

EXHIBIT A



Computershare Governance Services, Inc.
100 Beard Sawmill Road, Shelton, CT 06484

10/16/2020

Specialized Loan Servicing LLC
Bryan Sullivan
Computershare Inc.
6200 S. Quebec Street
Greenwood Village CO 80111

SERVICE OF PROCESS NOTICE

Item: 2020-1198

The following is a courtesy summary of the enclosed document(s). **ALL information should be verified by you.**

Note: Any questions regarding the substance of the matter described below, including the status or how to respond, should be directed to the contact set forth in line 12 below or to the court or government agency where the matter is being heard.

1.	Entity Served:	Specialized Loan Servicing LLC	
2.	Title of Action:	Eric T. Mitchell, an individual, on behalf of himself and all others similarly situated vs. Specialized Loan Servicing LLC, et al.	
3.	Document(s) Served:	Summons Class Action Complaint Exhibit A Civil Case Cover Sheet	
4.	Court/Agency:	Los Angeles County Superior Court, California	
5.	State Served:	Delaware	
6.	Case Number:	20STCV37533	
7.	Case Type:	Fair Credit Reporting Act	
8.	Method of Service:	Hand Delivered	
9.	Date Received:	Thursday 10/15/2020	
10.	Date to Client:	Friday 10/16/2020	
11.	# Days When Answer Due: Answer Due Date:	30 Saturday 11/14/2020	CAUTION: Client is solely responsible for verifying the accuracy of the estimated Answer Due Date. To avoid missing a crucial deadline, we recommend immediately confirming in writing with opposing counsel that the date of the service in their records matches the Date Received.
12.	Sop Sender: (Name, City, State, and Phone Number)	Caleb Marker Manhattan Beach, CA 877-500-8780	
13.	Shipped To Client By:	Email Only with PDF Link	
14.	Tracking Number:		
15.	Handled By:	081	
16.	Notes:	Also Attached: * Civil Case Cover Sheet Addendum and Statement of Location * Notice of Case Assignment - Unlimited Civil Case	
<p>NOTE: This notice and the information above is provided for general informational purposes only and should not be considered a legal opinion. The client and their legal counsel are solely responsible for reviewing the service of process and verifying the accuracy of all information. At ComputerShare, we take pride in developing systems that effectively manage risk so our clients feel comfortable with the reliability of our service. We always deliver service of process so our clients avoid the risk of a default judgment. As registered agent, our role is to receive and forward service of process. To decrease risk for our clients, it is not our role to determine the merits of whether service of process is valid and effective. It is the role of legal counsel to assess whether service of process is invalid or defective. Registered agent services are provided by United Agent Group Inc.</p>			

Phone: 866 820 7754, Option 2 | www.cgsregisteredagent.com

3461

Department of State: Division of Corporations

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Entity Details

THIS IS NOT A STATEMENT OF GOOD STANDING

Incorporation **12/31/2002**
Date / (mm/dd/yyyy)
Formation
Date:

File Number: **3609150**

Entity Name: **SPECIALIZED LOAN SERVICING LLC**

Entity Kind: **Limited Liability Company** Entity Type: **General**

Residency: **Domestic** State: **DELAWARE**

REGISTERED AGENT INFORMATION

Name: **UNITED AGENT GROUP INC.**

Address: **3411 SILVERSIDE ROAD TATNALL BUILDING #104**

City: **WILMINGTON** County: **New Castle**

State: **DE** Postal Code: **19810**

Phone: **561-508-5033**

Additional Information is available for a fee. You can retrieve Status for a fee of \$10.00 or more detailed information including current franchise tax assessment, current filing history and more for a fee of \$20.00.
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**SUMMONS
(CITACION JUDICIAL)**

RECEIVED

SUM-100

SEP 30 2020

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Superior Court of California
County of Los Angeles

SEP 30 2020

Sherril R. Carter, Executive Officer/Clerk of Court
By: Kristina Vargas, Deputy

**NOTICE TO DEFENDANT:
(AVISO AL DEMANDADO):**

Specialized Loan Servicing LLC, a Delaware limited liability company; and DOES 1-100, inclusive.

**YOU ARE BEING SUED BY PLAINTIFF:
(LO ESTÁ DEMANDANDO EL DEMANDANTE):**

Eric T. Mitchell, an individual, on behalf of himself and all others similarly situated.

NOTICE! You have been sued. The court may decide against you without your being heard unless you respond within 30 days. Read the information below.

You have 30 CALENDAR DAYS after this summons and legal papers are served on you to file a written response at this court and have a copy served on the plaintiff. A letter or phone call will not protect you. Your written response must be in proper legal form if you want the court to hear your case. There may be a court form that you can use for your response. You can find these court forms and more information at the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), your county law library, or the courthouse nearest you. If you cannot pay the filing fee, ask the court clerk for a fee waiver form. If you do not file your response on time, you may lose the case by default, and your wages, money, and property may be taken without further warning from the court.

There are other legal requirements. You may want to call an attorney right away. If you do not know an attorney, you may want to call an attorney referral service. If you cannot afford an attorney, you may be eligible for free legal services from a nonprofit legal services program. You can locate these nonprofit groups at the California Legal Services Web site (www.lawhelpcalifornia.org), the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), or by contacting your local court or county bar association. NOTE: The court has a statutory lien for waived fees and costs on any settlement or arbitration award of \$10,000 or more in a civil case. The court's lien must be paid before the court will dismiss the case. ¡AVISO! Lo han demandado. Si no responde dentro de 30 días, la corte puede decidir en su contra sin escuchar su versión. Lea la información a continuación.

Tiene 30 DÍAS DE CALENDARIO después de que le entreguen esta citación y papeles legales para presentar una respuesta por escrito en esta corte y hacer que se entregue una copia al demandante. Una carta o una llamada telefónica no lo protegen. Su respuesta por escrito tiene que estar en formato legal correcto si desea que procesen su caso en la corte. Es posible que haya un formulario que usted pueda usar para su respuesta. Puede encontrar estos formularios de la corte y más información en el Centro de Ayuda de las Cortes de California (www.sucorte.ca.gov), en la biblioteca de leyes de su condado o en la corte que le quede más cerca. Si no puede pagar la cuota de presentación, pida al secretario de la corte que le dé un formulario de exención de pago de cuotas. Si no presenta su respuesta a tiempo, puede perder el caso por incumplimiento y la corte le podrá quitar su sueldo, dinero y bienes sin más advertencia.

Hay otros requisitos legales. Es recomendable que llame a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de remisión a abogados. Si no puede pagar a un abogado, es posible que cumpla con los requisitos para obtener servicios legales gratuitos de un programa de servicios legales sin fines de lucro. Puede encontrar estos grupos sin fines de lucro en el sitio web de California Legal Services, (www.lawhelpcalifornia.org), en el Centro de Ayuda de las Cortes de California, (www.sucorte.ca.gov) o poniéndose en contacto con la corte o el colegio de abogados locales. AVISO: Por ley, la corte tiene derecho a reclamar las cuotas y los costos exentos por imponer un gravamen sobre cualquier recuperación de \$10,000 ó más de valor recibida mediante un acuerdo o una concesión de arbitraje en un caso de derecho civil. Tiene que pagar el gravamen de la corte antes de que la corte pueda desear el caso.

The name and address of the court is:
(El nombre y dirección de la corte es): Los Angeles Superior Court, Central Division
Stanley Mosk Courthouse, 111 N Hill St., Los Angeles, CA 90012

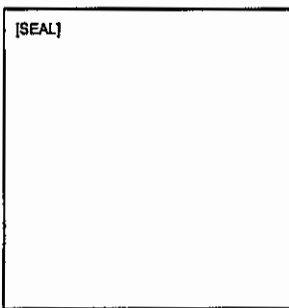
CASE NUMBER: (Número del Caso):
20STCV37533

The name, address, and telephone number of plaintiff's attorney, or plaintiff without an attorney, is: (El nombre, la dirección y el número de teléfono del abogado del demandante, o del demandante que no tiene abogado, es):

Caleb Marker, Zimmerman Reed LLP, 2381 Rosecrans Ave., Ste. 328, Manhattan Beach, CA 90245; Tel.(877) 500-8780

DATE: **SEP 30 2020** Clerk, by **SHERRI R. CARTER** Kristina Vargas, Deputy
(Fecha) (Secretario) (Adjunto)

(For proof of service of this summons, use Proof of Service of Summons (form POS-010).)
(Para prueba de entrega de esta citación use el formulario Proof of Service of Summons, (POS-010).)



NOTICE TO THE PERSON SERVED: You are served

- as an individual defendant.
- as the person sued under the fictitious name of (specify):
- on behalf of (specify): *Specialized Loan Servicing LLC*
under: CCP 416.10 (corporation) CCP 416.60 (minor)
 CCP 416.20 (defunct corporation) CCP 416.70 (conservatee)
 CCP 416.40 (association or partnership) CCP 416.90 (authorized person)
 other (specify): *LLC*
- By personal delivery on (date) *10/5/2020*

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Superior Court of California
County of Los Angeles

SEP 30 2020

Sherril R. Carter, Executive Officer/Clerk of Court

By: Kristina Vargas, Deputy

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4 ZIMMERMAN REED, LLP
2381 Rosecrans Ave., Suite 328
5 Manhattan Beach, CA 90245
(877) 500-8780 Telephone
6 (877) 500-8781 Facsimile

7 *Attorneys for Plaintiff*

8
9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 COUNTY OF LOS ANGELES

11 ERIC T. MITCHELL, an individual, on behalf of
12 himself and all others similarly situated,

13 Plaintiff,

14 v.

