
16 the Rewire Defendants and Nathanson Defendants were primarily through email.

17 100. Laurel Netz, who held herself out as a Defendant Rewire agent, emailed Ms. Jones
18 a form message touting the advantages of using the Nathanson and Rewire Defendants in the
19 modification process. Ms. Netz wrote that the Rewire Defendants were "not a typical loan
20 modification company," and that instead they partner with "very affluent real estate attorneys"
21 (namely, the Nathanson Defendants). These attorneys, continued Ms. Netz, "represent" the
22 homeowner and will "not beg and plead for lenders to modify . . . loans . . . instead [they] audit . .
23 . loan documents for violations against Federal and State real estate laws" in order to negotiate
24 new loan terms.

25 101. In addition, Ms. Netz claimed that the modification process would take between
26 forty five (45) and ninety (90) days. Ms. Netz also warned Ms. Jones not to speak with her
27 lender, but instead to forward all of her lender's calls to Ms. Netz. Ms. Netz stated that if Ms.
28 Jones did take the calls from her lender and tried to negotiate a loan modification without Ms.

1 Netz's knowledge or consent, Ms. Jones would violate the Rewire Defendants' and the Nathanson
2 Defendants' agreement and her modification fee would be "fully earned."

3 102. On or about April 11, 2009, Ms. Jones entered into an Attorney-Client Agreement
4 with the Nathanson Defendants. A true and correct copy of the Attorney-Client Agreement
5 signed by Ms. Jones is attached to this Complaint as Exhibit E. The agreement was signed by
6 Defendant Nathanson and written on Defendant Sherman & Nathanson letterhead. Ms. Jones
7 agreed to pay \$3,995.00 to modify one loan. The Attorney-Client Agreement stated that the
8 "entire fee will not be 'earned' by [Nathanson] until [he has] negotiated and received an offer
9 from [the homeowner's lender] to modify [the homeowner's] loan on terms that are more
10 favorable than [the homeowner's] current loan In the event [Nathanson is] not able to obtain
11 a more favorable modification of [the homeowner's loan], the entire fee is completely refundable
12 *less a legal fee for time and efforts expended on [the homeowner's] matters.*" (Emphasis added.)
13 This "legal fee" was predetermined to be \$750.00 to \$1,150.00.

14 103. On or about April 11, 2009, Ms. Jones also entered into a Corporate Guaranty with
15 the Rewire Defendants. A true and correct copy of this Corporate Guaranty is attached to this
16 Complaint as Exhibit F. The Corporate Guaranty was signed by Inga Rymal, who held herself
17 out as the Controller for the Rewire Defendants. As a material inducement to enter into the
18 Attorney-Client Fee Agreement with the Nathanson Defendants, the Rewire Defendants
19 "absolutely, presently, continually, unconditionally, and irrevocably guarantee[d] the refund to
20 Guaranteed Party of the entire amount charged by Sherman & Nathanson, a Professional
21 corporation (S&N) in the event S&N fails to provide the services that S&N promises to perform
22 pursuant to said Attorney-Client Agreement."

23 104. On or about May 7, 2009, Ms. Jones received another Corporate Guaranty from
24 the Rewire Defendants. A true and correct copy of this Corporate Guaranty is attached to this
25 Complaint as Exhibit G.

26 105. On or about May 8, 2009, Ms. Jones paid the Nathanson Defendants a \$3,995.00
27 "fee for service" by credit card, in advance of their services and in reliance on their
28 representations.

1 106. The Rewire Defendants and the Nathanson Defendants required Ms. Jones to
2 provide the following additional documentation: a signed and notarized Power of Attorney; a
3 signed Exclusive Services Broker Agreement; two months of recent paystubs; 2007 and 2008 W-
4 2's; 2007 and 2008 tax returns; two months of consecutive bank statements; a recent mortgage
5 statement; any correspondence from her lender; and a hardship letter. Ms. Jones promptly
6 provided the Rewire Defendants and the Nathanson Defendants and their employees and agents
7 with the requested documentation on or about May 8, 2009.

8 107. On or about May 20, 2009, Ms. Jones emailed Ms. Netz to verify that her
9 modification application was complete. On or about May 21, 2009, Ms. Netz confirmed that Ms.
10 Jones' application was complete and that she had been in contact with Ms. Jones' lender in order
11 to receive mortgage documentation. Ms. Netz promised to update Ms. Jones about her loan
12 modification progress.

13 108. On or about June 2, 2009, Ms. Isabel Lopez, who held herself out to be a processor
14 for the Rewire Defendants, emailed Ms. Jones requesting an updated mortgage statement. In
15 addition, Ms. Lopez informed Ms. Jones that her lender's documents should arrive at the
16 Nathanson Defendants' offices by June 5, 2009. Ms. Jones promptly faxed the updated mortgage
17 statement to Ms. Lopez.

18 109. Throughout the purported modification process, Ms. Jones fully cooperated with
19 the Rewire Defendants, the Nathanson Defendants, and their employees and agents, and
20 performed all of her obligations under the contracts she signed.

21 110. On or about June 25, 2009, Ms. Jones received an email from Ms. Netz stating that
22 her file would be given to the attorney (the Nathanson Defendants) on that day (June 25, 2009) or
23 the next day (June 26, 2009). Ms. Jones' files were transferred to Michael Leal and Chris Clark,
24 employees for the Nathanson Defendants. Thereafter, Mr. Leal and Mr. Clark became the new
25 contact people who were supposed to provide updates to Ms. Jones about her application.

26 111. Ms. Jones also was contacted by Valerie Tootle, the Chief Executive Officer of
27 Real Estate Services, a firm hired by the Nathanson Defendants. Ms. Jones attempted to reach
28 out to Ms. Tootle through emails to get status updates on her application.

1 112. From July 2009 until about August 2010, the Nathanson Defendants were
2 unresponsive to Ms. Jones' inquiries. Only when Ms. Jones threatened to end her contract with,
3 and requested a refund from, the Nathanson Defendants did Defendant Nathanson's agents
4 respond to Ms. Jones' requests.

5 113. The Nathanson Defendants' agents then repeatedly asked Ms. Jones to send in the
6 same documents that she had previously provided before they would proceed with Ms. Jones'
7 case. Ms. Jones obliged and promptly sent in the required documents numerous times.

8 114. On or about October 23, 2009, the San Francisco agent emailed Defendant
9 Nathanson on Ms. Jones' behalf requesting a refund. Defendant Nathanson never responded.

10 115. On or about January 22, 2010, Ms. Jones emailed Mr. Clark asking for a refund
11 because her modification application was not progressing and because the Nathanson Defendants
12 and their agents were being unresponsive. None of the Nathanson Defendants or their agents
13 responded to Ms. Jones' request.

14 116. On or about May 19, 2010, Ms. Jones received a letter from Bank of America
15 denying her request for a modification. On that same day, Ms. Jones emailed Karen Hernandez,
16 another Nathanson Defendant employee, informing Ms. Hernandez about Bank of America's
17 denial letter and inquiring about the process to receive a refund from the Nathanson Defendants.
18 Ms. Hernandez never answered Ms. Jones' email.

19 117. On or about July 2, 2010, Ms. Jones emailed Ms. Hernandez again, this time
20 demanding a refund of the upfront fees paid to the Nathanson Defendants.

21 118. On or about August 20, 2010, Defendant Nathanson finally responded via email to
22 Ms. Jones' refund request. Defendant Nathanson told Ms. Jones that he could not provide her
23 with a refund.

