

**IN THE CIRCUIT COURT OF THE FIFTEENTH JUDICIAL CIRCUIT
IN AND FOR PALM BEACH COUNTY, FLORIDA**

**OFFICE OF THE ATTORNEY GENERAL,
DEPARTMENT OF LEGAL AFFAIRS,
STATE OF FLORIDA,**

Plaintiff,

vs.

Case No.

ADAM FORMAN, an individual,
JOSEPH HILTON a/k/a Joseph Starr
a/k/a Joseph Yurkin, an individual,
VICTOR SPAGNUOLO, an individual,
WENDY ANNE HART, a/k/a Wendy Hart
Reid, an individual,
BARBARA RUDOLPH, an individual,
WAYNE LUCAS, an individual,
ASSET PROTECTION LAW FIRM, PA,
a Florida corporation,
THE ASSET PROTECTION LAW GROUP, P.A.,
a Florida corporation,
**CONSUMER LEGAL RESOURCES OF
FLORIDA, LLC**, a Florida limited liability company,
d/b/a Fresh Start Legal Referral Services, d/b/a New
Horizons Cust Funding, LLC, d/b/a Consumer Legal
Advocates Inc., d/b/a Consumer Legal Advocates,
d/b/a The Asset Protection Law Firm,
CONSUMER LEGAL ADVOCATES II CORP,
a Florida corporation, d/b/a The Asset Protection
Law Firm, PA,
CONSUMER LEGAL ADVOCATES, INC.,
a Florida non-profit corporation,
HERITAGE LAW GROUP PA,
a Florida corporation,
HERITAGE LAW PROCESSING INC.,
a Florida corporation,
LEGAL REFERRAL SERVICES OF FL, LLC,
a Florida corporation,
**LEGAL REFERRAL SERVICES OF FLORIDA
II, L.L.C.**, a Florida limited liability company,

LIBERTY LAW GROUP P.A., a Florida corporation, d/b/a Florida Asset Protection Group, **GALLER LEHMAN LAW, P.A.**, a Florida corporation, d/b/a Liberty Law P.A., d/b/a Tanis Galler Law, P.A.

BUSINESS ADMINISTRATION GROWTH LLC, a Florida corporation, d/b/a Lehman Law Group, d/b/a Heritage Title Agency, d/b/a DHS Investments, d/b/a Galler Lehman PA, Esq, d/b/a Liberty Legal PA, Esq.,

SELECTIVE HOUSING SOLUTIONS, a Florida corporation, and

SELECTIVE MORTGAGE CORPORATION, a Florida corporation,

Defendants.

_____ /

COMPLAINT

Plaintiff, OFFICE OF THE ATTORNEY GENERAL, DEPARTMENT OF LEGAL AFFAIRS, STATE OF FLORIDA (“Plaintiff” or the “Attorney General”), sues the Defendants, (collectively, the “Defendants”), and states the following in support hereof.

INTRODUCTION

1. This case involves a network of non-lawyers who pose as lawyers and law firms providing legal foreclosure defense and loan modification services, for the purpose of deceiving desperate homeowners into paying the fake lawyers instead of their mortgages. Using a web of fictitious entity names, these non-lawyers have created one fake law firm after another, leaving behind a string of victims who have lost or are about to lose their homes as a result of the Defendants’ actions.

2. The non-lawyers have also jeopardized the future careers of several licensed attorneys who were unknowingly and unwittingly utilized as the “front men” for the fake law

firms. The homeowner clients believed these licensed attorneys were representing them when, in fact, the attorneys had absolutely no idea the clients even existed.

3. This complaint is filed pursuant to the Attorney General's enforcement authority and for the purpose of seeking a permanent injunction against the non-lawyers and restitution for the victims who have lost their money and homes to this scam.

JURISDICTION and VENUE

4. This action is brought pursuant to Florida's Deceptive and Unfair Trade Practices Act, Chapter 501, Part II, Florida Statutes ("FDUTPA").

5. Plaintiff is an enforcing authority of FDUTPA and is authorized by §501.207(1)(a), Fla. Stat., to bring an action to obtain a declaratory judgment that an act or practice violates FDUTPA. The Attorney General further is authorized by § 501.207(1)(b), Fla. Stat., to bring an action to enjoin any person who has violated, is violating, or is otherwise likely to violate FDUTPA and by § 501.207(3), Fla. Stat., to obtain further equitable relief as appropriate.

6. This Court has jurisdiction pursuant to Florida Statutes Section 26.012 and FDUTPA.

7. Venue is proper in the Fifteenth Judicial Circuit as Defendants engaged in business in Palm Beach County, Florida and their actions affected more than one judicial circuit in the State of Florida.

THE DEFENDANTS

8. Defendant ADAM FORMAN ("Forman") is an individual residing in Parkland, Florida, is not in the military and is otherwise sui juris.