15 SPECIALIZED LOAN SERVICING LLC, a
Delaware limited liability company; and DOES
16 1-100, inclusive,

17 Defendant.

CASE NO.: **20STCV37533**

HONORABLE _____

DEPARTMENT: _____

18 CLASS ACTION COMPLAINT

- 19 1. Violation of Fair Credit Reporting Act, 15 U.S.C. § 1681;
- 20 2. Violation of Coronavirus Aid, Relief, and Economic Security Act, 15 U.S.C. §§ 9056, 9057;
- 21 3. Violation of Bus. & Prof. Code § 17200 *et seq.*;
- 22 4. Breach of Contract; **By Fax**
- 23 5. Negligence;
- 24 6. Declaratory Relief; and
- 25 7. Injunctive Relief.

(DEMAND FOR JURY TRIAL)

26
27
28
COMPLAINT

1 Plaintiff Eric T. Mitchell ("Plaintiff or "Mitchell"), on behalf of himself and all others similarly
2 situated, hereby commences this suit against Defendant Specialized Loan Servicing LLC a/k/a
3 Computershare Loan Servicing, (hereinafter "Defendant" or "SLS"). Plaintiff makes the following
4 allegations based upon personal knowledge, information and belief, and his attorneys' reasonable
5 investigative efforts as to Defendant's actions and misconduct, and states and alleges as follows:

6 **I. PRELIMINARY STATEMENT**

7 1. This case challenges Defendant's conduct reporting forbearances to credit bureaus as
8 deficiencies, when in fact, borrowers are not delinquent due to the lawful postponement of their
9 payments under the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"), enacted to
10 provide emergency relief to those under financial stress during the national coronavirus emergency and
11 agreements with Defendant. The CARES Act prohibits mortgage servicers like Defendant from
12 reporting loans in forbearance agreements as late or otherwise deficient, yet that is what Defendant does,
13 violating the CARES Act, the Fair Credit Reporting Act, their contracts with Plaintiff and the Class,
14 public policy, and other law.

15 2. Through this action, Plaintiff seeks monetary relief, injunctive relief and declaratory
16 relief, including a cessation of unlawful practices and mandating corrective reporting to the extent that
17 negative credit reports have already been made, on behalf of all others similarly situated in the Class.
18 Additionally, Plaintiff seeks prospective public injunctive relief and declaratory judgment, on behalf of
19 the general public. Plaintiff is a member of the general public and seeks the same public injunctive
20 relief for himself as for the general public, including but not limited to a cessation of the challenged
21 practices and notice to the general public of the risks involved in transacting with Defendant. To the
22 extent Defendant continues reporting forbearances to third-party credit bureaus (such as Transunion,
23 Equifax and Experion) as delinquent, Plaintiff seeks to enjoin all further reporting on behalf of himself
24 and all others similarly situated. Future damage to the general public is imminent if the relief requested
25 is not granted as future credit transactions will be impeded and consumers/class members, like Plaintiff
26 prejudiced. Plaintiff has been injured because, *inter alia*, Defendant furnished a delinquent notice to the
27 credit bureaus, negatively affecting subsequent credit transactions he sought to complete and still intends
28 to complete. As a result of Defendant's negligent or intentional conduct, Plaintiff has been denied

1 contract rights and bargaining benefits and will sustain further injury in the future and therefore, seeks
2 prospective public injunctive and declaratory relief to ensure that he and other members of the general
3 public are not inhibited from any future benefits and do not sustain any further credit damage. Unless
4 enjoined in this action, Defendant's ongoing conduct will continue, causing further injury to Plaintiff
5 and all others similarly situated, but escape review.

6 **II. THE PARTIES**

7 3. Plaintiff Eric Mitchell ("Plaintiff") is an individual residing in North Hollywood,
8 California. Plaintiff is a citizen of the state of California.

9 4. Plaintiff asserts the claims below on his own behalf and all other similarly situated in
10 the Class.

11 5. Plaintiff is a member of the Class, defined below and suffered injury in fact and out of
12 pocket monetary loss as a result of the practices complained of herein.

13 6. In early May 2020, Plaintiff agreed to the Defendant's form extended assistance plan or
14 Forbearance Plan, drafted to protect Plaintiff's rights under the CARES Act, intended to postpone
15 payments due on his residential loans for 180 days during the national coronavirus emergency. The
16 standard form contract was one of adhesion.

17 7. Defendant Specialized Loan Servicing, LLC ("SLS" or "Defendant"), a servicer of
18 residential mortgages in California and other states, is a Delaware limited liability company. *See*
19 *generally* <https://www.sls.net/>. It maintains its principal place of business in Highlands Park, Colorado.
20 Defendant's business operations reach into the state of California and it purposely avails itself of
21 California's laws and benefits making jurisdiction in this court appropriate and in accord with due
22 process.

23 8. Plaintiff does not know the true names of Defendant DOES 1 through 100, inclusive, and
24 therefore sues them by those fictitious names.

25 9. SLS and its parents, Specialized Loan Servicing Holdings LLC ("SLS Holdings"), are
26 direct or indirect subsidiaries of a globally operated services of residential mortgage loans,
27 Computershare Limited ("Computershare"), an Australian company.

1 10. SLS also conducts business as Computershare Loan Servicing.
2 (<https://www.computershareloanservices.com/us/about-us/our-history>).

3 11. On or about July 27, 2020 Computershare announced the consolidation of its U.S.
4 mortgage services businesses, including Specialized Loan Servicing LLC, under its Computershare
5 Loan Services brand. See News Release, *Computershare consolidates LenderLive, Property Solutions*
6 *and Specialized Loan Servicing into Computershare Loan Services brand*, July 27, 2020, available at
7 <https://www.computershareloanservices.com/News/CLS%20Consolidates%20Brands.pdf>.

8 (“Computershare said that it would continue to use the SLS name on communications with borrowers.”)

9 12. SLS was acquired by Computershare (ASX: CPU; www.computershare.com) in or about
10 2011. SLS is a sophisticated loan servicer, that aims to be the premier loan servicer of all major US
11 banks. “Regulatory and other pressures are leading many US banks to consider outsourcing their
12 mortgage servicing and identify sub-servicing solutions such as those provided by SLS,” said John
13 Beggins, CEO, SLS. “With the strength of Computershare behind us, we are positioned to become the
14 standout servicing solution for all major US banks.”¹

15 13. Computershare is the global market leading in transfer agency, employee equity plans,
16 mortgage servicing, proxy solicitation, and stakeholder communications.² Computershare’s website
17 states that the company “currently services over \$100 billion loans globally and supports hundreds of
18 thousands of customers throughout the lifecycle of their loans.”³ Computershare is currently traded on
19 the Australian Stock Exchange under the symbol CPU.

20 **III. JURISDICTION & VENUE**

21 14. This Court has jurisdiction over all causes of action asserted herein pursuant to the
22 Constitution of the State of California, article VI, § 10 and California Code of Civil Procedure § 395.

23
24 ¹ *Computershare Finalizes Acquisition of Specialized Loan Servicing, LLC*, Cision Newswire, (Dec.
25 1, 2011, 9:00 AM), [https://www.prnewswire.com/news-releases/computershare-finalizes-acquisition-](https://www.prnewswire.com/news-releases/computershare-finalizes-acquisition-of-specialized-loan-servicing-llc-134822463.html)
26 [of-specialized-loan-servicing-llc-134822463.html](https://www.prnewswire.com/news-releases/computershare-finalizes-acquisition-of-specialized-loan-servicing-llc-134822463.html)

27 ² *Computershare Loan Services Expands to More Than 4,000 Employees and 1 million Borrower*
28 *Accounts Globally*, (Oct. 20, 2016), [https://www.computershare.com/us/news-](https://www.computershare.com/us/news-insights/news/computershare-loan-services-expands-to-more-than-4-000-employees-and-1-million-borrower-accounts-globally)
[insights/news/computershare-loan-services-expands-to-more-than-4-000-employees-and-1-million-](https://www.computershare.com/us/news-insights/news/computershare-loan-services-expands-to-more-than-4-000-employees-and-1-million-borrower-accounts-globally)
[borrower-accounts-globally](https://www.computershare.com/us/news-insights/news/computershare-loan-services-expands-to-more-than-4-000-employees-and-1-million-borrower-accounts-globally)

³ Computershare Loan Services, *Our History*, [https://www.computershareloanservices.com/us/about-](https://www.computershareloanservices.com/us/about-us/our-history)
[us/our-history](https://www.computershareloanservices.com/us/about-us/our-history)

(A) submitting a request to the borrower’s servicer; and
(B) affirming that the borrower is experiencing a financial hardship during the COVID-19 emergency.

(2) Duration of forbearance

Upon a request by a borrower for forbearance under paragraph (1), such forbearance shall be granted for up to 180 days, and shall be extended for an additional period of up to 180 days at the request of the borrower, provided that, at the borrower’s request, either the initial or extended period of forbearance may be shortened.

(3) Accrual of interest or fees

During a period of forbearance described in this subsection, no fees, penalties, or interest beyond the amounts scheduled or calculated as if the borrower made all contractual payments on time and in full under the terms of the mortgage contract, shall accrue on the borrower’s account.

(c) Requirements for servicers

(1) In general

Upon receiving a request for forbearance from a borrower under subsection (b), the servicer shall with no additional documentation required other than the borrower’s attestation to a financial hardship caused by the COVID-19 emergency and with no fees, penalties, or interest (beyond the amounts scheduled or calculated as if the borrower made all contractual payments on time and in full under the terms of the mortgage contract) charged to the borrower in connection with the forbearance, provide the forbearance for up to 180 days, which may be extended for an additional period of up to 180 days at the request of the borrower, provided that, the borrower’s request for an extension is made during the covered period, and, at the borrower’s request, either the initial or extended period of forbearance may be shortened.

21. Reporting delinquencies to credit report bureaus (such as TransUnion, Equifax and Experian) and others during the forbearance period is prohibited by the CARES Act and/or the Fair Credit Reporting Act.