24 119. On information and belief, the Nathanson Defendants provided the San Francisco
25 agent with a portion of the \$3,995.00 paid to them by Ms. Jones as a referral fee.

26 120. Ms. Jones never received a loan modification through the Rewire Defendants or
27 the Nathanson Defendants, and never received a refund of the \$3,995.00 that she paid to the
28 Nathanson Defendants.

1 **A. Numerosity**

2 127. The potential quantity of members of the Class as defined is so numerous that
3 joinder of all members would be unfeasible and impractical. The disposition of their claims
4 through this class action will benefit both the parties and this Court. The quantity of members of
5 the Class is unknown to Plaintiffs at this time; however, it is estimated that the Class number is
6 well in excess of ninety (90) individuals. The quantity and identity of such membership is readily
7 ascertainable via inspection of Defendants' records.

8 **B. Common Questions Predominate**

9 128. Common questions of law and fact exist as to all Class Members, and predominate
10 over any questions that affect only individual members of the Class. The common questions of
11 law and fact include, but are not limited to:

- 12 (1) The degree to which each Defendant acted on behalf or as an agent of the other
13 Defendants;
- 14 (2) Defendants' practice with respect to processing loan modification payments from
 the victim Class;
- 15 (3) Compensation arrangements made between the Defendants in exchange for
16 referrals;
- 17 (4) Contractual representations made to victims in the form contracts used by
 Defendants;
- 18 (5) What Defendants publicly represented regarding the purported loan modification
19 services (including, e.g., website, oral, print or radio advertising);
- 20 (6) Whether Defendants' public representations regarding their purported loan
 modification services constitute deceptive and unfair acts;
- 21 (7) To what extent Defendants acted on behalf of one another with respect to
22 deceptive statements;
- 23 (8) The Rewire Defendants' obligations under the Corporate Guaranty, including, for
 example, their obligations to honor money-back guaranties and their failure to
24 honor these obligations;
- 25 (9) Defendants' pattern and practice with respect to failing to provide loan
 modification services;
- 26 (10) Defendants' pattern and practice with respect to failing to commence litigation to
27 modify victim loan terms; and
- 28 (11) Additional common questions of law and fact that may develop as the litigation
 progresses.

1 129. Additional common questions of law and fact exist as to all 1632 Subclass
2 Members, and predominate over any questions that affect only individual members of the 1632
3 Subclass. In addition to the common questions of law and fact identified above, these questions
4 include, but are not limited to:

- 5 (1) Defendants' pattern and practice of negotiating with the 1632 Subclass Members
6 in a language other than English, such as Spanish;
- 7 (2) Defendants' pattern and practice of providing English-language form contracts to
8 the 1632 Subclass Members;
- 9 (3) Defendants' pattern and practice of failing to providing a complete translation of
10 the English-language form contracts to the 1632 Subclass Members;
- 11 (4) The Nathanson Defendants' obligations under the Attorney-Client Fee
12 Agreements;
- 13 (5) The Nathanson Defendants' pattern and practice with respect to failing to provide
14 loan modification services and communicating with the victims regarding loan
15 modification options;
- 16 (6) The Nathanson Defendants' pattern and practice with respect to failing to
17 commence litigation to modify victim loan terms; and
- 18 (7) Additional common questions of law and fact that may develop as the litigation
19 progresses.

20 130. Additional common questions of law and fact exist as to all Nathanson Refund
21 Subclass Members, and predominate over any questions that affect only individual members of
22 the Nathanson Refund Subclass. In addition to the common questions of law and fact identified
23 above, these questions include, but are not limited to:

- 24 (1) Defendants' express contractual promise to provide refunds to the Nathanson
25 Refund Subclass Members in the event that a loan modification could not be
26 obtained;
- 27 (2) Defendants' pattern and practice of failing to obtain loan modifications for the
28 Nathanson Refund Subclass Members;
- (3) Defendants' pattern and practice of failing to provide the contractual refund;
- (4) The Nathanson Defendants' obligations under the Attorney-Client Fee Agreement,
 including, for example, their obligations to honor money-back guaranties and their
 failure to honor these obligations;
- (5) The Nathanson Defendants' pattern and practice with respect to providing loan
 modification services and communicating with the victims regarding loan
 modification options;

- 1 (6) The Nathanson Defendants' pattern and practice with respect to commencing
litigation to modify victim loan terms; and
- 2
- 3 (7) Additional common questions of law and fact that may develop as the litigation
progresses.

4 **C. Typicality**

5 131. The claims of Plaintiffs are typical of the claims of all members of the Class (and,
6 if applicable, Subclass) defined herein because all members of the Class (and, if applicable,
7 Subclass) sustained similar injuries and damages arising out of Defendants' common course of
8 conduct in violation of law, and the injuries and damages of all members of the Class (and, if
9 applicable, Subclass) were caused by Defendants' wrongful conduct in violation of law, as
10 alleged herein.

11 **D. Adequacy of Representation**

12 132. Plaintiffs are adequate representatives of the Class defined herein, will fairly
13 protect the interests of the members of the Class, have no interests antagonistic to the members of
14 the Class, and will vigorously pursue this suit via attorneys who are competent, skilled, and
15 experienced in litigating matters of this type. Class counsel is competent and experienced in
16 litigating large class actions.

17 **E. Superiority**

18 133. The nature of this action and the nature of laws available to Plaintiffs make the use
19 of the class action format a particularly efficient and appropriate procedure to afford relief to
20 Plaintiffs for the wrongs alleged herein. Individual joinder of all Class Members is impractical.
21 Class action treatment will permit a large number of similarly situated persons to prosecute their
22 common claims in a single forum simultaneously, efficiently, and without the unnecessary
23 duplication of effort and expense that numerous individual actions engender. Because the losses,
24 injuries, and damages suffered by some of the individual Class Members are in almost all cases
25 too small to support an independent lawsuit, the expenses and burden of individual litigation
26 would make it extremely difficult or impossible for individual Class Members to redress wrongs
27 done to them.

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V.

CAUSES OF ACTION

First Cause of Action

Breach of Contract (Corporate Guaranty)
(As against the Rewire Defendants)
(On behalf of all Class Members)

134. Plaintiffs incorporate all of the foregoing allegations in all previous paragraphs as though fully set forth herein.

135. In exchange for valuable consideration, the Rewire Defendants executed a Corporate Guaranty with the Class Members.

136. This contract was in writing and executed when the Class Members entered into the Attorney-Client Fee Agreement with the Nathanson Defendants.

137. The Corporate Guaranty expressly provided that it was a “material inducement,” and was part of the consideration provided to induce the Class Members to enter into contracts with the Nathanson Defendants and/or Rewire Defendants, including the Attorney-Client Fee Agreement.

138. The Corporate Guaranty was signed by the Rewire Defendants doing business as RewireMyLoan.com, the Guarantor under the Agreement.

139. Accordingly, the Corporate Guaranty is an enforceable guaranty under California law under Civil Code, sections 2792-94.

140. Because the Nathanson Defendants failed to perform the promised loan modification services for Plaintiffs and the Class Members, as set forth in the Attorney-Client Fee Agreement, the Rewire Defendants were obligated to repay the full amount of their up-front payments and failed to do so.

141. By failing to provide the promised money-back guaranty, the Rewire Defendants breached one or more provisions of the Corporate Guaranty.

142. As a consequence of the Rewire Defendants’ breaches of the Corporate Guaranty, the Class Members were damaged in an amount to be proven at trial, including attorneys’ fees under Civil Code, section 1717.

