

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CONSUMER FINANCIAL PROTECTION
BUREAU and STATE OF FLORIDA,
OFFICE OF THE ATTORNEY GENERAL,
Department of Legal Affairs,

Plaintiffs,

Case no. 14 CV 80931/COHN/SELTZER

vs.

MICHAEL HARPER, et al.,

Defendants.

RECEIVER'S INITIAL REPORT

Mark J. Bernet, Receiver for The Hoffman Law Group, P.A., f/k/a The Residential Litigation Group, P.A., Nationwide Management Solutions, LLC, Legal Intake Solutions, LLC, File Intake Solutions, LLC, and BM Marketing Group, LLC (the "Receiver"), files his initial report.

I. **PROCEDURAL BACKGROUND.**

The Plaintiffs, the federal Consumer Financial Protection Bureau ("CFPB") and the State of Florida, Office of the Attorney General ("FLAG") commenced this case by filing their *Complaint for Permanent Injunction and Other Relief* (doc. no. 1), in which they alleged that the Defendants operated as an "enterprise" to generate millions of dollars in illegal upfront fees by convincing consumers to pay for the opportunity to be included as a plaintiff in so-called "mass-joinder" lawsuits against their mortgage lenders. According to CFPB and FLAG, the enterprise accomplished this by falsely promising that the lawsuits would induce banks to give consumers mortgage modifications or foreclosure relief. CFPB and FLAG further alleged that, in reality the "enterprise" did little or nothing to actually assist consumers; instead, in numerous instances, the

Defendants directed consumers to avoid interactions with their mortgage lenders or servicers and, in some instances, instructed consumers to stop making their mortgage payments. CFPB and FLAG specifically charge the Defendants with violating multiple provisions of Regulation O, 12 CFR Part 1015; violating the Florida Unfair and Deceptive Trade Practices Act, Chapter 501, Part II, Florida Statutes; in the case of the Defendants Harper and Willcox, making false or incomplete statements to the Florida Department of Agriculture and Consumer Services in connection with their applications for a telemarketing license; in the case of the Defendant Harper, violating a written Assurance of Voluntary Compliance that he signed in favor of FLAG in 2009; and violating Florida's civil theft statute.

On Wednesday, July 16, 2014, this Court entered an *Ex Parte Temporary Restraining Order with Asset Freeze, Appointment of a Temporary Receiver, and Other Equitable Relief and Order Setting Hearing on Motion for Preliminary Injunction* (doc. no. 13) (the “TRO”) that, among other things, appointed Mark J. Bernet as Receiver for The Hoffman Law Group, P.A., f/k/a The Residential Litigation Group, P.A. (“Hoffman Law”), Nationwide Management Solutions, LLC (“Nationwide”), Legal Intake Solutions, LLC (“Legal Intake Solutions”), File Intake Solutions, LLC (“File Intake Solutions”), and BM Marketing, LLC (“BM Marketing”) (together the “Receivership Defendants”). The Court also scheduled a preliminary injunction hearing, to be held on July 29, 2014.

On July 22, 2014, Richard W. Epstein and Jennifer B. Hirschberg of the Greenspoon Marder law firm filed an appearance on behalf of the Defendants. Subsequently, on July 29, 2014, Mr. Epstein, Ms. Hirschberg and Greenspoon Marder moved to withdraw as counsel, citing a conflict of interest that, they maintained, precluded them from continuing the

representation.¹ In its order granting the motion, the Court permitted Greenspoon Marder to withdraw as counsel for the Defendants and also rescheduled the preliminary injunction hearing to September 24, 2014.

On September 5, 2014, the Defendant Hoffman, through counsel, filed an Answer denying the material allegations of the Complaint but raising no affirmative defenses. On the same day, the Defendants Harper and Willcox each filed a separate Answer that generally denied the allegations of the Complaint but raised no affirmative defenses. Harper and Willcox filed their Answers *pro se*, although Harper testified at deposition that the Answers were "ghost-written" by attorney Andrew Cove. Harper has since obtained counsel. The Receivership Defendants remain unrepresented.

II. EVENTS OF RECEIVERSHIP

A. Preparations for Taking Possession of Business Premises

The Court entered the TRO during the morning of July 16, 2014, and the Receiver was notified of his appointment at approximately 9:00 a.m.² The attorneys for the Plaintiffs subsequently provided copies of the Complaint, TRO Motion and TRO to the Receiver. At that time, the Receiver learned that the Receivership Defendants were engaging in business in offices located in the Gentry Building, 860 U.S. Hwy. 1, Suites 111, 205 and 209, North Palm Beach, Florida (together the "Gentry Offices"). In accordance with the provisions of the TRO, the Receiver determined that he would take possession of the Receivership Defendants during the afternoon of July 16, 2014, and remove their officers, managers and employees from their business premises to assure that the Receivership Defendants ceased performing the acts

¹ Greenspoon Marder's withdrawal is discussed in further detail in Section III, on pages 25 - 27, below.

² The Receiver resides in Tampa, which is approximately a 3 ½ hour drive from the Defendants' business premises. The Receiver was enroute to Palm Beach when he received notice of his appointment.

enjoined under the TRO. The Receiver's specific objectives in taking possession of the business premises were:

1. To take possession of the Receivership Defendants' business premises and to evaluate the nature of the Receivership Defendants' business practices.
2. In the event the Receiver concluded that the Receivership Defendants were operating their businesses in violation of applicable law, to cause them to cease doing so.
3. To remove the management of the Receivership Defendants from the business premises.
4. To secure the Receivership Defendants' business premises and their property located therein.
5. To take an inventory of the personal property located at the Receivership Defendants' business premises.
6. To determine whether the employees of the Receivership Defendants were necessary, and if not, to terminate their employment.
7. To obtain control of all of the Receivership Defendants' bank accounts, accounts receivable and other financial resources.
8. In the event the Receiver determined that the Receivership Defendants were operating their businesses in violation of applicable law, to take steps to notify consumers of the lawsuit and of the TRO.
9. To otherwise comply with the TRO.

B. Taking Possession of Business Premises

The Receiver, his representatives, and counsel and certain investigators for the Plaintiffs met at FLAG's offices in West Palm Beach at approximately 12:00 noon to plan the immediate access. Arrangements had been made with the US Marshall's service to assist with taking possession. The Marshalls entered the Gentry Offices at approximately 3:30 p.m. and directed all persons located within to vacate the offices. The Marshalls then let the Receiver and his representatives, and the Plaintiffs and their investigators, into the premises.

Suite 111 was the office of the Defendant Hoffman Law. It consists of a total of approximately 4,000 sq. ft. (it appears to be three office suites that are joined together). Within the suite is a reception area, to the right of which is a conference room with a conference table that seats eight. Behind the reception area is an open work area containing 10 assistants'/secretarial work stations. Surrounding this open area are eight executive offices, plus a kitchen/break room. The Defendant Hoffman occupied the first office behind the reception area. Next to Hoffman's office was an office occupied by Jay Gerst, a non-lawyer who is not employed by Hoffman Law, but who is both a W-2 employee and 1099 independent contractor with Nationwide. A large corner office was occupied by two junior case management attorneys, while all but one of the remaining offices was occupied by one case management attorney. Suite 111 contained computers, telephones and copy machines/scanners appropriate for a law office. The office was largely paperless (save for Hoffman's office, as discussed below). There was, however, no central computer server, but instead client files were stored electronically on a cloud server. Hoffman was not present at the time the Receiver took possession of Suite 111, but he appeared later in the evening and spoke with the Receiver for over an hour.

Suite 205 is approximately 2,500 square feet. It consists of two office suites that are joined together (204 and 205). Suite 205 at one time was the office of all of the Receivership Defendants, including Hoffman Law, although Hoffman Law moved to Suite 111 in the fall of 2013. Suite 205 consists of an open central work area containing workstations for 6 people, and 5 separate offices which were the offices of Erica McCartney, Benn Willcox, Michael Harper (who had a "double office") and Matthew Gilbert, all of whom were employees of Nationwide, File Intake Solutions or Legal Intake Solutions. McCartney was present at the time the Receiver took possession of Suite 205, but Willcox, Harper and Gilbert were not. McCartney, who

functioned as the controller for all of the Receivership Defendants, was uncooperative and hostile.

Suite 209 is a small office leased by Nationwide. It had served as the main office for the Receivership Defendants at one time, but there was nothing material located in that office at the time the Receiver took possession.

Finally, Suite 206 is listed in the TRO as an office occupied by one or more of the Receivership Defendants. The Receiver took possession of that office along with the other office suites, but learned that the office had recently been vacated by the Receivership Defendants and that in fact it was occupied by an unrelated third party that had only recently taken possession. The Receiver chose not to retain possession of Suite 206.

To secure the Gentry Offices, the Receiver hired a locksmith to change the locks. Keys for the Gentry Offices are in the possession of the Receiver and his counsel. Also, IT professionals entered the building and cut off all outside telephone and internet access to the offices, and also made "mirror images" by copying the electronic data contained in or accessible from the offices.

Upon taking possession of the Gentry Offices, the Receiver posted a copy of the Court's TRO on the inside of the glass doors. A newspaper reporter attempted to ask questions, but due to the Court's order sealing the file, the Receiver did not respond.

C. Preliminary Investigation of the Business Operations

After securing the physical premises, the Receiver began the process of interviewing the employees and reviewing business records to try to understand the business operations. Hoffman Law was owned by Marc Hoffman although, as will be discussed below, the firm was not controlled by Hoffman. Hoffman Law represented consumers in connection

with lawsuits that the consumers would file against their mortgage lenders or servicers. Although not clearly articulated, Hoffman and the other Individual Defendants, as well as many of the employees of the Receivership Defendants, maintained that they did not provide "mortgage assistance relief services" within the meaning of the MARS Rule because, they claimed, they were not seeking to obtain mortgage modifications on behalf of their clients. As discussed below, however, this position is not credible.

At the time that the Receiver took possession of the Gentry Offices, Hoffman Law employed Hoffman and 5 Case Managers: Sean Farley, James Oster, William Harris, Brandon Barker, and Kevin Ramas. Hoffman Law also employed 5 legal assistants. The Case Managers originally had been called "Case Management Attorneys," but they changed their titles to "Case Managers" as a result of a compromise of a complaint filed against Farley with the Florida Bar regarding the unauthorized practice of law. Each of the Case Managers is an attorney licensed in one or more states, although only Hoffman, Barker and Farley were licensed in Florida.³ Farley had the title "Head Case Manager," although he said it did not give him any additional authority, or any additional pay.⁴

The relationship between the various Receivership Defendants is discussed in further detail starting on page 16 below. In a nutshell, the Receiver determined that Hoffman Law (owned by Hoffman) was a law firm that utilized Nationwide (owned by Harper and Willcox) to perform its management services. Harper and Willcox also utilized File Intake Solutions to perform marketing services for Hoffman Law. BM Marketing contributed nothing

³ Oster is licensed in Alabama, Harris is licensed in Wisconsin, and Ramas is licensed in Michigan. Farley allowed his Florida law license to lapse, but he remains licensed in Rhode Island.

⁴ Farley said that the Defendant Harper gave him the title "Head Case Manager." Hoffman did not know about Farley's title until he noticed it on Farley's e-mail signature block.

toward the business enterprise, but instead it was a company owned by Harper and Willcox and utilized as the transferee of funds that originated from Hoffman Law.⁵

The Receiver interviewed most of the employees who were present at the time he took possession of the Gentry Offices. None of the Individual Defendants was present. The Receiver obtained cell phone numbers for each of the Individual Defendants and called them. None answered, and the Receiver left messages. Hoffman is the only one who returned the call that day, and he agreed to come into the office for an interview. He arrived at about 9:00 p.m.

INITIAL HOFFMAN INTERVIEW

Hoffman, a Florida attorney, is 64 years old. He said that he got the job with Residential Litigation Group (the predecessor to The Hoffman Law Group) in December, 2011, by responding to an ad on Craigslist. At the time, he said, his life was “in the toilet,” because he was not able to hold a steady job. He was getting divorced. He was behind on his bills. He said he had become an expert at eating cheap meals from the value menus at fast food restaurants. When he applied for the position with Residential Litigation Group, he said that he did not recall whether he first spoke with Geoffrey Broderick or Mike Harper, but he was clear that he interviewed for the job with Harper.⁶ He said he left the interview not knowing whether he got the job, but he said that he felt like he and Harper “clicked.” He was not sure at the time whether Harper was an attorney, although he now knows that Harper is not an attorney.

⁵ Hoffman Law derived all of its revenues from a \$6,000 "up-front" fee and \$495 monthly maintenance fees it charged its 1,200 or so clients. Nationwide derived all of its revenues from Hoffman Law. File Intake Solutions derived all of its revenues from Nationwide. BM Marketing likewise derived all of its revenues from Nationwide.

⁶ Broderick is a Connecticut attorney who owned a law firm he called "The Resolution Law Group, P.C.," (not to be confused with "The Residential Litigation Group, P.A."). The Resolution Law Group marketed to individual consumers who had problems with their mortgage lenders and servicers, promising to sue mortgage lenders and servicers to facilitate a resolution of consumers' mortgage defaults. Harper and Willcox were heavily involved with Broderick, providing marketing services through Legal Intake Solutions. Broderick formed The Residential Litigation Group, P.A. to serve as its Florida operations. Broderick and his law firms presently are defendants in a lawsuit styled *State of Florida, Office of the Attorney General, etc. v. The Berger Law Group, P.A.*, case no. 8:14-cv-01825-T-30MAP, pending in the United States District Court for the Middle District of Florida.

According to Hoffman, subsequently confirmed by Willcox and others, the original business plan for Hoffman Law was to file "mass action" lawsuits in New York. The thinking, apparently, was that there was "strength in numbers."⁷ In other words, Hoffman Law thought that, if it were to bring a lawsuit against mortgage lenders or servicers in which there were 60 or more plaintiffs, they would have a better chance of success. There were significant delays in filing the lawsuits; many clients complained that they continued to pay their \$495 monthly maintenance fee for a year or more without any lawsuit being filed.⁸ And, Hoffman said that the lawsuits generally were not successful, but instead were dismissed, or all plaintiffs were severed save for the lead plaintiff.

Hoffman said that the structure of the businesses – separate marketing, limited involvement by Hoffman, the attorney – always bothered him. He said that Harper assured him that the structure was proper; Hoffman said that Harper claimed to have an “ethics opinion” from a female former New York judge. He said he asked Harper for a copy of the opinion, but he said that Harper never gave it to him. After he got the job with Resolution Litigation Group, Hoffman was paid \$1,000 per week. He told the Receiver that he felt “like a Rockefeller” at the time because it was a steady paycheck that allowed him to pay his bills.

Hoffman said that shortly after he started working for the Residential Litigation Group, he was encouraged by Harper and Willcox to start his own firm to provide the same legal services that Residential Litigation Group had provided. He said that Harper and Willcox assured him that they would be able to generate clients for him, utilizing their marketing expertise. He then opened Hoffman Law, but he said that he was not in control of the firm. He had little information concerning Hoffman Law's trust accounts, and he was not aware that

⁷ This was the same model that Harper and Willcox had utilized when they were providing marketing services, through Legal Intake Solutions, for Broderick and The Residential Litigation Group. *See* note 6, *supra*.

⁸ The Receiver received many communications from clients who claimed to have paid \$15,000 or more.

Willcox or Harper had made a stamp of his signature that was used to sign checks. He said he did not personally authorize any checks to be signed with his signature stamp, and there was no system or procedure in place for that to occur. *See* note 15, *infra*.