22. 15 U.S.C. § 1681s-2(F)(ii), provides in pertinent part:

(F) Reporting information during COVID-19 pandemic

(ii) Reporting

Except as provided in clause (iii), if a furnisher makes an accommodation with respect to 1 or more payments on a credit obligation or account of a consumer, and the consumer makes the payments or is not required to make 1 or more payments pursuant to the accommodation, the furnisher shall--

(I) report the credit obligation or account as current; or

(II) if the credit obligation or account was delinquent before the accommodation--

(aa) maintain the delinquent status during the period in which the accommodation is in effect; and

(bb) if the consumer brings the credit obligation or account current during the period described in item (aa), report the credit obligation or account as current.

23. SLS has no reason to report delinquencies to credit bureaus during the forbearance period.

24. In April 2020, Plaintiff sought relief under the CARES Act from SLS, the servicer of his residential loan.

25. Plaintiff's request for a forbearance was accepted and an agreement was formed between Plaintiff and SLS, relieving Plaintiff of his obligation to make all monthly payments on the loan through October 2020. See Exhibit A. The forbearance agreement between Plaintiff and Defendant was effective May 1, 2020.

26. Defendant, SLS is a primary and special fee-based servicer of residential mortgage loans. As of February 2020, Defendant has serviced a portfolio of mortgage loans worth \$112.69 billion.⁴

27. Defendant services tens of thousands of mortgage loans, a large percentage of those in California. Thousands of the loans serviced are believed to be subject to forbearance agreements in 2020 under the CARES Act. See generally, Diana Olick, *Struggling to pay your mortgage? Here's how to get help*. CNBC, (May 7, 2020, 9:20 AM), available at: <https://www.cnbc.com/2020/05/07/4-million-homeowners-in-CARES-act-mortgage-forbearance-program.html> (reporting that approximately 7.3% of active mortgage loans nationally are in forbearance agreements); Brittany De Lea, *CARES Act mortgage forbearance repayment options*, FOX Business, (July 17, 2020), available at: <https://www.foxbusiness.com/personal-finance/CARES-act-mortgage-forbearance-repayment-options> ("As of July 5, about 4.1 million loans were in forbearance, according to the Mortgage Bankers Association. The percent of loans in forbearance backed by Fannie Mae and Freddie Mac was about 6 percent, while those backed by Ginnie Mae was about 10.56 percent.").

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⁴ Consumer Financial Protection Bureau Settles with Specialized Loan Servicing, LLC, CFPB, (May 11, 2020) <https://www.consumerfinance.gov/about-us/newsroom/cfpb-settles-specialized-loan-servicing/>

1 28. Upon information and belief, Defendant has entered into forbearance agreements under
2 the CARES Act with well over one thousand borrowers both in California and other states, including
3 Plaintiff.

4 29. SLS has a history of ignoring borrower protection requirements. For instance, earlier in
5 2020, SLS was investigated by the Consumer Financial Protection Bureau for taking prohibited
6 disclosure actions against borrowers who were entitled to foreclosure protections and for failing to send
7 them timely notices in violation of the Consumer Financial Protection Act. On May 11, 2020, the
8 Consumer Financial Protection Bureau settled with SLS, ordering the entity to pay \$1.275 million in
9 monetary relief to consumers injured by Defendant's conduct.⁵

10 30. At all times Defendant had actual or constructive knowledge of its obligations under the
11 forbearance measures of the CARES Act and Fair Credit Reporting Act, including not to report loans in
12 forbearance as late or deficient to third-parties, including credit report bureaus. Defendant was aware
13 that violating this provision would cause injury, harm, prejudice, financial loss and injury to borrowers,
14 such as Plaintiff.

15 31. Borrowers, such as Plaintiff rely on SLS, in entering into forbearance agreements, not to
16 violate the terms of the CARES Act and other laws. Had Plaintiff known that SLS would report
17 payments not made due to the Forbearance Agreement as late payments to third-parties, such as credit
18 report bureaus, he would have acted differently and not entered into the agreement and taken steps to
19 protect his credit rating, among other things.

20 32. Plaintiff requested a forbearance agreement under the CARES Act from SLS in late
21 March or April of 2020.

22 • 33. Plaintiff entered into a contract with Defendant for loan forbearance in April 2020. The
23 original forbearance "begin date" was May 1, 2020.

24 34. Subsequently, on June 25, 2020, a document presented to Plaintiff by SLS indicated "we
25 have extended your assistance plan in place".

26
27 ⁵ See *In the Matter of Specialized Loan Servicing*, No. 2020-BCFP-0002, C.F.P.B. (May, 11, 2020),
28 https://files.consumerfinance.gov/f/documents/cfpb_specialized-loan-servicing_consent-order_2020-05.pdf

1 35. Through the contractual agreement(s), SLS granted permission to Plaintiff to stop making
2 loan payments, without prejudice or negative consequences, earlier than that date.

3 36. SLS provided a standard form forbearance agreement to Plaintiff and all others in the
4 United States who entered such agreements, containing common and standard terms.

5 37.- Among the standard terms of the forbearance agreement that SLS entered into with
6 Plaintiff and all others in the Class, were the following:

7 During the Forbearance Plan:

- 8 • You will not be required to make your mortgage payments. If you wish or are able you have the option to pay in any reduced amount.
- 9 • We will not assess late fees to your account.
- 10 • *During the forbearance period, we will report your account as current to the credit bureaus so there will not be any negative impact on your credit.*
- 11 • The account will not be referred to foreclosure.

12 The terms of the plan are as follows:

- 13 • Original Forbearance begin date: 05/01/20
- 14 • New Forbearance Plan end date: 10/01/2020
- 15 • Total number of months of the Forbearance Plan: 4
- 16 • Monthly payment amount required during the Forbearance Plan: \$0.00

17 What is a Forbearance Plan?

- 18 • A forbearance plan is an agreement that allows borrowers experiencing a temporary hardship to make a reduced mortgage payment or no mortgage payment at all during the plan's term. Under this forbearance plan, we have suspended your monthly payment obligation.

19 *See Exhibit A (emphasis added).*

20 38. Further, Defendant's website states, "If you are affected by COVID-19, please visit our
21 COVID-19 Assistance page." The COVID-19 Assistance page states:

- 22 • For homeowners who qualify, our assistance plan, known as "forbearance" is designed for those affected by the pandemic.
- 23 • If you qualify for forbearance, you can pause your mortgage payments for an initial three months. If your hardship continues, we will automatically extend your forbearance for an additional three months. For federally-backed loans you may extend your forbearance an additional six months. The total allowable length of forbearance is 360 days.
- 24 • We will not charge late fees during the forbearance period.
- 25 • *During the forbearance period, any payments that are paused during forbearance won't be reported late to the credit bureaus.*
- 26
- 27
- 28

- During the forbearance period, you are not required to make a payment, but if you are able, you can make a payment or even a partial payment.

See *Getting Help During COVID-19*, (July 24, 2020) [\(https://www.sls.net/get-help/covid-19\)](https://www.sls.net/get-help/covid-19).(emphasis added).

39. Thereafter, Plaintiff suspended his regularly scheduled mortgage payments, consistent with the forbearance plan contract, the CARES Act, and Fair Credit Reporting Act.

40. During the period of forbearance, Defendant was prohibited from reporting the loan payments that Plaintiff was relieved from making by way of the contract and the CARES Act as late, deficient, or otherwise in a negative manner. See 15 U.S.C. § 9056(b)(3); 15 U.S.C. § 1681s-2(a)(1)(F)(ii).

41. SLS had an affirmative duty of care under the contracts, CARES Act and/or other law not to report borrower's unmade payments as late or deficient.

42. It was reasonably foreseeable to SLS that if it failed to do so, and reported forborne payments as late, delinquent or otherwise negatively, substantial financial and/or other injury would result to borrowers like Plaintiff.

43. Like other borrowers, Plaintiff relied on SLS, in entering into the forbearance agreements, not to violate the terms of the CARES Act and other laws with respect to negative credit reporting. Credit reporting obligations (specifically the duty and obligation not to make negative reports of unmade payment as late or deficient) in the agreements and CARES Act are material terms to borrowers, like Plaintiff in entering into forbearance agreements. Had Plaintiff known that SLS would report payments not made due to the forbearance agreement as late payments to third-parties, such as credit report bureaus, he would have acted differently and not entered into the agreement and taken additional steps to protect his credit rating, among other things.

44. The Consumer Financial Protection Bureau issued a Policy Statement on April 1, 2020 following the passage of the CARES Act, highlighting the importance of credit reporting to consumers and need for loans in forbearance under the CARES Act to not be reported as delinquent or late.

Consumer report information is critical to consumers and industry in determining who obtains credit, insurance, and housing, and at what price, and who obtains employment in many cases. Consumer reporting has enormous reach, as evidenced by the over 200 million

1 consumers in the United States who have credit files and trade lines furnished by over
2 10,000 providers. The continued operation of the consumer reporting system will play a
3 critical role in the functioning of the consumer financial services market, promoting fair
4 and efficient access to credit and benefiting consumers and creditors alike. The Bureau
5 understands that the current crisis impacts the financial well-being of consumers and poses
operational challenges for consumer reporting agencies and furnishers, including staffing
challenges, that could temporarily impede their ability to timely comply with their statutory
and regulatory consumer reporting obligations.

6 Many furnishers are or will be offering consumers affected by COVID-19 various forms
7 of payment flexibility, including allowing consumers to defer or skip payments, as required
8 by the CARES Act or voluntarily. Such payment accommodations will avoid the reporting
of delinquencies resulting from the effects of COVID-19.

9 Consumer Financial Protection Bureau, Policy Statement, *Statement on Supervisory and Enforcement*
10 *Practices Regarding the Fair Credit Reporting Act and Regulation V in Light of the CARES Act*, April
11 1, 2020 (available at [https://www.consumerfinance.gov/policy-compliance/guidance/supervisory-](https://www.consumerfinance.gov/policy-compliance/guidance/supervisory-guidance/statement-fair-credit-reporting-act-regulation-v-cares-act/)
12 [guidance/statement-fair-credit-reporting-act-regulation-v-cares-act/](https://www.consumerfinance.gov/policy-compliance/guidance/supervisory-guidance/statement-fair-credit-reporting-act-regulation-v-cares-act/)).