1 Fee Agreements.

2 166. By making their upfront payments, the 1632 Subclass Members fully performed
3 under the contracts.

4 167. As a consequence of the Nathanson Defendants' breaches of the form contracts,
5 the 1632 Subclass Members were damaged in an amount to be proven at trial.

6
7 **Fifth Cause of Action**
8 *Breach of Written Contract (Attorney-Client Fee Agreement)*
9 (As against the Nathanson Defendants)
10 (On behalf of Nathanson Refund Subclass Members)

11 168. Plaintiffs incorporate all of the foregoing allegations in all previous paragraphs as
12 though fully set forth herein.

13 169. The Nathanson Defendants offered, and the Nathanson Refund Subclass Members
14 accepted, services, on specific terms and conditions, to negotiate and obtain mortgage
15 reinstatement, adjustment, reduction, forgiveness and/or other type of mortgage modification, by
16 executing a written contract and making payments to the Nathanson Defendants.

17 170. As set forth above, in consideration for the legal services that the Nathanson
18 Defendants promised to provide, the Nathanson Refund Subclass Members each made payments
19 in amounts ranging from \$2,975.00 to modify one mortgage loan, \$3,975.00 to modify two
20 mortgage loans, up to \$4,975.00 to modify three mortgage loans or more if the mortgages were
21 with different lenders. For example, the Nathanson Refund Subclass Representative Plaintiff
22 Judy Jones paid \$3,995.00 on May 8, 2009. These payments were made by members of the
23 subclass either by authorizing credit card payment or by writing a check to the Nathanson
24 Defendants.

25 171. The Attorney-Client Fee Agreements executed by the Nathanson Refund Subclass
26 Members and the Nathanson Defendants included provisions concerning partial refunds that
27 would be remitted to the Nathanson Refund Subclass Members by the Nathanson Defendants
28 when and if the Nathanson Defendants failed to secure a modification of their mortgage with
more favorable terms than their existing mortgage.

172. These contracts are valid and enforceable against the Nathanson Defendants.

1 173. The refund provisions in the contract required the Nathanson Defendants, upon a
2 failure to secure more favorable mortgage terms, to refund the entire payment, less a legal fee for
3 the Nathanson Defendants' supposed "time and effort" expended on any particular loan or
4 mortgage modification. The contracts limited any legal fees to be paid to the Nathanson
5 Defendants to \$750.00 for work on one mortgage modification; \$950.00 for work on two
6 mortgage modifications; and \$1,150.00 for work on three mortgage modifications.

7 174. By making their upfront payments, the Nathanson Refund Subclass Members fully
8 performed under the contracts.

9 175. Thus, according to the refund provisions in the contract, the Nathanson Defendants
10 are entitled to only these refunds, so long as they expended "time and effort" seeking a loan
11 modification. In any scenario, the Nathanson Refund Subclass Members would be entitled to at
12 least the difference between these "legal fees" and their up-front payment, an amount of over two
13 thousand dollars at a minimum; and, upon information and belief, the Nathanson Refund Subclass
14 Members are entitled to a full refund given the failure of the Nathanson Defendants to expend any
15 effort in procuring loan modifications.

16 176. The Nathanson Defendants failed to secure more favorable mortgage modification
17 terms on behalf of any of the Nathanson Refund Subclass Members. The Nathanson Defendants
18 failed to refund monetary amounts, in whole or in part, to any of the Nathanson Refund Subclass
19 Members.

20 177. The Nathanson Defendants informed the Nathanson Refund Subclass Members
21 that refunds would not be forthcoming.

22 178. By failing to secure a loan modification and by failing to provide the promised
23 refunds, the Nathanson Defendants breached the refund provision in the Attorney-Client Fee
24 Agreements they had entered into with the Nathanson Refund Subclass Members.

25 179. In addition to the refund provision, the Nathanson Defendants breached other
26 provisions of the Attorney-Client Fee Agreement. For example, by failing to consult with the
27 Nathanson Refund Subclass Members regarding their loan modification options prior to loan
28 modifications, the Nathanson Defendants breached one or more provisions of the Attorney-Client

1 Fee Agreements.

2 180. Upon information and belief, the Nathanson Defendants did not undertake
3 reasonable or meaningfully effective loan negotiations with the lenders for the mortgages held by
4 the Nathanson Refund Subclass Members. This failure breached one or more provisions of the
5 Attorney-Client Fee Agreements.

6 181. Each member of the Nathanson Refund Subclass was injured by these breaches of
7 contract by the Nathanson Defendants in an amount to be proven at trial.

8 **Sixth Cause of Action**
9 *Unfair Competition (Bus. & Prof. Code, § 17200)*
10 (As against the Nathanson Defendants)
(On behalf of Nathanson Refund Subclass Members)

11 182. Plaintiffs incorporate all of the foregoing allegations in all previous paragraphs as
12 though fully set forth herein.

13 183. Section 17200 of the Business and Professions Code prohibits unfair competition,
14 including any unlawful, unfair or fraudulent business act or practice.

15 184. The Nathanson Defendants conducted unlawful, unfair and/or fraudulent business
16 acts when they presented form contracts promising “guaranteed” loan modifications in order to
17 obtain up-front payments from each of the Nathanson Refund Subclass Members.

18 185. The Nathanson Defendants conducted unlawful, unfair and/or fraudulent business
19 acts when they failed to honor refund requests by the Nathanson Refund Subclass Members for
20 upfront fees they had paid, after the Nathanson Defendants failed to secure loan modifications
21 with more favorable terms for the Nathanson Refund Subclass Members.

22 186. The Nathanson Defendants conducted unlawful, unfair and/or fraudulent business
23 acts when they failed to consult with the Nathanson Refund Subclass Members regarding their
24 loan modification options prior to applying for the loan modifications.

25 187. These actions, individually and collectively, are unlawful, unfair, or fraudulent
26 business acts or practices as against the Nathanson Refund Subclass Members, as members of the
27 public, under Section 17200.

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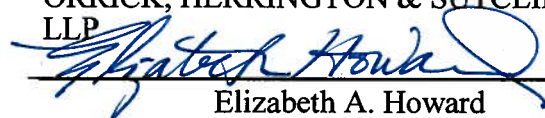
- 1 k) For exemplary damages as permitted under the Civil Code or under any other
2 statute or rule applicable to the claims set forth above;
- 3 l) For trebled damages as permitted by the statutes set forth above;
- 4 m) For a constructive trust against all Defendants over the property wrongfully
5 obtained by Defendants for the benefit of Plaintiffs and the Class and Subclasses, requiring any
6 Defendant in possession of monies wrongfully taken from Plaintiffs and the Class and Subclasses
7 to hold such monies for the benefit of, and distribute such monies to, Plaintiffs and the Class and
8 Subclasses;
- 9 n) For an accounting of the books and records of Defendants and all persons and
10 entities acting in coordination with Defendants, to determine the amount due from Defendants to
11 Plaintiffs and the Class and Subclasses and the location and source of all monies and property
12 obtained by Defendants from Plaintiffs and the Class and Subclasses, including from persons
13 providing funds to Defendants on behalf of Class and Subclasses Members;
- 14 o) For reasonable attorneys' fees as permitted by the statute(s) set forth above, the
15 parties' contracts (per Civ. Code, § 1717) and as permitted under Code of Civil Procedure,
16 section 1021.5, or any other applicable legal provision;
- 17 p) For costs of suit;
- 18 q) For pre-judgment interest at the legal rate; and
- 19 r) For any other injunctive and equitable relief the Court may deem proper.