Hoffman said that he did not review bank statements concerning his firm's trust accounts. He did not know what money was put into the trust accounts, and he does not know what checks were written on his trust accounts. He said that Willcox and Harper handled all of that under a contract between Nationwide and Hoffman Law. He does not know if there was a written contract – he does not remember one (the Receiver has been unable to locate any such contract). Hoffman did not know the rate, or basis, for payments to be made by Hoffman Law to Nationwide. He did not know how much had been paid to Nationwide.

Hoffman was formally served with copies of the Complaint, the Plaintiff's motion for the TRO (and all of its supporting materials), and the TRO on July 16, 2014. He was clearly shaken. He left the Gentry Offices at around 10:30 p.m. The Receiver contacted him the next morning to confirm that he had made it safely to his home after he left.

WILLCOX INTERVIEW

Willcox returned the Receiver's call on July 17, 2014, and agreed to meet with the Receiver at the Gentry Offices on Friday, July 18, 2014. Willcox's version of events differed from Hoffman's. Willcox said that he has a concealed weapons permit and he admitted that he was carrying a gun when he met with the Receiver, although he never threatened the Receiver in any way.⁹ Willcox said that he and Harper had formed Legal Intake Solutions to provide marketing services to The Resolution Law Group, the Connecticut law firm owned by Geoffrey Broderick. *See* note 6, *supra*. Legal Intake Solutions provided marketing services, including direct mail solicitations and internet marketing. Willcox claimed that Hoffman, who in late 2011

⁹ Willcox agreed to the Receiver's request that he not have a firearm with him in future meetings.

was working for The Residential Litigation Group in its West Palm Beach office as a Case Manager (then called a "Case Management Attorney"), approached Harper and Willcox and asked them if they would work with him when he formed his own law firm. Willcox said that separately he and Harper had decided that they did not wish to continue their business relation with Broderick because they thought he mismanaged his clients. Willcox said that he and Harper flew to California to meet with Broderick, to tell him that Legal Intake Solutions was terminating its relationship with Broderick/Residential Litigation Group.¹⁰

Willcox and Harper decided that Legal Intake Solutions was "damaged goods" due to its association with The Resolution Law Group, and so they decided to stop using that company. They formed Nationwide for the purpose of providing management and logistical services to Hoffman Law. These services also included marketing. Willcox said that Hoffman was in charge of all decisions concerning the operation of Hoffman Law – Willcox told this to the Receiver on July 18, 2014, and he stated so again, under oath, at his deposition held on September 4, 2014. He said that Hoffman personally supervised Nationwide's telemarketers who were speaking to potential customers (these would be "fronters"), and that Hoffman and Harper prepared the scripts that were utilized by both the fronters and the closers (Willcox denied having any role in the telemarketing aspect of the businesses).¹¹ Willcox claimed that his role was simply to supervise the accounting department. The Receiver notes that Willcox is the only person who believes that his role was so limited.¹²

¹⁰ Gary DiGirolamo, a non-attorney who managed Broderick's offices, claimed that Harper and Willcox were "a couple of cowboys" who engaged in marketing practices that Broderick did not authorize. DiGirolamo disputes much of what Willcox said.

¹¹ A typical telemarketing business employs both "fronters" and "closers." A "fronter" is the telemarketer who has the initial contact with a potential customer; the fronter's job is to obtain the interest of the potential customer and to gauge whether the potential customer has the ability to pay the price for the goods or services that are being marketed. The "closer" will receive potentially interested customers from the fronter and "close" the transaction.

¹² Willcox's statement that he was "just the money guy" is not credible. At the July 17 interview, Willcox challenged the Receiver's assertion that the "mass action" cases likely suffered misjoinder defects. Willcox

Willcox acknowledged that he and Harper formed File Intake Solutions in July 2013, for the purpose of conducting internet marketing for its clients. Its only client, ever, was Hoffman Law. At the time File Intake Solutions was created, Nationwide shifted its focus to providing management and consulting services. File Intake Solutions' only source of revenues was Nationwide; in turn, Nationwide's only source of revenues was Hoffman Law.

Willcox was fully aware that Hoffman Law derived its revenues from its clients' \$6,000 up-front fee and the \$495 monthly maintenance fees. He pointed out that under Hoffman Law's standard retainer agreement, Hoffman Law was entitled to charge its clients a contingency fee of 40 percent of any amounts it recovered, including any principal reductions it obtained from a client's mortgage lender or servicer. He also said, however, that Hoffman Law never charged a contingency fee. When asked why not, he responded "that's not the business model." The Receiver found it troubling that Willcox was comfortable discussing Hoffman Law's "business model," particularly because Hoffman was not able to do so.

Willcox was damning of Hoffman. He said that Hoffman "is frequently confused." Willcox said that Hoffman has "borderline personality disorder." He claimed that Hoffman did not know how to manage a business and that when Hoffman had employees who did a good job, Hoffman would make fun of them and call them names. He said that Hoffman is a "hoarder," that his house is significantly more littered and disorganized than his office (Hoffman's office in Suite 111 is cluttered with all kinds of paper, most of which appears to be trash). Willcox said that Hoffman is quite intelligent but that he "likes to play dumb" and that

demanding to know how the Receiver could make such a statement, and he commented that just because nobody had tried it before or succeeded at it did not mean that it could not be done. The exchange caused the Receiver to conclude that Willcox had participated in the decisions to proceed with mass action cases, even though he is not an attorney.

Hoffman did not spend much time in the office (Hoffman said that neither Harper nor Willcox spent much time in the offices either). Willcox stated repeatedly that Hoffman was responsible for all legal work and legal decisions.

The Receiver also discussed with Willcox the role of Hoffman Law's Case Managers. Case Managers were, essentially, "closers" (*see* note 11, *supra*) and customer service representatives. Their responsibilities were, first and foremost, to turn "potential" clients into "actual" clients, and then to report to the clients as to the status of their cases, and to calm clients down when they became frustrated by the lack of progress of their lawsuits. Case Managers kept electronic logs of their discussions with potential and actual clients, and their other activities, utilizing a software program called "LeadTrac." Willcox thought that there was no effort at Hoffman Law for Case Managers to be assigned to clients who were located or had their residences in the states in which the Case Managers were licensed attorneys. The Case Managers confirmed this.

INTERVIEWS WITH CASE MANAGERS OTHER THAN OSTER

Case Managers' notes in LeadTrac were accessible by Nationwide's employees, as well as by "outside litigation counsel." Although all Case Managers were attorneys, they did not participate in any of the litigation, including in particular the drafting of complaints. In practice, many clients could not make the initial \$6,000 payment charged by Hoffman Law; the Case Managers would work with clients to help them make arrangements to break that \$6,000 payment into three or four monthly payments. Also, when clients would state that they could not afford to continue to make the monthly maintenance fee payment Case Managers would help the clients negotiate a change to their due date, a restructure of the payment, or even allow clients to go on "hiatus."

Sean Farley, the "Head Case Manager," told the Receiver that Harper is in charge of Hoffman Law and the other companies – not Hoffman. He said that Hoffman had "personality issues," and that Hoffman was not in the office very often. He acknowledged that he, and the other Case Managers, had no role in litigation, but that all litigation decisions for Hoffman Law were handled by "outside litigation counsel." In practice, all pleadings were prepared by attorneys employed by The Law Firm of Michael E. Herskowitz, Esquire ("Herskowitz Law Firm"), located in New York. The Herskowitz Law Firm filed a number of lawsuits in New York, but curiously, in the signature blocks on their pleadings, their attorneys listed themselves as "Of Counsel" to Hoffman Law, showing a New York address, even though Hoffman Law had no offices in New York. The Herskowitz Law Firm also worked with other local counsel, located throughout the United States, who actually signed and filed pleadings and other papers in other states, again as "Of Counsel" to Hoffman Law. In addition, the Herskowitz Law Firm prepared pleadings for lawsuits filed in federal courts in Florida, signed by Marc Hoffman as counsel.¹³ The Herskowitz Law Firm prepared pleadings and otherwise handled the litigation purely from the Case Managers' notes contained in LeadTrac – the Herskowitz Law Firm did not have contact with clients, unless a case was settled.

INTERVIEW WITH JAMES OSTER

At the time that the Receiver took possession of the Gentry Offices Harper and Willcox were engaged in setting up a new venture with James Oster. Oster, an Alabama attorney, was one of the Case Managers for Hoffman Law. However, he was running a "side business" within Hoffman Law. Specifically, when clients of Hoffman Law would mention to any of the Case Managers that their homes were in foreclosure, the call would be referred to

¹³ Hoffman said he had no role in preparing the pleadings in the approximately 12 Florida lawsuits. He said he "wouldn't know how."

Oster. Oster would then offer to find the client an attorney in the client's home state to represent the client in a mortgage foreclosure action. For this service, Oster charged \$600. When a client made the \$600 payment, Oster would refer the matter to The Friedman Law Group, which purports to have a nationwide network of foreclosure defense attorneys, and which would then attempt to locate an attorney. The \$600 payment was not refundable, even if counsel could not be found. Oster engaged in this "side business" during normal working hours, utilizing Hoffman Law's computers, telephones and client base, but none of the \$600 was paid to Hoffman Law.

Harper and Willcox encouraged Oster to expand this business, because it was a new business model but also because they viewed Hoffman as being unstable. Harper and Willcox rented an office for him at 760 US Hwy 1 North, Suite 200, and moved some of Hoffman Law's desks, chairs and computers into the new office. Harper and Willcox arranged to have the Oster Office outfitted with telephone lines and internet connections. The cost of setting up the office was paid by Nationwide. Oster's new venture was to be called "Consumer Relief Attorneys" ("CRA"), and it was to engage in the business of assisting clients, nationwide, to find foreclosure defense attorneys. In a text message from Harper to Willcox, sent on June 3, 2014, Harper estimated that "the new group" (meaning CRA) should generate cash flow enough to achieve \$75,000 per month. Harper estimated that CRA should generate \$200,000 per month by January, 2015, which he reasoned would yield a profit, for Willcox and Harper to split, of \$140,000 per month.¹⁴

¹⁴ Given that Hoffman Law provided (i) Oster's time, (ii) Oster's computers and desks, and (iii) Oster's clients, it is difficult to understand how Oster was not misappropriating Hoffman Law's potential business. Of course, the Receiver is not comfortable with Oster's business model, or whether it complies with the MARS Rule or other aspects of state or federal law.

RELATIONSHIP AMONG THE RECEIVERSHIP DEFENDANTS

Nationwide is owned 70/30 by Harper and Willcox. Hoffman Law contracted with Nationwide for Nationwide to provide management, payroll and personnel services. Neither Willcox, nor Harper, nor Hoffman, knew whether there was any written contract between Hoffman Law and Nationwide, and despite an extensive search, the Receiver has been unable to locate any contract. Also, there did not appear to be any set fee that was charged by Nationwide. Willcox, who had the title "CFO" for Nationwide, authorized Nationwide's bookkeeper, Erica McCartney, to transfer funds from Hoffman Law to Nationwide "as needed." Hoffman, the sole owner of Hoffman Law, had no knowledge of the finances of Hoffman Law; he did not know when it received funds, or from whom it received them, or the amounts, nor did he know how much money Hoffman Law transferred to Nationwide. He claims he requested this information, but it was given to him only sporadically.¹⁵ Nationwide had no source of income, other than Hoffman Law.

In addition to providing management, payroll and personnel services, Nationwide also, at least initially, provided marketing services. Harper and Willcox developed the marketing program that included direct mail marketing campaigns, inbound and outbound telemarketing calls, and internet marketing. Willcox said that they discontinued the direct mail marketing campaign because, he said, it was "illegal."¹⁶ He did not recall whether they prepared a

¹⁵ Hoffman said that he noticed one day that he had signed his own paycheck. He did not recall doing so, and when he investigated, he discovered that Nationwide had made a stamp of his signature and that its controller, Erica McCarthy, was stamping signatures on checks from Hoffman Law without his knowledge. Hoffman said that he discovered that the stamp was used, among other things, on checks drawn on Hoffman Law's trust account. Hoffman never personally balanced Hoffman Law's operating accounts or trust accounts; in fact, he did not know where those accounts were held, or how many there were, or how much money ever was contained in them.

¹⁶ In point of fact, Legal Intake Solutions, which is also owned by Harper and Willcox, engaged in a direct mail marketing campaign on behalf of Geoffrey Broderick and his law firm, The Resolution Law Group, P.C., a Connecticut law firm. Broderick claims he fired Harper and Willcox because they engaged in marketing practices for his law firm that he did not approve, include a direct mail campaign that drew the attention of the Connecticut

television commercial (there is evidence that they did). The bulk of the marketing was through the internet, where they employed a company called The Blackstone Group, which was owned by Thomas Bussey. Bussey was able to improve Hoffman Law's search engine visibility,¹⁷ and thereby prompted potential clients to call or email for further information. The target market was consumers experiencing difficulties with their mortgage lenders or servicers.¹⁸

File Intake Solutions is owned by Harper and Willcox. It engaged in file intake activities; in particular, it employed telemarketers who took incoming telephone calls from potential clients. File Intake Solutions' employees read from a prepared script and essentially attempted to persuade potential clients that Hoffman Law could assist them. If a customer was determined to be a viable potential client (meaning, if the potential client demonstrated an ability to pay a fee), File Intake Solutions would schedule the potential client for a "consultation" with one of the Case Managers from Hoffman Law. Almost all potential clients were deemed to be "viable" if they showed an ability to pay. File Intake Solutions received revenues solely from Nationwide.

BM Marketing is owned by Harper and Willcox. According to Willcox, BM Marketing "is just a company Michael and I created to take money out of the companies without anyone knowing." Unlike the rest of the Receivership Defendants, BM Marketing's financial information was not contained on the companies' QuickBooks accounting program. According to Harper, BM Marketing simply took money from Nationwide as Harper and Willcox

Bar. For their part, Harper and Willcox claim that they terminated their relationship with Broderick because they felt he did not provide adequate customer service. *See* notes 6 and 10, *supra*.

¹⁷ In internet marketing, companies strive to have their names appear in response to Google or other searches by potential customers, and to have their names appear "higher on the list" of searches. This is known as "search engine optimization."

¹⁸ Bussey also had an American Express card from Nationwide, on which he had a \$10,000 credit limit. Willcox admitted that he authorized this, but he could not remember why.

determined. BM Marketing had no business purpose, other than to serve as the recipient of transfers of funds from Nationwide. It received funds from no other source.

D. Shutting Down the Businesses

The TRO directs the Receiver to shut down the Receivership Defendants if the Receiver concludes that they are not operating in compliance with state and federal law. On this point, the Receiver carefully considered the nature of the businesses. All of the businesses are dependent upon the revenues generated by Hoffman Law – none of the Receivership Defendants derived any revenues from any other sources. The Plaintiffs allege that Hoffman Law is engaged in providing "Mortgage Assistance Relief Services," but that it is not complying with the MARS Rule. The Defendants, on the other hand, contend that they are not providing "Mortgage Assistance Relief Services" and that as a result they were not governed by the MARS Rule.

While not articulated precisely by Hoffman or the Individual Defendants, or by Hoffman's lawyer, the Defendants seem to take the position that they offered to clients to sue mortgage lenders and servicers under "mass action" theories to recover damages. The MARS Rule, cited at 16 CFR Part 322, is a rule that regulates "Mortgage Assistance Relief Services." According to the Federal Trade Commission, the rule concerns "the practices of for-profit companies that, in exchange for a fee, offer to work on behalf of consumers to help them obtain modifications to the terms of mortgage loans or to avoid foreclosure on those loans."