9. Defendant JOSEPH HILTON a/k/a Joseph Starr a/k/a Joseph Yurkin (“Starr”) is an individual residing in Parkland, Florida, is not in the military and is otherwise sui juris.

10. Defendant Victor Spagnuolo (“Spagnuolo”) is an individual residing in Coconut Creek, Florida, is not in the military and is otherwise sui juris.

11. Defendant WENDY ANNE HART a/k/a WENDY HART REID (“Hart”) is an individual residing in Boca Raton, Florida, is not in the military and is otherwise sui juris.

12. Defendant BARBARA RUDOLPH (“Rudolph”) is an individual residing in Ft. Lauderdale, Florida, is not in the military and is otherwise sui juris.

13. Defendant WAYNE LUCAS (“Lucas”) is an individual residing in Coral Springs, Florida, is not in the military and is otherwise sui juris.

14. Defendant ASSET PROTECTION LAW FIRM, PA (“Asset Protection Law Firm”) is a Florida corporation with a principal place of business in Coral Springs, Broward County, Florida.

15. Defendant THE ASSET PROTECTION LAW GROUP, P.A. (“Asset Protection Law Group”) is a Florida corporation with a principal place of business in Coral Springs, Broward County, Florida.

16. Defendant CONSUMER LEGAL RESOURCES OF FLORIDA, LLC (“Consumer Legal Resources”) is a Florida limited liability company with a principal place of business in Coral Springs, Broward County, Florida. Consumer Legal Resources has done business as “Fresh Start Legal Referral Services,” “New Horizons Cust Funding, LLC,” “Consumer Legal Advocates Inc.,” “Consumer Legal Advocates,” and “The Asset Protection Law Firm.”

17. Defendant CONSUMER LEGAL ADVOCATES II CORP (“Consumer Legal Advocates II”) is a Florida corporation with a principal place of business in Coral Springs, Broward County, Florida. Consumer Legal Advocates has done business as “The Asset Protection Law Firm, PA.”

18. Defendant CONSUMER LEGAL ADVOCATES, INC (“Consumer Legal Advocates”) is a Florida non-profit corporation with a principal place of business in Coral Springs, Broward County, Florida.

19. Defendant HERITAGE LAW GROUP PA (“Heritage Law Group”) is a Florida corporation with a principal place of business in Coral Springs, Broward County, Florida.

20. Defendant HERITAGE LAW PROCESSING INC. (“Heritage Law Processing”) is a Florida corporation with a principal place of business in Coral Springs, Broward County, Florida.

21. Defendant LEGAL REFERRAL SERVICES OF FL, LLC (“Legal Referral Services”) is an inactive Florida limited liability company with a principal place of business in Boca Raton, Palm Beach County, Florida.

22. Defendant LEGAL REFERRAL SERVICES OF FLORIDA II, L.L.C. (“Legal Referral Services II”) is an inactive Florida limited liability company with a principal place of business in West Palm Beach, Palm Beach County, Florida.

23. Defendant LIBERTY LAW GROUP P.A. (“Liberty Law Group”) is a Florida corporation with a principal place of business in Boca Raton, Palm Beach County, Florida. Liberty Law Group has done business as “Florida Asset Protection Group.”

24. Defendant GALLER LEHMAN LAW, P.A. (“Galler Lehman Law”) is a Florida corporation with a principal place of business in Boca Raton, Palm Beach County, Florida. Galler Lehman Law has done business as “Liberty Law P.A.” and “Tanis Galler Law, P.A.”

25. Defendant BUSINESS ADMINISTRATION GROWTH LLC (“Business Administration Growth”) is a Florida corporation with a principal place of business in Boca Raton, Palm Beach County, Florida. Business Administration Growth has done business as “Lehman Law Group,” “Heritage Title Agency,” “DHS Investments,” “Galler Lehman PA, Esq.” and “Liberty Legal PA, Esq.”

26. Defendant SELECTIVE HOUSING SOLUTIONS (“Selective Housing Solutions”) is a Florida corporation with a principal place of business in Boca Raton, Palm Beach County, Florida.

27. Defendant SELECTIVE MORTGAGE CORPORATION (“Selective Mortgage”) is a Florida corporation with a principal place of business in Coral Springs, Broward County, Florida.

28. Defendants Forman, Starr, Spagnuolo, Hart, Rudolph and Lucas are hereinafter referred to as the “Individual Defendants.”

29. Defendants Asset Protection Law Firm, Asset Protection Law Group, Consumer Legal Resources, Consumer Legal Advocates II, Consumer Legal Advocates, Heritage Law Group, Heritage Law Processing, Legal Referral Services, Legal Referral Services II, Liberty Law Group, Galler Lehman Law, Business Administration Growth, Selective Housing Solutions and Selective Mortgage are hereinafter referred to as the “Law Firm Entities.”

30. Plaintiff has conducted an investigation and the head of the enforcing authority, Attorney General Pamela Jo Bondi, has determined that an enforcement action serves the public interest. A copy of that determination is attached hereto as Exhibit A.