20 **JURY DEMAND**

21 Plaintiffs and the Class Members hereby demand a trial by jury for all issues
22 which may be tried by jury.

23 Dated: June 2, 2011

24 ELIZABETH A. HOWARD
25 I. NEEL CHATTERJEE
26 SIDDHARTHA M. VENKATESAN
27 ORRICK, HERRINGTON & SUTCLIFFE
28 LLP



Elizabeth A. Howard
Attorneys for Plaintiffs ANTONIO
OCEGUDA, INES OCEGUEDA, JORGE
OREJEL, GRICELDA GARCIA and JUDY
JONES and all others similarly situated

EXHIBIT A

SHERMAN & NATHANSON

A PROFESSIONAL CORPORATION

500 TOWER BLDG., S.F. CA 94111

3000 WILSHIRE BOULEVARD

SUITE 300

BEVERLY HILLS, CALIFORNIA 90212

TELEPHONE (310) 246-0321

FACSIMILE (310) 246-0305

EMAIL: csheerman@snaflaw.com

knarc@snaflaw.com

6-18-09 (Date)

Ines A. Ocegueda

Antonio Ocegueda [Client Name(s)]
2773 meadowlark Pl [Client Address]
Union City CA 94587 [City, State, Zip]

RE: Attorney-Client Agreement
Our File Number: 2298.0002

Dear Client:

I am pleased to present to you this Attorney-Client Agreement. It contains the entire agreement between you and the undersigned and my law firm, Sherman & Nathanson, a Professional corporation (the "Firm"), with respect to our representing you in your efforts to modify your current mortgage loan or loans.

Please complete the enclosed application forms, *in full*, and provide the requested documents. The more complete the information is that you provide, the greater the likelihood of success we will have in working with your current lender to adjust the terms of your loan. Therefore, it is critical that you attach all documents that are requested as well as other information you may feel is important to tell us about yourself. Please understand that all lenders are different. This means that they look for different information from each of their borrowers, and there is no way to predict, with any certainty, what facts are most critical to the person assigned to your case. We are aware that the application is extensive, but please work as quickly as you can to return the application and documents to us so that we maximize our chances of having the best success of you. Please remember to return to me the original signed and notarized Power of Attorney, as well as the signed original Authorization!

1. *Scope of Work and Terms of Engagement.* You are engaging the Firm to review all documents that you provide, contact and negotiate with your lender (either through this office or through our outside consultant firm), and provide you with options on modifying your current loan. We agree to hold the information that you provide us in strict confidence, except to provide it to our consultants as well as to your current lender. We will advise you as to the legal consequences and effect of all modification documents that are generated by your lender before you sign them. I will use my skill as an attorney to determine the benefits of the loan modifications offered by the lender, and do my utmost to obtain the best possible rate and term reduction for you. In exchange, you agree to pay the fee charged by me, to be available as needed for consultation and orientation, to provide truthful and accurate information for forwarding to the lender, and to cooperate with me or with my vendor in completing the task that you have hired us to do.

2. *Charges for Services Rendered.* You agree to pay me based on the number of loans we are working to modify for you. For one home, one loan, the flat rate charge is \$ 2995. The flat rate charge increases by \$ N/A for each additional loan on your home. For second properties, the flat rate charge is \$ N/A, plus an additional \$ N/A for each additional loan. The charges you incur and pay to the Firm are not refundable by the Firm even if we are not able to obtain a more favorable modification of any one of your loans(s), provided that the Firm provides the services that this Agreement obligates the Firm to provide and uses its best efforts to negotiate a loan modification on your behalf. Neither I nor the Firm has any obligation to begin work on your matter until you have deposited the flat rate charge(s) and have provided all of the information requested. The Firm accepts American Express, VISA and MasterCard for your convenience. You will need to provide me with a copy of your credit card, your credit card number, expiration date, the billing address for the card, including zip code and the security code. I will send to you a receipt for the charges you have paid.

3. *Your obligations.* You agree to provide to me as soon as possible, but not later than within fourteen (14) days, all requested and accurate account information, and inform me of any changes in your living status (*for example*, loss of job, reduction of salary or benefits, divorce, illness, etc.). Anything that may affect your economic position is vital to me in assisting you to obtain a favorable result. You agree to be truthful with me and with my consultant(s) and to keep us informed of any changes in your situation. You agree to provide additional documents when requested or as received from your lender.

4. *Three Day Right of Rescission.* I want you to be comfortable with my representation. Therefore, I offer you a right to rescind this Agreement within three (3) business days from the date that you sign this Agreement and pay my fee. You are therefore advised that,

YOU, THE CLIENT, MAY CANCEL THIS AGREEMENT AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE THAT THIS AGREEMENT IS SIGNED. ALL YOU HAVE TO DO IS SIGN AND RETURN TO ME THE ATTACHED CANCELLATION FORM WITHIN THIS TIME PERIOD, AND THE MONIES YOU HAVE PAID THE FIRM WILL BE RETURNED TO YOU.

5. *Outside Consultants and Vendors.* You agree that I will consult with outside loan and financial consultants, such as those associated with REWIREMYLOAN, or similarly experienced individuals in order to assist me in working on your file and negotiating with your lender. I believe that by utilizing a consultant or consultants, I am maximizing my chances of success on your matter. *No additional charges will be incurred by you for the use of such consultation.* By signing this Agreement, you agree that the information that you provide me may be shared by me with my consultant. Rest assured that my consultant and this office will treat your information with the utmost confidence, protected by the attorney client privilege. This means that by law, your private financial and other information cannot be disclosed to any person other than to us or to your lender, unless you agree otherwise.

6. *My Process.* Once I have a completed loan modification package, you can expect that we will diligently work on your matter to obtain a favorable result in as quick a time as possible. The sooner we act, the more likely it is that we are successful! In conjunction with REWIREMYLOAN or other qualified consultant, we will present your facts to your lender in the most favorable light to obtain the debt relief that you request. I have worked with lenders

in the past, and have the expertise to know what they need to consider in order to help you with your loan. Attention to detail is critical! Please give us time to process your file. After looking over your documents, I may call you to discuss my findings, or one or more the consultants that I engage may do so. If I feel that there are violations of law in the loan package itself, I will contact your lender's legal department to discuss the problem. In addition, you will be receiving a call from personnel at REWIREMYLOAN, as they will to working closely with you and me to streamline the process.

7. *No Guarantee of Result.* Nothing in this agreement and nothing in my statements to you can or should be interpreted as a promise or guarantee about the outcome of your matter. I make no such promises or guarantees. My comments about the outcome of your matter are expressions of opinion only, based on my experience and knowledge. Naturally, you are free to consult with any other attorney in order to obtain a "second opinion."

8. *Loan Breach Warning.* It is critical that you are aware that your failure to pay your lender as currently agreed may result in the lender foreclosing on your home or other real estate. If that happens, you are in danger of losing the equity you have in your home, and are subject to possible eviction. In addition, your failure to pay your lender will have a negative effect on your credit, and could result in a lawsuit being filed against you if the loan proceeds are not repaid through the foreclosure process. If you have any questions about foreclosure, please ask! Remember, just because you have retained me does not mean that your lender will stop foreclosure proceedings, or will refrain from negative reporting about your credit.

