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12 ATTORNEYS FOR PLAINTIFF  
13 FEDERAL TRADE COMMISSION

14 **UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

15 FEDERAL TRADE COMMISSION,

16 Plaintiff,

17 v.

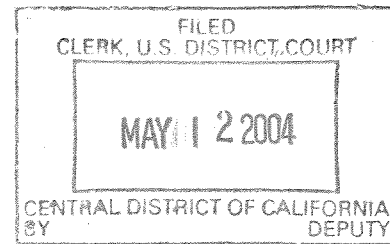
18 CHASE FINANCIAL FUNDING,  
19 INC., a Nevada corporation,

20 JAMES F. BERRY, individually  
and as President of Chase Financial  
21 Funding, Inc.,

22 SUZANNE ADMIRE, individually  
and as an officer and Vice President of  
23 Chase Financial  
Funding, Inc., and

24 JEREMY ALEXANDER, individually  
and as General Manager of Chase  
25 Financial Funding, Inc.,

26 Defendants.  
27  
28



Case No. SACV04-549 GLT (ANx)

**COMPLAINT FOR INJUNCTIVE  
AND OTHER EQUITABLE  
RELIEF**

1 Plaintiff, the Federal Trade Commission (“FTC” or “Commission”), by its  
2 undersigned attorneys, alleges as follows:

- 3 1. The Commission brings this action under Sections 5(a) and 13(b) of the  
4 Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §§ 45(a) & 53(b), and  
5 Section 108(c) of the Truth in Lending Act (“TILA”), 15 U.S.C. § 1607(c), to  
6 obtain preliminary and permanent injunctive relief, redress, restitution,  
7 disgorgement, and other equitable relief against Defendants for engaging in  
8 unfair or deceptive acts or practices in violation of Section 5(a) of the FTC Act,  
9 15 U.S.C. § 45(a), and acts or practices in violation of TILA, 15 U.S.C. § 1601  
10 et seq., and its implementing Regulation Z, 12 C.F.R. Part 226.

### 11 JURISDICTION AND VENUE

- 12 2. Jurisdiction is based on 28 U.S.C. §§ 1331, 1337(a), and 1345, and on 15  
13 U.S.C. §§ 45(a), 53(b), and 1607(c).  
14 3. Venue in the United States District Court for the Central District of California  
15 is proper under 15 U.S.C. § 53(b) and 28 U.S.C. §§ 1391(b) and (c).

### 16 PARTIES

- 17 4. Plaintiff, the FTC, is an independent agency of the United States Government  
18 created by statute. 15 U.S.C. § 41 et seq. The Commission enforces Section  
19 5(a) of the FTC Act, 15 U.S.C. § 45(a), as well as TILA and Regulation Z, 15  
20 U.S.C. § 1607(c). Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), authorizes  
21 the Commission to initiate federal district court proceedings, in its own name  
22 by its designated attorneys, to enjoin violations of the FTC Act and any  
23 provision of law enforced by the Commission, and to secure such other  
24 equitable relief as may be appropriate in each case, including but not limited to  
25 redress, restitution, and disgorgement.  
26 5. Defendant Chase Financial Funding, Inc. (“CFF”) is a Nevada corporation that  
27 engages in the business of advertising, soliciting, marketing, and brokering  
28

1 mortgage loans. Its principal place of business is 21 Brookline, Aliso Viejo,  
2 California. CFF transacts business in the Central District of California.

3 6. Defendant James F. Berry is the President of CFF. At all times material to this  
4 complaint, acting alone or in concert with others, he has formulated, directed,  
5 controlled, or participated in the acts and practices of CFF, including the acts  
6 and practices set forth in this complaint. He transacts business and resides in  
7 the Central District of California.

8 7. Defendant Suzanne Admire is an officer and Vice President of CFF. Since at  
9 least the year 2000, acting alone or in concert with others, she has formulated,  
10 directed, controlled, or participated in the acts and practices of CFF, including  
11 the acts and practices set forth in this complaint. She transacts business and  
12 resides in the Central District of California.

13 8. Defendant Jeremy Alexander is the General Manager of CFF. Since at least the  
14 year 2002, acting alone or in concert with others, he has formulated, directed,  
15 controlled, or participated in the acts and practices of CFF, including the acts  
16 and practices set forth in this complaint. He transacts business and resides in  
17 the Central District of California.