Under the MARS Rule, the term "Mortgage Assistance Relief Service" means any service, plan, or program, offered or provided to the consumer in exchange for consideration, that is represented, expressly or by implication, to assist or attempt to assist the consumer with any of the following:

- (1) Stopping, preventing, or postponing any mortgage or deed of trust foreclosure sale for the consumer's dwelling, any repossession of the

consumer's dwelling, or otherwise saving the consumer's dwelling from foreclosure or repossession;

(2) Negotiating, obtaining, or arranging a modification of any term of a dwelling loan, including a reduction in the amount of interest, principal balance, monthly payments, or fees;

(3) Obtaining any forbearance or modification in the timing of payments from any dwelling loan holder or servicer on any dwelling loan;

(4) Negotiating, obtaining, or arranging any extension of the period of time within which the consumer may:

(i) Cure his or her default on a dwelling loan,

(ii) Reinstate his or her dwelling loan,

(iii) Redeem a dwelling, or

(iv) Exercise any right to reinstate a dwelling loan or redeem a dwelling;

(5) Obtaining any waiver of an acceleration clause or balloon payment contained in any promissory note or contract secured by any dwelling; or

(6) Negotiating, obtaining or arranging:

(i) A short sale of a dwelling,

(ii) A deed-in-lieu of foreclosure, or

(iii) Any other disposition of a dwelling other than a sale to a third party who is not the dwelling loan holder.

Thus, when determining whether the Receivership Defendants needed to be shut down, the Receiver analyzed whether they were governed by the MARS Rule, and if so, whether their operations complied with that rule. The Receiver's conclusions are (i) the MARS Rule applies to the businesses being operated by the Receivership Defendants, and (ii) the Receivership Defendants were not complying with the rule.

The Receiver considered whether the Defendants' stated business -- suing mortgage lenders and servicers -- would be governed by the MARS Rule. In this case, however,

it is clear that the objective of Hoffman Law's business model was to sue mortgage lenders for the specific purposes of (i) obtaining mortgage loan modifications, (ii) postponing or setting aside foreclosure judgments or sales, or (iii) otherwise to assist in the defense of mortgage foreclosure actions. The Receiver has communicated with dozens of Hoffman Law's clients, many if not most of whom report that they contacted Hoffman Law to obtain the firm's assistance in dealing with a mortgage default or foreclosure lawsuit. Most of these clients were less interested in obtaining monetary relief from their mortgage lenders or servicers, but rather were more interested in saving their homes from foreclosure. Clients report that Hoffman Law's representatives told them that by filing lawsuits, the clients could obtain leverage against their mortgage lenders and servicers that would help the clients' resolve foreclosure actions or obtain loan modifications. Significantly, the Receiver could not locate a single instance in which Hoffman Law obtained a judgment against a mortgage lender or servicer. Further, while cases were settled, the Receiver could not locate a single instance in which the settlement involved any payment of money by the mortgage lender or servicer to the client. Instead, all settlements reviewed by the Receiver involved some combination of (i) setting aside a foreclosure sale or foreclosure judgment, (ii) permitting a reinstatement of a defaulted mortgage loan, (iii) principal or interest reductions to mortgage debts, or (iv) a restructure of a mortgage loan involving a lower interest rate, a new loan term, or some other modification to the terms of the underlying mortgage loan. The Receiver found it particularly troubling that Willcox pointedly told the Receiver that Hoffman Law had no interest in collecting contingency fees that it was entitled to collect under its engagement letter with its clients, for the reason that collecting contingent fees "was not the business model." The Receiver concluded that "the business model" was to charge

an upfront fee and monthly maintenance fees, and hope to obtain a loan modification. Given all of this, the Receiver believes that Hoffman Law's business is governed by the MARS Rule.

The Receiver also has concluded that Hoffman Law did not comply with the MARS Rule. The MARS Rule:

1. Prohibits providers of Mortgage Assistance Relief Services from making false or misleading claims.
2. Requires that providers disclose certain information about these services.
3. Bars the collection of advance fees for these services.
4. Prohibits anyone from providing substantial assistance or support to another they know or consciously avoid knowing is engaged in a violation of the Rule.
5. Imposes recordkeeping and compliance requirements.

Hoffman Law charged and collected advance fees for its services. While the MARS Rule recognizes an exception for attorneys, that exception applies only if the attorneys are licensed to practice law in the state in which the client is located or in which the consumer's home is located. Also, if an attorney collects an advance fee, the funds must be deposited into a trust account prior to performing any legal services, and then funds can be paid to the lawyer only as permitted under state law. Hoffman Law failed to comply with either of these conditions.

Additionally, the Receiver also was concerned over the dysfunctional nature of the Receivership Defendants. If Hoffman Law were to continue in business and represent its 1,200 clients, Hoffman necessarily would need to be in charge. Hoffman, however, was not in charge; Harper and Willcox had control of the income of the firm, and with the income they controlled its business operations.¹⁹ Hoffman said that he did not even receive mail addressed to

¹⁹ In fact, Harper and Willcox were setting up Oster, the Alabama attorney, in a new legal business venture that they also intended to control.

Hoffman Law; Hoffman told the Receiver that when Hoffman Law received complaints from state attorney general offices or from the Florida Bar, he frequently did not even know it until he would see a copy of a response prepared on his behalf by the Greenspoon Marder law firm.²⁰ Hoffman has no background in litigating against mortgage lenders. He was unaware of the network of "local counsel" recruited by Harper, or what they did. He had only a vague notion of the nature of the lawsuits that his firm filed. He was not invited to attend weekly meetings scheduled by Harper and Willcox to discuss the businesses. E-mail traffic necessitates the conclusion that Hoffman, the attorney, was marginalized, ignored, and even mocked by Harper and Willcox, and that Hoffman knew it and resented it. An e-mail from Hoffman to Harper with the subject "Miscellaneous," dated April 10, 2014, is telling:

1. I would like to call Robbi [Birnbaum of Greenspoon Marder] to get him started on the "divorce" paperwork.

2. When you look around in whatever time it takes to sever my relationship w/ you and wonder why I'm no longer here, you can think of today as a prime example: A) You're relying (as I'm told) to find attorneys in Chicago (and maybe elsewhere) upon Jay Gertz, as opposed to asking me, an attorney, if I have recommendations to make, notwithstanding that I've told you on numerous occasions to consult with me regarding attorneys out of our immediate jurisdiction; B) You continue to be insulting and belittling (if there's such a word). And you want to know why I shake my head and roll my eyes!

3. I was here shortly after 4 this afternoon; I was under the impression that we were to meet then because you wanted to "bring me up to date." Silly me, of course.

4. I understand that the Tuesday, 9:00 AM meetings have been switched to Wednesdays at 9:00. I was not notified, so I guess that I am just an afterthought. The same w/ bringing Sean [Farley] to the meetings. Why not do away with the sham and designate him managing attorney and replace my name with "Farley" wherever. You also have time to plan how to explain "what happened" when you next get word that your managing attorney was arrested again for trying to buy coke.

²⁰ E-mail traffic confirms that Harper and Willcox primarily concerned themselves with these issues and with communications with the Greenspoon Marder law firm.

5. I've changed my mind: I will be content to not come in and yet collect full pay until such time as I am no longer involved with you. You might mention that to Benn; I already have. If I'm going to be a whore, may as well be a whore all the way. Besides, personal integrity was long ago pushed to the curb here, so I needn't try to swim upstream; it's useless.

6. Have a nice life.

Accordingly, the Receiver concluded that Hoffman Law, with the assistance of Harper and Willcox and their companies Nationwide, File Intake Solutions, and BM Marketing, were operating Hoffman Law in violation of federal law. The Receiver also concluded that Hoffman Law could not be rehabilitated or operated in a fashion to comply with federal law. In making these conclusions, the Receiver gave significant weight to the fact that non-attorneys Harper and Willcox were running Hoffman Law. For these reasons, and as directed by the TRO, the Receiver chose to shut down the business operations of the Receivership Defendants.

E. Removing Management and Securing Business Premises

Upon taking possession of the Gentry Offices the Receiver directed that all employees, including managers, to vacate the premises (they were permitted to retrieve their personal belongings). The Receiver coordinated steps to secure the assets of the Receivership Defendants, including changing the locks and eliminating all outside access to electronically stored information. Also, the Receiver coordinated the copying of ESI located in the Gentry Offices.

F. Inventory of Personal Property Located in Gentry Offices.

The Receiver coordinated an inventory of the personal property located at the Gentry Offices. A copy of the inventory is attached as Exhibit "A."

As noted above, desks, computers and other items of personal property owned by Hoffman Law were transferred to 760 US Highway 1, Suite 200, an office suite leased by The Oster Law Group. The property had been transferred at the direction of Willcox and Harper, and

Oster, as part of their plan to set Oster up in a new legal business venture that also would cater to consumers experiencing difficulties with their home mortgages. Oster has agreed to return that personal property.

G. Employees of Receivership Defendants.

Given the Receiver's decision, based on his analysis described above, to shut down the business operations of the Receivership Defendants, the employees were told not to return to the offices.

H. Receivership Defendants' Financial Resources.

As of September 16, 2014, the Receiver had collected the following funds:

<u>Date</u>	<u>Source</u>	<u>Account No.</u>	<u>Amount</u>
08/19/2014	Florida Community Bank		70.00
08/19/2014	Florida Community Bank		70.00
08/22/2014	Regions Bank	XXXXXX5724	530.00
08/22/2014	Regions Bank	XXXXXX5783	530.00
08/22/2014	Regions Bank	XXXXXX5791	379.86
08/22/2014	Regions Bank	XXXXXX6267 ²¹	20.00
08/22/2014	Regions Bank	XXXXXX5732	530.00
08/25/2014	Florida Community Bank		15,434.72
08/25/2014	Florida Community Bank		70.00
09/09/2014	BB&T (Hoffman personal funds, per court order)		73,022.55
09/16/2014	TD Bank (funds held by AMC Investment Group) ²²	XXXXXX8395	1,375.00
09/16/2014	TD Bank (funds held by MCH Titanium Holding) ²³	XXXXXX8402	449,985.00
09/16/2014	TD Bank (funds held by Benn and Amy Willcox)	XXXXXX5814	<u>1,324.93</u>
		TOTAL	\$543,342.06

²¹ IOTA

²² AMC Investment Group, a Delaware limited liability company, is owned by Harper. Harper said that the funds in its account derived from Nationwide.

²³ MCH Titanium Holdings, a Delaware limited liability company, is owned by Harper. Harper said that the funds in its account derived from Nationwide.

Additionally, the Court has ordered Harper to turn over \$225,000 cash that he admitted was in his possession as of the commencement of this lawsuit.

I. Notifying Clients

After determining that he would shut down the Receivership Defendants, the Receiver was faced with the problem of how to notify Hoffman Law's clients. The Receiver contacted the Florida Bar, which has initiated proceedings against Hoffman,²⁴ and which may be able to appoint an "inventory attorney" to review the various files. Additionally, pursuant to this Court's instructions, the Receiver filed notices in all lawsuits in which Hoffman Law has appeared, either directly or through local counsel. Many of the courts in which those cases are pending have stayed the cases pending further developments in this case.

The Receiver also set up a website, located at www.bernet-receiver.com, on which he has posted relevant pleadings and orders from this case, along with narrative descriptions appropriate for consumers. The Receiver updates the website periodically. Also, consumers are able to send e-mails to the Receiver through the website, and the Receiver periodically reviews and responds to those e-mails.

III. EFFORTS TO RECOVER ASSETS/FUNDS

As described in Section II.H. above, the Receiver has attempted to recover funds that properly belong to the Receivership Defendants. Among those funds is \$225,000 in cash that was in the possession of the Defendant Harper as of the commencement of this case. The Receiver demanded that Harper turn over that cash, but he refused to respond, and so the Receiver moved for an order from the Court directing Harper to do so. The Court entered the

²⁴ As of the commencement of the case the Florida Bar had initiated one proceeding against Hoffman, pertaining to advertising materials sent out by Harper and Willcox on behalf of Hoffman Law. Subsequently, the Florida Bar initiated a new investigation based upon this lawsuit and based upon dozens of complaints filed by consumers.

requested order on September 11, 2014, and directed Harper to turn over the funds by September 18, 2014.

Harper, through his deposition testimony and through his new counsel, reports that he will be unable to comply with the Court's order. Harper claims that \$50,000 of the \$225,000 cash that was in his possession was paid, indirectly, to the Greenspoon Marder law firm. Harper said that, prior to the commencement of this lawsuit, attorney Robby Birnbaum of Greenspoon Marder advised Harper to withdraw cash from the businesses. Harper said that Birnbaum told him that if a lawsuit were to be filed against the companies, there likely would be a TRO that would preclude him from taking money out of his personal or his company's bank accounts, and that for that reason it would be best if he had cash on hand that would not be frozen.

Harper claims that he spoke to Birnbaum the day that the Receiver took possession of the companies' business facilities. He said he was aware of the TRO and spoke to Birnbaum about it. Birnbaum was on vacation, and because the matter had turned into litigation, Harper said that Birnbaum referred him to his partner, Richard Epstein. Harper said that he spoke to Epstein, who told him that Greenspoon Marder would require a \$75,000 retainer to represent the defendants. Harper said that he told Epstein that \$75,000 was too much, and so they agreed on \$50,000. Harper said that he also told Epstein that he did not have any money that was not frozen; Harper claims that Epstein responded that he needed to have the money paid by a family member. Harper said that he told Epstein that any such arrangement would be a short-term loan that Harper would need to repay, using the cash that was in his possession that Birnbaum had advised him to take out of the companies. Harper said that he flew from Massachusetts (where he was on vacation) to Florida. He said he put \$175,000 into his car and drove to his brother-in-law's house in Philadelphia, and gave the money to him. He said that his brother-in-law arranged

to transfer \$50,000 to Greenspoon Marder, via wire. His brother-in-law also signed an affidavit stating that the funds did not originate with Harper. His brother-in-law, however, had possession of the \$175,000 cash that Harper delivered to him.

Harper said that in the 11 days Greenspoon Marder worked on the file, it charged \$66,000.²⁵ Harper said that after he protested the amount, Greenspoon Marder reduced the bill to approximately \$44,000. Harper claims that the \$6,000 or so that remains of the \$50,000 is still in Greenspoon Marder's account.

Harper has filed a motion seeking to modify the Court's order directing him to pay \$225,000 to the Receiver. As grounds, he recited what is written above. The Receiver attempted to discuss the matter with Greenspoon Marder on September 15, 2014, but apart from vague denials, Greenspoon Marder declined to provide any substantive responses. Additionally, the Receiver provided this portion of this report to Greenspoon Marder prior to filing. The Receiver notes that Epstein apparently was out of the office from mid-September through October 3, 2014, and that Greenspoon Marder otherwise was given only two days to respond. Greenspoon Marder's in-house general counsel provided an e-mail response on September 17, 2014, that essentially denied the material parts of Harper's allegations. Harper's allegations are troubling, but the Receiver has formed no conclusions at this time.²⁶

IV. FEES AND COSTS

Through August 31, 2014, the Receiver personally has recorded 132 hours on this matter. At his agreed discounted hourly rate of \$325.00, his fees would total \$42,900. Additionally,

²⁵ Greenspoon Marder filed its appearance on July 22, 2014, and then moved to withdraw on July 29, 2014, citing a conflict of interest. On July 21, 2014, when the Receiver learned that Greenspoon Marder intended to file an appearance on behalf of all of the Defendants, he sent a letter to Epstein in which he pointedly noted that in his opinion, Greenspoon Marder could not represent all of the Defendants because of a conflict of interest. A copy of the Receiver's July 21, 2014 letter is attached as Exhibit "B."

