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11 RESOLUTION, LLC

12 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

13 **COUNTY OF ORANGE**

14 JEM GROUP, INC., a Nevada corporation, and)
15 CDS CLIENT SERVICES, INC., a California)
16 corporation,)

17 Plaintiff,)

18 vs.)

19 LEGAL HELPERS DEBT RESOLUTION,)
20 LLC, a Nevada limited liability company a/k/a)
21 Law Offices of Macey, Aleman, Hyslip &)
22 Searns, and DOES 1 through 10, inclusive,)

23 Defendants.)
24)
25)
26)
27)
28)

CASE NO. 30-2012-00557471-CU-CO-CJC

**DECLARATION OF RYAN SASSON IN
SUPPORT OF OPPOSITION TO EX
PARTE APPLICATION FOR
TEMPORARY RESTRAINING ORDER
AND ORDER TO SHOW CAUSE FOR
PRELIMINARY INJUNCTION**

DECLARATION OF RYAN SASSON

I, RYAN SASSON, am a competent adult, and do declare as follows:

1. I am a supervisor and manager working for Legal Helpers Debt Resolution, LLC (“Legal Helpers” or “LHDR”), Defendant in this case. I am in charge of LHDR’s Client Support division and its Negotiation and Settlement division. Of the matters set forth herein, I know them to be true based on personal knowledge or, if so stated, on information and belief. I provide this declaration in support of LHDR’s opposition to Plaintiffs Ex Parte Application for a Temporary Restraining Order.

2. I have been in the debt settlement business for over six years, including as the owner and supervisor of an outside administrator debt settlement company, Fusion Client Services (“Fusion”). Fusion has provided debt settlement and administration services to law firms such as LHDR and its clients, similar in function to JEM Group and CDS Client Support. In my experience as owner and managing partner of Fusion, I have substantial expertise in the systems, mechanics, and needs of providing debt settlement clients with customer support and negotiation to lower their debt and manage their accounts. In my career in this industry, I have handled, serviced, or supervised approximately 10,000 clients seeking debt settlement resolution, nearly all of who had debts on multiple credit cards.

3. My responsibilities to LHDR include ensuring that LHDR’s organizational needs are met to service the influx of debt settlement clients being in-sourced from JEM and CDS (among others). In carrying out that responsibility, I have ensured that the proper number of managers, customer service agents, negotiators, and information support staff have been put in place to adequately and competently represent LHDR’s clients. Herein, I lay out in detail the hiring, training, and mechanics of that process which has taken place over the past weeks.

4. When beginning the process of insourcing client services, I determined that LHDR would need to hire approximately 50 employees in customer service and negotiation rolls (collectively “Agents”). In my experience, the typical ratio of debt settlement clients to Agents for debt settlement ranges from approximately 500:1 to 1200:1. Based on the number of clients that LHDR was planning to bring in house, the maturity of the clients, and the services they required, I

1 am confident that 50 new dedicated employees, supervised by legal staff, will be sufficient to service
2 client needs. Over 90% of LHDR's clients are "mature clients" in that their debts have already been
3 settled for at least 6 months (and over 66% have been in a debt settlement program for more than 15
4 months.) These clients require substantially less support than newer clients where the client must be
5 brought into the system and his or her debt negotiated and satisfactorily settled.

6 5. In addition to the new staff of Agents and managers to oversee them, I hired a highly
7 qualified and experienced IT officer who has years of experience managing the leading software(s)
8 in the debt settlement business and overseeing programmers of that software. This IT officer is
9 specially skilled in debt settlement software, LEADTRAC, which is commonly used to help settle
10 debts and used by other outside providers such as JEM and CDS.

11 6. The hiring process for the Agents took over two weeks of planning, scheduling, and
12 interviewing. LHDR required that all negotiators had experience in debt settlement negotiation or in
13 debt collection. Similarly, all customer service agent were required to have experience in customer
14 support or in debt settlement customer support. Ultimately, LHDR hired 28 customer service agents
15 and 19 negotiators, all with experience in the debt settlement industry.

16 7. After hiring, the Agents received training in product service and in the system by
17 which clients are taken from engagement and enrollment, through negotiation, to completion of the
18 debt settlement process. Training included mock phone calls, problem management, software data
19 entry on the industry-standard LEADTRAC software, and other areas. A method has been
20 specifically put in place to ensure that client messages are properly routed and recorded to be
21 returned by the appropriate Agent. Among other things, when call volume is high, a domestic call
22 center is used to handle overflow calls and take down information to ensure a return call.

23 8. Since taking over the previously outsourced roles, LHDR has been reaching out to
24 each and every one of its 16,000 clients by three methods: physical mail, electronic mail, and phone.
25 LHDR sent a DHL Priority envelope to every one of its clients containing a letter explaining the new
26 method for handling accounts and the new contact information. All clients with email addresses
27 have received emails notifying them that LHDR is now handling the negotiation and debt settlement
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1 aspects previously handled by JEM and CDS. LHDR also instituted a program to call and touch
2 base with every single one of its clients by phone.

3 9. In the last three days, LHDR has received several telephone calls from clients
4 complaining about the services provided by JEM. Specifically, an LHDR Agent was told that JEM's
5 representatives had not called back for months and that they did not receive information requested
6 from JEM regarding their debts. Another LHDR Agent was told that JEM directed a client not to
7 use the services of their retained attorney but, instead, to use the services of the termination outside
8 vendor.

9 10. Mr. Scott Jarrett is not a client of LHDR. In his declaration, he claims that agents
10 would not provide him with account information. However, when receiving a call from a non-client,
11 LHDR Agents will not provide account information absent confirmation of the callers' right to such
12 information.

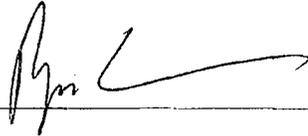
13 11. Contrary to the representations of Mr. Jarrett and Ms. Garneau, LHDR has access to
14 the information that it needs in order settle and administer all of its clients' debts. Much of the
15 information was already in LHDR's control and much of the information was provided to LHDR
16 from its outside vendors after LHDR sent letters demanding client information. Where certain
17 vendors—such as JEM—have not provided specific information, LHDR has undertaken to secure
18 the necessary details of its clients' accounts from other available sources—including creditors,
19 clients, and other entities in the debt settlement market. With that information, LHDR has the ability
20 to ensure that its clients ultimately perform under the terms of their settlement agreements, despite
21 the effort by JEM to withhold such information and try to cause LHDR's clients to default. In short,
22 the concerns raised in JEM's application that LHDR will not be able to ensure substantial
23 performance under their clients' term settlements are both false and cynically motivated.

24 12. Under my supervision, LHDR has notified all of the different creditors of its clients
25 that they should negotiate and deal with LHDR alone and not the outside vendors such as JEM and
26 CDS.

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1 Thousands of creditors were notified to provide ongoing settlement and payment information to
2 LHDR.

3 I declare under penalty of perjury of the laws of the State of California that the forgoing is
4 true and correct to the best of my knowledge and that this declaration was executed on April 3,
5 2012 at New York, New York.



Ryan Sasson

Katten

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