### 18 **COMMERCE**

19 9. At all times material to this complaint, Defendants' course of business,  
20 including the acts or practices alleged herein, has been in or affecting  
21 commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C.  
22 § 44.

### 23 **DEFENDANTS' BUSINESS PRACTICES**

24 10. CFF operates as a mortgage broker. It advertises, solicits, markets, and brokers  
25 mortgage loans. The company completes loan applications on behalf of  
26 borrowers and submits them to one or more lenders.

27 11. From approximately April 2002 to October 2002, CFF sent unsolicited  
28 commercial e-mails ("spam") to consumers advertising the availability of home

1 mortgage loans. The subject headings and text of many of these spam,  
2 including but not limited to the messages included in Exhibits 1 and 2,  
3 advertised a “3.5% fixed payment 30 year loan” or “3.5% FIXED PAYMENT  
4 FOR 30 Years.”

5 12. On the www.chaseff.com website, CFF has also advertised a “web special” of  
6 “3.5% Fixed Payment” loans.

7 13. Notwithstanding its Internet advertisements, CFF has never offered a “3.5%  
8 Fixed Payment” loan or a “3.5% fixed payment 30 year loan.”

9 14. Instead, the loan that CFF has falsely advertised as a “3.5% Fixed Payment”  
10 loan or a “3.5% fixed payment 30 year loan” is in fact an adjustable rate  
11 mortgage for which the interest rate varies each month and the minimum  
12 payment amount varies each year. This loan features four payment options,  
13 including an interest-only payment option and a lower minimum payment  
14 option where unpaid interest is deferred. The minimum payment amount for  
15 the first year of this loan has been, at different times, the amount that would be  
16 due if the consumer had a 3.5%, 2.95%, or 1.95% 30-year loan, but the actual  
17 interest rate charged is in fact considerably higher and varies monthly. This  
18 minimum payment amount is subject to increase each year. In most years, the  
19 increase in the minimum payment amount is capped at 7.5%; however, at  
20 certain points during the term of the loan, the loan reamortizes and the  
21 minimum payment amount can increase by more than 7.5%. The minimum  
22 payment option results in negative amortization because each month any  
23 unpaid interest is added to the principal of the loan, so that the principal  
24 balance increases rather than decreases for periods during the course of the  
25 loan. This loan is not a 3.5% fixed payment 30 year loan.

26 15. Since at least January 2002, CFF has sent direct mail advertisements to  
27 hundreds of thousands of consumers, including but not necessarily limited to  
28 the attached Exhibits 3-7. Many of the company’s direct mail advertisements

1 indicate that the consumer's property has been "pre-approved" or "pre-  
2 selected" for a "Low 3.5% FIXED PAYMENT" loan, a "Low 2.95% FIXED  
3 PAYMENT" loan, or a "Low 1.95% PAYMENT" loan, without disclosing  
4 that (1) the 3.5%, 2.95%, or 1.95% "payment" rate is only available for the first  
5 year of the 30-year loan and would increase after the first year, and (2) interest  
6 would in fact accrue at a rate substantially higher than the 3.5%, 2.95%, or  
7 1.95% payment rate even during the first year.

8 16. The advertisements compare the consumers' "Existing Payment[s]" with and  
9 without credit card debt to their "New Loan Payment[s]" under the loans  
10 advertised by CFF with and without credit card debt. CFF calculated the  
11 "Existing Payment" amounts using the consumers' current loan amount on real  
12 property (as reflected in public records) and assuming that consumers currently  
13 have a 7.5% fully amortizing 30-year mortgage loan and are paying  
14 approximately \$1000 a month on \$35,000 in credit card debt. CFF calculated  
15 the "New Loan Payment" amounts assuming the consumers would make the  
16 payments that would be required if they had a 3.5%, 2.95%, or 1.95% interest  
17 rate loan that is amortized over a 30-year period. The advertisements also  
18 include "Annual Cash Savings" calculations based on the comparisons between  
19 the "Existing Payment[s]" and "New Loan Payment[s]."

20 17. These "Annual Cash Savings" calculations are false or misleading because they  
21 are based on a comparison of the "Existing Payment[s]" on mortgage debt that  
22 fully amortizes with payments on loans that are not amortizing and that will  
23 increase after the first year. CFF has never offered a loan with a 3.5%, 2.95%,  
24 or 1.95% interest rate for 30 years. While the negative amortization loan  
25 described in paragraph 14 above permits consumers to make payments during  
26 the first year as if they had a 3.5%, 2.95%, or 1.95% 30-year mortgage, these  
27 minimum payments do not cover any principal and do not even cover all of the  
28 interest cost. After the first year, the minimum payment amount will rise, and

1 eventually, consumers will have to pay back both the loan principal and the  
2 deferred interest.