²⁶ The Court denied Harper's motion by order entered September 17, 2014, and directed Harper to turn over \$225,000 to the Receiver by September 26, 2014. The Court's order did not address the substance of Harper's allegations relating to the Greenspoon Marder law firm.

expenses on this file, which include funds advanced personally for a locksmith and to cover contract labor and utility bills, as well as mileage costs, postage and delivery charges, and copy costs, total \$2,674.17. The Receiver's fees and costs are described in further detail on the attached Exhibit "C."

Additionally, through August 31, 2014, the Receiver's law firm has recorded 99.7 hours to this file for fees totaling \$25,638.50. This computes into a blended hourly rate of approximately \$257.16. The Receiver anticipates filing formal fee applications within the next few days seeking authority to pay himself and his firm for the services rendered and to reimburse them for the costs incurred.

V. CONCLUSION

The Receiver invites the questions and comments of the Court and the parties.

Dated: Tampa, Florida
September 18, 2014

/s/ Mark J. Bernet

Mark J. Bernet, Receiver
401 E. Jackson Street, Suite 1700
Tampa, Florida 33602
Telephone: (813) 223-7333
Facsimile: (813) 218-5495
Email: mark.bernet@akerman.com
Secondary: doris.zsurka@akerman.com

CERTIFICATE OF SERVICE

I CERTIFY that a copy of the foregoing was served by CM/ECF to Melissa Guidorizzi, Esquire, 1700 G Street NW, Washington, DC 20552, e-mail melissa.guidorizzi@cfpb.gov; Zach Mason, Esquire, 1700 G Street NW, Washington, DC 20552, e-mail zach.mason@cfpb.gov; Benjamin Konop, Esquire, 1700 G. Street NW, Washington, DC 20552, e-mail benjamin.konop@cfpb.gov; Amanda Arnold Sansone, 3507 E. Frontage Road, Suite 325, Tampa, Florida 33607, e-mail amanda.sansone@myfloridalegal.com; Richard Colin Nathan Schiffer, Esquire, 3507 E. Frontage Road, Suite 325, Tampa, Florida 33607, e-mail richard.schiffer@myfloridalegal.com; and Hector E. Lora, Esquire, The Lora Law Firm, LLC, 174 N.E. 106th Street, Miami Shores, Florida 33138, e-mail hectorlora@bellsouth.net; and by mail to Benn Willcox, 15342 83rd Way N, Palm Beach Gardens, Florida 33418 (and via e-mail to bennwillcox@yahoo.com); and Michael Harper, 1679 Juno Isles Boulevard, North Palm Beach, Florida 33408 (and via e-mail to michaeljharper80@yahoo.com), and John A. Richert, Esquire, Hornstine, Pelloni & Hornstine, LLC, 13575 58th Street North, Clearwater, Florida 33760, e-mail john@hornstine.com, this 18th day of September, 2014.

/s/ Mark J. Bernet, Receiver

cc: Andy Cove, Esquire (via e-mail to ANC@covelaw.com)
(*Mr. Cove has not appeared as counsel to any party herein*)

Inventory Suite 111 Main Room

1 Bistell Cleanview Helix Vacuum

2 Toshiba Copiers

10 Desks

1 4 Drawers Tall Black File Cabinets

19 Dell Monitors

1 Samsung Monitor

8 Dell Desktop Computers (CPU)

2 Microsoft Wireless Keyboards

2 HP Computer Mice

1 Computer Mouse (Brand Unknown)

3 HP Desktop Computers (CPU)

10 Samsung Phones

3 Plantronics Headsets

1UAttend Finger Print Scanner

1 Pitney Bows Mail Station

6 Logitech Keyboards

1 Altec Lansing Speaker Set

5 Logitech Mouse

1 Keyboard (Brand Unknown)

1 Metal Crab 3D Wall Decoration

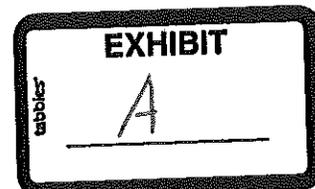
7 Tape dispensers

7 Staplers

1 Ali Wireless Mouse

1 Microsoft Wireless Desktop Receiver

{29582297;1}



5 Belkin Surge Protectors

2 Tripp Lite Surge Protectors

3 APC Surge Protectors

4 USB Video Cards

8 Trash Cans (one black wire wastebasket on table)

Inventory Suite 111 Reception

1 Potted Plant

1 Glass Coffee Table

3 Black Stationary Chairs

2 Back Rolling Office Chairs

1 Water Cooler

1 Reception Desk

1 HP Desk Top Computer (CPU)

1 Dell Monitor

1 Samsung Phone

1 HP Keyboard

1 Trash Can

1 Belkin Surge Protector

1 Maroon and White Golf Umbrella

In the Storage Closet were the Following Items...

2 Nestle Pure Life Water Cooler Bottles

1 Perfect heavy Duty Commercial Vacuum

1 Stack of Plastic Cups for the Water Cooler

1 Set of Used Blinds

1 Unopened Package of Sequoia Series Laminate Flooring

1 Used Rug (Rolled)

1 Dry Mop

1 Wet Mop

1 Mop Bucket on Wheels

In "Tiger Direct Plastic Bag"

1 Package Ultra Audio/Video Cable HDMI

Miscellaneous wires, cords, parts, remotes for TV

Inventory Suite 111 Conference Room #1

1 White Board

1 Opened Pack of Expo Markers

2 Black Stationary Chairs

8 Black Rolling Office Chairs

1 LG Flat Screen TV (EST 60in)

1 Didgear TV Wifi Connector with Cables

1 Mini Fridge

1 Polycom Voice Conference Speaker

1 Samsung Phone

1 Oval Conference Table with Power Station in the Middle

1 Wireless Transmitter USB Connector

Inventory Suite 111 Break Room

1 Water Cooler

2 Nestle Pure Life Water Cooler Bottles

1 Staples Paper Shredder

1 Round Table

4 Gray Stationary Chairs

1 Large Trashcan

1 Pack of Nestle Pure Life Bottle Water with one bottle missing

Inventory Suite 111 Kitchen

1 Rival Coffee Maker

1 Frigidaire Refrigerator

1 Cuisinart Toaster

1 Rival Microwave

1 Pack of Papers Towels (Opened)

2 Boxes of Tall Kitchen Drawstring Garbage Bags

1 Plantronics Headset (broken)

2 Packs of Wooden Coffee Stir Sticks

Inventory suite 111 Office A "Hoffman's Office"

1 desk

2 Black Stationary Chairs

1 Black Rolling Office Chair

1 3D Fish painting

1 Beach Landscape Painting

1 Desk Organizer (with Scissors and Letter Opener)

1 Set CA Speakers

1 Gray Stapler

1 Set of Headphones

1 Tape Dispenser

1 Samsung Phone

1 Barry Sanders Detroit Lions Jersey Signed in Glass Display Case

1 LG Monitor

1 Ali Wireless Mouse

1 Ali Wireless Keyboard

1 HP Officejet 4620 Printer

1 Logitech Keyboard

1 HP Mouse

1 Rolling File Cabinet

1 Stationary File Cabinet

1 Cork Board

Inventory Suite 111 Office B

2 Desks

2 Gateway Monitors

2 Samsung Phones

1 Desktop File Organizer

2 Black Rolling Office Chairs

1 Black Stationary Chair

1 Set Logitech Speakers

1 trash Can

1 Verismo K-fee Coffee Maker

1 Metal Sun Wall Art Still in its Shipping Box

1 Clear Glass Candy Dish

1 APC Surge protector

1 Belkin Surge Protectors

1 LG Monitor

1 Dell Desktop Computer (CPU)

Inventory Suite 111 Office C

2 Dell Monitors

1 HP Desktop computer (CPU)

1 HP Mouse

1 Sabrent USB Video Card

1 Samsung Phone

1 Black Stationary Chair

1 Box of Office Depot #10 Envelopes 500 (opened)

2 Boxes of Office Depot Jumbo Paperclips

3 stacks of yellow post its

1 Desk

1 File Cabinet

1 Fellow Binding Machine

1 Box of Binding Clips (which was almost empty)

1 Trash Can

1 Box of 12 x 15 ½ Inch Clasp Envelopes 100 Count

1 Box 9 x 12 Inch Clasp envelopes 100 count

1 two-hole punch

1 box Acco Prong Fasteners 100 count

1 box Misc cords

1 stapler

1 stack clear plastic covers

33 Fedex Envelopes

Inventory Suite 111 Office D "Sean Farley"

1 Desk

1 File Cabinet

2 Black Stationary Chairs

1 Black Rolling Office Chair

1 Black Desk Lamp

1 Clear Light Blue Table Lamp

1 Brown Floor Lamp

1 3D Fan Art Piece by Sami

1 Art Piece by Carolyn Kinder (Looks like T decorated)

1 APC Surge Protector

1 USB Video Card

2 Dell Monitors

1 Samsung Phone

1 Dell Desktop Computer (CPU)

1 Logitech Mouse

1 Dell Printer

1 CA Speaker Set

1 Mouse Pad

1 Trash Can

1 Belkin Surge Protector (In Second Drawer of Desk)

1 White Extension Cord

1 Box Sean Farley Business Cards (Under the Desk)

3 Books

The Heavenly Man by Brother Yun with Paul Hathaway

Chain of Command: The Road from 911 to Abu Ghraib by Seymour M. Hersh

Three Complete Books: The Power of Positive Thinking, The Positive Principal Today, and Enthusiasm makes a Difference by Norman Vincent Peale

Inventory Suite 111 Office E

2 Desks

2 Black Rolling Office Chairs

1 Black Stationary Chair

3 Desk fans (1 White Windmere, 1 Black of unknown brand, 1 Black Living Solutions)

1 Two-Bulb Silver Floor Lamp

1 Single Bulb Silver Floor Lamp

1 Vasily Kandinsky Print in Frame

1 Newspaper Framed on Wall (The Dallas Morning News, "Blue Grit")

1 Painting (Mustangs by Rico Tomaso)

2 dell Monitors

2 Logitech Keyboards

1 Logitech Mouse

2 Plantronic Head Sets

2 Samsung Phones

1 Honeywell Floor Fan

1 Dell Desktop Computer (CPU)

1 Mouse Pad (U Canes)

2 Trash Cans

1 Logitech Wireless Mouse

1 Calculator

1 Silver Desk Lamp

1 Gear Head Speaker Set

1 Haier Mini fridge

1 HP Desktop Computer (CPU)

3 Belkin Surge Protectors

1 TSSJ Monitor

1 LG Monitor

Inventory Suite 111 Office F "James Osten"

1 Desk

1 Black Stationary chair

1 Black Rolling Office Chair

1 Silver Desk Lamp

1 File Cabinet

1 Bookshelf

1 Dell Printer

1 Ash Tray

1 Statue of a Round Man Holding a Scale

1 Binder with "Program Materials"

1 Miami Dolphins Helmet with Signatures of a Separate Piece of Paper

2 Black Plastic Paper Trays

1 Stapler

2 Dell Monitors

1 Calculator

2 Samsung Phones

1 Set of Logitech Speakers

1 Microsoft Keyboard

1 Logitech Keyboard

1 Logitech Computer Mouse

1 Black Computer Mouse of Unknown Brand

1 I-INC Computer Monitor

1 APC Surge Protector

1 HP Desktop Computer (CPU)

1 IBM "Thing Centre" by Lenovo Desktop Computer (CPU) *Will not turn in maybe the switch is bad.

1 Netgear Router

1 Trash Can

Inventory Suite 111 Office G

1 Desk

1 Stationary Black Chair

1 Black Rolling Office Chair

2 Dell Monitors

1 Samsung Phone

1 Swingline Stapler

1 Samsung Printer

1 Logitech

1 HP Desktop Computer (CPU)

1 APC Power Surge Protector

1 Trashcan

1 Logitech Keyboard

1 Logitech Wireless Mouse.

Inventory Suite 111 Office H

1 RecordShred Shred Disposal Box

1 File Cabinet

1 Desk

1 Black Rolling Office Chair

1 Black Stationary Chair

2 Trash Cans

1 IBM Think Centre by Lenovo Desktop Computer (CPU)

2 Dell Monitors

1 APC Power Surge Protector

1 Logitech Keyboard

1 Logitech Mouse

1 Samsung Phone

1 Swingline Stapler

1 Allsop Mouse Pad

Inventory Suite 205 Main Room

8 Desks

7 Monitors

4 Desk Top Computers (CPU)

5 Phones

3 Keyboards

1 Paper Shredder

1 Photo Copier

3 File Cabinets

1 Refrigerator

1 Microwave

1 Coffee Maker

1 Toaster

1 Printer

7 Surge Protectors

3 Headsets

1 UAttend Fingerprint Scanner

4 Computer Mice

4 Trash Cans

2 Netgear

1 Water Cooler

4 Full Bottle of Nestle Pure Life

1 Automatic Power Center APC Battery Back Up (in Tech Closet)

Inventory Suite 205 Office A

1 Desk

3 Office Chairs

1 Fan

1 Cubical Partition

2 Desk Top Computers (CPU)

2 Monitors

5 Keyboards

2 Wall Paintings

2 Phones

8 Plantonics Boxes (Empty)

1 Mouse

1 Mouse Pad

Inventory Suite 205 Office B (Harper's Office)

1 Desk

1 Phone

1 Headset

1 Mini Fridge

6 Office Chairs

1 Desk Top Computer (CPU)

1 Office Serve 500 Telephone System,

1 White Board with Eraser (on floor) 2 Expo Markers

1 Collectors Football in Glass Case

4 Sun Wall Decorations

1 Palm Tree Wall Decoration

1 Floating Shelf in Package

3 Personal Photos in Frames

1 Empty Picture Frame

1 Stapler

1 calculator

1 Mug

7 Pens

1 Trash Can

1 APC Surge Protector

1 Netgear WIFI Router

1 Drink Coaster

1 "The Secret of Success" Box

1 "You Said Yesterday Tomorrow" Sign

1 Small Eiffel Tower Statue (Under Desk)

1 box of Business Cards (Under Desk)

Inventory Suite 205 Office C

2 File Cabinets

2 Phones

2 Monitors

1 Computer Mouse

6 File Trays

1 Keyboard

2 "The Assistant Handbooks"

2 VGA to HDML Monitor Connectors

1 Trash Can

2 Surge Protectors

1 Trendnet Ethernet Switch

Inventory Suite 205 Office D

3 Office Chairs

2 Dell Monitors

1 Desk

1 Keyboard

1 Basketball Clock on Floating Shelf

1 Set Bose Speakers

1 Phone

1 Computer Mouse

1 Calculator

1 File Organizer

1 Basketball Candy Jar (Under Desk)

1 HP Desk Top Computer (CPU)

1 Trash Can

1 Stapler

1 APC Surge Protector

1 Logitech Wireless

Inventory 204 Main Room

6 Keyboards

14 Monitors

10 Desks

1 Refrigerator

8 Phones

8 Chairs

2 Wireless Headsets

8 Desk Top Computers (CPU)

9 Surge Protectors

2 Large Whiteboards

4 Boxes of Copy Paper (Top One Open)

5 3D Fish Wall Decorations

1 Book Shelf

On The Book Shelf Were the Following...

