

FILED - SOUTHERN DIVISION  
CLERK, U.S. DISTRICT COURT  
MAR - 5 2012  
CENTRAL DISTRICT OF CALIFORNIA  
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17 UNITED STATES DISTRICT COURT  
18 CENTRAL DISTRICT OF CALIFORNIA

19 Federal Trade Commission,

20 Plaintiff,

21 v.

22 Sameer Lakhany,  
an individual;

23 The Credit Shop, LLC,  
24 a limited liability company;

25 Fidelity Legal Services LLC,  
26 a limited liability company;

27 Titanium Realty, Inc.;  
a corporation,

28 Precision Law Center, Inc.,

SACV12-00337 CJC (JPRx)  
Case No. \_\_\_\_\_

COMPLAINT FOR  
PERMANENT INJUNCTION  
AND OTHER EQUITABLE  
RELIEF

(LODGED UNDER SEAL)

LODGED

2012 MAR 5 AM 11:40  
CLERK U.S. DISTRICT COURT  
CENTRAL DIST. OF CALIF.  
SACRAMENTO, CALIF.

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BY FAX

1 a corporation; and )  
 2 **Precision Law Center LLC,** )  
 3 a limited liability company; )  
 4 Defendants. )

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5 Plaintiff, the Federal Trade Commission (“FTC”), for its complaint alleges:

6 1. The FTC brings this action under Sections 13(b) and 19 of the  
 7 Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §§ 53(b) and 57b, and  
 8 the 2009 Omnibus Appropriations Act, Public Law 111-8, Section 626, 123 Stat.  
 9 524, 678 (Mar. 11, 2009) (“Omnibus Act”), as clarified by the Credit Card  
 10 Accountability Responsibility and Disclosure Act of 2009, Public Law 111-24,  
 11 Section 511, 123 Stat. 1734, 1763-64 (May 22, 2009) (“Credit Card Act”), and  
 12 amended by the Dodd-Frank Wall Street Reform and Consumer Protection Act,  
 13 Public Law 111-203, Section 1097, 124 Stat. 1376, 2102-03 (July 21, 2010)  
 14 (“Dodd-Frank Act”), 12 U.S.C. § 5538, to obtain temporary, preliminary, and  
 15 permanent injunctive relief, rescission or reformation of contracts, restitution, the  
 16 refund of monies paid, disgorgement of ill-gotten monies, and other equitable  
 17 relief for Defendants’ acts or practices in violation of Section 5(a) of the FTC  
 18 Act, 15 U.S.C. § 45(a), and the Mortgage Assistance Relief Services Rule, 16  
 19 C.F.R. Part 322 (“MARS Rule”), recodified as Mortgage Assistance Relief  
 20 Services (Regulation O), 12 C.F.R. Part 1015 (“Regulation O”), in connection  
 21 with the marketing and sale of Mortgage Assistance Relief Services (“MARS”).

22 JURISDICTION AND VENUE

23 2. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§  
 24 1331, 1337(a), and 1345; 15 U.S.C. §§ 45(a), 53(b), and 57b; and Section 626, of  
 25 the Omnibus Act, as clarified by Section 511 of the Credit Card Act, and  
 26 amended by Section 1097 of the Dodd-Frank Act, 12 U.S.C. § 5538.

27 3. Venue is proper in this District under 28 U.S.C. § 1391(b) and (c),  
 28 and 15 U.S.C. § 53(b).

1 PLAINTIFF

2 4. Plaintiff FTC is an independent agency of the United States  
3 Government created by statute. 15 U.S.C. § 41 *et seq.* The FTC enforces Section  
4 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts  
5 or practices in or affecting commerce. Pursuant to the Omnibus Act, § 626, 123  
6 Stat. at 678, as clarified by the Credit Card Act, § 511, 123 Stat. at 1763-64, the  
7 FTC promulgated the MARS Rule, 16 C.F.R. Part 322, which among other  
8 things, requires MARS providers to make certain disclosures, prohibits MARS  
9 providers from making certain representations, and prohibits MARS providers  
10 from collecting a fee in advance of the consumer’s acceptance of mortgage  
11 assistance relief obtained by the MARS provider. The Dodd-Frank Act, § 1097,  
12 124 Stat. at 2102-03, 12 U.S.C. § 5538, transferred rulemaking authority over the  
13 MARS Rule to the Consumer Financial Protection Bureau, which recodified the  
14 Rule as 12 C.F.R. Part 1015 effective December 30, 2011, and designated it  
15 “Regulation O.” Pursuant to Dodd-Frank Act § 1097, 12 U.S.C. § 5538, the FTC  
16 retains authority to enforce the MARS Rule and Regulation O.

17 5. The FTC is authorized to initiate federal district court proceedings,  
18 by its own attorneys, to enjoin violations of the FTC Act; the Omnibus Act as  
19 clarified by the Credit Card Act and amended by the Dodd-Frank Act; the MARS  
20 Rule; and Regulation O, and to secure such equitable relief as may be appropriate  
21 in each case, including rescission or reformation of contracts, restitution, the  
22 refund of monies paid, and the disgorgement of ill-gotten monies. 15 U.S.C.  
23 §§ 53(b), 56(a)(2)(A)-(B), and 57b; and § 626, 123 Stat. at 678, as clarified by  
24 § 511, 123 Stat. at 1763-64 and amended by § 1097, 124 Stat. at 2102-03,  
25 12 U.S.C. § 5538.

26 DEFENDANTS

27 6. Defendant Sameer (a.k.a. “Sammy”) Lakhany (“Lakhany”) is an  
28 individual who, acting alone or in concert with others, and through his

1 interrelated companies described below, has operated and continues to operate  
2 businesses that offer to provide or provide MARS, as defined in 16 C.F.R.  
3 § 322.2, recodified as 12 C.F.R. § 1015.2, including but not limited to loan  
4 modifications and foreclosure relief. These businesses include, but are not  
5 limited to, FreeFedLoanMod.org, HouseHoldRelief.org, MyHomeSupport.org,  
6 and Precision Law Center. At times material to this complaint, acting alone or in  
7 concert with others, Defendant Lakhany has formulated, directed, controlled, had  
8 the authority to control, or participated in the acts and practices set forth in this  
9 complaint. In connection with the matters alleged herein, Lakhany transacts or  
10 has transacted business in this District and throughout the United States.

11 7. Defendant The Credit Shop, LLC (“Credit Shop”) is a California  
12 limited liability company owned, directed and/or controlled by Lakhany with a  
13 last known business address at 655 S. Main Street, Suite 200-127, Orange, CA  
14 92868, which is a mail drop box. At times material to this complaint, Credit  
15 Shop has transacted business in the Central District of California. Credit Shop,  
16 among other things, owns the fictitious business name HouseHoldRelief.org.

17 8. Defendant Fidelity Legal Services LLC (a.k.a. “Fidelity Legal  
18 Services Network LLC”) (“Fidelity Legal”) is a California limited liability  
19 company owned, directed and/or controlled by Lakhany, alone or in concert with  
20 others, with a last known business address at 655 S. Main Street, Suite 200-161,  
21 Orange, CA 92868, which is a mail drop box. At times material to this  
22 complaint, Fidelity Legal has transacted business in the Central District of  
23 California. Fidelity Legal, among other things, has maintained the websites and  
24 toll-free telephone numbers used by Defendants in furtherance of the acts and  
25 practices described herein.

26 9. Defendant Titanium Realty, Inc. (“Titanium Realty”) is a suspended  
27 California corporation owned, directed and/or controlled by Lakhany with a last  
28 known business address at 2300 E. Katella Avenue, Suite 450, Anaheim, CA

1 92806. At times material to this complaint, Titanium Realty has transacted  
2 business in the Central District of California. Titanium Realty has maintained a  
3 bank account into which numerous consumers' payments for loan modification  
4 services were deposited and out of which the salaries of Defendants' employees  
5 were paid.

6 10. Defendant Precision Law Center, Inc., also doing business as  
7 Precision Law Center, is a California corporation owned, directed and/or  
8 controlled by Lakhany with a last known business address at 6 Hutton Center  
9 Drive, Suite 600, South Coast Metro, CA 92707. At times material to this  
10 complaint, Precision Law Center, Inc. has transacted business in the Central  
11 District of California. Precision Law Center, among other things, is a specious  
12 law firm purporting to offer mortgage relief services to consumers by  
13 representing them in litigation against their lenders.

14 11. Defendant Precision Law Center LLC, also doing business as  
15 Precision Law Center, is a California limited liability company owned, directed  
16 and/or controlled by Lakhany with a last known business address at 6 Hutton  
17 Center Drive, Suite 600, South Coast Metro, CA 92707. At times material to this  
18 complaint, Precision Law Center, LLC has transacted business in the Central  
19 District of California. Precision Law Center, among other things, is a specious  
20 law firm purporting to offer mortgage relief services to consumers by  
21 representing them in litigation against their lenders.

22 12. At times material to this complaint, Credit Shop, Fidelity Legal,  
23 Titanium Realty, Precision Law Center, Inc., and Precision Law Center LLC  
24 (collectively, "Corporate Defendants") have operated as a common enterprise  
25 while engaging in the deceptive acts and practices set forth below. Defendants  
26 have conducted the business practices described below through an interrelated  
27 network of companies that have common ownership, business functions,  
28 employees, and office locations; that have commingled funds; and that have

1 shared one another's marketing materials. Because these Corporate Defendants  
2 have operated as a common enterprise, each of them is jointly and severally liable  
3 for the acts and practices alleged below. Defendant Lakhany has formulated,  
4 directed, controlled, had the authority to control, or participated in the acts and  
5 practices of the Corporate Defendants that constitute the common enterprise.