31. The Defendants, at all times material hereto, provided goods or services within the definition of Section 501.203(8), Florida Statutes.

32. The Defendants, at all times material hereto, solicited consumers within the definition of Section 501.203(7), Florida Statutes.

33. The Defendants, at all times material hereto, were engaged in a trade or commerce as defined by Section 501.203(8), Florida Statutes.

34. The Law Firm Entities are not registered with the Florida Bar as lawyer referral services.

Defendant Adam Forman

35. Defendant Forman is not an attorney and is not licensed to practice law in Florida.

36. Defendant Forman is the manager and registered agent of Business Administration Growth. At all material times hereto, Defendant Forman has owned, managed and controlled the day-to-day operations of Business Administration Growth.

37. Defendant Forman formed Liberty Law Group using Business Administration Growth as the registered agent and an unwitting young attorney as the vice president on filings with the State of Florida. At all material times hereto, Defendant Forman has owned, managed and controlled the day-to-day operations of Liberty Law Group.

38. Defendant Forman is the president, treasurer and director of Galler Lehman Law. At all material times hereto, Defendant Forman has owned, managed and controlled the day-to-day operations of Galler Lehman Law.

39. Defendant Forman is also the manager of Asset Protection Law Group. Together with Defendant Starr, Defendant Forman owns, manages and controls the Asset Protection Law Group.

40. Through Business Administration Growth, Forman has operated under the names “Lehman Law Group,” “Heritage Title Agency,” “DHS Investments,” “Galler Lehman PA, Esq.” and “Liberty Legal PA, Esq.”

41. Through Galler Lehman Law, Forman has operated under the names “Liberty Law P.A.” and “Tanis Galler Law, P.A.”

42. Through Liberty Law Group, Forman has operated under the name “Florida Asset Protection Group.”

43. Defendant Forman has direct contact with consumers, including in person, by phone and by email (adamformanlrs@gmail.com) and directly participates in misleading these consumers into believing they are represented by a legitimate law firm and lawyer.

44. At all material times hereto, Defendant Forman has directly participated in and/or controlled the actions and practices of Business Administration Growth, Galler Lehman Law, Asset Protection Law Group and Asset Protection Law Firm, possessed actual and/or constructive knowledge of all unfair and deceptive acts and practices complained of in this Complaint, and directly participated in and/or directed the unfair and deceptive acts and practices complained of herein.

Defendant Joseph Starr

45. Defendant Starr is not an attorney and is not licensed to practice law in Florida.

46. Defendant Starr was born Joseph Yurkin and legally changed his name to Joseph Hilton. He currently goes by the fictitious name “Starr” without disclosing his real name to consumers.

47. Defendant Starr was the president and registered agent of Legal Referral Services II. At all material times hereto, Defendant Starr owned, managed and controlled the day-to-day operations of Legal Referral Services II.

48. Defendant Starr is currently the president and registered agent of Consumer Legal Resources. At all material times hereto, Defendant Starr has owned, managed and controlled the day-to-day operations of Consumer Legal Resources.

49. Through Consumer Legal Resources, Starr has also operated under the names “Fresh Start Legal Referral Services,” “New Horizons Cust Funding, LLC,” “Consumer Legal Advocates Inc.,” “Consumer Legal Advocates” and “The Asset Protection Law Firm.”

50. Defendant Starr incorporated Asset Protection Law Group. Together with Defendant Forman, Defendant Starr owns, manages and controls the day-to-day operations of the Asset Protection Law Group.

51. Defendant Starr formed Asset Protection Law Firm using an unwitting brand-new attorney as the registered agent. Together with Defendant Forman, Defendant Starr owns, manages and controls the day-to-day operations of the Asset Protection Law Firm.

52. Defendant Starr also formed Consumer Legal Advocates and Consumer Legal Advocates II, which do business as “The Asset Protection Law Firm, PA.” Together with Defendant Forman, Defendant Starr owns, manages and controls the day-to-day operations of Consumer Legal Advocates and Consumer Legal Advocates II.

53. Defendant Starr has direct contact with consumers, including in person, by phone and by email (Joefloridalegal@aol.com, joe@consumer-legal.com, joe@freshstartreferralservices.net and joefloridalegal@gmail.com) and directly participates in misleading these consumers into believing they are represented by a legitimate law firm and lawyer.

54. At all material times hereto, Defendant Starr has directly participated in and/or controlled the actions and practices of Legal Referral Services II, Consumer Legal Resources, Asset Protection Law Group, Asset Protection Law Firm, Consumer Legal Advocates and Consumer Legal Advocates II, possessed actual and/or constructive knowledge of all unfair and deceptive acts and practices complained of in this Complaint, and directly participated in and/or directed the unfair and deceptive acts and practices complained of herein.