5 Hard Drives

4 Microsoft office Downloads

5 Samsung Ink Cartridges

2 Headsets

1 Keyboard

1 Ink Technologies Toner Cartridge

3 Computer Mice

10 Boxes file Folders

1 Packet Blank CD's

1 Box Dry Erase markers

- 8 Blank Legal Notepads
- 1 Box of Labels
- 8 Paper Trays
- 2 Boxes of Prong Fasteners
- 4 Pairs of Scissors
- 2 Container of Binder Clips
- 1 Surge Protector
- 3 Virus Protection CD's

Inventory Suite 204 Office E (Benn Willcox)

2 Book Shelves (Empty)

2 Pieces of Art (Sailboat Photo/ Palm Tree Painting)

2 Monitors

1 Desk Top Computer (CPU)

1 Desk

1 Mini Fridge

2 File Cabinets

1 Fellow's Paper Shredder

1 APC Surge Protector

1 Large Bass Speaker (Under Desk)

2 Small Speaker on Desk

1 Phone

1 Headset

1 Dell Printer

1 Keyboard

A Mouse

1 Netgear Router

3 Office Chairs

1 Nexstar 3 External Hard Drive

1 Personal Picture

1 Tape Dispenser

1 Office Organizer (Full of Miscellaneous Objects)

1 Phillips Sarco Espresso Machine

1 Box Espresso Packages

2 Boxes Full of Files

1 Trash Can

3 Coffee mugs

Inventory Suite 204 Office F (Erica McCartney)

2 Desks

1 Office Chair

1 Desk Top Computer (CPU)

2 ACER Monitors

1 Dell Printer

3 File Cabinets (1 Large, 2 Small)

1 Two-Hole Punch

1 Tape Dispenser

1 Keyboard

1 Mouse

1 Phone

2 Small Dell Speakers

1 Trash can

1 Stapler

2 Desk Top File Organizers

1 *Payroll Answer Book*

1 *Complete Guide to Human Resources and The Law*

1 Ultimate Employer Book

1 HR Records Retention Book

1 Binder with "NIDA Form I-9 Records"

1 Binder with "Health Insurance Probability/ Accountability"

1 Trash Can

2 Surge Protectors

1 Dell Side Speakers (On Floor)

1 Hand Mixer (On Floor)

1 Thigh Master Ring

1 Weighted Ball

1 Book Shelf

On The Book Shelf Were the Following...

3 Packs Hammermill Paper

1 Box 12 x 15 ½ in Clasp Envelopes

1 Pack Sheet Protectors

3 Boxes Office Depot Envelopes #10

2 Boxes 9 x 12 Inch Clasp Envelopes

1 Box Quality Park Products 500 Reveal N Seal Envelopes

1 Yellow Legal Pad

1 College Ruled Notebook

2 Boxes Fellows Plastic Combs (Book Binding)

1 Pack Binding Covers

2 Boxes Smead Brights File Folders

1 Pack Office Depot Sticky Notes (Opened)

5 Packs of Post It Flags

1 HP 60 XL Ink Cartridge

1 HP 564XL Ink Cartridge

2 HP 950 XL Ink Cartridges Officejet (1 Black, 1 Magenta)

1 Pitney Bowes Small Office Series Flurescent Red Ink Cartridge

1 HP HP 564XL Black, 564 Cyan, 564 Magenta, 564 Yellow Ink cartridges Pack

1 Pack Binding Covers

1 Large Binder Clips Pack

- 1 UAttend Finger Scanner
- 1 Black & Decker Dust Buster
- 1 First Aid Kit
- 1 Pack Correction Tape (Opened, 1 Missing)
- 1 Three Hole Punch
- 2 Calculators
- 7 Office Depot 100 Jumbo Paper Clips Boxes (Opened Pack of 10)
- 5 Boxes of Pens (Many Opened)
- 3 Boxes 2-Inch Prong
- 1 Package Highlighters (Opened)
- 1 Box Expo Markers
- 1 Box of Staples

Inventory Suite 209

5 Dell Monitors

16 Dell Desk top PC (CPU)

4 Computer Mice

4 Desks

1 Folding Table

1 Folding Chair

4 Phones

9 Cubical Partitions

13 Headsets (1 in a box)

14 Hard Drives in a Box (some still in packaging)

1 Box Coffee Stir Sticks (box looked opened)

1 Stack Clear plastic cups (opened)

1 Office Chair

2 Surge Protectors

4 Powerchute Product Registries

1 Dymo Scale

1 Box Benn Willcox Business Cards

1 Used Printer Cartridge

3 Packs of RAM in LED Bags

1 Box with Speakers

2 CD/DVD Drives

1 Box with 3 XFX Radian Graphics Cards and 1 Hard Drive

1 Monitor Stand

1 brother Ink Cartridge Still in Box

CFPB COLLECTION
MATTER # 2013-1004-02

Make	Model	S/N	Product ID	User	Location Found	Previewed (Y/N)	Imaged (Y/N)	Hard Drive Status	Case Team Reviewer	Examiner	Notes
HP	Compaq dc7700 Convertible Minitower	2UA73316XL			Suite 111 Reception Area	N	N			Dan Gillenwater	51 on a label on top of the computer; Processor on a label on the front of the computer
Dell	Optiplex 745		4522830481	Roys Palacios	Suite 111 Main Room Desk 1	N	N			Dan Gillenwater	Processor on a label on the top of the computer; Rollins College #0137 on a label on the top of the computer
Attend FingerPrint Ethernet Time Clock											
HP	Pro 3500 Series MT	BN4000-62376597		Betsy Rodriguez	Suite 111 Main Room Desk 2	N	N			Dan Gillenwater	No computer on this desk
HP		MXL3030B6R	C9J26UT#ABA		Suite 111 Main Room Desk 3	N	Y		Zach Mason	Dan Gillenwater	
Dell	Optiplex 755	8X2JZG1	19413934129	Megan/Jenn	Suite 111 Main Room Desk 4	N	N			Dan Gillenwater	169 LIB00322 on a label on top of the computer; Palm Beach County 10177647 on a label in the front of the computer; Note on desk had a note for Google Docs with the "Daily Schedule"
Dell	Optiplex GX520	6JPDJ91	1425217323	Terri Chernoff	Suite 111 Main Room Desk 5	N	N			Dan Gillenwater	80 on a label on top of the computer; City of Coral Springs 15306 on the front of the computer
Dell	Optiplex GX620	unable to read	41474114178	Jennifer	Suite 111 Main Room Desk 6	N	N			Dan Gillenwater	Labels on top of computer read "34" and "Broward County 292138"
Dell	Optiplex GX620	JFWM781	42320640637		Suite 111 Main Room Desk 7	N	N			Dan Gillenwater	Labels on top of computer read "27" and "Broward County 291408"
Dell	Dimension 3000	BDWW671			Suite 111 Main Room Desk 7	N	N			Dan Gillenwater	29 is on a label on the back of the computer
HP	Pro 3500 Series MT	MXL3011H8R	C9J26UT#ABA	Marshall Magloire	Suite 111 Main Room Desk 8	N	N			Dan Gillenwater	Labels on top of the computer read "Rollins College 1152" and "Surplus Property IT-SP1916"
Dell	Optiplex 745	1HHG6D1	3234015541		Suite 111 Main Room Desk 9	N	N			Dan Gillenwater	47 is on a label on the front of the computer and Property of Palm Beach County Z65128 is on a label on the top of the computer
HP	Compaq dc7800 CMT PC ALL	MXL8270LJ4			Suite 111 Main Room Desk 9	N	N			Dan Gillenwater	
Dell	Vostro 200	2Y4C3H1		Kimberly Czernowski	Suite 111 Main Room Desk 10	N	N			Dan Gillenwater	

CFPB COLLECTION
MATTER # 2013-1004-02

Make	Model	S/N	Product ID	User	Location Found	Previewed (Y/N)	Imaged (Y/N)	Hard Drive Status	Case Team Reviewer	Examiner	Notes
Dell	Optiplex 755	J6KVCG1		Marc Hoffman	Suite 111 Office A Desk 1	N	Y		Zach Mason	Dan Gillenwater	14 L1B00306 on a label on the top of the computer; Palm Beach County 1075883 on a label on the front of the computer
Dell	Optiplex 755	2R43DG1	5993027281	Jay Gerst	Suite 111 Office B Desk 1	N	Y		Zach Mason	Dan Gillenwater	93 LIB00314 on a label on top of the computer
					Suite 111 Office B Desk 2	N	N			Dan Gillenwater	Empty
HP	Compaq dc7600 Convertible Minitower	2UA61301SC		Michelle	Suite 111 Office C on the floor	N	N			Dan Gillenwater	52 on a label on the top of the computer; Processor on a label on the front of the computer
Dell	Vostro 200	84YB9G1	17713755793	Sean Farley	Suite 111 Office D	N	Y		Zach Mason	Dan Gillenwater	33 is on a label on the top of the computer
Dell	Vostro 200	259DKH1		Javier Garcia	Suite 111 Office E Desk 1	N	N			Dan Gillenwater	This machine was not plugged in; 22 is on a label on the side of the machine
HP	Pro 3500 Series MT	MXL33227QN	D8C46UT#ABA	Javier Garcia	Suite 111 Office E Desk 1	N	N			Dan Gillenwater	
Dell	Optiplex GX620	HFWM781	37967075965	Brandon Barker	Suite 111 Office E Desk 2	N	N			Dan Gillenwater	Labels on top of the computer read: "Broward County 291405" and "32"
IBM	Lenovo Thinkcenter MTN 8113	LKYVM1A		James Oster	Suite 111 Office F	N	Y		Zach Mason	Dan Gillenwater	Labels on the front of the computer read: "Dual", "SWF11917 IRD Asset Tag" and "06-00503"
HP	Compaq dc7800 CMT PC ALL	MXL8270LJT		James Oster	Suite 111 Office F	N	Y		Zach Mason	Dan Gillenwater	Z65132 is on a label on the top of the computer
HP	Compaq dc7600 CMT Base Unit	2UA6190C6D			Suite 111 Office G	N	N			Dan Gillenwater	50 is on a label on the top of the computer; Dual is on a label on the front of the computer
IBM	Lenovo Thinkcenter	LKNFY21			Suite 111 Office H	N	N			Dan Gillenwater	Labels on the front of the computer read: "07-00067", "Dual" and "SWF12144 IRD Asset Tag"
HP	ProBook 4540S	2CE33617BD	C9K7OUT#ABA	Ben Willcox	Suite 204 Office E	N	Y		Zach Mason	Erica Quarles	
Coolmaster	Generic	RC241KKR550N2 1132500860		Ben Willcox	Suite 204 Office E Desk 1	N	Y		Zach Mason	Erica Quarles	
Vantec	Nexstar3			Ben Willcox	Suite 204 Office E Desk 1	N	N			Erica Quarles	External HD Enclosure
Western Digital	WD1001FAES	WCATR7561708		Ben Willcox	Suite 204 Office E Desk 1	N	Y		Zach Mason	Jay Brown	Found in Desk Drawer

CFPB COLLECTION
MATTER # 2013-1004-02

Make	Model	S/N	Product ID	User	Location Found	Previewed (Y/N)	Imaged (Y/N)	Hard Drive Status	Case Team Reviewer	Examiner	Notes
Seagate	ST3504.18AS	9VMTL406		Ben Willcox	Suite 204 Office E Desk 1	Y	Y		Zach Mason	Jay Brown	Found in Desk Drawer
Western Digital	My Passport	WXS1CC159938		Ben Willcox	Suite 204 Office E Desk 1	Y	Y		Zach Mason	Erica Quarles	Found in Desk Drawer
Verizon	HTC	H-T43ESF02044		Ben Willcox	Suite 204 Office E Desk 1	N	Y		Zach Mason		Found in Desk Drawer; IMEI: 990004998432441
Eoenton	DataStick Pro	C3121086AH		Ben Willcox	Suite 204 Office E Desk 1	N	Y		Zach Mason	Erica Quarles	Found in Desk Drawer
					Suite 204 Office F Desk 1	N	N			Erica Quarles	Empty
Gateway	DX4870-UR20P	DTG00AA005221 0A9A89200		Erica McCartney	Suite 204 Office F Desk 2	N	Y		Zach Mason	Jay Brown	
Dell	Vostro 200	84YSQH1		Kristen Horne	Suite 204 Main Room Desk 1	N	N			Erica Quarles	
HP	500B MT	MXL20819XR	B2C00UT#ABA	Maira Mackenzie	Suite 204 Main Room Desk 2	N	N			Erica Quarles	40 on a label on the top of the computer
Dell	Optiplex 755	59GTTG1			Suite 204 Main Room on the floor behind Desk 2	N	N			Erica Quarles	13 on a label on the top of the computer
Dell	Precision 390	2QV3CD1	5977909333		Suite 204 Main Room on the floor behind Desk 2	N	N			Erica Quarles	
Dell	Optiplex 320	47JFNC1		Jeffrey Koss	Suite 204 Main Room Desk 4	N	N			Erica Quarles	44 on a label on the front of the computer
HP	Compaq dc700 Convertible Minitower	2UA73316WZ		Crystal Hernandez	Suite 204 Main Room Desk 5	N	N			Erica Quarles	Property of Palm Beach County Z209572 is on a label on the top of the computer
HP	Pro 3500 Series MT	MXL25113GX	C9J26UT#ABA	Diane Gonzalez	Suite 204 Main Room Desk 6	N	N			Erica Quarles	
Dell	Optiplex 755	86HXBG1	17807163697	Janelle Darnus	Suite 205 Main Room Desk 1	N	N			Erica Quarles	

CFPB COLLECTION
MATTER # 2013-1004-02

Make	Model	SIN	Product ID	User	Location Found	Reviewed (Y/N)	Imaged (Y/N)	Hard Drive Status	Case Team Reviewer	Examiner	Notes
HP	Compaq dc 7700 Convertible Minifooter	2UA73316XP		Stacey McNesky	Suite 205 Main Room Desk 2	N	Y		Zach Mason	Erica Quarles	Z65046 is on a label on the top; Processor is on a label on the front
HP	Pro 3500 Series MT	MXL2511LB0	C9J26UT#ABA	Joseph Gaillard	Suite 205 Main Room Desk 3	N	N			Erica Quarles	
					Suite 205 Main Room Desk 4	N	N			Erica Quarles	No computers
Dell	Optiplex 755	J7BVRD1	41802085189	Edgar Gonzalez	Suite 205 Main Room Desk 5	N	Y		Zach Mason	Erica Quarles	37 on a label on the top of the machine
Dell	Optiplex 755	H573VF1	37319568589		Suite 205 Office A	N	N			Erica Quarles	6191-015067 on a label on the front of the computer
IBM	Lenovo Thinkcenter	8113WSH LKZYLSX			Suite 205 Office A on the floor	N	N			Erica Quarles	14 on a label on the top of the computer. Labels on the front of the computer are "SWF12057 IRD Asset Tag" and "06-00969" "3GB"
Dell	PABX Server 192.168.0.203	5934MB1		Michael Harper	Suite 205 Office B	N	Y		Zach Mason	Erica Quarles	
					Suite 205 Office C	N	N			Erica Quarles	Empty
HP	Pro 3500 Series MT	MXL2510142	C9J26UT#ABA	Matt Gilbert	Suite 205 Office D	N	Y			Erica Quarles	
Lexar	LJDS70-16G-000-120 X	34137-16GBGA 1314S	N12610	Matt Gilbert	Suite 205 Office D	Y	Y		Zach Mason	Erica Quarles	Found in the Desk Drawer
					Suite 206						Office Empty
Dell	Optiplex 775	4DBQXH1	9512921845		Suite 209 Office B on the floor	Y	N			Jay Brown	Internal HDD: Samsung 80GB model: HD083GJ S/N: SQVBJ90S157251
Dell	Dimension 3100	2934MB1	4903014637		Suite 209 Office A	Y	N			Jay Brown	Stack against the wall
Dell	Dimension 3100	FPRN191		James Oster	Suite 209 Office A	Y	Y		Zach Mason	Jay Brown	Internal HDD: Seagate 80GB model: ST3808110AS S/N: 9LR3TLJM in a stack against the wall
Dell	Optiplex 320	B6JPMC1			Suite 209 Office A	Y	N			Jay Brown	Stack against the wall
Dell	Dimension 3100	6934MB1			Suite 209 Office A	Y	N			Jay Brown	Stack against the wall
Dell	Optiplex 210L	HTWMWB1	38813634829		Suite 209 Office A	Y	N			Jay Brown	Stack against the wall
Dell	Optiplex 210L	5TWMWB1			Suite 209 Office A	Y	N			Jay Brown	Stack against the wall
Dell	Dimension 3100	150V6B1			Suite 209 Office A	Y	N			Jay Brown	Stack against the wall