9. *Indemnification.* You agree to indemnify and hold me harmless from and against any and all claims, losses, damages, costs or liability of any kind resulting from your default in any loan or note that you have signed with any lender, private or bank. You acknowledge that the purpose of consulting with this office is to modify or change the terms of a loan so that you are more comfortable in staying current with your monthly payments.

10. *Document Retention.* It is my policy on loan modifications to retain your file for twelve (12) months following completion of the process and my representation. If you wish the file, please let me know.

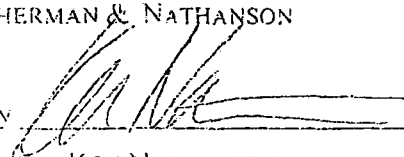
11. *Effective Date.* This agreement will take effect when you have signed this Agreement and paid my fee in full. I will begin performing services after the three (3) day rescission period has passed.

If the arrangement described in this letter is acceptable to you, please confirm your agreement by signing this letter in the space provided and returning it to me. My receipt of your signature(s) on this Agreement by facsimile will have the same force and effect as receipt of the Agreement bearing your original signature(s). You should retain a copy of this agreement for your records. We appreciate the opportunity to represent you.

Very truly yours,

SHERMAN & NATHANSON

By


KEN NATHANSON

[Client signature(s) on page following]

I HAVE READ AND UNDERSTOOD THE FOREGOING PROVISIONS OF THE AGREEMENT WITH SHERMAN & NATHANSON AND I/WE AGREE TO BE BOUND THEREBY.

DATED June 18 2009

By:  _____

By: JAMES A. ACCIARDA _____

EXHIBIT B

CORPORATE GUARANTY

This CORPORATE GUARANTY (the "Guaranty") is made and entered into as of 6-18-09 by RewireMyLoan.com, whose address is 419 15th Street, Paso Robles, California 93446 ("Guarantor"), in favor of Antonio Ocegueda Ines Ocegueda whose address is 2773 Meadbulark Union City CA 94587 ("Guaranteed Party"), with reference to the following facts:

As a material inducement to Guaranteed Party to execute and enter into an Attorney-Client Agreement with Sherman & Nathanson, a Professional corporation, Guarantor hereby absolutely, presently, continually, unconditionally and irrevocably guarantees the refund to Guaranteed Party of the entire amount charged to Guaranteed Party by Sherman & Nathanson, a Professional corporation (S&N) in the event S&N fails to provide the services that S&N promises to perform pursuant to said Attorney-Client Agreement, and further agrees:

1. This Guaranty shall be binding upon Guarantor, Guarantor's successors and assigns and shall inure to the benefit of and shall be enforceable by Guaranteed Party, its successors, endorsees and assigns.
2. In the event of any dispute or litigation regarding the enforcement of validity of this Guaranty, the party prevailing in such dispute or litigation shall be entitled to recover from the non-prevailing party his/her/its costs and expenses, including, without limitation, reasonable attorneys' fees.
3. This Guaranty shall be governed by and construed in accordance with the laws of the State of California, and in a case involving diversity of citizenship, shall be litigated in and subject to the jurisdiction of the Courts of California.
4. Every provision of this Guaranty is intended to be severable. In the event any term or provision hereof is declared to be illegal or invalid for any reason whatsoever by a court of competent jurisdiction, such illegality or invalidity shall not affect the balance of the provisions hereof, which provisions shall remain binding and enforceable.
5. This Guaranty may be executed in any number of counterparts each of which shall be deemed an original and all of which shall constitute one and the same Guaranty with the same effect as if all parties had signed the same signature page. Any signature page of this Guaranty may be detached from any counterpart of this Guaranty and re-attached to any other counterpart of this Guaranty identical in form hereto but having attached to it one or more additional signature pages.
6. No failure or delay on the part of Guaranteed Party to exercise any power, right or privilege under this Guaranty shall impair any such power, right or privilege, or be construed to be a waiver of any default or an acquiescence therein, nor shall any single or partial exercise of such power, right or privilege preclude either or further exercise thereof or of any other right, power or privilege.

CORPORATE GUARANTY

7. This Guaranty shall constitute the entire agreement between each Guarantor and the Guaranteed Party with respect to the subject matter hereof. No provision of this guaranty or right of Guaranteed Party hereunder may be waived nor may any Guarantor be released from any obligation hereunder except by a writing duly executed by an authorized officer, director or trustee of Guaranteed Party, provided however, that this Guaranty shall expire, deemed terminated and void and shall no longer be of any force or effect whatsoever unless written demand for refund is received by Guarantor from Guaranteed Party on or before the expiration of two hundred ten (210) days after the date hand written above.

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the day and year first above written.

GUARANTOR:

REWIREMYLOAN.COM

By: _____

Name:

Title:

EXHIBIT C

SHERMAN & NATHANSON

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

9454 WILSHIRE BOULEVARD
SUITE 900
BEVERLY HILLS, CALIFORNIA 90212

TELEPHONE (310) 246-0321
FACSIMILE (310) 246-0309

EMAIL: rsherman@snmlaw.com
knate@snmlaw.com

6/2/09 (Date)

Jorge Orejel [Client Name(s)]
1851 Mandan Way [Client Address]
San Jose, CA 95122 [City, State, Zip]

RE: Attorney-Client Agreement
Our File Number: 2298.0002

Dear Client:

I am pleased to present to you this Attorney-Client Agreement. It contains the entire agreement between you and the undersigned and my law firm, Sherman & Nathanson, a Professional corporation (the "Firm"), with respect to our representing you in your efforts to modify your current mortgage loan or loans.

Please complete the enclosed application forms, *in full*, and provide the requested documents. The more complete the information is that you provide, the greater the likelihood of success we will have in working with your current lender to adjust the terms of your loan. Therefore, it is critical that you attach all documents that are requested as well as other information you may feel is important to tell us about yourself. Please understand that all lenders are different. This means that they look for different information from each of their borrowers, and there is no way to predict, with any certainty, what facts are most critical to the person assigned to your case. We are aware that the application is extensive, but please work as quickly as you can to return the application and documents to us so that we maximize our chances of having the best success of you. Please remember to return to me the original signed and notarized Power of Attorney, as well as the signed original Authorization!

1. *Scope of Work and Terms of Engagement.* You are engaging the Firm to review all documents that you provide, contact and negotiate with your lender (either through this office or through our outside consultant firm), and provide you with options on modifying your current loan. We agree to hold the information that you provide us in strict confidence, except to provide it to our consultants as well as to your current lender. We will advise you as to the legal consequences and effect of all modification documents that are generated by your lender before you sign them. I will use my skill as an attorney to determine the benefits of the loan modifications offered by the lender, and do my utmost to obtain the best possible rate and term reduction for you. In exchange, you agree to pay the fee charged by me, to be available as needed for consultation and orientation, to provide truthful and accurate information for forwarding to the lender, and to cooperate with me or with my vendor in completing the task that you have hired us to do.

2. *Charges for Services Rendered.* You agree to pay me based on the number of loans we are working to modify for you. For one home, one loan, the flat rate charge is \$ 2,295. The flat rate charge increases by \$ 0 for each additional loan on your home. For second properties, the flat rate charge is \$ _____, plus an additional \$ _____ for each additional loan. The charges you incur and pay to the Firm are not refundable by the Firm even if we are not able to obtain a more favorable modification of any one of your loan(s), provided that the Firm provides the services that this Agreement obligates the Firm to provide and uses its best efforts to negotiate a loan modification on your behalf. Neither I nor the Firm has any obligation to begin work on your matter until you have deposited the flat rate charge(s) and have provided all of the information requested. The Firm accepts American Express, VISA and MasterCard for your convenience. You will need to provide me with a copy of your credit card, your credit card number, expiration date, the billing address for the card, including zip code and the security code. I will send to you a receipt for the charges you have paid.