Defendant Victor Spagnuolo

55. Defendant Spagnuolo is not an attorney and is not licensed to practice law in Florida.

56. Defendant Spagnuolo was the managing member and registered agent of Legal Referral Services. At all material times hereto, Defendant Spagnuolo owned, managed and controlled the day-to-day operations of Legal Referral Services.

57. Defendant Spagnuolo is an officer and owner of Selective Housing Solutions. Together with Defendant Lucas, Defendant Spagnuolo has owned, managed and controlled the day-to-day operations of Selective Housing Solutions.

58. Defendant Spagnuolo is also the president and registered agent of Heritage Law Group. At all material times hereto, Defendant Spagnuolo has owned, managed and controlled the day-to-day operations of Heritage Law Group.

59. Upon information and belief, Defendant Spagnuolo is the owner of Heritage Law Processing, whose registered agent is Heritage Law Group. Upon information and belief, Defendant Spagnuolo owns, manages and controls the day-to-day operations of Heritage Law Processing.

60. Defendant Spagnuolo has gone by the title of Managing Director, Galler Lehman Law PA, "A Florida Bar Compliant Service," among others. He has utilized the email addresses intake@gallerlehmanlaw.com, info@floridalrs.com and victor@heritagelawgroup.com, among others.

61. Defendant Spagnuolo is the registrant and administrator of the website www.floridalrs.com, which was the website for Legal Referral Services.

62. At all material times hereto, Defendant Spagnuolo has directly participated in and/or controlled the actions and practices of Legal Referral Services, Selective Housing Solutions, Heritage Law Group and Heritage Law Processing, possessed actual and/or constructive knowledge of all unfair and deceptive acts and practices complained of in this Complaint, and directly participated in and/or directed the unfair and deceptive acts and practices complained of herein.

Defendant Lucas

63. Defendant Lucas is not an attorney and is not licensed to practice law in Florida.

64. Defendant Lucas is the president and registered agent of Selective Housing Solutions. Together with Defendant Spagnuolo, Defendant Lucas owns, manages and controls the day-to-day operations of Selective Housing Solutions.

65. Defendant Lucas has gone by the title of CEO, Selective Housing Solutions Inc., among others.

66. In at least one instance, Defendant Lucas entered into a retainer agreement and “buyback” agreement with a consumer who had initially retained Galler Lehman Law, and took \$500 monthly payments from her without providing any services in return.

67. Defendant Lucas is the registrant and administrator of the website www.heritagelawpa.com, which was the website for Heritage Law Firm.

68. Defendant Lucas has had direct contact with at least one consumer and has used the Heritage Law Firm email address of wayne@heritagelawgroup.com.

69. At all material times hereto, Defendant Lucas directly participated in and/or controlled the actions and practices of Selective Housing Solutions, possessed actual and/or constructive knowledge of all unfair and deceptive acts and practices complained of in this Complaint, and directly participated in and/or directed the unfair and deceptive acts and practices complained of herein.

The “Paralegal” Employees

70. Defendant Hart currently represents herself as a paralegal employee of “Consumer Legal Resources, LLC, Management Co. for the Asset Protection Law Firm.”

71. Defendant Hart has direct contact with consumers and contract attorneys in person, by phone and by email (wendyfloridalegal@gmail.com and hartw113@gmail.com).

72. Defendant Hart directly participates in the unfair and deceptive acts and practices complained of in this Complaint, including but not limited to: 1) making unfair and deceptive misrepresentations to consumers about the status of their loan modifications and/or legal foreclosure cases; and 2) maintaining the pretense of a “law firm” and the “lawyers” who are working on the consumers’ cases.

73. Upon information and belief, Defendant Hart drafts and files pleadings without the approval or supervision of a licensed attorney and holds herself out as a “paralegal” to both consumers and attorneys. She maintains a binder of pleading templates that she uses to draft legal pleadings without consulting an attorney.

74. Additionally, Defendant Hart is involved with the hiring process of the Enterprise’s new contract attorneys through Craigslist, including receiving their information and resumes via text/email and setting up their interviews with Defendant Starr.

75. Defendant Hart informs the new contract attorneys of their responsibilities and represents that the “law firm” drafts all pleadings using form templates, does all of the electronic filing, and has all of the client contact.

76. Defendant Rudolph currently represents herself as a paralegal employee of the Asset Protection Law Firm.

77. Defendant Rudolph has direct contact with consumers and contract attorneys in person, by phone and by email (barbarafloridalegal@gmail.com).

78. Defendant Rudolph directly participates in the unfair and deceptive acts and practices complained of in this Complaint, including but not limited to: 1) making unfair and deceptive misrepresentations to consumers about the status of their loan modifications and/or legal foreclosure cases; and 2) maintaining the pretense of a “law firm” and the “lawyers” who are working on the consumers’ cases.

79. Upon information and belief, Defendant Rudolph also drafts and electronically files pleadings without the approval or supervision of a licensed attorney, including but not limited to substitutions of counsel without the approval or signature of the attorneys substituting in (or out).