6 COMMERCE

7 13. At all times relevant to this complaint, Defendants have maintained  
8 a substantial course of trade in or affecting commerce, as "commerce" is defined  
9 in Section 4 of the FTC Act, 15 U.S.C. § 44.

10 SUMMARY OF COMPLAINT

11 14. Defendants employ two related scams that prey on financially  
12 distressed homeowners by deceptively promising substantial relief from  
13 unaffordable mortgages and foreclosure. In the first scam, Defendants Lakhany,  
14 Credit Shop, Fidelity Legal, and Titanium Realty (collectively, "Audit  
15 Defendants") deceptively lure consumers by claiming to be non-profit  
16 organizations that provide free loan modification and foreclosure relief services.  
17 After gaining consumers' confidence, Audit Defendants persuade consumers to  
18 spend typically between \$795 and \$1595 on a forensic loan audit that purportedly  
19 will guarantee or virtually guarantee a loan modification. Audit Defendants  
20 promise that the forensic loan audit will force consumers' lenders to agree to a  
21 loan modification. In reality, in numerous instances, Audit Defendants fail to  
22 obtain any relief for consumers, and the purported loan audit does little or  
23 nothing to assist consumers.

24 15. In the second, related scam, Defendants Lakhany, Precision Law  
25 Center, Inc., and Precision Law Center LLC (collectively, "Mass Joinder  
26 Defendants") offer to sell consumers the services of their purportedly specialized  
27 law firm. Mass Joinder Defendants have marketed the firm by targeted direct  
28 mail, as well as by targeting consumers who did not receive a loan modification

1 after hiring Audit Defendants in the initial scam. For a fee of typically between  
2 \$6000 and \$10,000, the firm promises to obtain favorable concessions and stop  
3 foreclosure by suing consumers' lenders. The firm, however, is a sham. It is  
4 owned by non-lawyer Lakhany and fails to employ attorneys licensed as  
5 appropriate in the homeowners' state or otherwise to zealously prosecute  
6 consumers' cases. Indeed, in every case filed by Precision Law Center of which  
7 the FTC is aware, Precision Law Center has done nothing beyond filing the  
8 complaint, resulting in the dismissal of most of the cases and pending orders to  
9 show cause in the remainder.

#### 10 DEFENDANTS' BUSINESS PRACTICES

11 16. Since at least late 2009, Defendants have engaged in a course of  
12 conduct to advertise, market, offer to sell, and sell to homeowners MARS,  
13 including but not limited to mortgage loan modification and foreclosure relief  
14 services.

15 17. Defendants have marketed their services to homeowners who are in  
16 financial distress, behind on their mortgage loans, or in danger of losing their  
17 homes to foreclosure.

#### 18 A. The Loan Modification Scam

19 18. Numerous mortgage lenders and servicers offer free loan  
20 modification programs to assist financially distressed homeowners. Additionally,  
21 numerous non-profit organizations offer free mortgage counseling to consumers.  
22 Government agencies, consumer advocacy groups, and the media have long  
23 advised consumers who need assistance applying for a loan modification or  
24 avoiding foreclosure to seek help from legitimate, non-profit, HUD-certified  
25 organizations that provide free assistance, and to be alert to loan modification  
26 scams.

27 19. Audit Defendants have capitalized on this widely-disseminated  
28 advice. They deceptively have lured consumers and gained their confidence by

1 portraying themselves as non-profit, accredited housing counselors with special  
2 qualifications. They also have represented that they provide free services that  
3 significantly increase the likelihood that consumers will obtain a loan  
4 modification or stop foreclosure.

5 20. In numerous instances, after these initial representations, Audit  
6 Defendants' sales representatives have told consumers that Audit Defendants  
7 provide a unique type of service that will virtually assure consumers of a loan  
8 modification. Audit Defendants have claimed that this service – a forensic loan  
9 audit – will identify regulatory and contractual violations by the lender that will  
10 force it to agree to a modification. Audit Defendants claim that 90% of the loan  
11 audits they perform reveal such violations. In numerous instances, Audit  
12 Defendants have told consumers that in greater than 90% of the cases, Audit  
13 Defendants are successful in obtaining loan modifications.

14 21. After making these representations, in numerous instances, Audit  
15 Defendants have told consumers the forensic loan audit is the only service not  
16 “funded” by the outside donors who otherwise pay for Audit Defendants' loan  
17 modification services. They request that consumers pay a fee of typically  
18 between \$795 and \$1595 for the loan audit before loan modification services  
19 begin. Audit Defendants have told consumers that there is little risk in  
20 purchasing a loan audit because in the unlikely event that their loan audit does  
21 not reveal violations, 70% of the fee will be refunded.

22 22. In numerous instances, after consumers have paid this advance fee,  
23 Audit Defendants have failed to perform a loan audit that provided the claimed  
24 leverage and have failed to obtain a loan modification or stop foreclosure.  
25 Instead, many consumers have received the run-around, as Audit Defendants fail  
26 to return consumers' calls and emails, and undertake little or no effective  
27 communication with lenders. Exacerbating matters, Audit Defendants have  
28 recommended that consumers skip making mortgage payments and refrain from

1 communicating with their lenders. In numerous instances, Audit Defendants  
2 have refused to provide refunds.

3 23. In numerous instances, consumers who have paid Audit Defendants’  
4 fee have suffered significant economic injury, including but not limited to,  
5 incurring late payments fees, damaging their credit, going into foreclosure, and  
6 losing their homes.

7 ***Initial Communications: Audit Defendants’ Websites***

8 24. Audit Defendants’ primary means of initial contact with consumers  
9 has been through several web sites, and in some instances, through outbound  
10 telemarketing. Audit Defendants have operated websites including, but not  
11 limited to, FreeFedLoanMod.org (“FFLM”), HouseHoldRelief.org (“HHR”), and  
12 MyHomeSupport.org, (“MHS”). The web sites have urged consumers to call a  
13 toll-free number or submit personal information online to request a call-back.

14 ***FreeFedLoanMod.Org Web Site***

15 25. Beginning no later than approximately April 2010, and continuing  
16 through the present, Audit Defendants have operated the web site  
17 FreeFedLoanMod.org. The web site has been a major source of consumers for  
18 Audit Defendants’ deceptive MARS operations. However, Audit Defendants  
19 have not offered services through an organization called “FreeFedLoanMod.org.”  
20 Instead, consumers who call the toll-free number on the FFLM web site reach  
21 sales representatives for Audit Defendants’ other fictitious business identities,  
22 including HHR and MHS.

23 26. Although Audit Defendants have redesigned their web pages from  
24 time to time, at relevant times, the landing page for FFLM prominently has  
25 featured a picture of President Obama and in large, bold-face print, has urged  
26 consumers to call a toll-free number to “**Speak With a Counselor and Receive a**  
27 **FREE Loan Modification Under the Obama Loan Modification Programs.**”  
28

1           27. The web site also has included a banner featuring the logos of  
2 numerous major mortgage lenders.

3           28. The web site has included no disclosure that Audit Defendants are  
4 not associated with the government and that their service is not approved by the  
5 government or the consumer's lender.

6           29. The landing page also has included two bold headlines, set apart  
7 from other text, reiterating, "**Free Loan Modification.**" The web site also has  
8 prominently advertised that Audit Defendants provide "FREE Attorney  
9 Assistance" and "FREE Foreclosure Avoidance," and that "[a]ll of the tools and  
10 services that we provide are completely FREE of charge to YOU, the  
11 homeowner."

12           30. The text of the landing page has explained, "[w]e have setup [sic]  
13 relationships with various outside third parties who have been generous enough  
14 to donate the resources necessary for us to help homeowners get a loan  
15 modification absolutely **FREE!!!**"

16           31. The FFLM web site has included no disclosure that Foresnic Loan  
17 Audit Defendants charge typically between \$795 and \$1595 for a loan audit,  
18 payable before services begin.

19           32. The landing page also has included prominent headlines claiming  
20 that Audit Defendants' services will result in, among other things, "**Permanent**  
21 **Interest Rate Reductions**" "**Step Interest Rate Reductions,**" and "**Principal**  
22 **Balance Reductions.**" The web site further has claimed that "[o]n average we  
23 are typically getting our clients rates as low as 2 and as high as 5 percent,"  
24 and "[t]he process usually takes only 60-90 days to complete."

25           33. The text of the landing page has purported to explain that Audit  
26 Defendants obtain these favorable results, in part, by conducting a "300 point  
27 audit looking for any state or federal violations that may have been committed on  
28 your loan paperwork." This loan audit supposedly provides Audit Defendants

1 with “leverage because we have something to hold over the bank’s head.” Audit  
2 Defendants have claimed that “[t]he best part of the loan audit is that it is not a  
3 shot in the dark thing. 90% of the files we audit have violations.”

4 34. Beside this text, and immediately below the headlines touting  
5 results, the web site has included testimonials of purported FFLM customers,  
6 identified only by first name and last initial, purporting to illustrate these results.