3. *Your obligations.* You agree to provide to me as soon as possible, but not later than within fourteen (14) days, all requested and accurate account information, and inform me of any changes in your living status (*for example*, loss of job, reduction of salary or benefits, divorce, illness, etc.). Anything that may affect your economic position is vital to me in assisting you to obtain a favorable result. You agree to be truthful with me and with my consultant(s) and to keep us informed of any changes in your situation. You agree to provide additional documents when requested or as received from your lender.

4. *Three Day Right of Rescission.* I want you to be comfortable with my representation. Therefore, I offer you a right to rescind this Agreement within three (3) business days from the date that you sign this Agreement and pay my fee. You are therefore advised that,

YOU, THE CLIENT, MAY CANCEL THIS AGREEMENT AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE THAT THIS AGREEMENT IS SIGNED. ALL YOU HAVE TO DO IS SIGN AND RETURN TO ME THE ATTACHED CANCELLATION FORM WITHIN THIS TIME PERIOD, AND THE MONIES YOU HAVE PAID THE FIRM WILL BE RETURNED TO YOU.

5. *Outside Consultants and Vendors.* You agree that I will consult with outside loan and financial consultants, such as those associated with REWIREMYLOAN, or similarly experienced individuals in order to assist me in working on your file and negotiating with your lender. I believe that by utilizing a consultant or consultants, I am maximizing my chances of success on your matter. *No additional charges will be incurred by you for the use of such consultation.* By signing this Agreement, you agree that the information that you provide me may be shared by me with my consultant. Rest assured that my consultant and this office will treat your information with the utmost confidence, protected by the attorney client privilege. This means that by law, your private financial and other information cannot be disclosed to any person other than to us or to your lender, unless you agree otherwise.

6. *My Process.* Once I have a completed loan modification package, you can expect that we will diligently work on your matter to obtain a favorable result in as quick a time as possible. The sooner we act, the more likely it is that we are successful! In conjunction with REWIREMYLOAN or other qualified consultant, we will present your facts to your lender in the most favorable light to obtain the debt relief that you request. I have worked with lenders

in the past, and have the expertise to know what they need to consider in order to help you with your loan. Attention to detail is critical! Please give us time to process your file. After looking over your documents, I may call you to discuss my findings, or one or more the consultants that I engage may do so. If I feel that there are violations of law in the loan package itself, I will contact your lender's legal department to discuss the problem. In addition, you will be receiving a call from personnel at REWIREMYLOAN, as they will to working closely with you and me to streamline the process.

7. **No Guarantee of Result.** Nothing in this agreement and nothing in my statements to you can or should be interpreted as a promise or guarantee about the outcome of your matter. I make no such promises or guarantees. My comments about the outcome of your matter are expressions of opinion only, based on my experience and knowledge. Naturally, you are free to consult with any other attorney in order to obtain a "second opinion."

8. **Loan Breach Warning.** It is critical that you are aware that your failure to pay your lender as currently agreed may result in the lender foreclosing on your home or other real estate. If that happens, you are in danger of losing the equity you have in your home, and are subject to possible eviction. In addition, your failure to pay your lender will have a negative effect on your credit, and could result in a lawsuit being filed against you if the loan proceeds are not repaid through the foreclosure process. If you have any questions about foreclosure, please ask! Remember, just because you have retained me does not mean that your lender will stop foreclosure proceedings, or will refrain from negative reporting about your credit.

9. **Indemnification.** You agree to indemnify and hold me harmless from and against any and all claims, losses, damages, costs or liability of any kind resulting from your default in any loan or note that you have signed with any lender, private or bank. You acknowledge that the purpose of consulting with this office is to modify or change the terms of a loan so that you are more comfortable in staying current with your monthly payments.

10. **Document Retention.** It is my policy on loan modifications to retain your file for twelve (12) months following completion of the process and my representation. If you wish the file, please let me know.

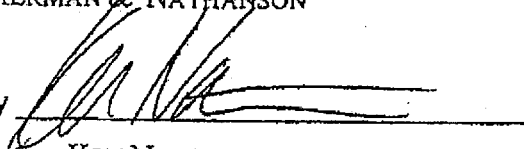
11. **Effective Date.** This agreement will take effect when you have signed this Agreement and paid my fee in full. I will begin performing services after the three (3) day rescission period has passed.

If the arrangement described in this letter is acceptable to you, please confirm your agreement by signing this letter in the space provided and returning it to me. My receipt of your signature(s) on this Agreement by facsimile will have the same force and effect as receipt of the Agreement bearing your original signature(s). You should retain a copy of this agreement for your records. We appreciate the opportunity to represent you.

Very truly yours,

SHERMAN & NATHANSON

By


KEN NATHANSON

[Client signature(s) on page following]

I/WE HAVE READ AND UNDERSTOOD THE FOREGOING PROVISIONS OF THE AGREEMENT WITH SHERMAN & NATHANSON AND I/WE AGREE TO BE BOUND THEREBY.

DATED: June 2, 2009

By: Jorge Orejeda

By: Graciela Garcia

EXHIBIT D

CORPORATE GUARANTY

This CORPORATE GUARANTY (the "Guaranty") is made and entered into as of 6/3/09, by RewireMyLoan.com, whose address is 419 15th Street, Paso Robles, California 93446 ("Guarantor"), in favor of Jorge Orejel, whose address is 189 Mandarin Wy, San Jose, CA, 95122 ("Guaranteed Party"), with reference to the following facts:

As a material inducement to Guaranteed Party to execute and enter into an Attorney-Client Agreement with Sherman & Nathanson, a Professional corporation, Guarantor hereby absolutely, presently, continually, unconditionally and irrevocably guarantees the refund to Guaranteed Party of the entire amount charged to Guaranteed Party by Sherman & Nathanson, a Professional corporation (S&N) in the event S&N fails to provide the services that S&N promises to perform pursuant to said Attorney-Client Agreement, and further agrees:

1. This Guaranty shall be binding upon Guarantor, Guarantor's successors and assigns and shall inure to the benefit of and shall be enforceable by Guaranteed Party, its successors, endorsees and assigns.
2. In the event of any dispute or litigation regarding the enforcement of validity of this Guaranty, the party prevailing in such dispute or litigation shall be entitled to recover from the non-prevailing party his/her/its costs and expenses, including, without limitation, reasonable attorneys' fees.
3. This Guaranty shall be governed by and construed in accordance with the laws of the State of California, and in a case involving diversity of citizenship, shall be litigated in and subject to the jurisdiction of the Courts of California.
4. Every provision of this Guaranty is intended to be severable. In the event any term or provision hereof is declared to be illegal or invalid for any reason whatsoever by a court of competent jurisdiction, such illegality or invalidity shall not affect the balance of the provisions hereof, which provisions shall remain binding and enforceable.
5. This Guaranty may be executed in any number of counterparts each of which shall be deemed an original and all of which shall constitute one and the same Guaranty with the same effect as if all parties had signed the same signature page. Any signature page of this Guaranty may be detached from any counterpart of this Guaranty and re-attached to any other counterpart of this Guaranty identical in form hereto but having attached to it one or more additional signature pages.
6. No failure or delay on the part of Guaranteed Party to exercise any power, right or privilege under this Guaranty shall impair any such power, right or privilege, or be construed to be a waiver of any default or an acquiescence therein, nor shall any single or partial exercise of such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege.