3 18. In numerous instances, CFF has also completed applications on behalf of  
4 consumers and obtained consumers' signatures on applications for loans that  
5 CFF has not offered or that were not available to the consumers, including but  
6 not limited to a 2.95% 30-year fixed rate loan and a 3.5% 30-year fixed rate  
7 loan.

8 19. In numerous instances, within a few days after completing loan applications for  
9 consumers, CFF has provided consumers with documents entitled "Federal  
10 Truth-in-Lending Disclosure Statement[s]" that misrepresent the terms of the  
11 loans being offered, including but not limited to the annual percentage rate  
12 ("APR"), Finance Charge, Amount Financed, Total of Payments, and Payment  
13 Schedule. For example, one such disclosure statement stated that the APR for  
14 a \$253,000 loan was 2.95%, the interest rate was 2.95%, and the loan would be  
15 paid off after 359 payments of \$1,059.85 and one payment of \$1058.52,  
16 although CFF has never offered a loan with such terms.

17 20. On the documents entitled "Federal Truth-in-Lending Disclosure Statement"  
18 that CFF has provided to consumers who receive variable (adjustable) rate  
19 loans, CFF has frequently failed to check a box marked "VARIABLE RATE  
20 FEATURE" or otherwise disclose that the loan is in fact a variable rate loan.

21 21. CFF has also misled consumers in other ways during the course of refinancing,  
22 including regarding prepayment penalties and fees associated with refinancing  
23 for a second time through CFF.

#### 24 **SECTION 5 OF THE FTC ACT**

25 22. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits unfair or deceptive  
26 acts or practices in or affecting commerce. Misrepresentations, or omissions of  
27 material fact necessary to prevent misleading consumers, constitute deceptive  
28 acts or practices pursuant to Section 5(a) of the FTC Act.

**COUNT ONE**

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23. Plaintiff incorporates by reference all of the foregoing paragraphs.
24. In the course and conduct of advertising and offering credit (including but not necessarily limited to the exhibits attached hereto), Defendants have represented, expressly or by implication, that consumers could obtain a loan through CFF on specified terms and at specified costs, including but not limited to:
- A. a fixed interest rate or fixed payment loan;
  - B. a loan in which payment of the minimum amount specified covers both interest and principal;
  - C. a loan with a specific payment schedule, interest rate, and/or APR; and
  - D. a loan with no prepayment penalty or with a prepayment penalty that would not apply if the loan was subsequently refinanced through CFF.
25. In truth and in fact, in numerous instances, consumers could not obtain a loan through CFF on the specified loan terms or at the specified costs. Instead, they received loans on substantially different terms and/or at substantially different costs, including but not limited to:
- A. an adjustable rate loan, for which minimum payment amounts and interest rates vary;
  - B. a loan in which payment of the minimum amount specified results in an increased principal balance, or an interest-only loan, where monthly payments do not result in any change in the principal balance;
  - C. a loan with a different payment schedule, interest rate, and/or APR than that previously specified; and
  - D. a loan with a prepayment penalty that would apply even if the loan was subsequently refinanced through CFF.
- Therefore, Defendants' representations, as alleged in paragraph 24 above, were, and are, false or misleading.

1 26. Defendants' practices constitute deceptive acts or practices in or affecting  
2 commerce in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

3 **COUNT TWO**

4 27. Plaintiff incorporates by reference all of the foregoing paragraphs.

5 28. In the course of advertising and offering credit (including but not necessarily  
6 limited to the exhibits attached hereto), Defendants have represented to  
7 consumers, expressly or by implication, that monthly payment of a specified  
8 amount or at a specified rate is the cost of obtaining a loan through CFF.

9 29. In numerous instances, Defendants have failed to disclose or to disclose  
10 adequately that (1) monthly payment of the specified amount or at the specified  
11 rate will result in negative amortization and cause an increase in the total debt  
12 during the course of the loan, and (2) the monthly payment amount will  
13 increase after the first year. This additional information would have been  
14 material to consumers in deciding whether to apply for and obtain a loan  
15 through CFF. The failure to disclose, or disclose adequately, this information  
16 in light of the representations made was and is a deceptive practice.