7 35. These testimonials have also appeared verbatim – including the first  
8 name and last initial of the supposed consumer – on several unrelated loan  
9 modification web sites, and on HHR’s web site, all of which have claimed that  
10 the companies operating those web sites helped the same supposed consumers  
11 obtain a loan modification.

12 36. To enhance their credibility, Audit Defendants’ web site has  
13 included a large, colorful seal indicating that FFLM is an “NHLA  
14 ACCREDITED MORTGAGE ADVOCATE.” In the text of the landing page,  
15 Audit Defendants have explained that NHLA is:

16 the National Home Loan Advocates Association. They are a  
17 regulatory body in the loan modification industry to insure  
18 only the highest standards and practices are being performed.  
19 They have an A rating with the BBB. We also have Zero  
20 complaints anywhere.

21 37. NHLA is not a “regulatory body” but is instead a now-defunct  
22 private MARS provider. The company has an “F” rating with the BBB and no  
23 active web site. Moreover, contrary to Audit Defendants’ claim, consumers who  
24 have called the toll-free number listed on the FFLM web site have not reached an  
25 organization called FFLM, but have instead reached Audit Defendants’ HHR or  
26 MHS operations, which have numerous complaints against them.

27 *HouseHoldRelief.Org Web Site*

28 38. Beginning on or about October 2009 and continuing through

1 approximately October 2011, Audit Defendants also operated the web site  
2 HouseHoldRelief.org.

3 39. Like FFLM, the landing page of HHR's web site claimed that Audit  
4 Defendants had "setup [sic] relationships with various outside third parties who  
5 have been generous enough to donate the resources necessary for us to help  
6 homeowners get a loan modification absolutely **FREE!**" The landing page also  
7 claimed that "the products offered by HouseHoldRelief.org are completed  
8 upfront allowing the homeowner to understand exactly all of their options with  
9 **NO RISK!**" The web site explained that HHR's free products included a  
10 "**CONSUMER FRAUD REPORT,**" "**MORTGAGE COMPLIANCE**  
11 **REPORT,**" and "**ATTORNEY REVIEW.**"

12 40. The web site further claimed, on the landing page, that "[u]sing the  
13 tools outlined in this package have been proven to increase your chances of  
14 obtaining a modification by as much as 40%." In addition, the web site advised  
15 consumers that "[a] typical loan modification application can take anywhere from  
16 30 to 180 days to complete."

17 41. The HHR web site included no disclosure that Audit Defendants  
18 charge typically between \$795 and \$1595 for the loan audit, payable before  
19 services begin.

20 42. The HHR web site also offered five testimonials illustrating the  
21 purportedly favorable results it had obtained for consumers. These included three  
22 testimonials that also appeared on the FreeFedLoanMod.org web site. The two  
23 additional testimonials on HHR's web site also appeared on several other loan  
24 modification web sites, which have claimed that the companies operating those  
25 web sites helped the supposed consumers obtain a loan modification.

26 43. The HHR web site also touted Defendants' credibility and expertise,  
27 and discouraged consumers from contacting their lenders on their own to pursue  
28 a loan modification. In a large, color headline, the web site urged consumers,

1 “Don’t Do It Yourself!” The ensuing text stated that “[d]ealing with the  
2 mortgage lender takes years of experience” and “[l]enders know that the average  
3 homeowner does not have the financial knowledge needed in order to  
4 successfully arrange for a proper modification and therefore prey on those  
5 homeowners.” Audit Defendants further advised that consumers should “not  
6 attempt to contact your lender about a Loan Modification until you are fully  
7 educated about the process. The lender is a debt collector-any information that  
8 you give them can be used against you at a later date to collect on that debt.”

9 44. Audit Defendants claimed on the HHR web site that they have  
10 “[o]ver one hundred years of industry experience with the tactics and what goes  
11 on behind the scenes with your lender.”

12 45. To further enhance its credibility, the HHR web site advised  
13 consumers to “Avoid Foreclosure Scams” and included a large, colorful seal  
14 indicating that HHR is an “NHLA ACCREDITED MORTGAGE ADVOCATE,”  
15 and an explanation that “I have earned and maintain my NHLA Accreditation  
16 [which] commits me to honest and transparent practices.”

17 *MyHomeSupport Web Site*

18 46. Beginning on or about April 2011 and continuing to the present,  
19 Audit Defendants also have operated the web site MyHomeSupport.org. Using  
20 language similar to that used by FFLM and HHR, the web site has claimed that  
21 “MyHomeSupport.org has setup [sic] relationships with various outside Third  
22 Parties, Mortgage Professionals, and Attorneys who have been generous enough  
23 to donate their time and resources necessary for us to help homeowners get a loan  
24 modification absolutely **FREE!**”

25 47. The web site’s landing page has represented that “MyHomeSupport  
26 offers a **FREE** Loan Modification Service” and that “MyHomeSupport.org was  
27 created to do Loan Modification at **NO CHARGE**... we don’t have any Audits,  
28 Gimmicks, Analysis Reports, Hidden Fees, or Tricks... we are simply here to

1 help... for **FREE!**” The landing page and subsequent pages have detailed  
2 numerous services MHS purports to provide consumers and emphasizes again  
3 after each explanation that the services will be “**FREE OF CHARGE!**” The  
4 web site also has advised consumers to “**AVOID SCAMS**” by “predators that  
5 may be looking to take advantage of consumers in these uncertain times.”

6 48. The MHS web site has included no disclosure that Audit Defendants  
7 charge typically between \$795 and \$1595 for a loan audit, payable before any  
8 services begin.

9 49. Like the FFLM web site, it has included claims that Audit  
10 Defendants’ services will result in, among other things, a “**Permanent Interest**  
11 **Rate Reduction**” “**Step Interest Rate Reduction,**” and “**Principal Balance**  
12 **Reduction.**”

13 50. Adjacent to these claims have appeared testimonials of supposed  
14 MHS consumers purporting to illustrate the favorable results obtained by MHS.  
15 These testimonials have appeared, verbatim but for the name of the organization,  
16 on at least one other web site purporting to offer loan modification services. That  
17 website, www.HomeAffordableRelief.org, has been registered to Joseph Longo,  
18 who is or has been a sales representative of HouseHoldRelief.org and Precision  
19 Law Center.

20 51. Using language identical to the HHR website, MHS also has told  
21 consumers that “[t]he process typically takes anywhere from 60-180 days.”

22 ***Audit Defendants’ Deceptive Telephone Sales Pitch***

23 52. In numerous instances, consumers who have called the toll free  
24 numbers listed on the FFLM, HHR, and MHS web sites, submitted personal  
25 information on those websites, or received outbound telemarketing calls, have  
26 spoken with Audit Defendants’ telephone sales representatives. Consumers  
27 calling FFLM, HHR, or MHS have spoken with representatives identifying  
28 themselves as being with either HHR or MHS, regardless of which one of Audit

1 Defendants' web sites provided the toll-free number.

2 53. In numerous instances, Audit Defendants' representatives have made  
3 similar sales pitches that initially have reinforced the claims made on the web  
4 sites, including that Audit Defendants are a free, non-profit service that can  
5 significantly increase the likelihood that consumers will obtain a loan  
6 modification or stop foreclosure.

7 54. Audit Defendants' representatives have begun their sales pitch by  
8 claiming that Audit Defendants are a "dot org because we are funded by various  
9 third party companies and agencies." In numerous instances, Audit Defendants'  
10 representatives have explained that Audit Defendants are "funded" to provide a  
11 complete loan modification for free. They have explained that this includes  
12 preparation of a financial or loan modification package for submission to the  
13 lender, an appraisal of the consumer's home through a government-accredited  
14 company, attorney review of the package, attorney negotiations if necessary, and  
15 a property tax assessment.

16 55. Audit Defendants' representatives also have sought to create a sense  
17 of urgency for consumers to sign up for Audit Defendants' service. Audit  
18 Defendants have claimed in numerous instances that their funding only allows  
19 them to perform between 500 and 1000 modifications per month and that they  
20 therefore must be "selective" in the consumers they accept.

21 56. In numerous instances, Audit Defendants' representatives have  
22 explained that they "force" lenders to agree to modifications by performing a  
23 "forensic loan audit" or "consumer fraud report" to identify regulatory or  
24 contractual violations that will allow Audit Defendants to threaten the lender with  
25 a lawsuit if it does not agree to a loan modification. Audit Defendants'  
26 representatives have claimed that the "consumer fraud report is a questionnaire  
27 the government put out."

28 57. In numerous instances, Audit Defendants' representatives have told

1 consumers it is virtually certain that the loan audit will find violations that will  
2 lead to a loan modification. Audit Defendants’ representatives have made the  
3 following typical and illustrative statements:

- 4 ● “We only need one violation, but we normally pull 8 to 12 violations  
5 per contract. When we get the audit back, we’ll contact your lender  
6 and give them two choices. We can either take them to court . . . or  
7 they can give you the loan modification. . . . Of course, none of the  
8 lenders will go to court because they lose every time.”
- 9 ● “The vast majority of loans written between 2000 and 2009 had  
10 violations. . . . Now of course, none of the lenders are going to want  
11 to go to court when they see that they can lose.”