CORPORATE GUARANTY

7. This Guaranty shall constitute the entire agreement between each Guarantor and the Guaranteed Party with respect to the subject matter hereof. No provision of this guaranty or right of Guaranteed Party hereunder may be waived nor may any Guarantor be released from any obligation hereunder except by a writing duly executed by an authorized officer, director or trustee of Guaranteed Party, provided however, that this Guaranty shall expire, deemed terminated and void and shall no longer be of any force or effect whatsoever unless written demand for refund is received by Guarantor from Guaranteed Party on or before the expiration of two hundred ten (210) days after the date hand written above.

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the day and year first above written.

GUARANTOR:

REWIREMYLOAN.COM

By: _____

Name:

Title:

EXHIBIT E

SHERMAN & NATHANSON

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

9454 WILSHIRE BOULEVARD
SUITE 900
BEVERLY HILLS, CALIFORNIA 90212

TELEPHONE (310) 246-0321

FACSIMILE (310) 246-0305

EMAIL: rsherman@snmlaw.com

knate@snmlaw.com

4-11-09 (Date)

Judy Jones [Client Name(s)]
7859 Prestwick Cir [Client Address]
SAN JOSE CA 95135 [City, State, Zip]

RE: Attorney-Client Fee Agreement
Our File Number: 2298.0002

Dear Client:

I am pleased to present to you this Fee Agreement and Terms of Engagement. It contains the entire agreement between us with respect to our representing you in your efforts to modify your current mortgage loan or loans.

Please complete the enclosed application forms, *in full*, and provide the requested documents. The more complete the information is that you provide, the greater the likelihood of success we will have in working with your current lender to adjust the terms of your loan. Therefore, it is critical that you attach all documents that are requested as well as other information you may feel is important to tell us about yourself. Please understand that all lenders are different. This means that they look for different information from each of their borrowers, and there is no way to predict, with any certainty, what facts are most critical to the person assigned to your case. We are aware that the application is extensive, but please work as quickly as you can to return the application and documents to us so that we maximize our chances of having the best success of you. Please remember to return to me the original signed and notarized Power of Attorney, as well as the signed original Authorization!!

1. **Scope of Work and Terms of Engagement.** You are engaging this firm to review all documents that you provide, contact and negotiate with your lender (either through this office or through our outside consultant firm), and provide you with options on modifying your current loan. We agree to hold the information that you provide us in strict confidence, except to provide it to our consultants as well as to your current lender. We will advise you as to the legal consequences and effect of all modification documents that are generated by your lender before you sign them. I will use my skill as an attorney to determine the benefits of the loan modifications offered by the lender, and do my utmost to obtain the best possible rate and term reduction for you. In exchange, you agree to pay the fee charged by me, to be available as needed for consultation and orientation, to provide truthful and accurate information for forwarding to the lender, and to cooperate with me or with my vendor in completing the task that you have hired us to do.

2. **Fee for Service.** You agree to pay me a fee based on the number of loans we are working to modify for you. For one home, one loan, the fee is \$3995. This fee increases by \$ 0 for each additional loan on your home. For second properties, the fee will be increased by \$ 0, plus an additional \$ 0 for each additional

loan. However, the entire fee will not be "earned" by me until we have negotiated and received an offer from your lender to modify your loan on terms that are more favorable than your current loan provides. For the purpose of this Agreement and my representation of you in this matter, "earned" is defined as negotiating a reinstatement, adjustment, or modification of any one of your mortgage(s) that is more favorable than your current loan commitment(s). Any reinstatement, reduction or forgiveness, in any amount or on any loan, is considered a more favorable modification. In the event we are not able to obtain a more favorable modification of any one of your loan(s), the entire fee is completely refundable *Jess a legal fee for time and my efforts expended on your matter* as follows: \$750.00 if I have been engaged to modify one loan; \$950.00 if I have been engaged to modify two loans; and \$1150.00 if I have engaged to modify three loans. I have no obligation to begin work on your matter until you have deposited the fee and have provided all of the information requested. I accept American Express, VISA and MasterCard for your convenience. You will need to provide me with your credit card number, expiration date, the billing address for the card, including zip code. I will send to you a receipt for the deposited fee. I will not retain your credit card information after processing your payment for security purposes.

3. **Your obligations.** You agree to provide to me as soon as possible, but not later than within fourteen (14) days, all requested and accurate account information, and inform me of any changes in your living status (*for example*, loss of job, reduction of salary or benefits, divorce, illness, etc.). Anything that may affect your economic position is vital to me in assisting you to obtain a favorable result. You agree to be truthful with me and with my consultant(s) and to keep us informed of any changes in your situation. You agree to provide additional documents when requested or as received from your lender.

4. **Three Day Right of Rescission.** I want you to be comfortable with my representation. Therefore, I offer you a right to rescind this Agreement within three (3) business days from the date that you sign this Agreement and pay my fee. You are therefore advised that,

YOU, THE CLIENT, MAY CANCEL THIS AGREEMENT AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE THAT THIS AGREEMENT IS SIGNED. ALL YOU HAVE TO DO IS SIGN AND RETURN TO ME THE ATTACHED CANCELLATION FORM WITHIN THIS TIME PERIOD, AND YOUR FULL FEE WILL BE RETURNED TO YOU.

5. **Outside Consultants and Vendors.** You understand and agree that I will consult with outside loan and financial consultants, such as those associated with REWIREMYLOAN, or similarly experienced individuals in order to assist me in working on your file and negotiating with your lender. I believe that by utilizing a consultant or consultants, I am maximizing my chances of success on your matter. *No additional fees will be charged to you for the use of such consultation.* By signing this Agreement, you agree that the information that you provide me may be shared by me with my consultant. Rest assured that my consultant and this office will treat your information with the utmost confidence, protected by the attorney client privilege. This means that by law, your private financial and other information cannot be disclosed to any person other than to us or to your lender, unless you agree otherwise.

6. **My Process.** Once I have a completed loan modification package, you can expect that we will diligently work on your matter to obtain a favorable result in as quick a time as possible. The sooner we act, the more likely it is that we are successful! In conjunction with

REWIREMYLOAN or other qualified consultant, we will present your facts to your lender in the most favorable light to obtain the debt relief that you request. I have worked with many lenders in the past, and have the expertise to know what they need to consider in order to help you with your loan. Attention to detail is critical! Please give us time to process your file. After looking over your documents, I may call you to discuss my findings, or one or more the consultants that I engage may do so. If I feel that there are violations of law in the loan package itself, I will contact your lender's legal department to discuss the problem. In addition, you will be receiving a call from personnel at REWIREMYLOAN, as they will to working closely with you and me to streamline the process.

7. **No Guarantee of Result.** Nothing in this agreement and nothing in my statements to you can or should be interpreted as a promise or guarantee about the outcome of your matter. I make no such promises or guarantees. My comments about the outcome of your matter are expressions of opinion only, based on my experience and knowledge. Naturally, you are free to consult with any other attorney in order to obtain a "second opinion."

8. **Loan Breach Warning.** It is critical that you are aware that your failure to pay your lender as currently agreed may result in the lender foreclosing on your home or other real estate. If that happens, you are in danger of losing the equity you have in your home, and are subject to possible eviction. In addition, your failure to pay your lender will have a negative effect on your credit, and could result in a lawsuit being filed against you if the loan proceeds are not repaid through the foreclosure process. If you have any questions about foreclosure, please ask! Remember, just because you have retained me does not mean that your lender will stop foreclosure proceedings, or will refrain from negative reporting about your credit.