17 30. Defendants' practices constitute unfair or deceptive acts or practices in or  
18 affecting commerce in violation of Section 5(a) of the FTC Act, 15 U.S.C. §  
19 45(a).

20 **COUNT THREE**

21 31. Plaintiff incorporates by reference all of the foregoing paragraphs.

22 32. In the course and conduct of advertising and offering credit (including but not  
23 necessarily limited to Exhibits 3-7), Defendants have represented, expressly or  
24 by implication, that the "Annual Cash Savings" shown in CFF's advertisements  
25 and solicitations accurately illustrate the potential annual savings of  
26 refinancing and/or consolidating existing debts into a mortgage loan obtained  
27 through CFF.

28 33. In truth and in fact, the "Annual Cash Savings" shown in Defendants'



1 advertisements and solicitations have not accurately illustrated the potential  
2 annual savings of refinancing and/or consolidating existing debts into a  
3 mortgage loan obtained through CFF.

4 34. Therefore, Defendants' representations, as alleged in paragraph 32 above, were  
5 false or misleading.

6 35. Defendants' practices constitute deceptive acts or practices in or affecting  
7 commerce in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

#### 8 **TILA ADVERTISING AND REGULATION Z**

9 36. Under TILA, 15 U.S.C. §§ 1601-1666j, and its implementing Regulation Z, 12  
10 C.F.R. Part 226, persons who advertise "closed-end credit," as defined in 12  
11 C.F.R. § 226.2(a)(10), must comply with the applicable provisions of TILA and  
12 Regulation Z, including but not limited to, Sections 226.4, 226.22, and 226.24  
13 of Regulation Z, 12 C.F.R. §§ 226.4, 226.22, & 226.24. "*Credit* means the  
14 right to defer payment of debt or to incur debt and defer its payment." 12  
15 C.F.R. § 226.2(a)(14). "*Closed-end credit* means consumer credit other than  
16 open-end credit," and "[*o*]pen-end credit" is defined as "consumer credit  
17 extended by a creditor under a plan in which: (i) The creditor reasonably  
18 contemplates repeated transactions; (ii) The creditor may impose a finance  
19 charge from time to time on an outstanding unpaid balance; and (iii) The  
20 amount of credit that may be extended to the consumer during the term of the  
21 plan (up to any limit set by the creditor) is generally made available to the  
22 extent that any outstanding balance is repaid." 12 C.F.R. § 226.2(a)(10) &  
23 (20).

24 37. Pursuant to TILA, a violation of TILA constitutes a violation of the FTC Act.  
25 15 U.S.C. § 1607(c).

#### 26 **COUNT FOUR**

27 38. Plaintiff incorporates by reference all of the foregoing paragraphs.

28 39. Defendants have advertised closed-end credit to consumers by disseminating

1 advertisements for mortgage loans, including but not limited to advertisements  
2 for “3.5% fixed payment 30 year loan[s].”

3 40. In credit advertisements (including but not necessarily limited to the exhibits  
4 attached hereto), Defendants have violated the requirements of TILA and  
5 Regulation Z by:

- 6 A. advertising credit terms other than those terms that actually are or will be  
7 arranged or offered by the creditor, in violation of Section 226.24(a) of  
8 Regulation Z, 12 C.F.R. § 226.24(a);
- 9 B. stating a rate of finance charge without clearly and conspicuously  
10 disclosing the annual percentage rate, and, if the annual percentage rate  
11 may be increased after consummation, that fact, and advertising a  
12 payment rate without clearly and conspicuously making other required  
13 disclosures, in violation of Sections 144(c) and 107 of TILA, 15 U.S.C.  
14 §§ 1664(c) & 1606, Sections 226.24(b) and 226.22 of Regulation Z, 12  
15 C.F.R. §§ 226.24(b) & 226.22, and Section 226.24(b)-4 of the Federal  
16 Reserve Board’s Official Staff Commentary to Regulation Z, 12 C.F.R.  
17 § 226.24(b)-4, Supp. 1; and
- 18 C. stating the period of repayment and/or the amount of a payment, but  
19 failing to disclose clearly and conspicuously one or both of the following  
20 items: (1) the terms of repayment and (2) the annual percentage rate,  
21 using that term, and, if the rate may be increased after consummation,  
22 that fact, in violation of Section 144(d) of TILA, 15 U.S.C. § 1664(d),  
23 and Section 226.24(c) of Regulation Z, 12 C.F.R. § 226.24(c)).