12 58. In some instances, Audit Defendants’ telephone sales representatives  
13 have claimed to identify violations during the initial sales call, without having  
14 reviewed any documents, such as in the following typical and illustrative  
15 statement:

16 “So, did B of A ever call you to come into the office and sign  
17 new disclosures and new RESPAs because of the truth-in-  
18 lending laws because there was new fees attached? . . . Well,  
19 there’s violations – there is violations right there, okay?”

20 59. In numerous instances, Audit Defendants’ sales representatives have  
21 made numerical claims regarding their success rate in obtaining loan  
22 modifications for consumers. For example, after one consumer had identified her  
23 lender as Bank of America, Audit Defendants’ sales representative made the  
24 following typical and illustrative statement: “I was hoping you would tell me  
25 that. Oh, that’s good news. . . . 100 percent of our loan mods get done by them.”

26 60. In another instance, Audit Defendants’ sales representative made the  
27 typical and illustrative statement that if a consumer used Audit Defendants’  
28 service, “you get a – you know, 90 percent chance of getting it done.” The

1 representative claimed that, in comparison, if the consumer attempted to obtain a  
2 loan modification by herself, “you’ve got like a 2 percent chance of getting it  
3 done and like . . . a 12-month waiting period.”

4 61. In numerous other instances, Audit Defendants have claimed their  
5 success rate in obtaining loan modifications was in the high 90th percentile.

6 62. In numerous instances, Audit Defendants’ sales representatives have  
7 claimed that “we do such a prolific job on the consumer fraud report and the  
8 appraisal, we normally don’t even need attorneys, but if you need them, they’re  
9 there for you free of charge.”

10 63. After making these success claims, in numerous instances, Audit  
11 Defendants’ representatives have informed consumers that the consumer fraud  
12 report and/or forensic loan audit is the only service not “funded” by third-parties  
13 as part of Audit Defendants’ “free” loan modification service. Audit Defendants’  
14 representatives have then requested up-front payment of between \$795 and \$1595  
15 for the consumer fraud report and/or forensic loan audit.

16 64. In numerous instances, Audit Defendants’ representatives have  
17 emphasized that there is little or no risk to consumers in purchasing the consumer  
18 fraud report and/or forensic loan audit because if these inquiries do not turn up at  
19 least one violation, Audit Defendants will refund 70 percent of the consumer’s  
20 fee and still continue with the loan modification.

21 65. Audit Defendants’ representatives also have claimed that they would  
22 not take money from consumers unless Audit Defendants first determined that  
23 the consumers “qualified” for a loan modification, as in the following typical and  
24 illustrative statement:

25 “[B]efore I would take one dime from you, I want to make  
26 sure you qualify. . . . There are no gray areas. Either you  
27 qualify or you don’t. If you qualify, only then we’ll decide to  
28 bring you aboard as our client because we don’t bring just

1           anybody on board.”

2           66. In numerous instances, Audit Defendants have purported to  
3 “qualify” consumers for a loan modification by asking some basic questions  
4 about the consumers’ finances and mortgage payments, and then telling  
5 consumers, “Okay, you definitely do qualify.”

6           67. In numerous instances, after only collecting basic financial  
7 information from consumers on an initial phone conversation, Audit Defendants’  
8 representatives have claimed that consumers could expect to receive an interest  
9 rate reduction, a principal reduction, a fixed rate mortgage, or all of these.

10          68. Audit Defendants’ representatives have called consumers to follow  
11 up after the initial telephone sales pitch to tell consumers that Audit Defendants  
12 have “worked out a payment of principal and interest” and then quoted a specific  
13 monthly dollar amount without ever having contacted consumers’ lenders. Audit  
14 Defendants’ representatives have made the typical and illustrative statement,  
15 “you’ll never get this on your own,” and claimed that consumers’ interest rate  
16 “could go even lower to 2 percent.”

17          69. In numerous instances, Audit Defendants have told consumers that if  
18 they forego purchasing the consumer fraud report or forensic loan audit, their  
19 loan modification request will be seriously delayed and significantly less likely to  
20 succeed.

21          70. Audit Defendants’ representatives have made numerous typical and  
22 illustrative statements to this effect, including that if the consumer did not  
23 purchase these services, “there’s about a 60-day waiting period – wait to start the  
24 file because you can imagine how many homeowners we need to help right now.”  
25 Audit Defendants’ representatives also have stated that “generic packages can  
26 sometimes take seven, eight, nine months or longer,” while packages with a fraud  
27 report are “typically a three to four-month process.” Audit Defendants’  
28 representatives also have claimed that purchasing the consumer fraud report

1 “increases the chance of getting a modification about 60 percent higher than just  
2 a generic package.”

3 71. Audit Defendants have sought in numerous instances to further  
4 inspire confidence in their expertise and bolster their credibility by claiming that  
5 Audit Defendants were HUD certified when they were not.

6 72. In numerous instances, Audit Defendants have cautioned consumers  
7 to stay away from other, purportedly fraudulent, operators. In one typical and  
8 illustrative statement to this effect, Audit Defendants’ representative claimed that  
9 “[t]his company is the only company I know that actually does what it says. . . .  
10 We’re going to probably be the only modification company in existence after a  
11 couple of weeks. They’ll all be shut down, new laws.”

12 73. In numerous instances, Audit Defendants’ representatives have  
13 recommended that consumers skip making mortgage payments.

14 74. In numerous instances, Audit Defendants’ representatives have  
15 discouraged consumers from communicating directly with their lenders.

16 75. In numerous instances, Audit Defendants’ representatives have told  
17 consumers that Audit Defendants would obtain the loan documents necessary to  
18 perform the forensic loan audit from consumers’ lenders.

19 76. In numerous instances, Audit Defendants’ representatives have told  
20 consumers that Audit Defendants know how to massage the numbers if  
21 consumers are making too much income to qualify for a loan modification.

22 ***Audit Defendants’ Deceptive Follow-Up Sales Material***

23 77. In numerous instances, Audit Defendants have sent, generally by  
24 email, additional materials to consumers who have expressed interest, including  
25 but not limited to a cover letter, brochure, contract, and purported compliance  
26 checklist. These materials have further advanced Audit Defendants’ deceptive  
27 scheme.

28 78. Audit Defendants’ cover letter has reinforced the claim that they are

1 a free nonprofit service with credibility and expertise. In numerous instances, the  
2 cover letter has reiterated that Audit Defendants are “funded by various third  
3 party companies and agencies.” It has further claimed that Defendants are  
4 “**Certified in Foreclosure Intervention and Certified in Default Counseling by**  
5 **Neighborhood Works (HUD Training Program).**” Defendants are not  
6 certified by HUD or by “Neighborworks,” a non-profit community-based  
7 organization working in cooperation with HUD and other government agencies.  
8 No organization named “Neighborhood Works” is associated with HUD.

9 79. The HHR cover letter also has fostered a sense of urgency for  
10 consumers to act. It has purported to identify the position in line of the  
11 consumer’s application out of 1000 purportedly available slots. In all or virtually  
12 all instances, the consumer’s place in line is purported to have been in the high  
13 800s or 900s. Audit Defendants have instructed consumers that they must  
14 respond “within the next **48 HOURS** to secure your slot.” Audit Defendants  
15 have further claimed that “[o]ur company is required to fill all of the allocated  
16 slots in order to continue with the funding and urge you to cooperate so that we  
17 are able to extend the same service to other homeowner’s [sic] in need.”

18 80. Audit Defendants have claimed in the cover letter that “[u]sing the  
19 tools outlined in this package have been proven to increase your chances of  
20 obtaining a modification by as much as 40%.”

21 81. To further enhance Audit Defendants’ credibility, the brochure has  
22 included several testimonials touting favorable results, including one that appears  
23 verbatim, or almost verbatim, on 36 web sites, including numerous loan  
24 modification or debt relief web sites, and another that appears verbatim, or almost  
25 verbatim, on 15 web sites, including numerous loan modification or debt relief  
26 web sites.

27 82. The brochure has included no disclosure that the results described in  
28 the testimonials are not typical of Audit Defendants’ customers seeking loan

1 modifications. Instead, the brochure has claimed that “[t]ypically adjustments  
2 range from 1-3% in overall interest rate reduction. This drops the payment  
3 drastically allowing for new found comfort with your personal housing  
4 expenses.”

5 83. The package Audit Defendants have sent to consumers also has  
6 included an “Assistance Agreement,” which has reiterated, notwithstanding Audit  
7 Defendants’ request for up-front payment, that Audit Defendants’ “services are to  
8 be performed free of charge for the undersigned Client” and that “HHR is not  
9 charging for the services of a loan modification in any way shape or form.”

10 84. The package also has included an “Addendum to Assistance  
11 Agreement,” pre-signed in the name of the consumer with an “electronic”  
12 signature, purporting to certify certain statements that contradict the express  
13 representations made up to that point by Audit Defendants. These false  
14 certifications include, among others, the statements that “I was not told a specific  
15 success rate,” “I was not promised a specific result,” and “I was not told to miss a  
16 mortgage payment.”

17 85. Audit Defendants also have sent consumers official-looking  
18 “samples” of a consumer fraud report and forensic loan audit and have sent  
19 follow-up emails claiming that if such an audit uncovers violations or  
20 noncompliance on the part of the lender, then “you can expect a Loan  
21 Modification.”