9. **Indemnification.** You agree to indemnify and hold me harmless from and against any and all claims, losses, damages, costs or liability of any kind resulting from your default in any loan or note that you have signed with any lender, private or bank. You acknowledge that the purpose of consulting with this office is to modify or change the terms of a loan so that you are more comfortable in staying current with your monthly payments.

10. **Document Retention.** It is my policy on loan modifications to retain your file for twelve (12) months following completion of the process and my representation. If you wish the file, please let me know.

11. **Effective Date.** This agreement will take effect when you have signed this Agreement and paid my fee in full. I will begin performing services after the three (3) day rescission period has passed.

If the arrangement described in this letter is acceptable to you, please confirm your agreement by signing this letter in the space provided and returning it to me. My receipt of your signature(s) on this Agreement by facsimile will have the same force and effect as receipt of the Agreement bearing your original signature(s). You should retain a copy of this agreement for your records. We appreciate the opportunity to represent you.

Very truly yours,

SHERMAN & NATHANSON

By



KEN NATHANSON

EXHIBIT F

CORPORATE GUARANTY

This CORPORATE GUARANTY (the "*Guaranty*") is made and entered into as of 4-11-09, by RewireMyLoan.com, whose address is 419 15th Street, Paso Robles, California 93446 ("*Guarantor*"), in favor of JUDY JONES, whose address is 7895 Prestwick Cir SARASOTA, FL 34235 ("*Guaranteed Party*"), with reference to the following facts:

As a material inducement to Guaranteed Party to execute and enter into a Fee Agreement with Sherman & Nathanson, a Professional corporation, Guarantor hereby absolutely, presently, continually, unconditionally and irrevocably guarantees the refund to Guaranteed Party of the entire fee paid by Guaranteed Party in the event the services provided by Sherman & Nathanson, a Professional corporation do not result in an offer of more favorable loan terms (as defined in the Fee Agreement) from Guaranteed Party's home lender, and further agrees:

1. This Guaranty shall be binding upon Guarantor, Guarantor's successors and assigns and shall inure to the benefit of and shall be enforceable by Guaranteed Party, its successors, endorsees and assigns.
2. In the event of any dispute or litigation regarding the enforcement of validity of this Guaranty, Guarantor shall be obligated to pay all charges, costs and expenses (including, without limitation, reasonable attorneys' fees) incurred by Guaranteed Party, whether or not any action or proceeding is commenced regarding such dispute and whether or not such litigation is prosecuted to judgment.
3. This Guaranty shall be governed by and construed in accordance with the laws of the State of California, and in a case involving diversity of citizenship, shall be litigated in and subject to the jurisdiction of the Courts of California.
4. Every provision of this Guaranty is intended to be severable. In the event any term or provision hereof is declared to be illegal or invalid for any reason whatsoever by a court of competent jurisdiction, such illegality or invalidity shall not affect the balance of the provisions hereof, which provisions shall remain binding and enforceable.
5. This Guaranty may be executed in any number of counterparts each of which shall be deemed an original and all of which shall constitute one and the same Guaranty with the same effect as if all parties had signed the same signature page. Any signature page of this Guaranty may be detached from any counterpart of this Guaranty and re-attached to any other counterpart of this Guaranty identical in form hereto but having attached to it one or more additional signature pages.
6. No failure or delay on the part of Guaranteed Party to exercise any power, right or privilege under this Guaranty shall impair any such power, right or privilege, or be construed to be a waiver of any default or an acquiescence therein, nor shall any single or partial exercise of such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege.

CORPORATE GUARANTY

7. This Guaranty shall constitute the entire agreement between each Guarantor and the Guaranteed Party with respect to the subject matter hereof. No provision of this guaranty or right of Guaranteed Party hereunder may be waived nor may any Guarantor be released from any obligation hereunder except by a writing duly executed by an authorized officer, director or trustee of Guaranteed Party.

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the day and year first above written.

GUARANTOR:

REWIREMYLOAN.COM

By: _____
Name:
Title:

EXHIBIT G

CORPORATE GUARANTY

This CORPORATE GUARANTY (the "**Guaranty**") is made and entered into as of May 7, 2009, by RewireMyLoan.com, whose address is 419 15th Street, Paso Robles, California 93446 ("**Guarantor**"), in favor of Judy A. Jones, whose address is 7859 Prestwick Cr. , San Jose , CA , 95135 ("**Guaranteed Party**"), with reference to the following facts:

As a material inducement to Guaranteed Party to execute and enter into an Attorney-Client Agreement with Sherman & Nathanson, a Professional corporation, Guarantor hereby absolutely, presently, continually, unconditionally and irrevocably guarantees the refund to Guaranteed Party of the entire amount charged to Guaranteed Party by Sherman & Nathanson, a Professional corporation (S&N) in the event S&N fails to provide the services that S&N promises to perform pursuant to said Attorney-Client Agreement, and further agrees:

1. This Guaranty shall be binding upon Guarantor, Guarantor's successors and assigns and shall inure to the benefit of and shall be enforceable by Guaranteed Party, its successors, endorsees and assigns.
2. In the event of any dispute or litigation regarding the enforcement of validity of this Guaranty, the party prevailing in such dispute or litigation shall be entitled to recover from the non-prevailing party his/her/its costs and expenses, including, without limitation, reasonable attorneys' fees.
3. This Guaranty shall be governed by and construed in accordance with the laws of the State of California, and in a case involving diversity of citizenship, shall be litigated in and subject to the jurisdiction of the Courts of California.
4. Every provision of this Guaranty is intended to be severable. In the event any term or provision hereof is declared to be illegal or invalid for any reason whatsoever by a court of competent jurisdiction, such illegality or invalidity shall not affect the balance of the provisions hereof, which provisions shall remain binding and enforceable.
5. This Guaranty may be executed in any number of counterparts each of which shall be deemed an original and all of which shall constitute one and the same Guaranty with the same effect as if all parties had signed the same signature page. Any signature page of this Guaranty may be detached from any counterpart of this Guaranty and re-attached to any other counterpart of this Guaranty identical in form hereto but having attached to it one or more additional signature pages.
6. No failure or delay on the part of Guaranteed Party to exercise any power, right or privilege under this Guaranty shall impair any such power, right or privilege, or be construed to be a waiver of any default or an acquiescence therein, nor shall any single or partial exercise of such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege.

CORPORATE GUARANTY

7. This Guaranty shall constitute the entire agreement between each Guarantor and the Guaranteed Party with respect to the subject matter hereof. No provision of this guaranty or right of Guaranteed Party hereunder may be waived nor may any Guarantor be released from any obligation hereunder except by a writing duly executed by an authorized officer, director or trustee of Guaranteed Party, provided however, that this Guaranty shall expire, deemed terminated and void and shall no longer be of any force or effect whatsoever unless written demand for refund is received by Guarantor from Guaranteed Party on or before the expiration of two hundred ten (210) days after the date hand written above.

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the day and year first above written.

GUARANTOR:

REWIREMYLOAN.COM

By: _____

Name:
Title:

Digitally signed by Inga Rymal
DN: cn=Inga Rymal, o=Rewire My
Loan, ou=Controller,
email=ingarymal@rewiremyloan.com,
c=US
Date: 2009.05.07 10:48:58 -0700