13 45. The CFPB issued a second statement on April 1, 2020 regarding credit reporting
14 obligations. That statement indicated in pertinent part:

15 The Consumer Financial Protection Bureau (Bureau) today released a policy statement
16 outlining the responsibility of credit reporting companies and furnishers during the
17 COVID-19 pandemic. In response to the pandemic, many lenders are being flexible when
18 it comes to consumers' making payments. The Bureau's statement underscores that
consumers benefit if lenders report accurate information about these arrangements to credit
bureaus so that the credit reports of consumers are accurate.

19 "During this time of uncertainty, we are providing clarity to ensure the consumer reporting
20 industry can continue to function," said Director Kraninger. "Consumers rely on their
21 credit report to purchase a new car, their new home, or to finance their college education.
22 An effective consumer reporting system is critical in promoting fair and efficient access to
credit in the consumer financial services market."

23 As lenders continue to offer struggling borrowers payment accommodations, Congress last
24 week passed the CARES Act. The Act requires lenders to report to credit bureaus that
25 consumers are current on their loans if consumers have sought relief from their lenders due
26 to the pandemic. The Bureau's statement informs lenders they must comply with the
27 CARES Act. The Bureau's statement also encourages lenders to continue to voluntarily
28 provide payment relief to consumers and to report accurate information to credit bureaus
relating to this relief. The continuation of reporting such accurate payment information
produces substantial benefits for consumers, users of consumer reports, and the economy
as a whole.

1 Consumer Financial Protection Bureau, *CFPB Issues Credit Reporting Guidance During COVID-*
2 *19 Pandemic*, April 1, 2020 (available at [https://www.consumerfinance.gov/about-](https://www.consumerfinance.gov/about-us/newsroom/cfpb-issues-credit-reporting-guidance-during-covid-19-pandemic/)
3 [us/newsroom/cfpb-issues-credit-reporting-guidance-during-covid-19-pandemic/](https://www.consumerfinance.gov/about-us/newsroom/cfpb-issues-credit-reporting-guidance-during-covid-19-pandemic/))

4 46. In August 2020, Plaintiff intended to purchase a car using financing and applied for an
5 auto loan at a local automobile dealership in California. At the dealership before completion of the
6 desired vehicle transaction, the dealer informed Plaintiff that his credit report rendered him unqualified
7 for the car loan applied for.

8 47. Following Plaintiff's investigation, he learned that Defendant had been reporting him
9 delinquent on the SLS residential loan that he was protected by forbearance on by way of the contract
10 and the CARES Act.

11 48. Plaintiff's review of his credit reports in August 2020 revealed that SLS had reported his
12 mortgage payment as delinquent during the agreed forbearance period (June-August 2020), damaging
13 his credit rating.

14 49. Plaintiff's loan was reported to third-party credit bureaus as delinquent by Defendant
15 based on a common business practice or policy that affected other class members in a similar way.

16 50. As a result of the negative reports and drop in his credit rating, Plaintiff was unable to
17 complete the vehicle transaction on the terms offered and incurred financial injury, loss of money and
18 other damage. The vehicle transaction was secured, but for Defendant's conduct which sabotaged it.
19 Amongst other things, Plaintiff spent significant personal time (and opportunity costs related to his
20 profession), as well as money travelling to the car dealership (lost gas among other things), participating
21 in the transaction negotiating terms, only to learn that because of Defendant's conduct he was
22 disqualified and the transaction could not close and be completed. Plaintiff lost the benefit of his
23 bargain, both with Defendant under the Forbearance Agreement, but also the auto dealership under the
24 agreed transaction. But for Defendant's conduct in violation of the forbearance agreement and CARES
25 Act, Plaintiff would have successfully completed the vehicle transaction. That the transaction could not
26 be completed caused injury, damage and out of pocket loss to Plaintiff. Plaintiff valued the vehicle he
27 sought to purchase more than the amount of money he agreed to pay for it (with financing), and thus
28 was injured and suffered out of pocket loss when he lost the ability to complete the transaction.

1 51. Plaintiff's attempts and expectations to enter into other credit transactions has also been
2 frustrated. For instance, Plaintiff has lost recent opportunities to try to negotiate and complete desired
3 real estate transaction(s), taking advantage of historically favorable (low) interest rates currently
4 available. But for Defendant's conduct negatively impacting his credit rating, Plaintiff would have been
5 able to successfully engage in the desire transactions, unhindered by the prejudice of incorrectly
6 reported, negative credit reports due to missed or late mortgage payments in the summer of 2020.

7 52. On information and belief, Defendant has negligently or intentionally reported numerous
8 other borrowers, protected by Defendant's forbearance plan contracts and the terms of the CARES Act,
9 late or delinquent in violation of Defendant's terms and federal law, injuring them in similar ways.

10 53. Through this action, Plaintiff seeks both public injunctive relief and private injunctive
11 relief preventing such practices from continuing in the future, and corrective notice warning potential
12 borrowers. Plaintiff intends to engage in other credit transactions in the future and until fixed, his credit
13 rating has improper negative reports on it that will prejudice him in those future transactions.

14 **V. CLASS ALLEGATIONS**

15 54. This action is brought and properly maintained as a class action pursuant to Code of Civil
16 Procedure section 382 and any other applicable rule of civil procedure.

17 55. Plaintiff Mitchell seeks to represent a Class in the action initially defined as:

18 All borrowers in the United States who entered into to an extended assistance or
19 Forbearance Plan with Defendant and have been reported to third-parties, including credit
20 bureaus, as delinquent on their loan payments by SLS during the applicable forbearance
21 period. (the "Class").

21 A "California subclass" consists of all Class members who reside in California.

22 56. The Class Period for the Class and the California Subclass dates back the length of the
23 longest applicable statute of limitations for the any claim asserted from the date of the filing of this
24 complaint. ("Class Period"). Specifically excluded from the Class and California Subclass are: (a) any
25 officers, directors, or employees of the Defendant; (b) any judge assigned to hear the case (or spouse or
26 family member of any assigned judge); (c) any employee of the Court; (d) the undersigned counsel and
27 any employee of their law firm; and (d) any juror selected to hear the case.

1 57. Plaintiff reserves the right to modify or amend the above-referenced definitions before
2 the Court determines whether certification is appropriate.

3 58. This action is properly maintained as a class action pursuant to Code of Civil Procedure
4 section 382 because the Class (and subclass) is sufficiently ascertainable and numerous, has a well-
5 defined community of interest, and substantial benefits from certification render class treatment superior
6 to the alternative, individual treatment.

7 59. **Ascertainable and Numerous Class.** The proposed Class (and subclass) is sufficiently
8 numerous. In excess of 7 percent of mortgages in the United States are subject to forbearance
9 agreements. Upon information and belief a similar percentages of loans serviced by Defendant are
10 subject to forbearance agreements. Upon information and belief, the same policies that caused
11 Plaintiff's loan to be reported delinquent to the major credit reporting bureaus, affected the other
12 borrowers in forbearance agreements with Defendant. Upon information and belief, in excess of 100
13 borrowers fall within the definition of the Class and California Subclass.

14 60. The proposed Class (and any subclass) is ascertainable, as the names, number of
15 residential mortgage loans, value of residential mortgage loans, contact information, all data related to
16 the existence of a formed Forbearance Plan, and all data related to deficiency reports can be identified
17 in the business records maintained by Defendant. Thus, individual Class members can be identified by
18 Plaintiff through minimally intrusive discovery. The proposed Class is ascertainable, as it is sufficiently
19 numerous. Defendant employs a sophisticated software system, enhanced by their parent company
20 Computershare, and service borrowers nationwide. The precise number of members of the Class can
21 only be obtained through discovery, but the number is more than can be consolidated in one complaint.
22 It is impractical for each member to bring suit individually and Plaintiff does not anticipate any
23 difficulties in the management of the action as a class action.

24 61. **Well-Defined Community of Interest.** The proposed Class (and subclass) has a well-
25 defined community of interest in the questions of fact and law to be litigated and the common questions
26 of law and fact predominate over any questions affecting only individual members of the Class with
27 respect to the liability and relief issues, as well as anticipated affirmative defenses.

28

1 62. **Common Questions of Fact and Law Predominate over Individual Issues.** The
2 litigation of the questions of fact and law involved in this action will resolve the rights of all members
3 of the Class (and California Subclass) and hence, will have binding effect on all Class members. Among
4 such common questions of law and fact are the following:

- 5 a. Whether Defendant intentionally or negligently failed to implement
6 procedures to prevent payments not due to Forbearance Agreements,
7 from being negatively reported to credit bureaus and/or other third-
8 parties;
- 9 b. Whether Defendant breached the terms of the Forbearance Plan
10 contracts by reporting borrowers' delinquent to credit bureaus;
- 11 c. Whether Defendant's conduct as alleged herein violated the CARES
12 Act;
- 13 d. Whether Defendant's conduct as alleged herein violated the Fair
14 Credit Reporting Act; and
- 15 e. Whether Defendant's conduct as alleged herein violated the California
16 Unfair Competition Law;
- 17 f. Whether injunctive relief is appropriate for Plaintiff and members of
18 the general public on a prospective basis stopping *inter alia*, corrective
19 notice warning members of the public of Defendant's practices;
- 20 g. Whether separate private injunctive relief is appropriate, stopping
21 Defendant's practices and requiring corrections to credit reports;
- 22 h. Whether declaratory relief is appropriate for Plaintiff and members of
23 the general public; and
- 24 i. Whether statutory damages, nominal damages, penalties or other
25 relief is appropriate to both Plaintiff and members of the Class (and
26 California Subclass).