80. Additionally, Defendant Rudolph is involved with the hiring process of new contract attorneys, including sending them the “Standard Services Agreement” that purports to be between the new attorneys and “The Asset Protection Law Firm, P.A. and Consumer Legal Resources of Fla., LLC,” among others.

81. Hereinafter, Hart and Rudolph are referred to as the “Paralegal Employees.”

COMMON ENTERPRISE

82. The Defendants, collectively by and through the various entities identified herein (legal and fictitious), have operated and functioned as a common enterprise while engaging in the deceptive acts and practices and other violations of law alleged in this Complaint (hereinafter, the “Enterprise”). They have conducted the business practices described herein through an interrelated network of persons and entities that have common and/or overlapping ownership, control, officers, directors, members, managers, employees and independent contractors.

83. The Enterprise has shared and continues to share receptionists, “paralegals,” telemarketing operations, websites, office space and call centers in Boca Raton and Coral Springs, Florida.

84. The Enterprise uses the same forms under different names including fake retainer agreements, letterhead, legal pleading templates and bank authorization drafts.

85. Further, the Enterprise cross-utilizes entity names, law firm names and lawyers for the purpose of deceiving consumers into believing they are represented by a legitimate law firm with multiple attorneys and resources.

86. For example, consumer N.F. signed a retainer agreement with the Lehman Law Group. Her credit card payments went to “Business Administration Growth LLC DBA Lehman

Law Group,” and she was asked to write checks to Galler Lehman Law. She was then asked to do a short-sale buyback arrangement with Selective Housing Solutions.

87. Consumer N.M. signed a retainer agreement with “Galler Lehman Law, P.A., Tanis Galler Law, P.A.” Emails were sent to her by Defendant Spagnuolo as Managing Director of Galler Lehman Law PA and Florida Legal Referral Services LLC. Other emails were sent to her by a “legal assistant” for Liberty Law Group, P.A., all using the same physical address in the signature block.

88. Consumer W.S. signed a retainer agreement with “Lehman Law PA, Tanis-Lehman P.A.” Emails were sent to her by a “legal assistant” for Liberty Law Group, P.A., with copy to Joseph Starr. Fake pleadings were filed for her under Galler Lehman Law P.A., and her payments went to Lehman Law PA. Her personal interaction with the Enterprise was with Joseph Starr, whose business card identified his company as Legal Referral Services.

89. More recent consumers have signed retainer agreements with Liberty Law Group, P.A. and the Asset Protection Law Firm, P.A., while making payments to Consumer Legal Resources of Fla. and receiving newsletters from both Florida Asset Protection Law Firm and Treusch Law Group, PA.

90. In one electronic payment authorization, the consumer agreed to pay “Liberty Law Processing” but was also required to authorize “Lehman Law PA, its successors and assigns, Oracle Marketing Company, and Consumer Legal Resources payment processors (collectively, ‘Lehman Law’) to initiate recurring EFTs.”

91. The Individual Defendants in the Enterprise also change their titles and associations depending on which entity signed up a particular consumer.

92. For example, in some emails and business cards, Joseph Starr identifies himself as the C.E.O./President of Legal Referral Services. In others, he is the Director of Operations, “Liberty Law Group, PA/Legal Referral of FL, LLC.” And in others, he is the Managing Partner, Liberty Law Group- Treusch Law, PA, “Florida Bar Compliant Law Services.”

93. Similarly, Adam Forman has identified himself as the Managing Director of Galler Lehman Law, PA. At other times, he is the Director of Operations, Florida Legal Referral Services, LLC.

94. In order to keep up the charade when calling consumers, the Paralegal Employees simply state they are calling with the “Law Firm.”

95. The Defendants have wholly commingled their identities, operations, procedures and practices in marketing, soliciting, advertising and providing fake legal services to consumers.

96. Because the Defendants have operated as a common enterprise, each of them is jointly and severally liable for the acts and practices described in this Complaint.

DECEPTIVE ACTS AND PRACTICES

97. The Enterprise exists for one purpose: to collect illegal up-front and monthly fees from desperate homeowners by pretending to be a successful law firm with experienced lawyers, who will rescue the homeowners from foreclosure or negotiate loan modifications.

98. However, like the emperor with no clothes, the Enterprise is a law firm with no lawyers. The Enterprise has deceived many consumers into believing that non-lawyer defendants Starr, Forman and Spagnuolo are their lawyers, and other consumers into believing that they are represented by another lawyer within “the Firm.”

99. The Enterprise has used various law firm names in this pursuit, including Lehman Law, Galler Lehman Law, Tanis Galler Law, Heritage Law, Liberty Law and Asset Protection Law.