CFPB COLLECTION
MATTER # 2013-1004-02

Make	Model	S/N	Product ID	User	Location Found	Previewed (Y/N)	Imaged (Y/N)	Hard Drive Status	Case Team Reviewer	Examiner	Notes
Dell	Dimension 3100	2YTWZ91			Suite 209 Office A	Y	N			Jay Brown	Stack against the wall
Dell	Dimension 3100	6QRN191			Suite 209 Office A	Y	N			Jay Brown	Stack against the wall
Dell	Optiplex 320	9763KC1			Suite 209 Office A	Y	N			Jay Brown	Stack against the wall
Dell	Optiplex 210L	9TWMWB1			Suite 209 Office A	Y	N			Jay Brown	Stack against the wall
Dell	Dimension 3100	GTSXBB1	36630620029		Suite 209 Office A	Y	N			Jay Brown	Stack against the wall
Dell	Optiplex 320	B6JPMC1	24340512097		Suite 209 Office A	Y	N			Jay Brown	Stack against the wall
HP	Compaq dc7800	MXL8130297			Suite 209 Office B	Y	N			Jay Brown	160GB HDD with a white label Model: WL160GSA872
Dell	Dimension 3000	6YV7M71			Suite 209 Office A	Y	N			Jay Brown	Stack against the wall
Western Digital	WD400	WMAMC6639851			Suite 209 Office B	Y	N			Jay Brown	Found in a box on the floor with multiple hdds
White Label	WL160GSA872				Suite 209 Office B	Y	N			Jay Brown	Found in a box on the floor with multiple hdds
Samsung	HD080HJ/P	S0DEJ1L818256			Suite 209 Office B	Y	Y		Zach Mason	Jay Brown	Found in a box on the floor with multiple hdds
White Label	WL160GSA872				Suite 209 Office B	Y	N			Jay Brown	Found in a box on the floor with multiple hdds
White Label	WL160GSA872				Suite 209 Office B	Y	N			Jay Brown	Found in a box on the floor with multiple hdds
White Label	WL160GSA872				Suite 209 Office B	Y	N			Jay Brown	Found in a box on the floor with multiple hdds
White Label	WL160GSA872				Suite 209 Office B	Y	N			Jay Brown	Found in a box on the floor with multiple hdds
White Label	WL160GSA872				Suite 209 Office B	Y	N			Jay Brown	Found in a box on the floor with multiple hdds
White Label	WL160GSA872				Suite 209 Office B	Y	N			Jay Brown	Found in a box on the floor with multiple hdds
White Label	WL160GSA872				Suite 209 Office B	Y	N			Jay Brown	Found in a box on the floor with multiple hdds
White Label	WL160GSA872				Suite 209 Office B	Y	N			Jay Brown	Found in a box on the floor with multiple hdds
White Label	WL160GSA872				Suite 209 Office B	Y	N			Jay Brown	Found in a box on the floor with multiple hdds
White Label	WL160GSA872				Suite 209 Office B	Y	N			Jay Brown	Found in a box on the floor with multiple hdds
White Label	WL160GSA872				Suite 209 Office B	Y	N			Jay Brown	Found in a box on the floor with multiple hdds
White Label	WL160GSA872				Suite 209 Office B	Y	N			Jay Brown	Found in a box on the floor with multiple hdds
White Label	WL160GSA872				Suite 209 Office B	Y	N			Jay Brown	Found in a box on the floor with multiple hdds
White Label	WL160GSA872				Suite 209 Office B	Y	N			Jay Brown	Found in a box on the floor with multiple hdds



Mark J. Bernet

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July 21, 2014

Via e-mail to richard.epstein@gmlaw.com

Richard W. Epstein, Esquire
GreenspoonMarder, P.A.
200 East Broward Boulevard, Suite 1800
Ft. Lauderdale, Florida 33301

**Re: Consumer Financial Protection Bureau and The State of Florida,
Office of the Attorney General v. Michael Harper, et al.
Case no. 14-80931-CIV-Cohn (Under Seal)
United States District Court, Southern District of Florida**

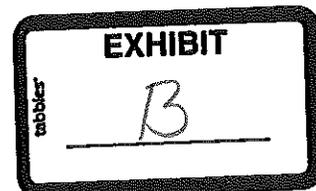
Dear Mr. Epstein:

I understand that your firm will assume the representation of all of the Defendants in this case. This comes as a mild surprise because, in my view, your firm has a conflict of interest that would preclude the global representation that you claim. That issue, however, I will leave to you, although I suspect that I may note it in my report.

Your firm has actively represented The Residential Litigation Group for some period of time. I have a copy of your firm's invoice no. 669253, dated May 21, 2014. That the invoice is addressed to "The Residential Litigation Group" suggests to me that your firm has represented the "enterprise" (as that term is used in the Complaint) since at least 2012. I note that the address on your invoice for "The Residential Litigation Group" is not that firm's present address, but instead is the address of the Harper/Willcox companies File Intake Solutions, Nationwide Management Solutions and BM Marketing.

I understand that Mr. Birnbaum of your firm is the primary attorney for the "enterprise." Curiously, he appears to have billed very little time to the file, at least on the invoice that I am reviewing. This is all the more curious because Erica L. Franqui, an associate attorney with your firm, includes numerous time entries in which she speaks or corresponds or meets with Mr. Birnbaum, but there are no corresponding time entries from Mr. Birnbaum. I would like to know Mr. Birnbaum's policies on billing for his time. Please note that I also have possession of e-akerman.com

{29234821;1}



mails between Mr. Birnbaum and the various individual members of the "enterprise" that, on their face, seem to suggest that Mr. Birnbaum was involved with the "enterprise" in many capacities. I understand that Mr. Birnbaum is out of the country at present; when do you anticipate that he will return? I would like to meet with him as soon as he does.

I understand from our telephone conversations that you intend to proceed with the preliminary injunction hearing presently scheduled for July 28, 2014. I will therefore have my initial report prepared and filed by July 27, 2014. My usual practice is to provide a draft copy of my report to counsel in advance to solicit comments or objections, but in this instance I do not know if that is possible.

I understand that Mr. Harper has returned to Florida. I left him a telephone message earlier this morning asking him to meet me tomorrow (July 22, 2014) at 9:30 at The Hoffman Law Group's offices (860 US Hwy 1, Suite 111, North Palm Beach, Florida). His cell phone appeared to be turned off. In a prior conversation, he said that he would happily meet with me at any time, and so I expect that tomorrow's meeting will proceed at 9:30 a.m. Among the many topics that I intend to discuss is how to access the website for The Hoffman Law Group. Please be sure that Mr. Harper has this information available for me. In fact, if you can, please send it to me today.

As Receiver, I control the attorney-client privilege for File Intake Solutions, Network Intake Solutions, Nationwide Management Solutions, BM Marketing and, of course, The Hoffman Law Group, f/k/a The Residential Litigation Group. In that regard, I hereby instruct you not to speak with any persons or entities, including without limitation the press, Mr. Harper, Mr. Willcox, and Mr. Hoffman, concerning issues in which you have represented the companies previously. I also request that you provide me with copies of the following:

- Invoices for services rendered to or on behalf of any of the Receivership Defendants;
- Correspondence to, or related to your firm's representation of, the Receivership Defendants;
- Work product related to your firm's representation of the Receivership Defendants;
- E-mails between any members of your firm, including without limitation Mr. Birnbaum, Mr. Christopher Meier, and Ms. Franqui, relating to your firm's representation of any of the Receivership Defendants;

Richard Epstein, Esquire
July 21, 2014
Page 3

- E-mails or correspondence or work product relating to Mr. Birnbaum's "vetting" of potential local counsel for The Hoffman Group.

When you and Mr. Harper provide me with the information necessary to access The Hoffman Law Group's website, and after the Court's order sealing the file has expired, I intend to place a notice on the website to inform the firm's clients of what has happened. I would consider posting a statement from Mr. Hoffman (not from Willcox or Harper); if he would like me to consider his statement, please have him prepare it and send it to me at your earliest convenience.

I look forward to hearing from you.

Very truly yours,



Mark J. Bernet

MJB:tm

Mark J. Bernet, Receiver

INVOICE

INVOICE #14-1011-1
DATE: SEPTEMBER 16, 2014

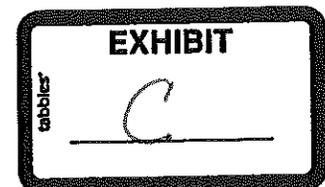
TO:

FOR:

MARK J. BERNET, as Receiver for Hoffman Law Group, P.A., etc.

Services rendered and costs incurred for the period 07/07/2014 through

DESCRIPTION	HOURS	RATE	AMOUNT
07/10/2014 – Preparation for upcoming lawsuit and for service of TRO (first-day preparations), including conference call with CFPB, FLAG and US Marshalls (1.3); internet research on defendants (2.7)	3.0	325.00	925.00
07/14/2014 – Further prep for service of immediate access order (lining up personnel, witness interviews, bank account freezes, etc.)	1.5	325.00	487.50
07/15/2014 – Discussions with FLAG and CFFPB re TRO and pending lawsuit and coordinate service of TRO/immediate access order	0.5	325.00	162.50
07/16/2014 – FIRST-DAY MATTERS: Prepare for and execute immediate access order (2.5); review and analysis of Complaint and motion for TRO with supporting materials and TRO (2.0); interview employees and coordinate securing of ESI and paper documentation (3.5); meeting with attys for FLAG and CFPB re issues concerning immediate access order (2.0); deal with press issues in light of court order sealing file (0.5); analysis of issues concerning Hoffman Law Group's thousands of clients and need to protect same (including call to Florida Bar) (2.0); meeting with Marc Hoffman and prepare notes of same (1.5) review of documentation and ESI to attempt to understand relationship between receivership and defendants (3.5) (total time spent was over 17 hours)	12.0	325.00	3,900.00
07/17/2014 – Telephone calls to/from FLAG and CFPB re witness issues (0.5); further analysis of issues concerning Hoffman Law Group's clients and Bar issues associated therewith (1.3); set up Receiver's website and arrange for content to be uploaded (1.2); telephone calls to M. Hoffman concerning client issues, Bar issues (0.5); telephone calls to/from B. Willcox re service of process and re setting up meeting (0.5); telephone calls to Florida Bar re HLG's issues associated with clients (0.5); preparation of letter to Florida Bar re receivership and effect on clients (0.8); discussions with Greenspoon Marder re status of lawsuit (0.4); internet research re allegations against HLG (2.5)	5.0	325.00	1,625.00



<p>07/18/2014 – AT RECEIVERSHIP DEFENDANTS' OFFICES: Prepare for and meet with Benn Willcox and interview same, and prepare memo re same (4.3); review documentation and ESI at facility and from Willcox's cell phone (1.4); discussions with FLAG and CFPB re preliminary injunction hearing and timing of receiver's report, and clients of HLG and need to protect same (1.0); analysis of fund transfers (2.2); telephone call to former employees re financial information from companies (0.3); telephone discussions with Harper to set up meeting/interview (0.4); telephone calls to Greenspoon firm re various legal issues (0.3); review bills to HLG and other receivership defendants from Greenspoon firm (0.5); administrative matters (electric bill, internet router with wireless signal, estate planning matters for principals, etc.) (1.5)</p>	9.5	325.00	3,087.50
<p>07/21/2014 -- IN-OFFICE DAY: Contact with R. Epstein regarding his clients' and firm's compliance/lack of compliance with TRO and efforts to persuade him to comply (0.8); prepare subpoena to Greenspoon Marder re TRO issues and re information as to pending matters (0.6); telephone calls to Florida Bar and to law enforcement officials to schedule meetings in WPB on Tuesday and Wednesday (0.5); efforts to access Hoffman's website and to obtain login information from Harper and Greenspoon Marder (0.3) set up new Receivership website (1.2); discussions with plaintiff's attorneys re various matters (0.6); telephone calls from consumers re status of case (0.5); investigate IRS issues and issues concerning CRA and 323 Ventures (1.7); prepare formal demand letter to Greenspoon Marder requesting information concerning files and discuss same with Akerman's in-house General Counsel prior to sending (0.7); prepare Receiver's Initial Report (deadline was 07/29, subsequently learned that counsel for the parties agreed to extend the TRO through late-August) (2.5); prepare letter to Florida Bar re receivership and re issues raised by virtue of same (1.2)</p>	8.0	325.00	2,600.00
<p>07/22/2014 -- DAY SPENT AT RECEIVERSHIP DEFENDANTS' OFFICES: Review ESI and documents to investigate status of companies, etc. (5.5); meeting with Florida Bar investigator re issues associated with Hoffman and clients (1.0); conference call with Florida Bar staff attorneys and investigator re plans and procedures for servicing clients (0.4); set up Receivership website and re-direct HLG website, including preparing content for uploading to website (2.0); further preparations of Receiver's initial report (1.5)</p>	9.0	325.00	2,925.00
<p>07/23/2014 -- Telephone calls to/from R. Epstein regarding his clients' failure to comply with TRO and re Greenspoon Marder's lack of cooperation and re need for additional information (0.5); telephone calls to/from attorneys for Plaintiff re financial records and re materials I discovered on 07/22 in Receivership Defendants' offices (0.7); efforts to understand various pending legal matters in light of Greenspoon Marder's refusal to cooperate (1.2); telephone calls to/from Palm Beach Post reporter re unsealing of court file and re events of 07/16 (0.5); further work on Receiver's initial report (2.0)</p>	4.0	325.00	1,300.00
<p>07/24/2014 -- Review and analysis of various financial reports from Banks responding to TRO (0.4); efforts to obtain information from Greenspoon Marder, including numerous e-mails to/from R. Epstein (1.0); e-mails to/from attorneys for plaintiffs re status of investigations (0.7); telephone call to S. Hannon, Maryland attorney, regarding his firm's relationship with HLG, and prep e-mail to S. Hannon confirming same (1.4); review materials from Supreme Court to Florida Bar directing investigation concerning M. Hoffman (0.2); e-mails to/from R. Epstein regarding his clients' failure to provide financial disclosures in violation of TRO and his offer to cure the deficiencies by Friday, July 25, and then to provide that financial statements will not be provided by July 25 (0.2); review and analysis of e-mails and other materials (1.3); continued prep of Receiver's initial report (1.2)</p>	5.5	325.00	1,787.50