27 63. **Typicality.** Plaintiff is a typical member of the Class (and California Subclass) and his
28 claims are typical of claims of other Class members. Plaintiff and Class members use Defendant's loans

1 services and qualified for a forbearance of the payment of their loan under the CARES Act. Further
2 Plaintiff and Class members agreed to a Forbearance Plan with Defendant and were reported delinquent
3 on their loan to credit bureaus by Defendant, sustaining damage to their credit. Plaintiff's loan was
4 reported to third-party credit bureaus as delinquent based on a common business practice or policy that
5 affected other class members in a similar way. Plaintiff and Class members sustained, and will continue
6 to sustain, damages arising from Defendant's common and uniform course of wrongful conduct, and
7 Plaintiff's claims are founded on the same legal theories as those of the Class (and California Subclass).

8 **64. Adequacy of Representation.** Plaintiff is committed to the vigorous prosecution of this
9 action, has no interests contrary to those of other Class members, and will fairly and adequately protect
10 the interests of the Class (and California Subclass). Plaintiff has no conflict of interest with the members
11 of the Class (and California Subclass) he seeks to represent. Plaintiff has retained the law firm of
12 Zimmerman Reed, LLP, competent counsel with extensive experience in class-action litigation,
13 including consumer protection litigation, and who have the necessary financial and legal resources to
14 meet litigation costs and legal issues.

15 **65. Superiority of Class Adjudication.** The certification of a class in this action is superior
16 to the litigation of a multitude of cases by members of the putative class. Class adjudication will
17 conserve judicial resources and avoid the possibility of inconsistent rulings. There are Class members
18 who are unlikely to join or bring an action due to, among other reasons, their reluctance to sue Defendant
19 and/or their inability to afford a separate action. Equity dictates that all persons who stand to benefit
20 from the relief sought herein should be subject to the lawsuit and hence subject to an order spreading
21 the costs of the litigation among the Class members in relation to the benefits received. Given the
22 amount of the individual Class members' claims, few, if any, Class members could afford to seek legal
23 redress individually for the wrongs complained of herein. Individualized litigation presents a potential
24 for inconsistent or contradictory judgments. Individualized litigation increases the delay and expense
25 to all parties and the court system presented by the complex legal and factual issues of the case. By
26 contrast, the class-action device presents far fewer management difficulties, and provides the benefits
27 of single adjudication, economy of scale, and comprehensive supervision by a single court.

28 //

1 66. Additionally, the Class (and California Subclass) may be certified because:

2 a. The prosecution of separate actions by the individual members of the Class (and
3 California Subclass) would create a risk of inconsistent or varying adjudication with respect to
4 individual Class members' claims which would establish incompatible standards of conduct for
5 Defendant;

6 b. The prosecution of separate actions by individual members of the Class (and California
7 Subclass) would create a risk of adjudications which would as a practical matter be dispositive of the
8 interests of other members of the Class (and California Subclass) who are not parties to the
9 adjudications, or which would substantially impair or impede the ability of other Class (and California
10 Subclass) members to protect their interests; and,

11 c. Defendant has acted or refused to act on grounds generally applicable to the Class (and
12 California Subclass), thereby making appropriate final and injunctive relief with respect to the Class
13 (and California Subclass).

14 **VI. ALLEGATIONS REGARDING THE GENERAL PUBLIC**

15 67. Plaintiff brings this action on his own behalf and on behalf of the general public pursuant
16 on all counts.

17 68. It is not necessary to seek class certification in order to obtain injunctive relief on behalf
18 of the general public. *McGill v. Citibank, N.A.*, 2 Cal. 5th 945, 960, 393 P.3d 85, 93 (2017).

19 69. Prospective public injunctive relief, seeking, among other things, corrective notice, a
20 cessation of challenged business practices and well as general notice to members of the public of the
21 risks from transacting with Defendant is appropriate.

22 **DEFENDANT'S INTENT**

23 70. At all times, Defendant intended to conduct the acts set forth herein that it carried out.

24 **CAUSES OF ACTION**

25 **FIRST CAUSE OF ACTION**

26 **For Violation of Fair Credit Reporting Act, 15 U.S.C. § 1681 *et seq.*
(Intentional Conduct)**

27 71. Plaintiff incorporates all preceding and succeeding allegations by reference as if fully set
28 forth herein.

1 72. Plaintiff brings this claim individually, on behalf of the Class and the general public.

2 73. At all times herein mentioned, the Fair Credit Reporting Act, 15 U.S.C. § 1681 et seq.,
3 was in full force and effect and binding upon Defendant.

4 74. The Fair Credit Reporting Act, as amended by the CARES Act provides, “If a furnisher
5 makes an accommodation with respect to 1 or more payments on a credit obligation or account of a
6 consumer, and the consumer makes the payments or is not required to make 1 or more payments pursuant
7 to the accommodation, the furnisher shall, report the credit obligation or account as current...” See 15
8 U.S.C. § 1681s-2(a)(1)(F)(ii); see also Section 4021, Credit Protection During COVID-19.

9 75. Throughout the Class Period, in violation of 15 U.S.C. § 1681s-2, Defendant
10 intentionally reported delinquencies on Plaintiff’s and all others similarly situated credit obligations.

11 76. There is no legal justification for Defendant’s failure to report Plaintiff and other
12 borrowers current on their credit obligations.

13 77. As an actual and proximate result of Defendant’s violation of the Fair Credit Reporting
14 Act, Plaintiff and the Class have suffered and will continue to suffer harm, injury and damage, including
15 but not limited to damaged credit rating and interference with future credit transactions.

16 78. As a result of Defendant’s foregoing conduct, should the Court find Defendant
17 intentionally and willfully failed to comply with the Fair Credit Reporting Act, Plaintiff and the Class
18 will be entitled to any actual damages sustained of not less than \$100 and not more than \$1,000 for each
19 class member, punitive damages, reasonable attorney’s fees and costs pursuant to 15 U.S.C. § 1681n,
20 and all other relief that may be just and equitable under the circumstances. See 15 U.S.C. §
21 1681n(a)(1)(A)-(c). Injunctive and declaratory relief is also demanded, as well as all other relief just
22 and equitable in the circumstances including any statutory damages, nominal damages, penalties,
23 reasonable attorneys’ fees and costs pursuant to Cal. Code Civ. P. § 1021.5 and/or other law.

24 **SECOND CAUSE OF ACTION**

25 **For Violation of Fair Credit Reporting Act, 15 U.S.C. § 1681 et seq.**
26 **(Negligent Conduct)**

27 79. Plaintiff incorporates all preceding and succeeding allegations by reference as if fully set
28 forth herein.

80. Plaintiff brings this claim individually, on behalf of the Class and the general public.

1 81. At all times herein mentioned, the Fair Credit Reporting Act, 15 U.S.C. § 1681 et seq.,
2 was in full force and effect and binding upon Defendant.

3 82. The Fair Credit Reporting Act, as amended by the CARES Act provides, "If a furnisher
4 makes an accommodation with respect to 1 or more payments on a credit obligation or account of a
5 consumer, and the consumer makes the payments or is not required to make 1 or more payments pursuant
6 to the accommodation, the furnisher shall, report the credit obligation or account as current..." See 15
7 U.S.C. § 1681s-2(a)(1)(F)(ii); see also Section 4021, Credit Protection During COVID-19.

8 83. Throughout the Class Period, in violation of 15 U.S.C. § 1681s-2, Defendant negligently
9 reported delinquencies on Plaintiff's and all others similarly situated credit obligations.

10 84. Defendant had a duty of care to only make proper reports to credit bureaus and other third
11 parties. Defendant breached that duty. It was reasonably foreseeable that by breaching its duty of care
12 and reporting forborne payments as late and delinquent, borrowers like Plaintiffs would suffer harm, be
13 injured and suffer out of pocket loss.

14 85. There is no legal justification for Defendant's failure to report Plaintiff and other
15 borrowers current on their credit obligations.

16 86. As an actual and proximate result of Defendant's violation of the Fair Credit Reporting
17 Act, Plaintiff and the Class have suffered and will continue to suffer harm, injury and damage, including
18 but not limited to damaged credit rating and interference with future credit transactions.

19 87. As a result of Defendant's foregoing conduct, should the Court find Defendant
20 negligently failed to comply with the Fair Credit Reporting Act, Plaintiff and the Class will be entitled
21 to any actual damages sustained by the consumer and reasonable attorney's fees and costs. See 15 U.S.C.
22 § 1681o(a)-(b). Injunctive and declaratory relief is also demanded, as well as all other relief just and
23 equitable in the circumstances including any statutory damages, nominal damages, penalties, reasonable
24 attorneys' fees and costs pursuant to Cal. Code Civ. P. § 1021.5 and/or other law.

25 **THIRD CAUSE OF ACTION**
26 **Breach of Contract**

27 88. Plaintiff incorporates all preceding and succeeding allegations by reference as if fully set
28 forth herein.

1 89. Plaintiff brings this claim individually, on behalf of the Class and the general public.

2 90. Plaintiff and each class member entered into a standard Forbearance Agreement with
3 Defendant.

4 91. By the terms of the standard form Forbearance Agreement Defendant drafted and
5 presented to Plaintiff and other members of the general public, Defendant agreed that Plaintiff would
6 not be required to make mortgage payments, there would be no late fees assessed to Plaintiff's account,
7 during the forbearance period Defendant would report the account as current to credit bureaus so there
8 would not be any negative impact on credit, and the account would not be referred to foreclosures. *See*
9 Exhibit A.

10 92. Defendant breached the Forbearance Agreement. Contrary to its obligations under the
11 contract, Defendant reported Plaintiff's and other class members forborne payments as late or deficient
12 to credit bureaus and / or other third parties.

13 93. Plaintiff and class members have been injured and damaged financially as a result of
14 Defendant's breach to the terms of the Forbearance Agreement and failure to maintain Plaintiff's and
15 other borrowers' current credit rating.

16 94. As a result of the foregoing, Plaintiff and the Class are entitled to compensatory damages,
17 reasonable attorney's fees and costs pursuant to Cal. Code Civ. P. § 1021.5 and/or other law, and all
18 other relief that may be just and equitable under the circumstances.