24 41. By engaging in the violations of TILA and Regulation Z set forth in paragraph  
25 40 above, Defendants have also violated the FTC Act.

### 26 CONSUMER INJURY

27 42. Consumers have suffered substantial injury as a result of Defendants’ unlawful  
28 acts or practices, as set forth above. Absent injunctive relief by this Court,

1 Defendants are likely to continue to injure consumers, reap unjust enrichment,  
2 and harm the public interest.

3 **THIS COURT'S POWER TO GRANT RELIEF**

4 43. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), empowers this Court to grant  
5 injunctive and other ancillary relief, including consumer redress, disgorgement,  
6 and restitution, to prevent and remedy any violations of any provision of law  
7 enforced by the Commission.

8 44. Under Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), this Court is  
9 authorized to issue a preliminary injunction against Defendants' violations of  
10 the FTC Act, TILA, and Regulation Z, as well as such ancillary relief as  
11 restitution, disgorgement of ill-gotten gains, and the refund of monies paid to  
12 redress the injury to consumers or others resulting from violations of Section 5  
13 of the FTC Act, TILA, and Regulation Z.

14 45. This Court, in the exercise of its equitable jurisdiction, may award other  
15 ancillary relief to remedy injury caused by Defendants' law violations.

16 **PRAYER FOR RELIEF**

17 WHEREFORE, Plaintiff, the FTC, requests that this Court, as authorized by Section  
18 13(b) of the FTC Act, 15 U.S.C. § 53(b), and Section 108(c) of TILA, 15 U.S.C.  
19 § 1607(c), and pursuant to its own equitable powers:

20 A. Award Plaintiff all preliminary injunctive and ancillary relief as may be  
21 necessary to avert the likelihood of consumer injury during the pendency of this  
22 action and to preserve the possibility of effective final relief;

23 B. Permanently enjoin Defendants from violating the FTC Act, TILA, and  
24 Regulation Z;

25 C. Enter judgment against Defendants and in favor of Plaintiff for each  
26 violation alleged in this complaint;

27 D. Award Plaintiff such relief as the Court finds necessary to redress injury  
28 to consumers or others resulting from Defendants' violations of the FTC Act, TILA,

1 and Regulation Z, including, but not limited to, restitution, disgorgement of ill-gotten  
2 gains, and the refund of monies paid; and

3 E. Award Plaintiff the costs of bringing this action, as well as such other  
4 and additional equitable relief as the Court may determine to be just and proper.

5 Dated: May 11, 2004

6 Respectfully submitted,

7 WILLIAM E. KOVACIC  
8 General Counsel

9 Amanda Queter

10 AMANDA QUETER  
11 T. KEVIN MARR  
12 Attorneys  
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28

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[[Date Prev](#)][[Date Next](#)][[Thread Prev](#)][[Thread Next](#)][[Date Index](#)][[Thread Index](#)]

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## Fwd: 3.5% Fixed payment 30 year loan

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- *To:* [uce@ftc.gov](mailto:uce@ftc.gov)
  - *Subject:* Fwd: 3.5% Fixed payment 30 year loan
  - *From:*
  - *Date:* Sat, 22 Jun 2002 11:08:46 EDT
  - *Ftc-received-date:* 06-22-2002
- 

--- Begin Message ---

- *To:*
- *Subject:* 3.5% Fixed payment 30 year loan
- *From:* "[customerservice@chaseff.com](mailto:customerservice@chaseff.com)" <[customerservice@chaseff.com](mailto:customerservice@chaseff.com)>
- *Date:* Fri, 21 Jun 2002 12:10:56

*Title:* 3

# 3.5% FIXED PAYMENT FOR 30 YEARS

Lenders make you wait...They Demand to Interview you...  
They Intimidate you...They Humiliate you...  
And All of That is While They Decide If They Even Want to  
Do Business With You...

**We Turn the Tables on Them...  
Now, You're In Charge**

Just Fill Out Our Simple Form and They Will Have to Compete For Your Business...

<http://www.chaseff.com/apply.shtml>

Complaint Ex. 1

-13-

We have hundreds of loan programs, including:

*Purchase Loans*  
*Refinance*  
*Debt Consolidation*  
*Home Improvement*  
*Second Mortgages*  
*No Income Verification*

<http://www.chaseff.com/apply.shtml>

If you no longer wish to receive any of our mailings you may be permanently removed by <mailto:info@CHASEFF.COM> If there has been any inconvenience we apologize.