<p>07/25/2014 -- Further investigations, including: review and respond to e-mails from consumers (0.5); telephone calls from consumers (0.5); telephone calls and e-mails to/from Plaintiffs' attorneys regarding various investigative matters (1.2); efforts to obtain information from Greenspoon Marder law firm on various open matters involving receivership defendants (efforts were, again, unsuccessful) (0.8); telephone calls and e-mails to/from Florida Bar investigator (0.4); telephone calls and e-mails to/from New Mexico Atty General's office regarding open matter against Hoffman Law Group being ignored by Greenspoon Marder law firm (0.8) analysis of New Mexico AG's issues and attempt to piece together situation (0.4); telephone calls to/from Maryland Atty General's office regarding open matter against Hoffman being ignored by Greenspoon Marder (0.5); attempts to piece together situation concerning Maryland Atty General (0.6); telephone calls to/from Herskowitz law firm re open matters and re service of process for Maryland lawsuits (0.3); analysis of financial records provided by financial institutions (1.5)</p>	6.5	325.00	2,112.50
<p>07/28/2014 – MEETINGS IN PALM BEACH: Prepare for and meet with R. Epstein (atty for Defendants) re conflict of interest issues, ESI on open legal matters for receivership defendants, etc. (2.5); prepare for and meet with M. Hoffman (2 separate meetings) re business of receivership defendants, MARS Rule Issues, trust accounts, etc. (3.5); prepare for meeting with M. Harper, and brief meeting with M. Harper to allow him to retrieve personal items from Sulte 205 (2.4); prepare memo re notes of meeting with Hoffman and Epstein (1.0); prep of receiver's initial report (1.5)</p>	8.5	325.00	2,762.50
<p>07/29/2014 -- IN-OFFICE DAY: Prepare and revise memo regarding interview with Greenspoon Marder and Mark Hoffman (0.5); analysis of Greenspoon Marder's withdrawal issues (0.5); review of materials from office and prepare receiver's initial report (2.5); telephone calls from consumers re status (0.5); review e-mails on receivership website and respond to same (0.5); prepare Receiver's Update No. 1 dated July 29, 2014, for posting on website (0.5); telephone calls to/from attorneys for Plaintiffs re administrative matters, continuing preliminary injunction hearing, etc. (0.4); telephone calls to/from investigator for Florida Bar re Hoffman issues (0.3);</p>	5.0	325.00	1,625.00
<p>07/30/2014 -- IN-OFFICE DAY: Investigate issues with Maryland Secretary of State (1.3); prepare demand letter to Herskowitz law firm (1.4); prepare demand letter to S. Hannon law firm (Maryland atty) (1.2); review materials filed by Greenspoon Marder and analysis of same (0.3); telephone calls from potential attorneys for Harper (0.5); review documents from HLG (1.1); telephone call from atty for Oster Law Group (0.3); review e-mails from consumers on receiver's website and prepare responses to same (2.5)</p>	7.0	325.00	2,275.00
<p>07/31/2014 IN-OFFICE DAY: Review and analysis of financial disclosures from Harper and his companies (0.7); telephone call from W Huff (MD/VA/NJ atty) re his involvement with Herskowitz/Harper/Hoffman) (0.7) review e-mails on receivership website and respond to same (0.8); telephone calls from consumers re status (1.1); analysis of materials provided by Greenspoon Marder re 22 open matters in which that firm represented entities in receivership (2.2); telephone calls from attorneys for defendants re status, requests for advice, etc. (0.5); continued preparation of receiver's initial report (1.5)</p>	0.8	325.00	260.00
<p>08/08/2014 -- Further review of financial disclosures (0.5); arrange for meeting with Willcox/Harper at facility on August 14, 2014 (0.3); further efforts to understand trust accounting (0.5); continued prep of Receiver's Initial Report (1.3)</p>	2.3	325.00	747.50

08/12/2014 -- Analysis of bank accounts, and "trust accounts" in particular (0.5); communications with Florida Bar re lack of records for trust accounts and requesting guidance (0.5); telephone call from H. Lora re his representation of Hoffman and regarding Hoffman's strategy for Bar Complaints, CFPB lawsuit, etc. (0.5); E-mails to/from H. Lora re various matters (0.2); discussions with CFPB and FLAG attorneys re Oster deposition (0.4); prepare letters to financial institutions and to landlord re status (0.5);	2.3	325.00	747.50
08/13/2014 -- Prepare demand letters to financial institutions (1.0); prepare notices for filing in lawsuits in which Hoffman Law Group is a party (1.1); preparations for deposition of Jim Oster (0.5)	2.3	325.00	747.50
08/14/2014 -- PALM BEACH DAY: Meeting with landlord's representative regarding possession, rent, etc. (1.0); prepare for and participate in deposition of J. Oster (4.5) meeting/discussions with attys for Plaintiffs regarding strategies for counsel for defendants (0.5) discussions with M. Hoffman re various matters (0.25); preparation of Receiver's Initial Report (2.75); travel time (6.0, billing at 50 percent)	10	325.00	3,250.00
08/15/2014 -- Prepare demand letters to financial institutions (0.4); e-mails and telephone calls to/from potential attorneys for defendants re various matters (0.5); prepare demand letter to Harper relating to his \$225,000 cash (0.3); prepare demand letter to H. Lora demanding \$70,000 cash in Hoffman's possession (0.3); continued prep of Receiver's initial report (2.2); further communications with landlord re status (0.3); revisions to notices filed in Florida cases where Hoffman is counsel of record (0.5); discussions with in-house general counsel re issues associated with notices filed in Hoffman's cases (0.5)	4.3	325.00	1,397.50
08/18/2014 -- telephone calls to/from M. Harper's atty (Hornstine) re \$225,000 cash (0.2); prepare draft of motion for order authorizing Harper to purchase cashier's check (0.4); e-mails to/from L. Hornstine re draft of motion to purchase cashier's check (0.1); e-mails to/from CFPB and FLAG re Harper's decision to surrender \$225,000 and logistics of obtaining same (0.3); e-mails to/from M. Lehrman re New York cases (0.3); prepare Receiver's report for filing in NY cases and other Herskowitz cases (0.6);	1.7	325.00	552.50
08/19/2014 -- Prepare for and participate in conference call with attys for CFPB (0.5); telephone call from Hornstine re Harper's version of events with regard to \$50,000 paid to Greenspoon Marder, and analysis of possible contempt proceedings (0.5);	0.9	325.00	292.50
08/20/2014 -- Analysis of need to make disclosures to FBI and Florida Bar (0.5); e-mails and telephone calls from H. Lora re malpractice coverage (0.2);	0.6	325.00	195.00
08/22/2014 -- Correspondence to/from financial institutions re funds in account (0.3); review correspondence and discovery requests from CFPB to Harper, Hoffman and Willcox (0.5); e-mails to/from FLAG regarding imaging of computers (0.4);	1.0	325.00	325.00

08/25/2014 -- Telephone call from clerk to New Jersey judge re HLG lawsuit pending in NJ federal district court (0.3); telephone calls and e-mails to J. Thomas, NJ "of counsel" for HLG, re his role with HLG (0.8); further analysis of cash in Harper's position and prepare turnover motion directed at same (0.5); discussions with Florida AG re Harper's legal representation issues (0.2); telephone calls from atty re possible representation of Harper (0.2); telephone call to H. Lora re his motion (on behalf of Hoffman) for atty fees and living expenses and re turnover of remaining funds (0.3); review and analysis of various orders entered in HLG lawsuits in response to Receiver's status reports filed in such lawsuits (0.5) ; telephone calls and e-mails to/from Indiana AG's office re consumer complaint in Indiana (0.3); telephone calls and e-mails to/from D. Kramer, New Mexico AG's office, re pending complaint from New Mexico consumer (0.3)	3.0	325.00	975.00
08/26/2014 -- Prepare turnover motion addressed to Hoffman and e-mails to/from parties regarding same (good faith conference prior to filing) (0.7); prepare updates for posting on website (0.5); telephone calls and e-mails to/from newspaper reporter re turnover motions (0.2); analysis of individual defendants' financial information on financial disclosure forms (1.0); review consumer e-mails on receivership website and prepare responses (0.7) prepare second letter to TD Bank re responses to inquiries re amounts in account (0.4); telephone calls from atty for Harper re various matters (0.4)	3.5	325.00	1,137.50
08/27/2014 -- Telephone call to Matt Gilbert (former employee) re his role in company, his request for car keys, etc. (0.5); telephone calls to/from landlord re plan for dealing with space (0.5); arrange for opening bank account (0.3); revise motion to compel turnover of funds from Hoffman (0.5); review H. Lora's motion for attorneys' fees and for living expenses for Hoffman (0.3); continued preparation of Receiver's Initial Report (3.3); telephone call from newspaper reporter re turnover motion and regarding link between Hoffman and Berger cases (0.2); discussions with atty for FLAG re status of various matters (0.3); prep for upcoming depositions of Willcox and Harper (1.2); analysis of claims against attorneys for Hoffman Law Group (0.7)	6.8	325.00	2,210.00
08/28/2014 -- Review Hoffman's motion for atty fees and living expenses and prepare response to same (0.3); prepare withdrawal of motion to compel turnover of Hoffman funds (0.2); telephone call from M. Hoffman re malpractice insurance and re various other items (0.7); review materials from financial institutions (0.6); continued prep of Receiver's initial report (1.1) Review Hoffman's motion for atty fees and living expenses and prepare response to same (0.3); prepare withdrawal of motion to compel turnover of Hoffman funds (0.2); telephone call from M. Hoffman re malpractice insurance and re various other items (0.7); review materials from financial institutions (0.6); continued prep of Receiver's initial report (1.1)	2.6	325.00	845.00
08/29/2014 -- CONSUMER DAY: Review e-mails from consumers/clients and prepare responses to same (2.2) telephone calls to/from consumers re status and re likely next steps (1.5); e-mails to/from investigators with CFPB re consumer e-mails and complaints (0.4); e-mails to/from H. Lora re turnover motion (0.3); analysis of need for turnover motion against Greenspoon Marder (0.4); begin preparations for Harper and Willcox depositions on September 4, 2014 (0.7)	4.9	325.00	1,592.50
	132.00	325.00	42,850.00

Mark J. Bernet, Receiver

INVOICE

INVOICE #14-1011-1
DATE: SEPTEMBER 16, 2014

TO:

FOR:

MARK J. BERNET, as Receiver for Hoffman Law Group, P.A., etc.

Services rendered and costs incurred for the period 07/07/2014 through

DESCRIPTION	HOURS	RATE	AMOUNT
07/10/2014 – Preparation for upcoming lawsuit and for service of TRO (first-day preparations), including conference call with CFPB, FLAG and US Marshalls (1.3); Internet research on defendants (2.7)	3.0	325.00	925.00
07/14/2014 – Further prep for service of immediate access order (lining up personnel, witness interviews, bank account freezes, etc.)	1.5	325.00	487.50
07/15/2014 – Discussions with FLAG and CFFPB re TRO and pending lawsuit and coordinate service of TRO/immediate access order	0.5	325.00	162.50
07/16/2014 – FIRST-DAY MATTERS: Prepare for and execute immediate access order (2.5); review and analysis of Complaint and motion for TRO with supporting materials and TRO (2.0); interview employees and coordinate securing of ESI and paper documentation (3.5); meeting with attys for FLAG and CFPB re issues concerning immediate access order (2.0); deal with press issues in light of court order sealing file (0.5); analysis of issues concerning Hoffman Law Group's thousands of clients and need to protect same (including call to Florida Bar) (2.0); meeting with Marc Hoffman and prepare notes of same (1.5) review of documentation and ESI to attempt to understand relationship between receivership defendants (3.5) (total time spent was over 17 hours)	12.0	325.00	3,900.00
07/17/2014 – Telephone calls to/from FLAG and CFPB re witness issues (0.5); further analysis of issues concerning Hoffman Law Group's clients and Bar issues associated therewith (1.3); set up Receiver's website and arrange for content to be uploaded (1.2); telephone calls to M. Hoffman concerning client issues, Bar issues (0.5); telephone calls to/from B. Willcox re service of process and re setting up meeting (0.5); telephone calls to Florida Bar re HLG's issues associated with clients (0.5); preparation of letter to Florida Bar re receivership and effect on clients (0.8); discussions with Greenspoon Marder re status of lawsuit (0.4); internet research re allegations against HLG (2.5)	5.0	325.00	1,625.00

<p>07/18/2014 – AT RECEIVERSHIP DEFENDANTS' OFFICES: Prepare for and meet with Benn Willcox and interview same, and prepare memo re same (4.3); review documentation and ESI at facility and from Willcox's cell phone (1.4); discussions with FLAG and CFPB re preliminary injunction hearing and timing of receiver's report, and clients of HLG and need to protect same (1.0); analysis of fund transfers (2.2); telephone call to former employees re financial information from companies (0.3); telephone discussions with Harper to set up meeting/interview (0.4); telephone calls to Greenspoon firm re various legal issues (0.3); review bills to HLG and other receivership defendants from Greenspoon firm (0.5); administrative matters (electric bill, internet router with wireless signal, estate planning matters for principals, etc.) (1.5)</p>	9.5	325.00	3,087.50
<p>07/21/2014 -- IN-OFFICE DAY: Contact with R. Epstein regarding his clients' and firm's compliance/lack of compliance with TRO and efforts to persuade him to comply (0.8); prepare subpoena to Greenspoon Marder re TRO issues and re information as to pending matters (0.6); telephone calls to Florida Bar and to law enforcement officials to schedule meetings in WPB on Tuesday and Wednesday (0.5); efforts to access Hoffman's website and to obtain login information from Harper and Greenspoon Marder (0.3) set up new Receivership website (1.2); discussions with plaintiff's attorneys re various matters (0.6); telephone calls from consumers re status of case (0.5); investigate IRS issues and issues concerning CRA and 323 Ventures (1.7); prepare formal demand letter to Greenspoon Marder requesting information concerning files and discuss same with Akerman's in-house General Counsel prior to sending (0.7); prepare Receiver's Initial Report (deadline was 07/29, subsequently learned that counsel for the parties agreed to extend the TRO through late-August) (2.5); prepare letter to Florida Bar re receivership and re issues raised by virtue of same (1.2)</p>	8.0	325.00	2,600.00
<p>07/22/2014 -- DAY SPENT AT RECEIVERSHIP DEFENDANTS' OFFICES: Review ESI and documents to investigate status of companies, etc. (5.5); meeting with Florida Bar investigator re issues associated with Hoffman and clients (1.0); conference call with Florida Bar staff attorneys and investigator re plans and procedures for servicing clients (0.4); set up Receivership website and re-direct HLG website, including preparing content for uploading to website (2.0); further preparations of Receiver's initial report (1.5)</p>	9.0	325.00	2,925.00
<p>07/23/2014 -- Telephone calls to/from R. Epstein regarding his clients' failure to comply with TRO and re Greenspoon Marder's lack of cooperation and re need for additional information (0.5); telephone calls to/from attorneys for Plaintiff re financial records and re materials I discovered on 07/22 in Receivership Defendants' offices (0.7); efforts to understand various pending legal matters in light of Greenspoon Marder's refusal to cooperate (1.2); telephone calls to/from Palm Beach Post reporter re unsealing of court file and re events of 07/16 (0.5); further work on Receiver's initial report (2.0)</p>	4.0	325.00	1,300.00
<p>07/24/2014 -- Review and analysis of various financial reports from Banks responding to TRO (0.4); efforts to obtain information from Greenspoon Marder, including numerous e-mails to/from R. Epstein (1.0); e-mails to/from attorneys for plaintiffs re status of investigations (0.7); telephone call to S. Hannon, Maryland attorney, regarding his firm's relationship with HLG, and prep e-mail to S. Hannon confirming same (1.4); review materials from Supreme Court to Florida Bar directing investigation concerning M. Hoffman (0.2); e-mails to/from R. Epstein regarding his clients' failure to provide financial disclosures in violation of TRO and his offer to cure the deficiencies by Friday, July 25, and then to provide that financial statements will not be provided by July 25 (0.2); review and analysis of e-mails and other materials (1.3); continued prep of Receiver's initial report (1.2)</p>	5.5	325.00	1,787.50