19 95. In addition to damages, injunctive and declaratory relief is also demanded, as well as all
20 other relief just and equitable in the circumstances.

21 **FOURTH CAUSE OF ACTION**
22 **For Violation of California's Unfair Competition Law**
23 **Cal. Bus. & Prof. Code §§ 17200 *et seq.***

24 96. Plaintiff incorporates all preceding and succeeding allegations by reference as if fully set
25 forth herein.

26 97. Plaintiff brings this claim individually, on behalf of the California Subclass and the
27 general public.

28 98. California's Unfair Competition Law, Business & Professions Code § 17200 *et. seq.*,
prohibits any "unlawful, unfair or fraudulent business act or practice and unfair, deceptive, untrue or

1 misleading advertising.”

2 99. “Any person who engages, has engaged, or proposes to engage in unfair competition may
3 be enjoined in any court of competent jurisdiction. The court may make such orders or judgments,
4 including the appointment of a receiver, as may be necessary to prevent the use or employment by any
5 person of any practice which constitutes unfair competition, as defined in this chapter, or as may be
6 necessary to restore to any person in interest any money or property, real or personal, which may have
7 been acquired by means of such unfair competition.” Cal. Bus. & Prof. Code § 17203.

8 100. The CARES Act provides consumers the right to request a forbearance on federally
9 backed mortgages loans, regardless of delinquency status. *See* 15 U.S.C. § 9056(b)(1).

10 101. The CARES Act amends the Fair Credit Reporting Act (FCRA) to require furnishers of
11 credit information, who make an accommodation, to report the account as current, unless the account
12 was delinquent before the accommodation. *See* 15 U.S.C. § 1681s-2(a)(1)(F)(i)(I)-(II).

13 102. Accommodations are defined broadly to include forbearances under the CARES Act in
14 addition to a loan servicer’s deferment of payments, loan modifications, or other assistance or relief
15 granted to a consumer affected by the COVID-19 pandemic during the covered period. *See* 15 U.S.C.
16 § 1681s-2(a)(1)(F)(i)(I).

17 103. Borrowers with a federally backed mortgage loan who are affected by the COVID-19
18 emergency may obtain a forbearance from loan payments for an initial period of up to 180 days. *See* 15
19 U.S.C. § 9056(b)(1).

20 104. To obtain the forbearance, the borrower must submit a request to the servicer and affirm
21 that he or she is experiencing a financial hardship during the COVID-19 emergency. *See id.* After
22 submitting this information, Plaintiff received a confirmation from Defendant regarding the extended
23 assistance plan and deferring Plaintiff’s mortgage payments for 180 days. This is the duration of an
24 initial forbearance under the act. *See* 15 U.S.C. § 9056(b).

25 105. The servicer shall require no additional documentation from the borrower other than his
26 or her attestation to a financial hardship caused by the COVID-19 emergency and may not charge fees,
27 penalties, or interest in connection with the forbearance. *See* 15 U.S.C. § 9056(c)(1).

28

1 106. During a period of forbearance, no fees, penalties, or interest beyond the amount
2 scheduled or calculated as if the borrower made all contractual payments on time and in full shall accrue
3 on the account. *See* 15 U.S.C. § 9056(b)(3).

4 107. Here, Defendant's conduct violated the CARES Act, the Fair Credit Reporting Act and
5 systematically breached its contracts with class members like Plaintiff and members of the California
6 subclass.

7 108. By way of the foregoing, Defendant violated the unlawful prong of the UCL.

8 109. An act or practice is unfair if the consumer injury is substantial, is not outweighed by any
9 countervailing benefits to consumers or to competition, and is not an injury the consumers themselves
10 could reasonably have avoided.

11 110. As explained above, Defendant's conduct reporting delinquent payments was unfair
12 under the UCL because borrower's like Plaintiff's injuries are substantial, are not outweighed by any
13 countervailing benefits to borrowers or to competition, and was not an injury the consumers themselves
14 could reasonably have avoided. Defendant specifically told borrowers like Plaintiff and other members
15 of the California Subclass on standard form documents that it would not report forborne payments as
16 delinquent, but then did.

17 111. By way of the foregoing, Defendant also violated the unfair prong of the UCL.

18 112. Defendant represented to borrowers seeking to enter into forbearance agreements that
19 negative credit reports damaging their credit ratings would not be made. Plaintiff like other borrowers
20 in the California Subclass relied on Defendant in entering into the forbearance agreement and
21 suspending payments during the agreed period of forbearance. Defendant's representations were false
22 and misleading as it did make negative reports to the credit bureaus during the period of forbearance,
23 injuring and damaging Plaintiff and others in the California Subclass. As a reasonable consumer, had
24 Plaintiff been informed that Defendant would make negative reports to the credit bureaus during the
25 period of forbearance, contrary to its representations and the requirements of the CARES Act and Far
26 Credit Reporting Act, he would have acted differently, not entered into the Forbearance Agreement and
27 suspending scheduled payments. Plaintiff was falsely induced to enter the Forbearance Agreement with
28 Defendant and suspend payments on assurances that no negative reports to the credit bureaus would be

1 made.

2 113. By way of the foregoing, Defendant also violated the fraudulent prong of the UCL.

3 114. Defendant violated (and continues to violate) California's Unfair Competition Law,
4 California Business & Professions Code § 17200 *et seq.*, by violating CARES Act, the Fair Credit
5 Reporting Act, the terms of the Forbearance Agreement when furnishing delinquency notices about
6 those who have agreed to an extended assistance plan and remain protected by the deferral.

7 115. Plaintiff and other members of the California Subclass have been injured and damaged
8 financially, suffering out of pocket loss of money, as a result of Defendant's violations.

9 116. As an actual and proximate result of Defendant's unlawful and unfair conduct in violation
10 of the UCL, Plaintiff and other members of the California Subclass have suffered and will continue to
11 suffer harm and injury, including but not limited to damaged credit rating and interference with future
12 credit transactions.

13 117. Plaintiff and other members of the California Subclass have been injured by, among other
14 things, the inability to complete desired credit transactions (including car and property) that they would
15 have been able to but for the negative credit reports made by Defendant to third party credit bureaus
16 impacting and lowering their credit rating.

17 118. As a result of the foregoing, Plaintiff and other members of the California Subclass are
18 entitled to injunctive and declaratory relief, appropriate restitution to the extent applicable, reasonable
19 attorney's fees and costs pursuant to Cal. Code Civ. P. § 1021.5 and/or other law, and all other relief
20 that may be just and equitable under the circumstances.

21 **FIFTH CAUSE OF ACTION**

22 **Negligence**

23 119. Plaintiff incorporates all preceding and succeeding allegations by reference as if fully set
24 forth herein.

25 120. Plaintiff brings this claim individually, on behalf of the California Subclass and the
26 general public.

27 121. Through Defendant's above-described conduct reporting forborne payments as late or
28 deficient during the period of agreed forbearance was negligent, breaching the duty of care it had to

1 protect Plaintiff and other members of the California Subclass and not report forbore payment as late
2 or deficient during the period of agreed forbearance.

3 122. It was reasonably foreseeable to Defendant that if it reported forbore payments to third
4 parties, such as the major credit bureaus, during the period of agreed forbearance, Plaintiff (and others
5 similarly situated) would be harmed and injured financially. Among other things their ability to
6 complete credit transactions in the future would be compromised and prejudiced as it is common for
7 parties extending credit to do so after reviewing and relying on reported credit ratings on borrowers.
8 Defendant's conduct caused borrowers like Plaintiff's and other members of the California Subclass'
9 credit ratings to drop without proper cause or justification, contrary to the protections the CARES Act
10 and Fair Credit reporting Act provided them.

11 123. Plaintiff and other members of the California Subclass have been injured and damaged
12 financially, suffering out of pocket loss of money, as a result of Defendant's violations.

13 124. As an actual and proximate result of Defendant's negligent conduct, Plaintiff and other
14 members of the California Subclass have suffered and will continue to suffer harm and injury, including
15 but not limited to damaged credit rating and interference with future credit transactions.

16 125. Plaintiff and other members of the California Subclass have been injured by, among other
17 things, the inability to complete desired credit transactions (including car and property) that they would
18 have been able to but for the negative credit reports made by Defendant to third party credit bureaus
19 impacting and lowering their credit ratings.

20 126. As a result of the foregoing, Plaintiff and other members of the California Subclass are
21 entitled to injunctive and declaratory relief, appropriate damages and restitution to the extent applicable,
22 reasonable attorney's fees and costs pursuant to Cal. Code Civ. P. § 1021.5 and/or other law, and all
23 other relief that may be just and equitable under the circumstances.