--- End Message ---

- 
- Prev by Date: **Spam**
  - Next by Date: **3.5% Fixed payment 30 year loan**
  - Previous by thread: **Fwd: 3.5% fixed payment 30 year loan**
  - Next by thread: **3.5% Fixed payment 30 year loan**
  - Index(es):
    - **Date**
    - **Thread**

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[Date Prev][Date Next][Thread Prev][Thread Next][Date Index][Thread Index]

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## Fwd: 3.5% fixed payment 30 year loan

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- *To:* [tosspam@aol.com](mailto:tosspam@aol.com), [uce@ftc.gov](mailto:uce@ftc.gov)
  - *Subject:* Fwd: 3.5% fixed payment 30 year loan
  - *From:*
  - *Date:* Mon, 23 Sep 2002 04:48:43 EDT
  - *Ftc-received-date:* 09-23-2002
- 

--- Begin Message ---

- *To:*
- *Subject:* 3.5% fixed payment 30 year loan
- *From:* "customerservice@chaseff.com" <[customerservice@chaseff.com](mailto:customerservice@chaseff.com)>
- *Date:* Tue, 3 Sep 2002 19:53:26

*Title:* 3

# 3.5% FIXED PAYMENT 30 YEARS

Lenders make you wait...They Demand to Interview you...  
They Intimidate you...They Humiliate you...  
And All of That is While They Decide If They Even Want to  
Do Business With You...

**We Turn the Tables on Them...  
Now, You're In Charge**

Just Fill Out Our Simple Form and They Will Have to Compete For Your Business...

<http://www.1strefinance.com/apply.htm>

We have hundreds of loan programs, including:

*Purchase Loans*  
*Refinance*  
*Debt Consolidation*  
*Home Improvement*  
*Second Mortgages*  
*No Income Verification*

Complaint Ex. 2

-15-

<http://www.1strefinance.com/apply.htm>

If you no longer wish to receive any of our mailings you may be permanently removed by <mailto:info@lenderscompete4you.com> If there has been any inconvenience we apologize.

--- End Message ---

- 
- Prev by Date: **FW: Lowest rates in 40 years**
  - Next by Date: **Fwd: Lowest rates in 40 years**
  - Previous by thread: **Fwd: 3.5% Fixed payment 30 year loan**
  - Next by thread: **[Spam Deputy] 3.5% fixed payment 30 year loan**
  - Index(es):
    - **Date**
    - **Thread**



April 19, 2002

THE SUM OF *Thirty Five Thousand Dollars*

DOLLARS CTS  
 \$35,000 00



PFF BANK & TRUS

NON-NEGOTIABLE COUPON



Acct. No. 57002009

DATE	DESCRIPTION	AMOUNT	CHECK NO.
April 19, 2002		\$35,000.00	0084057563

Dear

We are pleased to inform you that your property at \_\_\_\_\_ is pre-approved for a low interest rate mortgage of 3.5% fixed payment based on your loan amounts of \$153,606 and \$16,600. This is a new program and is offered for a limited time only. If you are paying more than the new payment specified below on your mortgage, please call Chase Financial Funding at 866-562-6386 and ask for one of our friendly loan consultants. This offer is for a limited time only and expires June 19, 2002.

NEW LOAN PAYMENT without credit card debt	
Existing Payments	\$1,135
<b>New Payment</b>	<b><u>\$807</u></b>
Monthly Cash Savings:	\$328
Annual Cash Savings:	\$3,935

NEW LOAN PAYMENT with credit card debt	
Existing Payments with \$35,000 credit card debt	\$2,135
<b>New Payment</b>	<b><u>\$973</u></b>
Monthly Cash Savings:	\$1,162
Annual Cash Savings:	\$11,673

Please call today (Toll Free) for a Free Loan Analysis! Se Habla Espanol!

**(866)562-6386**

(866) LOAN FUND

**www.chaseff.com**

Sincerely,  
*Rudy Jones*

Rudy Jones

Chase Financial Funding, is a licensed broker with the California Department of Real Estate under 01226442. Chase Financial is a DBA of Chase Financial Funding Inc. DRE information line 916-227-0931. Loans are subject to equity requirements and lender approval. Rate and terms are subject to change without notice. Actual interest may vary depending upon credit and equity.