07/25/2014 -- Further investigations, including: review and respond to e-mails from consumers (0.5); telephone calls from consumers (0.5); telephone calls and e-mails to/from Plaintiffs' attorneys regarding various investigative matters (1.2); efforts to obtain information from Greenspoon Marder law firm on various open matters involving receivership defendants (efforts were, again, unsuccessful) (0.8); telephone calls and e-mails to/from Florida Bar Investigator (0.4); telephone calls and e-mails to/from New Mexico Atty General's office regarding open matter against Hoffman Law Group being ignored by Greenspoon Marder law firm (0.8) analysis of New Mexico AG's issues and attempt to piece together situation (0.4); telephone calls to/from Maryland Atty General's office regarding open matter against Hoffman being ignored by Greenspoon Marder (0.5); attempts to piece together situation concerning Maryland Atty General (0.6); telephone calls to/from Herskowitz law firm re open matters and re service of process for Maryland lawsuits (0.3); analysis of financial records provided by financial institutions (1.5)	6.5	325.00	2,112.50
07/28/2014 – MEETINGS IN PALM BEACH: Prepare for and meet with R. Epstein (atty for Defendants) re conflict of interest issues, ESI on open legal matters for receivership defendants, etc. (2.5); prepare for and meet with M. Hoffman (2 separate meetings) re business of receivership defendants, MARS Rule issues, trust accounts, etc. (3.5); prepare for meeting with M. Harper, and brief meeting with M. Harper to allow him to retrieve personal items from Suite 205 (2.4); prepare memo re notes of meeting with Hoffman and Epstein (1.0); prep of receiver's initial report (1.5)	8.5	325.00	2,762.50
07/29/2014 -- IN-OFFICE DAY: Prepare and revise memo regarding interview with Greenspoon Marder and Mark Hoffman (0.5); analysis of Greenspoon Marder's withdrawal issues (0.5); review of materials from office and prepare receiver's initial report (2.5); telephone calls from consumers re status (0.5); review e-mails on receivership website and respond to same (0.5); prepare Receiver's Update No. 1 dated July 29, 2014, for posting on website (0.5); telephone calls to/from attorneys for Plaintiffs re administrative matters, continuing preliminary injunction hearing, etc. (0.4); telephone calls to/from investigator for Florida Bar re Hoffman issues (0.3);	5.0	325.00	1,625.00
07/30/2014 -- IN-OFFICE DAY: Investigate issues with Maryland Secretary of State (1.3); prepare demand letter to Herskowitz law firm (1.4); prepare demand letter to S. Hannon law firm (Maryland atty) (1.2); review materials filed by Greenspoon Marder and analysis of same (0.3); telephone calls from potential attorneys for Harper (0.5); review documents from HLG (1.1); telephone call from atty for Oster Law Group (0.3); review e-mails from consumers on receiver's website and prepare responses to same (2.5)	7.0	325.00	2,275.00
07/31/2014 IN-OFFICE DAY: Review and analysis of financial disclosures from Harper and his companies (0.7); telephone call from W Huff (MD/VA/NJ atty) re his involvement with Herskowitz/Harper/Hoffman) (0.7) review e-mails on receivership website and respond to same (0.8); telephone calls from consumers re status (1.1); analysis of materials provided by Greenspoon Marder re 22 open matters in which that firm represented entities in receivership (2.2); telephone calls from attorneys for defendants re status, requests for advice, etc. (0.5); continued preparation of receiver's initial report (1.5)	0.8	325.00	260.00
08/08/2014 -- Further review of financial disclosures (0.5); arrange for meeting with Willcox/Harper at facility on August 14, 2014 (0.3); further efforts to understand trust accounting (0.5); continued prep of Receiver's Initial Report (1.3)	2.3	325.00	747.50

08/12/2014 -- Analysis of bank accounts, and "trust accounts" in particular (0.5); communications with Florida Bar re lack of records for trust accounts and requesting guidance (0.5); telephone call from H. Lora re his representation of Hoffman and regarding Hoffman's strategy for Bar Complaints, CFPB lawsuit, etc. (0.5); E-mails to/from H. Lora re various matters (0.2); discussions with CFPB and FLAG attorneys re Oster deposition (0.4); prepare letters to financial institutions and to landlord re status (0.5);	2.3	325.00	747.50
08/13/2014 -- Prepare demand letters to financial institutions (1.0); prepare notices for filing in lawsuits in which Hoffman Law Group is a party (1.1); preparations for deposition of Jim Oster (0.5)	2.3	325.00	747.50
08/14/2014 -- PALM BEACH DAY: Meeting with landlord's representative regarding possession, rent, etc. (1.0); prepare for and participate in deposition of J. Oster (4.5) meeting/discussions with attys for Plaintiffs regarding strategies for counsel for defendants (0.5) discussions with M. Hoffman re various matters (0.25); preparation of Receiver's Initial Report (2.75); travel time (6.0, billing at 50 percent)	10	325.00	3,250.00
08/15/2014 -- Prepare demand letters to financial institutions (0.4); e-mails and telephone calls to/from potential attorneys for defendants re various matters (0.5); prepare demand letter to Harper relating to his \$225,000 cash (0.3); prepare demand letter to H. Lora demanding \$70,000 cash in Hoffman's possession (0.3); continued prep of Receiver's initial report (2.2); further communications with landlord re status (0.3); revisions to notices filed in Florida cases where Hoffman is counsel of record (0.5); discussions with in-house general counsel re issues associated with notices filed in Hoffman's cases (0.5)	4.3	325.00	1,397.50
08/18/2014 -- telephone calls to/from M. Harper's atty (Hornstine) re \$225,000 cash (0.2); prepare draft of motion for order authorizing Harper to purchase cashier's check (0.4); e-mails to/from L. Hornstine re draft of motion to purchase cashier's check (0.1); e-mails to/from CFPB and FLAG re Harper's decision to surrender \$225,000 and logistics of obtaining same (0.3); e-mails to/from M. Lehrman re New York cases (0.3); prepare Receiver's report for filing in NY cases and other Herskowitz cases (0.6);	1.7	325.00	552.50
08/19/2014 -- Prepare for and participate in conference call with attys for CFPB (0.5); telephone call from Hornstine re Harper's version of events with regard to \$50,000 paid to Greenspoon Marder, and analysis of possible contempt proceedings (0.5);	0.9	325.00	292.50
08/20/2014 -- Analysis of need to make disclosures to FBI and Florida Bar (0.5); e-mails and telephone calls from H. Lora re malpractice coverage (0.2);	0.6	325.00	195.00
08/22/2014 -- Correspondence to/from financial institutions re funds in account (0.3); review correspondence and discovery requests from CFPB to Harper, Hoffman and Willcox (0.5); e-mails to/from FLAG regarding imaging of computers (0.4);	1.0	325.00	325.00

08/25/2014 -- Telephone call from clerk to New Jersey judge re HLG lawsuit pending in NJ federal district court (0.3); telephone calls and e-mails to J. Thomas, NJ "of counsel" for HLG, re his role with HLG (0.8); further analysis of cash in Harper's position and prepare turnover motion directed at same (0.5); discussions with Florida AG re Harper's legal representation issues (0.2); telephone calls from atty re possible representation of Harper (0.2); telephone call to H. Lora re his motion (on behalf of Hoffman) for atty fees and living expenses and re turnover of remaining funds (0.3); review and analysis of various orders entered in HLG lawsuits in response to Receiver's status reports filed in such lawsuits (0.5) ; telephone calls and e-mails to/from Indiana AG's office re consumer complaint in Indiana (0.3); telephone calls and e-mails to/from D. Kramer, New Mexico AG's office, re pending complaint from New Mexico consumer (0.3)	3.0	325.00	975.00
08/26/2014 -- Prepare turnover motion addressed to Hoffman and e-mails to/from parties regarding same (good faith conference prior to filing) (0.7); prepare updates for posting on website (0.5); telephone calls and e-mails to/from newspaper reporter re turnover motions (0.2); analysis of individual defendants' financial information on financial disclosure forms (1.0); review consumer e-mails on receivership website and prepare responses (0.7) prepare second letter to TD Bank re responses to inquiries re amounts in account (0.4); telephone calls from atty for Harper re various matters (0.4)	3.5	325.00	1,137.50
08/27/2014 -- Telephone call to Matt Gilbert (former employee) re his role in company, his request for car keys, etc. (0.5); telephone calls to/from landlord re plan for dealing with space (0.5); arrange for opening bank account (0.3); revise motion to compel turnover of funds from Hoffman (0.5); review H. Lora's motion for attorneys' fees and for living expenses for Hoffman (0.3); continued preparation of Receiver's Initial Report (3.3); telephone call from newspaper reporter re turnover motion and regarding link between Hoffman and Berger cases (0.2); discussions with atty for FLAG re status of various matters (0.3); prep for upcoming depositions of Willcox and Harper (1.2); analysis of claims against attorneys for Hoffman Law Group (0.7)	6.8	325.00	2,210.00
08/28/2014 -- Review Hoffman's motion for atty fees and living expenses and prepare response to same (0.3); prepare withdrawal of motion to compel turnover of Hoffman funds (0.2); telephone call from M. Hoffman re malpractice insurance and re various other items (0.7); review materials from financial institutions (0.6); continued prep of Receiver's initial report (1.1) Review Hoffman's motion for atty fees and living expenses and prepare response to same (0.3); prepare withdrawal of motion to compel turnover of Hoffman funds (0.2); telephone call from M. Hoffman re malpractice insurance and re various other items (0.7); review materials from financial institutions (0.6); continued prep of Receiver's initial report (1.1)	2.6	325.00	845.00
08/29/2014 -- CONSUMER DAY: Review e-mails from consumers/clients and prepare responses to same (2.2) telephone calls to/from consumers re status and re likely next steps (1.5); e-mails to/from investigators with CFPB re consumer e-mails and complaints (0.4); e-mails to/from H. Lora re turnover motion (0.3); analysis of need for turnover motion against Greenspoon Marder (0.4); begin preparations for Harper and Willcox depositions on September 4, 2014 (0.7)	4.9	325.00	1,592.50
	132.00	325.00	42,850.00

EXPENSES

<u>DATE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
07/16/2014	Mileage – Tampa/Palm Beach and assorted trips around Palm Beach – 418 miles @\$0.555/mile (approved IRS rate for 2014)	\$231.99
07/16/2014	Locksmith – install 8 new locks, 3 keys	635.27
07/16/2014	Tolls (Florida Turnpike 2 @ \$6.50 each)	13.00
07/18/2014	Mileage – Tampa/Palm Beach (394 miles @ \$0.555/mile)	218.67
07/18/2014	Tolls (Florida Turnpike 2 @ \$6.50 each)	13.00
07/20/2014	Contract Labor – Johnnie Quigley (13.5 hours @ \$20/hour)	270.00
07/20/2014	FP&L, power bill for Suite 111	516.88
07/22/2014	Mileage – Tampa/Palm Beach (394 miles @ \$0.555/mile)	218.67
07/22/2014	Tolls (Florida Turnpike 2 @ \$6.50 each)	13.00
07/28/2014	Mileage – Tampa/Palm Beach (394 miles @ \$0.555/mile)	218.67
07/28/2014	Tolls (Florida Turnpike 2 @ \$6.50/each)	13.00
08//14/2014	Mileage – Tampa/Palm Beach (394 miles @ \$0.555/mile)	218.67
08/14/2014	Tolls (Florida Turnpike 2 @ \$6.50/each)	13.00
	SUBTOTAL	\$2593.82
	Miscellaneous costs (postage, delivery charges and copy costs as itemized on attachment)	80.35
	TOTAL	\$2,674.17

Recap of Cost Detail



All Entries

Matter Number 0289770

Summary Submit

Sort by Date Sort by Fee Earner

Date Worked

11/1/2013 to 9/16/2014

Date Billed

to

First Column

Invoice

Second Column

Date	Timekeeper	Name / Invoice Number	Code	Rate	Quantity	Amount	Description
7/30/2014	4924	MARK J. BERNET	100	2.66	1.00	2.66	POSTAGE
7/30/2014	4924	MARK J. BERNET	100	8.75	1.00	8.75	POSTAGE
7/30/2014	4924	MARK J. BERNET	100	6.00	1.00	6.00	POSTAGE
8/5/2014	4924	MARK J. BERNET	110	0.20	40.00	8.00	DUPLICATING
8/14/2014	4924	MARK J. BERNET	110	0.20	50.00	10.00	DUPLICATING
8/14/2014	4924	MARK J. BERNET	100	2.66	1.00	2.66	POSTAGE
8/14/2014	4924	MARK J. BERNET	100	2.66	1.00	2.66	POSTAGE
8/18/2014	4924	MARK J. BERNET	110	0.20	35.00	7.00	DUPLICATING
8/25/2014	4924	MARK J. BERNET	110	0.20	1.00	0.20	DUPLICATING
8/25/2014	4924	MARK J. BERNET	110	0.20	2.00	0.40	DUPLICATING
8/26/2014	4924	MARK J. BERNET	110	0.20	1.00	0.20	DUPLICATING
8/26/2014	4924	MARK J. BERNET	100	0.69	2.00	1.38	POSTAGE
8/29/2014	4924	MARK J. BERNET	110	0.20	35.00	7.00	DUPLICATING
8/29/2014	4924	MARK J. BERNET	110	0.20	21.00	4.20	DUPLICATING
8/29/2014	4924	MARK J. BERNET	100	0.48	2.00	0.96	POSTAGE
8/29/2014	4924	MARK J. BERNET	100	6.48	1.00	6.48	POSTAGE
8/29/2014	4924	MARK J. BERNET	100	0.69	1.00	0.69	POSTAGE
9/3/2014	4924	MARK J. BERNET	110	0.20	5.00	1.00	DUPLICATING
9/3/2014	4924	MARK J. BERNET	110	0.20	1.00	0.20	DUPLICATING
9/3/2014	4924	MARK J. BERNET	115	0.50	1.00	0.50	DUPLICATING - COLOR
9/3/2014	4924	MARK J. BERNET	110	0.20	1.00	0.20	DUPLICATING
9/3/2014	4924	MARK J. BERNET	100	0.48	1.00	0.48	POSTAGE
9/3/2014	4924	MARK J. BERNET	100	0.69	1.00	0.69	POSTAGE
9/3/2014	4924	MARK J. BERNET	100	1.40	1.00	1.40	POSTAGE
9/8/2014	4924	MARK J. BERNET	110	0.20	7.00	1.40	DUPLICATING
9/8/2014	4924	MARK J. BERNET	110	0.20	6.00	1.20	DUPLICATING
9/8/2014	4924	MARK J. BERNET	100	2.66	1.00	2.66	POSTAGE
9/9/2014	4924	MARK J. BERNET	100	0.69	2.00	1.38	POSTAGE

UNBILLED TOTALS: WORK:	80.35	28 records
UNBILLED TOTALS: BILL:	80.35	
GRAND TOTAL: WORK:	80.35	28 records
GRAND TOTAL: BILL:	80.35	