100. The Enterprise has used various websites to attract consumers seeking legal help with their foreclosures and loan modifications, including www.floridalrs.com, www.gallerlehmanlaw.com, www.heritagelawgroup.com, www.libertylawpa.com, www.floridalrs.com, www.floridaassetprotectiongroup.com and currently, www.newbeginningservices.us.

101. The latter, which advertises “EXPERT LEGAL SERVICES IN FLORIDA” along with “in-house attorneys” and a “highly experienced legal team,” refers consumers to Asset Protection Law Firm:



102. In other advertising and solicitations to potential clients, the Enterprise boasts of having an “elite network of over 100 attorneys” and connections to prominent attorneys with high name recognition.

103. Yet, at no point has any of these so-called law firms been owned by a licensed attorney. In fact, several attorneys whose names were misappropriated by the Enterprise have specifically disavowed any authorization or approval of such use.

104. Rather, the Enterprise’s *modus operandi* is to hire contract lawyers through Craigslist and deceive them into unwittingly turning over their names and bar licenses, which the Enterprise then uses on its retainer agreements, letterhead, pleadings, and even corporate filings with the State of Florida.

105. The Enterprise then goes so far as to electronically sign and file boilerplate pleadings under that attorney’s name without the attorney ever knowing the clients exist.

106. For example, one attorney, who obtained her bar license less than a month before being contracted by the Enterprise, was told she was going to cover 3-4 hearings. However, the Enterprise put her name on their roster of close to 400 clients whom she had never met, and added her name and bar number to pleadings filed with the court that she had never seen or approved.

107. In fact, the Enterprise has consistently filed pleadings in court under multiple contract attorneys’ names and bar numbers, but without their knowledge or authorization, for the sole purpose of delaying consumers’ foreclosures so it can continue taking their monthly payments.

108. When the contract attorney realizes something is amiss, the Enterprise quickly moves on to the next unsuspecting and often brand-new lawyer.

109. Yet, the Enterprise knowingly, willfully and deliberately represents its “expert” legal services to consumers in order to gain the consumers’ trust, their up-front fees, and their monthly payments.

110. Once retained, the Enterprise directs the consumers to stop making their mortgage payments and to pay the “law firm” instead, playing on their trust as well as past news stories about banks engaging in illegal mortgage practices.

111. The Enterprise then specifically directs the consumers not to talk to their lenders and to disregard written communications they may receive in the mail, claiming the “law firm” will handle all such communications.

112. Through client updates usually emailed by Defendant Starr, the Enterprise specifically tells consumers:

- a. “Do not interact with the bank should they call you;”
- b. “Do not respond or take into consideration mail that you may receive from the bank during the course of your litigation with us. Such mail is computer generated by a collection agency and is not only unofficial, but has no relevancy to your case. As a law firm, we are dealing with the bank on a much higher level than the department that sent you such letters;”
- c. “Know that our staff is comprised of a team of Fla Bar licensed attorneys and high knowledge paralegals who are monitoring your case 24/7 and interacting with the bank-opposing counsel on a weekly basis. We let nothing ‘slip through the cracks.’”

113. In another client update, the Enterprise warns the clients that “We are negotiating with your Lender on a higher legal level and cannot stress enough to disregard anything you get from your Lender”:

The Asset Protection Law Group, PA

3921 NW 126 Avenue, Coral Springs, FL 33065
Mike Naimy, ESQ; Lourdes W Clerge; ESQ; Chanel Mathieu, ESQ

Phone: (561) 480-2202

Fax 1-561-634-2159

March 7, 2016 NEWSLETTER

Dear Valued Law Firm Client:

Thank you for your patronage:

We know you are inundated with calls and correspondence from your Lender. They are trained (and are measured) to attempt to collect money from you. This is an automated function with all Servicers. While we understand this can be upsetting to you, please understand the Foreclosure/Collections area is designed solely to collect money. We are negotiating with your Lender on a higher legal level and cannot stress enough to disregard anything you get from your Lender – it is duplicitous of what they have already sent to us.

Please be assured we are diligently working on your behalf.

Kind Regards,

**Joe Starr,
Florida Asset Protection Law Group, PA**

114. The Enterprise furthers its charade by calling and emailing its clients, conveniently when their next monthly payments are due, and falsely representing that their loan modifications and foreclosure cases are going well and that the “law firm” is being very aggressive in its efforts.

115. The Enterprise also assures its clients that they belong to an elite group that will “ultimately win” against the banks.

116. To the contrary, the Enterprise collects the consumers’ monthly payments without providing any useful services in return. The Enterprise has failed to protect consumers’ homes from foreclosure or obtain the loan modifications it promised. At best, the Enterprise sends meaningless paperwork to the consumers’ lenders and files boilerplate pleadings in court (without licensed attorney approval) that do not obtain any meaningful results. These actions, which are designed to string the consumers along into making additional monthly payments, have caused the consumers to delay obtaining real legal representation or negotiate modifications on their own with their lenders.