**COMBINE IS 1<sup>ST</sup> & 2<sup>ND</sup>**  
**125% DEBT CONSOLIDATION**  
**FHA, VA, JUMBO**  
**NO EQUITY! OK BK! OK**

Tuesday, September 10, 2002

**HOME SVGS/AMERICA FSB**



Dear

We are pleased to inform you that your property at \_\_\_\_\_ is pre-approved for the following.  
**Low interest rate of 3.5% FIXED PAYMENT based on your loan of \$200,000**  
 If you are paying more than the new payment specified below on your mortgage, please call Chase Financial Funding at 866-562-6386 and ask for one of our friendly loan consultants. This offer is for a limited time only and expires 10/10/2002 9:27:58 AM

<b>NEW LOAN PAYMENT without credit card debt</b>	
Existing Payment	\$1,333
<b>New Payment</b>	<b><u>\$900</u></b>
Monthly Cash Savings:	\$433
Annual Cash Savings:	\$5,200

<b>NEW LOAN PAYMENT with credit card debt</b>	
Existing Payment with \$35,000 credit card debt	\$2,333
<b>New Payment</b>	<b><u>\$1,071</u></b>
Monthly Cash Savings:	\$1,262
Annual Cash Savings:	\$15,147

*Please call today (Toll Free) for a Free Loan Analysis! Se Habla Espanol!*  
 Monday – Thursday 9:00 am to 9:00 pm, Friday 9:00 am to 5:00 pm, Saturday 10:00 am to 2:00 pm

**(866)562-6386**

(866) LOAN FUND

Sincerely,  
*Rudy Jones*  
 Rudy Jones

**Apply online [www.chaseff.com](http://www.chaseff.com)**

Chase Financial Funding is a licensed broker with the California Department of Real Estate under #01226442. Chase Financial is a DBA of Chase Financial Funding Inc. DRE information line 916-227-0931. Loans are subject to equity requirements and lender approval. Rate and terms are subject to change without notice. Actual interest may vary depending upon credit and equity.

23181 Verdugo Dr. Suite 103B • Laguna Hills, CA 92653 • OFFICE (949) 829-9934 • (866) 562-6386 • Fax (949) 829-9936

Complaint Ex. 4



COMBINE 1ST AND 2ND  
125% DEBT CONSOLIDATION  
FHA, VA, JUMBO  
NO EQUITY! OK BK! OK

Tuesday, January 14, 2003

Dear

We are pleased to inform you that your property at \_\_\_\_\_ is pre-approved for the following.

**Low 3.5% FIXED PAYMENT based on your loan/s \$156,600**

If you are paying more than the new payment specified below on your mortgage and even if you have poor credit, please call Chase Financial at 866-562-6386 to speak to one of our expert and courteous representatives.  
expires 2/13/2003 9:44:52 AM

### **NEW LOAN PAYMENT without credit card debt**

Existing Payment	\$1,044
<b>New Payment</b>	<b><u>\$705</u></b>
Monthly Cash Savings:	\$339
Annual Cash Savings:	\$4,072

### **NEW LOAN PAYMENT with credit card debt**

Existing Payment with \$35,000 credit card debt	\$2,044
<b>New Payment</b>	<b><u>\$873</u></b>
Monthly Cash Savings:	\$1,171
Annual Cash Savings:	\$14,049

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Monday - Thursday 9 am to 9 pm, Friday 9 am to 5 pm, Saturday 10 am to 2 pm Pacific standard time*

# **(866)562-6386**

**(866) LOAN FUND**

Sincerely,  
*Rudy Jones*

**Apply online [www.chaseff.com](http://www.chaseff.com)**

Chase Financial Funding, is a licensed broker with the California Department of Real Estate under #01226442. Chase Financial is a DBA of Chase Financial Funding Inc. Loans are subject to equity requirements and lender approval. Rate and terms are subject to change without notice. Interest rate is based off the C.O.F.I index and is principle deferred, APR of 5.274%. 23181 Verdugo Dr. Suite 103B • Laguna Hills, CA 92653 • OFFICE (949) 829-9934 • (866) 562-6386 • Fax (949) 829-9936

Complaint Ex. 5

-19-



**COMBINE 1<sup>ST</sup> AND 2<sup>ND</sup>  
 125% DEBT CONSOLIDATION  
 FHA, VA, JUMBO  
 BAD CREDIT OK! OK BK! OK**

Tuesday, April 01, 2003

San Jose CA

\*\*\*\*\*AUTO\*\*\*5-DIGIT 98103

Dear

We are pleased to inform you that your property at is pre-approved for the following.