## 22 **B. The Mass Joinder Scam**

23 86. Mass Joinder Defendants Lakhany, Precision Law Center, Inc., and  
24 Precision Law Center LLC have operated Precision Law Center (“PLC”), a  
25 company that purports to be a law firm. Through PLC, Mass Joinder Defendants  
26 have engaged in a course of conduct to advertise, market, offer to sell, and sell to  
27 homeowners the opportunity to participate in mass joinder litigation against their  
28 lenders. PLC has represented that among other things, consumers can stop

1 foreclosure and gain substantial mortgage concessions from their lenders,  
2 including but not limited to loan modifications.

3 87. In numerous instances, PLC has initiated contact with consumers by  
4 sending them a deceptive direct-mail solicitation. In other instances, Mass  
5 Joinder Defendants have attempted to up-sell the services of PLC to customers of  
6 FFLM, HHR, or MHS for whom Audit Defendants failed to obtain a loan  
7 modification.

8 88. Mass Joinder Defendants' direct mail solicitation contains an  
9 official-looking form that resembles a federal tax form or a class action  
10 settlement notice. Mass Joinder Defendants have sent the mailer to consumers by  
11 U.S. Mail using a blue, orange, and white color envelope that resembles a Federal  
12 Express overnight package. The envelope states, in large color text, "ExpressPak  
13 Service," and includes several prominent statements indicating, expressly or by  
14 implication, that it contains important legal materials:

- 15 ● **\*\*\*Time Sensitive Material\*\*\***  
**REGISTERED CERTIFIED DOCUMENT**
- 16 ● **LEGAL NOTICE - PERSONAL AND CONFIDENTIAL**
- 17 ● **OPEN IMMEDIATELY**

18  
19 89. Inside, the envelope has contained a single-page document that  
20 purports to be a "FORM 1012-R, LITIGATION SETTLEMENT NOTIFICATION." On  
21 the upper left corner of the page, in a font and position similar to the four-digit  
22 identification number used on federal tax forms has been the date, "**2011.**"

23 90. The mailer has identified the consumer's mortgage lender by name,  
24 set forth the consumer's loan amount, and indicated that it is a "FINAL  
25 NOTICE" relating to, as in one case, a "LITIGATION SETTLEMENT VS -  
26 WASHINGTON MUTUAL BANK FA." The form prominently has featured a box  
27 that lists the "Status" as "Eligible-Pending."

28 91. In two places, the mailer has included text appearing above graphic

1 lines, setting it apart from the rest of the page, that states:

2 YOU ARE A POTENTIAL PLAINTIFF IN LAWSUIT VS. WASHINGTON MUTUAL BANK FA

3 ----- **MULTI PARTY LAWSUIT** -----

4 92. The mailer has explained:

5 Your loan with **WASHINGTON MUTUAL BANK FA**  
6 may be eligible for an inclusion into a  
7 national litigation settlement aimed at  
8 fraudulent lender actions.

9 You will become a joined named plaintiff  
10 in a national lawsuit that will seek,  
11 among other things, to stop foreclosure,  
12 new loan terms and/or to award you relief  
13 and monetary damages.

14 93. The mailer has concluded with a box at the bottom of the page  
15 containing the text "IMMEDIATE RESPONSE REQUIRED" followed by a toll-  
16 free number.

17 94. PLC also has marketed its purported services through a website that  
18 claims PLC is a "full service law firm" and that its attorneys are "highly skilled"  
19 in a variety of practice areas including "Commercial & Business Litigation" and  
20 "Real Estate." The web site has claimed that "we have assembled an aggressive  
21 and talented team of litigators to address the lenders in a Court of Law." It  
22 further has claimed that "[o]ver the last several years this firm has diligently  
23 worked with mortgage lenders to achieve affordable loan restructuring solutions  
24 for our clients."

25 95. In fact, at relevant times, PLC has had either no attorneys or only  
26 one attorney representing all of its clients from various states. The attorney who  
27 signed the lawsuits PLC filed against consumers' lenders passed the California  
28 bar in March 2009. He is not listed as a member of the bar in the other states in  
which PLC's clients have resided.

96. The web site has made claims about the outcomes consumers may expect if they hire PLC, including:

1 In our expert opinion, a case like this is likely to have one of  
2 the two following outcomes: 1) there could be a trial  
3 Settlement - This is the most likely due to the fact that any  
4 Lender would be at a disadvantage with a jury trial. If this  
5 were to take place our settlement demand would include a  
6 favorable modification as well as compensatory damages. 2)  
7 Amnesty Program - Just like the tobacco industry, the  
8 Lending industry could receive amnesty from the  
9 Government. If this were to take place, only those plaintiffs  
10 already party to the lawsuit will be eligible for a settlement.

11 97. The web site also has made claims about what the consumer's  
12 "settlement demand will stipulate." These include "**Principal Reduced to 80%**  
13 **of Current Market Value,**" "**Forgiveness of Past Payments and Misc Fees,**"  
14 "**Credit Report to show NO LATE PAYMENTS,**" and "**Forty (40) Year**  
15 **Mortgage Term.**"

16 98. Additionally, under a bold headline stating, "**Rate based on lowest**  
17 **Fannie Mae 30 Year,**" the web site has told consumers that "your new rate, at  
18 the time of settlement, will be based on the going Fannie Mae 30 year loan rate.  
19 This rate will be a bare bone base rate with no commissions, hidden fees, or  
20 balloon payments."

21 99. Without having obtained any information specific to any individual  
22 consumer, the web site has made the blanket claim that "[d]ue to the complexity  
23 of this case and the different parties/parameters involved, we estimate that this  
24 case will take approximately 18-24 months to settle."

25 100. Other portions of the PLC website have included significant  
26 amounts of text that appears verbatim, or nearly verbatim, on the FFLM, HHR,  
27 and MHS websites.

28 101. The PLC web site has urged consumers to submit personal

1 information online to request a call-back in order to obtain assistance.

2 102. In numerous instances, PLC also has marketed to consumers whom  
3 FFLM, HHR, and MHS have failed to assist. In at least one instance, a consumer  
4 who demanded a refund of the \$1595 he had paid HHR was instead given only  
5 the option of having this amount applied as a “down payment” toward joining a  
6 planned PLC lawsuit against his lender. The consumer was told that he would  
7 have to pay \$10,000 to join the lawsuit.

8 103. In numerous instances, consumers who have called the toll free  
9 number listed on the “Form 1012-R,” have submitted personal information on the  
10 PLC web site, or have been referred to PLC after Audit Defendants failed to  
11 obtain a loan modification, have spoken with a PLC representative.

12 104. PLC’s representatives have urged consumers to buy their way into a  
13 PLC “mass joinder” lawsuit by paying typically \$6000 to \$10,000. These  
14 representatives have reinforced the claims made in PLC’s direct mail solicitation  
15 and on its website.

16 105. After an initial sales pitch, PLC’s representatives have sent  
17 consumers marketing materials making further specific claims regarding the  
18 outcome PLC will obtain if the consumer hires the law firm. In one typical and  
19 illustrative email, a non-attorney representative made the following claims:

20 **OUTCOME: (This is the Minimum Settlement you will receive)**

- 21 ● 18-24 Month Process (UP THE [sic] HOME OWNER TO
- 22 MAKE PAYMENTS OR NOT)
- 23 ● Lender can not Foreclose (Active Litigation and Lis Pendens)
- 24 ● 40 or 30 Year loan term
- 25 ● Interest rate and going Fannie Mae 30yr Rate (approx 4%)
- 26 ● 80% of current market value (AVM)
- 27 ● Forgiveness of all past due payments
- 28 ● Forgiveness of all miscellaneous fees

- Restoration of Credit showing no late payments
- Possible compensatory damages

106. In materials attached to this typical and illustrative email to a consumer whose home and residence was in Connecticut, Mass Joinder Defendants claimed that he could become part of a mass-joinder suit “[f]iled in LA Superior Court.”

107. PLC further claimed to be “Allowed to Accept Retainer Fees” because it was “Not Covered by FTC,” and there were “No State Restrictions” and “No DRE Jurisdiction.”

108. In other instances, PLC has sent materials to consumers that include deceptive claims that are either tailored to the specific consumer or general with respect to mass joinder litigation.

109. In one typical and illustrative package of materials, PLC included a one-page “Settlement Worksheet” with a box titled “Proposed Resolution” that included the following claims tailored to the consumer’s specific loan:

- PROPOSED LOAN TERM: 30 Years*
- PROPOSED LOAN BALANCE (80% of market value): \$135,200.00*
- PROPOSED RATE: 2% Fixed*
- PROPOSED PAYMENT: \$500.00*

110. The worksheet included another box titled “Additional Terms” that included the following statements:

- *Forgiveness of all delinquent payments, fees and penalties*
- *Halt and reverse foreclosure proceedings*
- *Credit restoration*
- *Possible compensatory damages in the amount of \$22,500.00*
- *Possible punitive damages in the amount of \$52,500.00*

1 111. Mass Joinder Defendants also have included with materials sent to  
2 consumers, PowerPoint-style presentations making general claims about the  
3 benefits of mass-joinder litigation. The presentations have included claims about  
4 the success rate of the lawsuits and what consumers can expect to win in the  
5 lawsuit:

6 ● **FREQUENTLY ASKED QUESTIONS**

7 **How often are these suits successful?**

- 8 \* 80% to 85% of classified mass joinders receive a  
9 successful result on behalf of the participants.