117. In fact, the Enterprise has caused and continues to cause consumers to lose their foreclosure cases and their homes, including consumers who were not in default or foreclosure when they initially hired the Enterprise.

118. Further, both Defendants Starr and Forman have harassed, intimidated and threatened consumers who stopped making payments to the Enterprise or indicated displeasure with the progress of their cases.

119. As described above, the Individual Defendants have each participated individually and collectively in the Enterprise’s unfair and deceptive practices.

120. Accordingly, the Individual Defendants have actual and/or constructive knowledge of the aforementioned acts and omissions of the entire Enterprise, and are direct participants in the unlawful activities of the Enterprise.

121. Moreover, Defendants Forman, Starr, Spagnuolo and Lucas direct and control, and have the ability to control, the acts and practices of the Enterprise including all of the aforementioned misrepresentations made to consumers.

122. Such aforementioned misrepresentations were in fact relied upon by reasonable persons and consumers of the Enterprise, who suffered monetary damages as a result.

VIOLATIONS OF § 501.1377, FLORIDA STATUTES

123. In enacting Florida Statute Section 501.1377, titled “Violations involving homeowners during the course of residential foreclosure proceedings,” the Florida Legislature specifically determined that:

(1) LEGISLATIVE FINDINGS AND INTENT.—The Legislature finds that homeowners who are in default on their mortgages, in foreclosure, or at risk of losing their homes due to nonpayment of taxes may be vulnerable to fraud, deception, and unfair dealings with foreclosure-rescue consultants or equity purchasers. The intent of this section is to provide a homeowner with information necessary to make an informed decision regarding the sale or transfer of his or her home to an equity purchaser. It is the further intent of this section to require that foreclosure-related rescue services agreements be expressed in writing in order to safeguard homeowners against deceit and financial hardship; to ensure, foster, and encourage fair dealing in the sale and purchase of homes in foreclosure or default; to prohibit representations that tend to mislead; to prohibit or restrict unfair contract terms; to provide a cooling-off period for homeowners who enter into contracts for services related to saving their homes from foreclosure or preserving their rights to possession of their homes; to afford homeowners a reasonable and meaningful opportunity to rescind sales to equity purchasers; and to preserve and protect home equity for the homeowners of this state.

124. One more than one occasion, Defendants directly or indirectly made a solicitation, representation, or offer to a homeowner to provide or perform, in return for payment of money or other valuable consideration, foreclosure-related rescue services.

125. Specifically, Defendants promised to provide services in connection with stopping, avoiding, or delaying foreclosure proceedings concerning residential real property; and curing or otherwise addressing a default or failure to timely pay with respect to a residential mortgage loan obligation.

126. Accordingly, Defendants, individually and collectively through the Enterprise, acted as “Foreclosure-rescue consultants” providing “Foreclosure-related rescue services” as defined in Section 501.1377(2), Florida Statutes.

127. Thus, Defendants were required to provide certain disclosures to homeowners in written agreements signed by both parties, with a specific notice of the homeowners’ right to cancellation in 12-point uppercase font, which they failed to do in violation of Sections 501.1377(3)(a) and (4), Florida Statutes.

128. Defendants also solicited, received and accepted up-front payments from homeowners based on representations that the Enterprise would provide foreclosure-related rescue services. Defendants required and accepted these up-front fees prior to the consumers executing written agreements with the lender or servicer that incorporated an offer for loan modification and/or prior to receiving the promised foreclosure-related rescue services, in violation of Section 501.1377(3)(b), Florida Statutes.

COUNT I
VIOLATIONS OF FLORIDA’S DECEPTIVE AND UNFAIR
TRADE PRACTICES ACT (FDUTPA)
(As to all Defendants)

129. Plaintiff adopts, incorporates herein and re-alleges paragraphs 1 through 128 as if fully set forth herein.

130. Section 501.204(1), Fla. Stat., establishes that unfair or deceptive acts or practices in the conduct of any trade or commerce are unlawful.

131. As described above, Defendants, individually and collectively through their common enterprise, have engaged in deceptive and unfair acts and practices likely to deceive a consumer acting reasonably in violation of the provisions of Chapter 501, Part II of the Florida Statutes.

132. As a result of Defendants' unfair and deceptive trade practices, Defendants have caused damage to consumers in the State of Florida.

133. Unless Defendants are permanently enjoined from engaging further in the acts and practices complained of herein, the continued activities of Defendants will result in irreparable injury to the public and consumers in the State of Florida for which there is no adequate remedy at law.

COUNT II
VIOLATIONS INVOLVING HOMEOWNERS DURING THE COURSE OF
RESIDENTIAL FORECLOSURE PROCEEDINGS
UNDER § 501.1377, FLORIDA STATUTES
(CONSTITUTING *PER SE* FDUTPA VIOLATIONS)
(As to all Defendants)

134. Plaintiff adopts, incorporates herein and re-alleges paragraphs 1 through 128 as if fully set forth herein.

135. Florida Statutes Section 501.203(3) establishes that a violation of FDUTPA may be based upon “any law, statute, rule, regulation, or ordinance which proscribes unfair methods of competition, or unfair, deceptive, or unconscionable acts or practices.”