**Low 2.95% FIXED PAYMENT based on your loan/s \$30,000**

If you are paying more than the new payment specified below on your mortgage and even if you have **poor credit**, please call Chase Financial at 866-562-6386 to speak to one of our expert and courteous representatives.

**expires 5/16/2003 12:46:17 PM**

<b>NEW LOAN PAYMENT without credit card debt</b>	
Existing Payment	209.76
<b>New Payment</b>	<b><u>125.67</u></b>
Monthly Cash Savings:	\$84
Annual Cash Savings:	\$1,009

<b>NEW LOAN PAYMENT with credit card debt</b>	
Existing Payment with \$35,000 credit card debt	1259.76
<b>New Payment</b>	<b><u>272.29</u></b>
Monthly Cash Savings:	\$987
Annual Cash Savings:	\$11,850

*Please call today (Toll Free) for a Free Loan Analysis! Se Habla Espanol!  
 Monday - Thursday 9 am to 9 pm, Friday 9 am to 5 pm, Saturday 10 am to 2 pm Pacific standard time*

**(866)562-6386**

(866) LOAN FUND

Sincerely,  
*Rudy Jones*

**Apply online [www.chaseff.com](http://www.chaseff.com)**

Chase Financial Funding is a licensed broker with the California Department of Real Estate under #01226442. Chase Financial is a DBA of Chase Financial Funding Inc.. Loans are subject to equity requirements and lender approval. Rate and terms are subject to change without notice. Interest rate is based off the C.O.F.I. index and is principle deferred, 23181 Verdugo Dr. Suite 103B • Laguna Hills, CA 92653 • OFFICE (949) 829-9934 • (866) 562-6386 • Fax (949) 829-9936. All numbers are approximations not exact calculations.

Complaint Ex. 6



**COMBINE 1ST AND 2<sup>ND</sup>  
CREDIT CARD CONSOLIDATION  
FHA REFUNDS!  
BAD CREDIT OK! BK!OK  
PURCHASE A BOAT OR CAR**

Wednesday, March 03, 2004

\*\*\*\*\*AUTO\*\*\*3-DIGIT 813



Dear

We are pleased to inform you that your property at \_\_\_\_\_ may be eligible for the loan programs below.  
Based on your loan/s of \$1,660,000 & \$1,000,000  
If you are paying more than the new payment specified below on your mortgage and even if you have **poor credit**, please call us at 866-562-6386 to speak to one of our expert and courteous representatives. We will work with you to find the best possible loan and lender to suit your needs. Expires 4/17/2004 11:07:42 AM

**Here are some examples of what you could be saving!**

<b>NEW LOAN PAYMENT without credit card debt</b>	
Estimated Existing Payment	18599.11
<b>*Estimated New First Year Monthly Payment</b>	<b>9765.50</b>
Estimated Monthly Cash Savings:	\$8,834
Estimated Annual Cash Savings:	\$106,003
<b>NEW LOAN PAYMENT with credit card debt (consolidated)</b>	
Estimated Existing Payment with \$35,000 credit card debt	19649.11
<b>*Estimated New First Year Monthly Payment</b>	<b>9894.00</b>
Estimated Monthly Cash Savings:	\$9,755
Estimated Annual Cash Savings:	\$117,061

\*First year payment 1.95%. Interest charged at 4.84% for first month. APR 5.24%, subject to increase monthly. 30-year loan. Second and subsequent years' monthly payments may increase up to 7.5% per year. Estimated existing payments based on 7.5% interest rate.

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**(866)562-6386**

(866) LOAN FUND

Sincerely,  
Loan Officer Dept.

Apply online [www.chaseff.com](http://www.chaseff.com)

Chase Financial Funding Inc. is licensed by the California Department of Real Estate - #01392032. Loans are subject to equity requirements and lender approval. Rate and terms are subject to change without notice. Interest rate is based off the C.O.F.I. index and is principle deferred with an A.P.R. of 5.24%. All numbers are approximations not exact calculations.  
21 Brookline • Aliso Viejo, CA 92656 • OFFICE (949) 829-9934 • (866) 562-6386 • Fax (949) 829-9914.  
If you wish to be removed from our mailing list: You MUST fax this flyer to (949) 829-9017 with the word "remove" on it.  
You may also mail it back to the address above. No other methods of requests to Opt-Out will be processed.