10 **What kind of monetary damages can I expect?**

- 11 \* Upon a successful settlement or adjudication you may  
12 receive anywhere from a small settlement to several  
13 thousands of dollars. You may also receive a very large  
14 principal balance reduction on the home which would  
15 give you instant equity in your home.

16 ● **WHAT CAN I EXPECT TO WIN WITH THIS LAWSUIT?**

- 17 \* Potentially Receiving Your Home Free and Clear.  
18 \* A Reduction In Your Homes Principle [sic] Balance to  
19 70% of the Current Value  
20 \* Reducing the Interest Rate to 50% Of The Current  
21 Interest Rate.  
22 \* Elimination and Potential Refund of Any  
23 Accrued Interest, Penalties and Charges  
24 \* Elimination of Any Negative Reporting to the Credit  
25 Reporting Agencies.  
26 \* Compensatory and Punitive Damage (Monetary  
27 Damages).  
28 \* 40 Year Fixed Rate Term On The Loan.

1 \* Potential Foreclosure Protection During The Law  
2 Suit.

3 \* Potential Revisions Regarding The Grant Deed of The  
4 Home.

5 \* Ability to Continue Litigation in the Future Should  
6 Additional Issues Arise.

7 112. PLC has filed at least seven mass-joinder complaints in Los Angeles  
8 County Superior Court. In each case, PLC has failed to do anything to advance  
9 consumers' cases after filing the complaint.

10 113. The docket for the Los Angeles Superior Court reflects that in five  
11 cases, PLC failed to serve the complaint on the defendants, resulting in the  
12 dismissal of three cases and orders to show cause why sanctions should not be  
13 imposed for failure to serve the summons and complaint in two. PLC has not  
14 appeared for hearings and has not otherwise responded to the orders to show  
15 cause.

16 114. Of the two remaining cases, one was dismissed when PLC failed to  
17 oppose Defendants' motions to dismiss and for judgment on the pleadings. The  
18 other, which was filed in July 2011, is listed as "pending" with no docket entry  
19 reflecting service or any other action by PLC.

20 115. These seven mass-joinder complaints collectively purport to  
21 represent the interests of 186 consumers. Many of these consumers, whose  
22 homes have been in foreclosure, may not know their complaints have been  
23 dismissed, in light of PLC's representations that the successful results of its  
24 lawsuits would take 18-24 months.

25 116. The FTC is aware of no other lawsuits filed by PLC.

26 ***Consumer Injury***

27 117. In numerous instances, consumers who have paid Forensic Loan  
28 Audit and Mass Joinder Defendants' fees have suffered significant economic

1 injury, including but not limited to incurring late payments fees, damaging their  
2 credit, going into foreclosure, and losing their homes.

3 118. In numerous instances, after consumers have paid Forensic Loan  
4 Audit and Mass Joinder Defendants their requested advance fee, Forensic Loan  
5 Audit and Mass Joinder Defendants have failed to obtain a loan modification or  
6 stop foreclosure.

7 119. In numerous instances, Audit Defendants have failed to conduct  
8 consumer fraud reports or forensic loan audits that provided the leverage Audit  
9 Defendants promised would force banks to agree to a loan modification.

10 120. In numerous instances, Audit Defendants have failed to obtain  
11 documents from consumers' lenders as promised to conduct these reports and  
12 audits, have failed to submit necessary paperwork to consumers' lenders to  
13 request loan modifications, and have engaged in little or no effective  
14 communications with consumers lenders. In numerous instances, Audit  
15 Defendants have falsely blamed consumers for failing to provide requested  
16 information.

17 121. In numerous instances, Audit Defendants have failed to provide free  
18 legal services or many of the other services they claimed would be provided for  
19 free.

20 122. In numerous instances, consumers who have paid Audit Defendants'  
21 requested up-front fee have received the run-around. Audit Defendants have  
22 failed to return consumers' phone calls and emails, and consumers have been  
23 transferred from one agent to another.

24 123. In numerous instances, Audit Defendants have refused to refund  
25 consumers' up-front fees. Instead, they have claimed to have identified lender  
26 "violations," making the consumer ineligible for a refund under Audit  
27 Defendants' policy. In numerous instances, however, these purported  
28 "violations" have not provided the leverage Audit Defendants promised would

1 force banks to agree to a loan modification.

2 ***Role of Individual Defendant Lakhany***

3 124. Sameer Lakhany, acting individually or in concert with others, has  
4 formulated, directed, controlled, had the authority to control, and participated in  
5 the acts and practices of the Corporate Defendants, as well as  
6 FreeFedLoanMod.org, HouseHoldRelief.org, and MyHomeSupport.org.

7 125. Although neither FFLM, HHR, nor MHS is a proper corporate  
8 entity, each is a registered or non-registered fictitious business identity controlled  
9 by Lakhany, through which he and his interrelated maze of companies has  
10 operated.

11 126. Lakhany is the director and agent for service of process for Fidelity  
12 Legal, the limited liability company that created and has maintained the web sites  
13 and toll-free telephone numbers used by FFLM, HHR, and MHS. Lakhany has  
14 paid for these accounts with his credit card and is identified as the contact person  
15 for the accounts. Lakhany also has written checks on Fidelity Legal's bank  
16 account.

17 127. Lakhany is the organizer and agent for service of process of Credit  
18 Shop, the limited liability company that owns the fictitious business name  
19 HouseHoldRelief.org. Lakhany's signature appears on the company's articles of  
20 organization.

21 128. Lakhany is CEO and agent for service of process of Titanium  
22 Realty, a corporation that has maintained a bank account in the name "Titanium  
23 Realty dba HouseHoldRelief.org." Nearly 400 consumer payments for HHR loan  
24 modification services were deposited to the account during a three month period  
25 in 2010. Titanium Realty also has written checks to employees of HHR.

26 129. Lakhany has identified himself to prospective employees as the  
27 actual owner of Precision Law Center. Although Lakhany has asserted that he is  
28 not listed as the "paper" owner of Precision Law Center because he is not an

1 attorney, Lakhany is listed in corporate registration documents as the  
2 incorporator of Precision Law Center, Inc. and signed its articles of  
3 incorporation. Lakhany's email address is listed with Precision Law Center's  
4 web site registration, and his credit card has paid for at least one of the phone  
5 numbers used by Precision Law Center. Lakhany also makes hiring decisions for  
6 Precision Law Center.

7 130. Lakhany is actively involved in the Corporate Defendants' and  
8 fictitious businesses' day-to-day operations.

9 131. For example, he has sent emails to consumers and HHR staff  
10 confirming that HouseHoldRelief.org had received the consumers' payment for  
11 services. Additionally, at least one consumer, on at least two occasions, emailed  
12 Lakhany directly at slakhany@householdrelief.org to describe her numerous  
13 problems with HHR and ask for his assistance. An email dated March 1, 2011  
14 from the consumer contains the subject line "dishonorable business practice!"  
15 This, and a second email dated March 13, 2011, detailed Audit Defendants'  
16 deceptive business practices and requested a refund.

17 132. Lakhany also has created and disseminated false and misleading  
18 materials to rebut HHR's negative Better Business Bureau ("BBB") rating,  
19 further illustrating his awareness of consumer complaints about HHR. Lakhany  
20 has created a fake BBB website apparently to divert consumers from the real  
21 BBB website, which gave HHR an "F" rating. Lakhany has been listed as the  
22 domain registrant of "www.labbbb.org" — which has four b's in its web address  
23 instead of the three contained in the Los Angeles area BBB's legitimate web  
24 address. The website has what appears to be a BBB ratings page for HHR and  
25 purports to award the company a "B-" rating.

26 133. Lakhany also has sent emails from his address at  
27 "slakhany@householdrelief.org" to the HHR sales staff with links to negative  
28 press reports about the BBB. These emails, and the links, have been forwarded to

1 consumers who expressed concern about the BBB’s poor review of HHR.

2 134. In April 2010, the State of Washington, Department of Financial  
3 Institutions, ordered that Lakhany and Fidelity Legal cease and desist offering  
4 loan modification services and otherwise conducting the business of a mortgage  
5 broker in the state of Washington. Despite this, Lakhany and Fidelity Legal have  
6 continued such activity in violation of the State of Washington’s Order.

7 135. The fictitious business identities and complex web of corporations  
8 through which Lakhany has operated obfuscate the true identities of the  
9 companies with which consumers transact and place consumers at a  
10 disadvantage.

11 VIOLATIONS OF THE FTC ACT

12 136. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits “unfair or  
13 deceptive acts or practices in or affecting commerce.”

14 137. Misrepresentations or deceptive omissions of material fact constitute  
15 deceptive acts or practices prohibited by Section 5(a) of the FTC Act.

16 COUNT I

17 (All Defendants)

18 138. In numerous instances, in connection with the offering and sale of  
19 mortgage assistance relief services, Defendants have represented, expressly or by  
20 implication, that they generally will obtain for consumers mortgage loan  
21 modifications that will make consumers’ payments substantially more affordable,  
22 or will help consumers avoid foreclosure.

23 139. In truth and in fact, Defendants generally do not obtain for  
24 consumers mortgage loan modifications that will make consumers’ payments  
25 substantially more affordable, and generally do not help consumers avoid  
26 foreclosure.