136. Chapter 501, Part I, Section 1377, Florida Statutes, pertaining to “Violations Involving Homeowners During the Course of Residential Foreclosure Proceedings,” is a statute that proscribes unfair methods of competition, or unfair, deceptive, or unconscionable acts or practices.

137. Specifically, pursuant to Section 501.1377(7), “A person who violates any provision of this section commits an unfair and deceptive trade practice as defined in part II of this chapter [FDUTPA]. Violators are subject to the penalties and remedies provided in part II of this chapter, including a monetary penalty not to exceed \$15,000 per violation.”

138. Pursuant to Section 501.1377(3): “In the course of offering or providing foreclosure-related rescue services, a foreclosure-rescue consultant may not:

(a) Engage in or initiate foreclosure-related rescue services without first executing a written agreement with the homeowner for foreclosure-related rescue services; or

(b) Solicit, charge, receive, or attempt to collect or secure payment, directly or indirectly, for foreclosure-related rescue services before completing or performing all services contained in the agreement for foreclosure-related rescue services.”

139. Section 501.1377(2)(b) defines a “Foreclosure-rescue consultant” as a “person who directly or indirectly makes a solicitation, representation, or offer to a homeowner to provide or perform, in return for payment of money or other valuable consideration, foreclosure-related rescue services.”

140. Section 501.1377(2)(c) defines “Foreclosure-related rescue services” as “any good or service related to, or promising assistance in connection with: (1) Stopping, avoiding, or delaying foreclosure proceedings concerning residential real property; or (2) Curing or otherwise addressing a default or failure to timely pay with respect to a residential mortgage loan obligation.

141. Section 501.1377(4), Fla. Stat., sets forth specific requirements and disclosures to be included in the written agreement for foreclosure-related rescue services.

142. At all times material hereto, Defendants acted as Foreclosure-rescue consultants engaged in Foreclosure-related rescue services as defined in Section 501.1377(2), Florida Statutes.

143. At all times material hereto, the Defendants, while acting as Foreclosure-rescue consultants, have solicited and received up-front fees from homeowners seeking foreclosure-related rescue services, before completing or performing all services contained in their agreement for foreclosure-related rescue services.

144. Accordingly, the Defendants have violated and if not enjoined will continue to violate Section 501.1377(3)(b), Fla. Stat., which constitutes *per se* violations of FDUTPA.

145. At all times material hereto, the Defendants, while acting as Foreclosure-rescue consultants, failed to provide homeowners seeking foreclosure-related rescue services with a signed written agreement containing all of the disclosures and meeting all of the requirements specified in Section 501.1377(4), Fla. Stat.

146. Accordingly, the Defendants have violated and if not enjoined will continue to violate Sections 501.1377(3)(a) and (4), Fla. Stat., which constitute *per se* violations of FDUTPA.

WHEREFORE, the Attorney General requests that this Honorable Court enter Judgment against the Defendants, jointly and severally, to:

A. DECLARE that the foregoing acts and practices are unfair, deceptive and/or unconscionable in violation of FDUTPA.

B. DECLARE that the foregoing acts and practices are violations of Section 501.1377 of the Florida Statutes, which constitute *per se* violation of FDUTPA.

C. Permanently ENJOIN Defendants and their officers, owners, directors, managers, affiliates, agents, servants, employees, attorneys and those persons in active concert or participation with them who receive actual notice of this injunction from marketing, soliciting, advertising, selling, providing, promoting, rendering, engaging in or accepting payment for any legal, paralegal or lawyer referral services, loan modifications, or foreclosure rescue services in the State of Florida, and from engaging in the unlicensed practice of law.

D. AWARD such equitable or other relief as is just and appropriate pursuant to Section 501.207, Florida Statutes, including, but not limited to, disgorgement of ill gotten gains and repatriation of assets necessary to satisfy any judgment.

E. AWARD full restitution to all consumers who are shown to have been injured, pursuant to Section 501.207, Florida Statutes.

F. ASSESS civil penalties in the amount of Ten Thousand Dollars (\$10,000.00) as prescribed by Section 501.2075, Fla. Stat. or Fifteen Thousand Dollars (\$15,000.00) for victimized senior citizens as prescribed by Section 501.2077, Fla. Stat. for each act or practice found to be in violation of Chapter 501, Part II, of the Florida Statutes.

G. AWARD attorneys' fees and costs pursuant to Section 501.2075, Fla. Stat. or as otherwise authorized by law.

H. GRANT such other relief as this Honorable Court deems just and proper.

Dated this **17th** day of August, 2016

Respectfully Submitted,

PAMELA JO BONDI
Attorney General of the State of Florida

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