24 **PRAYER FOR RELIEF**

25 WHEREFORE, Plaintiff, individually and on behalf of all other similarly situated in the Class
26 and California Subclass, as well as the general public, requests relief as follows on all counts to the
27 maximum extent permissible by law:
28

1 A. Private injunctive relief including but not limited to, preventing Defendant from further
2 reporting delinquencies to credit bureaus for borrowers who agreed to Forbearance Agreement and are
3 current under the CARES provisions of the Fair Credit Reporting Act, requiring Defendant to take
4 corrective action and coordinate with applicable credit bureaus to rectify any negative credit references
5 made regarding protected borrowers, and requiring Defendant to notify all borrowers in forbearance
6 agreements that negative reports may have been improperly made to third party's affecting their credit
7 ratings;

8 B. All other reasonable private injunctive relief;

9 C. Public injunctive relief including but not limited to, prohibiting Defendant from entering
10 into further Forbearance Agreements where they fail to comply with the CARES Act, Fair Credit
11 Reporting Act and other law, and providing corrective notice to members of the general public;

12 D. All other reasonable public injunctive relief;

13 E. For a preliminary injunction and a permanent injunction, restraining and enjoining
14 Defendant from furnishing delinquent notices to credit bureaus on behalf of members of the Class who
15 agreed to Defendant's Forbearance Agreement and are protected by the CARES provisions of the Fair
16 Credit Reporting Act;

17 F. Declaratory relief including a declaration that Plaintiff and all others similarly situated
18 are current on their residential loans pursuant to the Fair Credit Reporting Act, CARES Act and/or other
19 law and any deficiencies reported are invalid and improper and necessary to correct;

20 G. An accounting of all class members' accounts to ensure negative credit reports have not
21 been made during the period of forbearance;

22 H. The costs of correcting Plaintiff's and class members' credit reports;

23 I. Monetary relief, including compensatory damages, restitution, punitive damages,
24 nominal damages, statutory damages and/or applicable penalties to the extent available by law under
25 each count;

26 J. For class certification of both the Class and California Subclass, appointing Plaintiff as
27 class representative and the undersigned counsel as class counsel;

28

1 K. Reasonable attorneys' fees and costs pursuant to the above laws, as well as Cal. Code
2 Civ. P. § 1021.5; and

3 L. All such other and further relief as the Court deems just and proper in the circumstances.

4 **DEMAND FOR JURY TRIAL**

5 Plaintiff hereby demands a jury trial on all claims so triable as authorized by law.

6 **ZIMMERMAN REED, LLP**

7 

8 Dated: September 29, 2020

9 By: _____
10 Caleb Marker (SBN 269721)
11 Flinn Milligan (SBN 323042)
12 Arielle Canepa (SBN 329546)
13 2381 Rosecrans Ave., Suite 328
14 Manhattan Beach, CA 90245
15 (877) 500-8780 Telephone
16 (877) 500-8781 Facsimile
17 Email: caleb.marker@zimmreed.com
18 flinn.milligan@zimmreed.com
19 arielle.canepa@zimmreed.com

20 *Attorneys for Plaintiff and the putative class*

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P. 31

EXHIBIT A

GL 6.62 06/25/20

Specialized Loan Servicing

Part of the Computershare Group

Date: 06/25/20

ERIC T MITCHELL

NORTH HOLLYWOOD CA 91601

RE: Loan Number: [REDACTED] 2317

Property Address:

NORTH HOLLYWOOD CA 91601

Dear ERIC T MITCHELL

We have extended your assistance plan in place.

The extended assistance plan offers an additional 3 month pause of your mortgage payments.

During the Forbearance Plan:

- You will not be required to make your mortgage payments. If you wish or are able, you have the option to pay any reduced amount
- We will not assess late fees to your account
- During the forbearance period, we will report your account as current to the credit bureaus so there will not be any negative impact on your credit
- The account will not be referred to foreclosure

The terms of the plan are as follows:

Original Forbearance Plan begin date: 05/01/20

New Forbearance Plan end date: 10/01/20

Total number of months of the Forbearance Plan: 5

Monthly payment amount required during the Forbearance Plan: \$0.00

What is a Forbearance Plan?

A forbearance plan is an agreement that allows borrowers experiencing a temporary hardship to make a reduced mortgage payment or no mortgage payment at all during the plan's term. Under this forbearance plan, we have suspended your monthly mortgage payment obligation.

Next Steps

- ✓ Contact us immediately if your financial circumstances change during the term of your forbearance plan so that we may discuss potential options to resolve your situation.
- ✓ Prior to the end of the forbearance plan, we will contact you to discuss your situation and provide information on options that may be available to you. Options to resolve your situation may include a reinstatement, repayment plan, or loan modification.

The Forbearance Plan is based on an evaluation of an incomplete loss mitigation application, and other loss mitigation options may be available. You may submit a complete loss mitigation application to receive an evaluation for all loss mitigation options available, regardless of whether you accept this plan. You may submit a complete loss mitigation application now or closer to the end of the Forbearance Period (e.g., 30 days before the end of the Forbearance Period) when you may have a better understanding of your near-term and longer-term financial position, in order to be evaluated for all options that may be available to you at the time of the completed application. If you would like to be evaluated for other loss mitigation options, please complete and return the Mortgage Assistance Application. You should consider contacting servicers of any other mortgage loans secured by the same property to discuss available loss mitigation options they offer too. A copy of the Mortgage Assistance Application can be downloaded from our website at www.SLS.net/forms and can be returned to us at:

Mail: 8742 Lucent Blvd, Suite 300 Highlands Ranch, CO 80129

8742 Lucent Blvd, Suite 300, Highlands Ranch, CO 80129

www.SLS.net

Specialized Loan Servicing LLC NMLS ID 2168

142SL0022.Reg.1.4.TD.371.gpd.008928.093622

GL 6.62 06/25/20

Fax: 1-877-875-0981 (Page limit per transmission is 25 pages)
Email: crdocs@sis.net (Size limit per email is 20MB)
Web: www.SLS.net

We are here to support you through this time. If you have any questions regarding the information in this letter, please send us a secure message through the Message Center by logging into your account at www.SLS.net or call Customer Assistance toll free at 1-800-315-4757, Monday through Friday, 6:00 a.m. until 6:00 p.m. MT. We accept calls from relay services on behalf of hearing impaired borrowers.

Sincerely,
Customer Service

PLEASE SEE IMPORTANT DISCLOSURES ON THE FOLLOWING PAGE

8742 Lucent Blvd, Suite 300, Highlands Ranch, CO 80129
www.SLS.net
Specialized Loan Servicing LLC NMLS ID 2168

1425L0022.Reg.e1.d.T0.371.gr000029/003023

CM-010

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address): Caleb Marker (SBN 269721) Zimmerman Reed LLP 2381 Rosecrans Avenue, Suite 328 Manhattan Beach, CA 90245 TELEPHONE NO.: 877-500-8780 FAX NO. (Optional): 877-500-8781 ATTORNEY FOR (Name): Plaintiff Eric T. Mitchell	FOR COURT USE ONLY CONFORMED COPY ORIGINAL FILED Superior Court of California County of Los Angeles SEP 30 2020 Short R. Carter, Executive Officer/Clerk of Court By: Kristina Vargas, Deputy												
SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES STREET ADDRESS: 111 N Hill Street MAILING ADDRESS: 111 N Hill Street CITY AND ZIP CODE: Los Angeles, CA 90012 BRANCH NAME: Stanley Mosk Courthouse	CASE NAME: Mitchell v. Specialized Loan Servicing LLC												
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th colspan="2" style="text-align: left;">CIVIL CASE COVER SHEET</th> <th colspan="2" style="text-align: left;">Complex Case Designation</th> </tr> <tr> <td style="width:25%;"><input checked="" type="checkbox"/> Unlimited (Amount demanded exceeds \$25,000)</td> <td style="width:25%;"><input type="checkbox"/> Limited (Amount demanded is \$25,000)</td> <td style="width:25%;"><input type="checkbox"/> Counter</td> <td style="width:25%;"><input type="checkbox"/> Joinder</td> </tr> <tr> <td colspan="4" style="text-align: center;">Filed with first appearance by defendant (Cal. Rules of Court, rule 3.402)</td> </tr> </table>	CIVIL CASE COVER SHEET		Complex Case Designation		<input checked="" type="checkbox"/> Unlimited (Amount demanded exceeds \$25,000)	<input type="checkbox"/> Limited (Amount demanded is \$25,000)	<input type="checkbox"/> Counter	<input type="checkbox"/> Joinder	Filed with first appearance by defendant (Cal. Rules of Court, rule 3.402)				CASE NUMBER: 20STCV37533 JUDGE: DEPT:
CIVIL CASE COVER SHEET		Complex Case Designation											
<input checked="" type="checkbox"/> Unlimited (Amount demanded exceeds \$25,000)	<input type="checkbox"/> Limited (Amount demanded is \$25,000)	<input type="checkbox"/> Counter	<input type="checkbox"/> Joinder										
Filed with first appearance by defendant (Cal. Rules of Court, rule 3.402)													

Items 1-6 below must be completed (see instructions on page 2).

By Fax

1. Check one box below for the case type that best describes this case:

Auto Tort <input type="checkbox"/> Auto (22) <input type="checkbox"/> Uninsured motorist (46) Other P/IPD/W/D (Personal Injury/Property Damage/Wrongful Death) Tort <input type="checkbox"/> Asbestos (04) <input type="checkbox"/> Product liability (24) <input type="checkbox"/> Medical malpractice (45) <input type="checkbox"/> Other P/IPD/W/D (23) Non-P/IPD/W/D (Other) Tort <input checked="" type="checkbox"/> Business tort/unfair business practice (07) <input type="checkbox"/> Civil rights (08) <input type="checkbox"/> Defamation (13) <input type="checkbox"/> Fraud (16) <input type="checkbox"/> Intellectual property (19) <input type="checkbox"/> Professional negligence (25) <input type="checkbox"/> Other non-P/IPD/W/D tort (35) Employment <input type="checkbox"/> Wrongful termination (36) <input type="checkbox"/> Other employment (15)	Contract <input type="checkbox"/> Breach of contract/warranty (06) <input type="checkbox"/> Rule 3.740 collections (09) <input type="checkbox"/> Other collections (09) <input type="checkbox"/> Insurance coverage (18) <input type="checkbox"/> Other contract (37) Real Property <input type="checkbox"/> Eminent domain/Inverse condemnation (14) <input type="checkbox"/> Wrongful eviction (33) <input type="checkbox"/> Other real property (26) Unlawful Detainer <input type="checkbox"/> Commercial (31) <input type="checkbox"/> Residential (32) <input type="checkbox"/> Drugs (38) Judicial Review <input type="checkbox"/> Asset forfeiture (05) <input type="checkbox"/> Petition re: arbitration award (11) <input type="checkbox"/> Writ of mandate (02) <input type="checkbox"/> Other judicial review (39)	Provisionally Complex Civil Litigation (Cal. Rules of Court, rules 3.400-3.403) <input type="checkbox"/> Antitrust/Trade regulation (03) <input type="checkbox"/> Construction defect (10) <input type="checkbox"/> Mass tort (40) <input type="checkbox"/> Securities litigation (28) <input type="checkbox"/> Environmental/Toxic tort (30) <input type="checkbox"/> Insurance coverage claims arising from the above listed provisionally complex case types (41) Enforcement of Judgment <input type="checkbox"/> Enforcement of judgment (20) Miscellaneous Civil Complaint <input type="checkbox"/> RICO (27) <input type="checkbox"/> Other complaint (not specified above) (42) Miscellaneous Civil Petition <input type="checkbox"/> Partnership and corporate governance (21) <input type="checkbox"/> Other petition (not specified above) (43)
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2. This case is is not complex under rule 3.400 of the California Rules of Court. If the case is complex, mark the factors requiring exceptional judicial management:
- | | |
|--|--|
| a. <input type="checkbox"/> Large number of separately represented parties | d. <input type="checkbox"/> Large number of witnesses |
| b. <input type="checkbox"/> Extensive motion practice raising difficult or novel issues that will be time-consuming to resolve | e. <input type="checkbox"/> Coordination with related actions pending in one or more courts in other counties, states, or countries, or in a federal court |
| c. <input type="checkbox"/> Substantial amount of documentary evidence | f. <input type="checkbox"/> Substantial postjudgment judicial supervision |
3. Remedies sought (check all that apply): a. monetary b. nonmonetary; declaratory or injunctive relief c. punitive
4. Number of causes of action (specify):
5. This case is is not a class action suit.
6. If there are any known related cases, file and serve a notice of related case. (You may use form CM-015.)