27 140. Therefore, Defendants’ representation as set forth in Paragraph 138  
28 is false and misleading and constitutes a deceptive act or practice in violation of

1 Section 5(a) of the FTC Act, 15 U.S. C. § 45(a).

2 COUNT II

3 (Audit Defendants)

4 141. In numerous instances, in connection with the offering and sale of  
5 mortgage assistance relief services, Audit Defendants have represented, expressly  
6 or by implication, that as a result of a loan audit provided by Audit Defendants,  
7 they generally will obtain for consumers mortgage loan modifications that will  
8 make consumers' payments substantially more affordable.

9 142. In truth and in fact, Audit Defendants generally do not obtain for  
10 consumers mortgage loan modifications that will make consumers' mortgage  
11 payments substantially more affordable as a result of a loan audit provided by  
12 Audit Defendants.

13 143. Therefore, Audit Defendants' representation as set forth in  
14 Paragraph 141 is false and misleading and constitutes a deceptive act or practice  
15 in violation of Section 5(a) of the FTC Act, 15 U.S. C. § 45(a).

16 COUNT III

17 (Audit Defendants)

18 144. In numerous instances, in connection with the offering and sale of  
19 mortgage assistance relief services, Audit Defendants have represented, directly  
20 or indirectly, expressly or by implication, that Audit Defendants are accredited  
21 non-profit organizations with superior qualifications and techniques for obtaining  
22 mortgage loan modifications that will make consumers' payments substantially  
23 more affordable.

24 145. In truth and in fact, Audit Defendants are not accredited non-profit  
25 organizations with superior qualifications and techniques for obtaining mortgage  
26 loan modifications that will make consumers' payments substantially more  
27 affordable.

28 146. Therefore, Audit Defendants' representation as set forth in

1 Paragraph 144 is false and misleading and constitutes a deceptive act or practice  
2 in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

3 COUNT IV

4 (Audit Defendants)

5 147. In numerous instances, in connection with the offering and sale of  
6 mortgage assistance relief services, Audit Defendants have represented, directly  
7 or indirectly, expressly or by implication, that Audit Defendants will generally  
8 provide refunds to consumers if Audit Defendants fail to obtain a mortgage loan  
9 modification.

10 148. In truth and in fact, Audit Defendants do not generally provide  
11 refunds to consumers when Audit Defendants fail to obtain a mortgage loan  
12 modification.

13 149. Therefore, Audit Defendants' representation as set forth in  
14 Paragraph 147 is false and misleading and constitutes a deceptive act or practice  
15 in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

16 COUNT V

17 (Mass Joinder Defendants)

18 150. In numerous instances, in connection with the offering and sale of  
19 mortgage assistance relief services, Mass Joinder Defendants have represented,  
20 directly or indirectly, expressly or by implication, that Mass Joinder Defendants  
21 generally will obtain favorable mortgage concessions from consumers' lenders or  
22 stop foreclosure if consumers join mass joinder lawsuits initiated by Mass  
23 Joinder Defendants.

24 151. In truth and in fact, Mass Joinder Defendants do not generally obtain  
25 favorable mortgage concessions from consumers' lenders or stop foreclosure for  
26 consumers who join the Mass Joinder Defendants' mass joinder lawsuits.

27 152. Therefore, Mass Joinder Defendants' representation as set forth in  
28 Paragraph 150 is false and misleading and constitutes a deceptive act or practice

1 in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

2 THE MARS RULE

3 153. In 2009, Congress directed the FTC to prescribe rules prohibiting  
4 unfair or deceptive acts or practices with respect to mortgage loans. Omnibus  
5 Act, § 626, 123 Stat. at 678, as clarified by Credit Card Act, § 511, 123 Stat. at  
6 1763-64. Pursuant to that direction, the FTC promulgated the MARS Rule, 16  
7 C.F.R. Part 322, all but one of the provisions of which became effective on  
8 December 29, 2010. The remaining provision, Section 322.5, became effective  
9 on January 31, 2011. The Dodd-Frank Act, § 1097, 124 Stat. at 2102-03, 12  
10 U.S.C. § 5538, transferred rulemaking authority over the MARS Rule to the  
11 Consumer Financial Protection Bureau, which recodified the Rule as 12 C.F.R.  
12 Part 1015 effective December 30, 2011, and designated it “Regulation O.” The  
13 FTC retains authority to enforce the MARS Rule pursuant to Dodd-Frank Act  
14 § 1097, 12 U.S.C. § 5538.

15 154. The MARS Rule and Regulation O define “mortgage assistance  
16 relief provider” as “any person that provides, offers to provide, or arranges for  
17 others to provide, any mortgage assistance relief service” other than the dwelling  
18 loan holder, the servicer of a dwelling loan, or any agent or contractor of such  
19 individual or entity. 16 C.F.R. § 322.2, recodified as 12 C.F.R. § 1015.2.

20 155. Defendants are “mortgage assistance relief provider[s]” engaged in  
21 the provision of “mortgage assistance relief services” as those terms are defined  
22 in the MARS Rule, 16 C.F.R. § 322.2, recodified as Regulation O, 12 C.F.R.  
23 § 1015.2.

24 156. The MARS Rule and Regulation O prohibit any mortgage assistance  
25 relief service provider from misrepresenting, expressly or by implication, the  
26 likelihood of negotiating, obtaining, or arranging any represented service or  
27 result. 16 C.F.R. § 322.3(b)(1), recodified as 12 C.F.R. § 1015.3(b)(1).

28 157. The MARS Rule and Regulation O prohibit any mortgage assistance

1 relief service provider from failing to place a statement in every general  
2 commercial communication disclosing that (i) the provider is not associated with  
3 the government and its service is not approved by the government or any lender,  
4 and (ii) in certain cases, a statement disclosing that the lender may not agree to  
5 modify a loan, even if the consumer uses the provider's service. 16 C.F.R.  
6 §§ 322.4(a)(1)-(2), recodified as 12 C.F.R. §§ 1015.4(a)(1)-(2).

7 158. The MARS Rule and Regulation O prohibit any mortgage assistance  
8 relief service provider from failing to place a statement in every consumer-  
9 specific commercial communication (i) confirming that the consumer may stop  
10 doing business with the provider or reject an offer of mortgage assistance without  
11 having to pay for the services, (ii) disclosing that the provider is not associated  
12 with the government and its service is not approved by the government or any  
13 lender, and (iii) in certain cases, a statement disclosing that the lender may not  
14 agree to modify a loan, even if the consumer uses the provider's service. 16  
15 C.F.R. §§ 322.4(b)(1)-(3), recodified as 12 C.F.R. §§ 1015.4(b)(1)-(3).

16 159. The MARS Rule and Regulation O prohibit any mortgage assistance  
17 relief service provider, in cases where the provider has represented that the  
18 consumer should temporarily or permanently discontinue payments on a dwelling  
19 loan, from failing to place a statement in every consumer-specific commercial  
20 communication clearly and prominently, and in close proximity to any such  
21 representation, that the consumer could lose his or her home and damage his or  
22 her credit rating if the consumer stops paying the mortgage. 16 C.F.R.  
23 § 322.4(c), recodified as 12 C.F.R. § 1015.4(c).

24 160. The MARS Rule and Regulation O prohibit any mortgage assistance  
25 relief service provider from requesting or receiving payment of any fee or other  
26 consideration until the consumer has executed a written agreement between the  
27 consumer and the consumer's loan holder or servicer that incorporates the offer  
28 that the provider obtained from the loan holder or servicer. 16 C.F.R. § 322.5(a),

1 recodified as 12 C.F.R. § 1015.5(a).

2 161. Pursuant to the Omnibus Act, § 626, 123 Stat. at 678, as clarified by  
3 the Credit Card Act, § 511, 123 Stat. at 1763-64 and amended by the Dodd-Frank  
4 Act, § 1097, 124 Stat. at 2102-03, 12 U.S.C. § 5538, and pursuant to Section  
5 18(d)(3) of the FTC Act, 15 U.S.C. § 57a(d)(3), a violation of the MARS Rule or  
6 Regulation O constitutes an unfair or deceptive act or practice in or affecting  
7 commerce, in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

8 VIOLATIONS OF THE MARS RULE

9 COUNT VI

10 (All Defendants)

11 162. In numerous instances, in the course of providing mortgage  
12 assistance relief services, Defendants have misrepresented, expressly or by  
13 implication, material aspects of their services, including, but not limited to:

14 (a) Defendants' likelihood of obtaining a modification of  
15 mortgage loans for consumers that will make their payments substantially  
16 more affordable;

17 (b) Audit Defendants' likelihood of obtaining a modification of  
18 mortgage loans for consumers that will make their payments substantially  
19 more affordable as a result of a loan audit provided by Audit Defendants;  
20 and

21 (c) Mass Joinder Defendants' likelihood of obtaining a  
22 modification of mortgage loans for consumers that will make their  
23 payments substantially more affordable or of otherwise obtaining favorable  
24 mortgage concessions or stopping foreclosure by placing consumers in a  
25 "mass joinder" lawsuit against their lender, in violation of the MARS Rule,  
26 16 C.F.R. § 322.3(b)(1), and Regulation O, 12 C.F.R. § 1015.3(b)(1).

1 COUNT VII

2 (All Defendants)

3 163. In numerous instances, in the course of providing mortgage  
4 assistance relief services, Defendants have failed to make the following  
5 disclosures:

6 (a) in all general commercial communications –

7 (1) “[Name of Company] is not associated with the  
8 government, and our service is not approved by the government or  
9 your lender,” in violation of the MARS Rule, 16 C.F.R.

10 § 322.4(a)(1), and Regulation O, 12 C.F.R. § 1015.4(a)(1); and

11 (2) “Even if you accept this offer and use our service, your  
12 lender may not agree to change your loan,” in violation of the  
13 MARS Rule, 16 C.F.R. § 322.4(a)(2), and Regulation O, 12 C.F.R.

14 § 1015.4(a)(2);

15 (b) in all consumer-specific commercial communications –

16 (1) “You may stop doing business with us at any time.  
17 You may accept or reject the offer of mortgage assistance we obtain  
18 from your lender [or servicer]. If you reject the offer, you do not  
19 have to pay us. If you accept the offer, you will have to pay us  
20 [insert amount or method for calculating the amount] for our  
21 services,” in violation of the MARS Rule, 16 C.F.R. § 322.4(b)(1),  
22 and Regulation O, 12 C.F.R. § 1015.4(b)(1);

23 (2) “[Name of company] is not associated with the  
24 government, and our service is not approved by the government or  
25 your lender,” in violation of the MARS Rule, 16 C.F.R.

26 § 322.4(b)(2), and Regulation O, 12 C.F.R. § 1015.4(b)(2); and

27 (3) “Even if you accept this offer and use our service, your  
28 lender may not agree to change your loan,” in violation of the

1 MARS Rule, 16 C.F.R. § 322.4(b)(3), and Regulation O, 12 C.F.R.  
2 § 1015.4(b)(3); and

3 (c) in all general commercial communications, consumer-specific  
4 commercial communications, and other communications in cases where  
5 Defendants have represented, expressly or by implication, in connection  
6 with the advertising, marketing, promotion, offering for sale, sale, or  
7 performance of any mortgage assistance relief service, that the consumer  
8 should temporarily or permanently discontinue payments, in whole or in  
9 part, on a dwelling loan, clearly and prominently, and in close proximity to  
10 any such representation that “If you stop paying your mortgage, you could  
11 lose your home and damage your credit rating,” in violation of the MARS  
12 Rule, 16 C.F.R. § 322.4(c), and Regulation O, 12 C.F.R. § 1015.4(c).

13 COUNT VIII

14 (All Defendants)

15 164. In numerous instances, in the course of providing mortgage  
16 assistance relief services, Defendants ask for or receive their payment before  
17 consumers have executed a written agreement between the consumer and the loan  
18 holder or servicer that incorporates the offer obtained by Defendants, in violation  
19 of the MARS Rule, 16 C.F.R. § 322.5(a) and Regulation O, 12 C.F.R.  
20 § 1015.5(a).

21 CONSUMER INJURY

22 165. Consumers have suffered and will continue to suffer substantial  
23 injury as a result of Defendants’ violations of the FTC Act and the MARS Rule.  
24 In addition, Defendants have been unjustly enriched as a result of their unlawful  
25 acts or practices. Absent injunctive relief by this Court, Defendants are likely to  
26 continue to injure consumers, reap unjust enrichment, and harm the public  
27 interest.



1 rescission or reformation of contracts, restitution, the refund of  
2 monies paid, and the disgorgement of ill-gotten monies; and  
3 (d) Award Plaintiff the costs of bringing this action, as well as such  
4 other and additional relief as the Court may determine to be just and  
5 proper.

6  
7 Dated: March 5, 2012

Respectfully submitted,

8 Willard K. Tom  
9 General Counsel

10 

11 

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Attorneys for Plaintiff  
Federal Trade Commission



**UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA  
CIVIL COVER SHEET**

**VIII(a). IDENTICAL CASES:** Has this action been previously filed in this court and dismissed, remanded or closed?  No  Yes  
If yes, list case number(s): \_\_\_\_\_

**VIII(b). RELATED CASES:** Have any cases been previously filed in this court that are related to the present case?  No  Yes  
If yes, list case number(s): \_\_\_\_\_

**Civil cases are deemed related if a previously filed case and the present case:**

- (Check all boxes that apply)  A. Arise from the same or closely related transactions, happenings, or events; or  
 B. Call for determination of the same or substantially related or similar questions of law and fact; or  
 C. For other reasons would entail substantial duplication of labor if heard by different judges; or  
 D. Involve the same patent, trademark or copyright, and one of the factors identified above in a, b or c also is present.

**IX. VENUE:** (When completing the following information, use an additional sheet if necessary.)

(a) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which **EACH** named plaintiff resides.  
 Check here if the government, its agencies or employees is a named plaintiff. If this box is checked, go to item (b).

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
Los Angeles	

(b) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which **EACH** named defendant resides.  
 Check here if the government, its agencies or employees is a named defendant. If this box is checked, go to item (c).

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
All corporate defendants are located in Orange County. Defendant S. Lakhany resides in San Bernardino County.	

(c) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which **EACH** claim arose.  
**Note: In land condemnation cases, use the location of the tract of land involved.**

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
Orange	Nationwide

\* Los Angeles, Orange, San Bernardino, Riverside, Ventura, Santa Barbara, or San Luis Obispo Counties  
**Note: In land condemnation cases, use the location of the tract of land involved.**

X. SIGNATURE OF ATTORNEY (OR PRO PER):  Date March 5, 2012

**Notice to Counsel/Parties:** The CV-71 (JS-44) Civil Cover Sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law. This form, approved by the Judicial Conference of the United States in September 1974, is required pursuant to Local Rule 3-1 is not filed but is used by the Clerk of the Court for the purpose of statistics, venue and initiating the civil docket sheet. (For more detailed instructions, see separate instructions sheet.)

Key to Statistical codes relating to Social Security Cases:

Nature of Suit Code	Abbreviation	Substantive Statement of Cause of Action
861	HIA	All claims for health insurance benefits (Medicare) under Title 18, Part A, of the Social Security Act, as amended. Also, include claims by hospitals, skilled nursing facilities, etc., for certification as providers of services under the program. (42 U.S.C. 1935FF(b))
862	BL	All claims for "Black Lung" benefits under Title 4, Part B, of the Federal Coal Mine Health and Safety Act of 1969. (30 U.S.C. 923)
863	DIWC	All claims filed by insured workers for disability insurance benefits under Title 2 of the Social Security Act, as amended; plus all claims filed for child's insurance benefits based on disability. (42 U.S.C. 405(g))
863	DIWW	All claims filed for widows or widowers insurance benefits based on disability under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405(g))
864	SSID	All claims for supplemental security income payments based upon disability filed under Title 16 of the Social Security Act, as amended.
865	RSI	All claims for retirement (old age) and survivors benefits under Title 2 of the Social Security Act, as amended. (42 U.S.C. (g))

Name & Address:  
Mark Glassman  
Federal Trade Commission  
600 Pennsylvania Avenue, N.W., NJ-3158  
Washington, DC 20580

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

Federal Trade Commission

CASE NUMBER

PLAINTIFF(S)

**SACV12-00337 CJC (JPRx)**

v.

Sameer Lakhany, et al. (See Attached)

**SUMMONS**

DEFENDANT(S).

TO: DEFENDANT(S):

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it), you must serve on the plaintiff an answer to the attached  complaint  \_\_\_\_\_ amended complaint  counterclaim  cross-claim or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff's attorney, Mark Glassman, whose address is FTC, 600 Penn. Ave., NW, NJ-3158, Washington, DC 20580. If you fail to do so, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

Clerk, U.S. District Court

Dated: MAR -5 2012

By: ROLLS ROYCE PASOHAL  
Deputy Clerk



(Seal of the Court)

1146

[Use 60 days if the defendant is the United States or a United States agency, or is an officer or employee of the United States. Allowed 60 days by Rule 12(a)(3)].

**ATTACHMENT**

**Sameer Lakhany,**  
an individual;

**The Credit Shop, LLC,**  
a limited liability company;

**Fidelity Legal Services LLC,**  
a limited liability company;

**Titanium Realty, Inc.;**  
a corporation,

**Precision Law Center, Inc.,**  
a corporation; and

**Precision Law Center LLC,**  
a limited liability company

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

**UNDER SEAL**

NOTICE OF ASSIGNMENT TO UNITED STATES MAGISTRATE JUDGE FOR DISCOVERY

This case has been assigned to District Judge Cormac J. Carney and the assigned discovery Magistrate Judge is Jean P. Rosenbluth.

The case number on all documents filed with the Court should read as follows:

**SACV12- 337 CJC (JPRx)**

Pursuant to General Order 05-07 of the United States District Court for the Central District of California, the Magistrate Judge has been designated to hear discovery related motions.

All discovery related motions should be noticed on the calendar of the Magistrate Judge

=====

**NOTICE TO COUNSEL**

*A copy of this notice must be served with the summons and complaint on all defendants (if a removal action is filed, a copy of this notice must be served on all plaintiffs).*

Subsequent documents must be filed at the following location:

**Western Division**  
312 N. Spring St., Rm. G-8  
Los Angeles, CA 90012

**Southern Division**  
411 West Fourth St., Rm. 1-053  
Santa Ana, CA 92701-4516

**Eastern Division**  
3470 Twelfth St., Rm. 134  
Riverside, CA 92501

Failure to file at the proper location will result in your documents being returned to you.