Date: 09/29/2020
 Caleb Marker

(SIGNATURE OF PARTY OR ATTORNEY FOR PARTY)

NOTICE

- Plaintiff must file this cover sheet with the first paper filed in the action or proceeding (except small claims cases or cases filed under the Probate Code, Family Code, or Welfare and Institutions Code). (Cal. Rules of Court, rule 3.220.) Failure to file may result in sanctions.
- File this cover sheet in addition to any cover sheet required by local court rule.
- If this case is complex under rule 3.400 et seq. of the California Rules of Court, you must serve a copy of this cover sheet on all other parties to the action or proceeding.
- Unless this is a collections case under rule 3.740 or a complex case, this cover sheet will be used for statistical purposes only.

Page 1 of 2

SHORT TITLE: Mitchell v. Specialized Loan Servicing LLC	CASE NUMBER 20STCV37533
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**CIVIL CASE COVER SHEET ADDENDUM AND
STATEMENT OF LOCATION
(CERTIFICATE OF GROUNDS FOR ASSIGNMENT TO COURTHOUSE LOCATION)**

By Fax

This form is required pursuant to Local Rule 2.3 in all new civil case filings in the Los Angeles Superior Court.

Step 1: After completing the Civil Case Cover Sheet (Judicial Council form CM-010), find the exact case type in Column A that corresponds to the case type indicated in the Civil Case Cover Sheet.

Step 2: In Column B, check the box for the type of action that best describes the nature of the case.

Step 3: In Column C, circle the number which explains the reason for the court filing location you have chosen.

Applicable Reasons for Choosing Court Filing Location (Column C)

- | | |
|--|---|
| <ul style="list-style-type: none"> 1. Class actions must be filed in the Stanley Mosk Courthouse, Central District. 2. Permissive filing in central district. 3. Location where cause of action arose. 4. Mandatory personal injury filing in North District. 5. Location where performance required or defendant resides. 6. Location of property or permanently garaged vehicle. | <ul style="list-style-type: none"> 7. Location where petitioner resides. 8. Location wherein defendant/respondent functions wholly. 9. Location where one or more of the parties reside. 10. Location of Labor Commissioner Office. 11. Mandatory filing location (Hub Cases – unlawful detainer, limited non-collection, limited collection, or personal injury). |
|--|---|

Auto Tort

Other Personal Injury/Property Damage/Wrongful Death Tort

A Civil Case Cover Sheet Category No.	B Type of Action (Check only one)	C Applicable Reasons See Step 3 Above
Auto (22)	<input type="checkbox"/> A7100 Motor Vehicle - Personal Injury/Property Damage/Wrongful Death	1, 4, 11
Uninsured Motorist (46)	<input type="checkbox"/> A7110 Personal Injury/Property Damage/Wrongful Death – Uninsured Motorist	1, 4, 11
Asbestos (04)	<input type="checkbox"/> A6070 Asbestos Property Damage <input type="checkbox"/> A7221 Asbestos - Personal Injury/Wrongful Death	1, 11 1, 11
Product Liability (24)	<input type="checkbox"/> A7260 Product Liability (not asbestos or toxic/environmental)	1, 4, 11
Medical Malpractice (45)	<input type="checkbox"/> A7210 Medical Malpractice - Physicians & Surgeons <input type="checkbox"/> A7240 Other Professional Health Care Malpractice	1, 4, 11 1, 4, 11
Other Personal Injury Property Damage Wrongful Death (23)	<input type="checkbox"/> A7250 Premises Liability (e.g., slip and fall) <input type="checkbox"/> A7230 Intentional Bodily Injury/Property Damage/Wrongful Death (e.g., assault, vandalism, etc.) <input type="checkbox"/> A7270 Intentional Infliction of Emotional Distress <input type="checkbox"/> A7220 Other Personal Injury/Property Damage/Wrongful Death	1, 4, 11 1, 4, 11 1, 4, 11 1, 4, 11

<p>SUPERIOR COURT OF CALIFORNIA COUNTY OF LOS ANGELES</p>	<p style="font-size: small;">Reserved for Clerk's File Stamp</p> <p>FILED Superior Court of California County of Los Angeles 09/30/2020 Sherri R. Carter, Executive Officer / Clerk of Court By: <u> K. Vargas </u> Deputy</p>
<p>COURTHOUSE ADDRESS: Spring Street Courthouse 312 North Spring Street, Los Angeles, CA 90012</p>	
<p>NOTICE OF CASE ASSIGNMENT UNLIMITED CIVIL CASE</p>	
<p>Your case is assigned for all purposes to the judicial officer indicated below.</p>	<p>CASE NUMBER: 20STCV37533</p>

THIS FORM IS TO BE SERVED WITH THE SUMMONS AND COMPLAINT

	ASSIGNED JUDGE	DEPT	ROOM		ASSIGNED JUDGE	DEPT	ROOM
<input checked="" type="checkbox"/>	Yvette M. Palazuelos	9					

Given to the Plaintiff/Cross-Complainant/Attorney of Record Sherri R. Carter, Executive Officer / Clerk of Court
 on 10/01/2020 By K. Vargas , Deputy Clerk
(Date)

LACIV 190 (Rev 6/18)
LASC Approved 05/06

NOTICE OF CASE ASSIGNMENT – UNLIMITED CIVIL CASE

INSTRUCTIONS FOR HANDLING UNLIMITED CIVIL CASES

The following critical provisions of the California Rules of Court, Title 3, Division 7, as applicable in the Superior Court, are summarized for your assistance.

APPLICATION

The Division 7 Rules were effective January 1, 2007. They apply to all general civil cases.

PRIORITY OVER OTHER RULES

The Division 7 Rules shall have priority over all other Local Rules to the extent the others are inconsistent.

CHALLENGE TO ASSIGNED JUDGE

A challenge under Code of Civil Procedure Section 170.6 must be made within 15 days after notice of assignment for all purposes to a judge, or if a party has not yet appeared, within 15 days of the first appearance.

TIME STANDARDS

Cases assigned to the Independent Calendaring Courts will be subject to processing under the following time standards:

COMPLAINTS

All complaints shall be served within 60 days of filing and proof of service shall be filed within 90 days.

CROSS-COMPLAINTS

Without leave of court first being obtained, no cross-complaint may be filed by any party after their answer is filed. Cross-complaints shall be served within 30 days of the filing date and a proof of service filed within 60 days of the filing date.

STATUS CONFERENCE

A status conference will be scheduled by the assigned Independent Calendar Judge no later than 270 days after the filing of the complaint. Counsel must be fully prepared to discuss the following issues: alternative dispute resolution, bifurcation, settlement, trial date, and expert witnesses.

FINAL STATUS CONFERENCE

The Court will require the parties to attend a final status conference not more than 10 days before the scheduled trial date. All parties shall have motions in limine, bifurcation motions, statements of major evidentiary issues, dispositive motions, requested form jury instructions, special jury instructions, and special jury verdicts timely filed and served prior to the conference. These matters may be heard and resolved at this conference. At least five days before this conference, counsel must also have exchanged lists of exhibits and witnesses, and have submitted to the court a brief statement of the case to be read to the jury panel as required by Chapter Three of the Los Angeles Superior Court Rules.

SANCTIONS

The court will impose appropriate sanctions for the failure or refusal to comply with Chapter Three Rules, orders made by the Court, and time standards or deadlines established by the Court or by the Chapter Three Rules. Such sanctions may be on a party, or if appropriate, on counsel for a party.

This is not a complete delineation of the Division 7 or Chapter Three Rules, and adherence only to the above provisions is therefore not a guarantee against the imposition of sanctions under Trial Court Delay Reduction. Careful reading and compliance with the actual Chapter Rules is imperative.

Class Actions

Pursuant to Local Rule 2.3, all class actions shall be filed at the Stanley Mosk Courthouse and are randomly assigned to a complex judge at the designated complex courthouse. If the case is found not to be a class action it will be returned to an Independent Calendar Courtroom for all purposes.

*Provisionally Complex Cases

Cases filed as provisionally complex are initially assigned to the Supervising Judge of complex litigation for determination of complex status. If the case is deemed to be complex within the meaning of California Rules of Court 3.400 et seq., it will be randomly assigned to a complex judge at the designated complex courthouse. If the case is found not to be complex, it will be returned to an Independent Calendar Courtroom for all purposes.

OCT 15 2020