

1 Joseph Arthur Roberts, State Bar No. 156180
2 LAW OFFICE OF J. ARTHUR ROBERTS
3 3345 Newport Blvd., Suite 213
4 Newport Beach, CA 92663
5 Telephone: (949) 675-9900
6 Facsimile: (888) 989-9309
7 Email: Joe@JarLegal.com

8 Attorney for Plaintiffs,
9 ERNEST MICHAEL BAKENIE,
10 individually, and all others
11 similarly situated

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

14 ERNEST MICHAEL BAKENIE,
15 on behalf of himself and all others
16 similarly situated,

17 Plaintiffs,

18 vs.

19 JPMORGAN CHASE BANK, N.A.;
20 and DOES 1 through 10, inclusive,
21 Defendants.

CASE NO. **SACV12 - 0060 JVS (MLGx)**

Assigned to the Honorable:

CLASS ACTION COMPLAINT

1. Unlawful/Unfair Acts §17200

[DEMAND FOR JURY TRIAL]

2012 JAN 13 AM 10:15
CLERK U.S. DISTRICT COURT
CENTRAL DIST. OF CALIF.
SANTA ANA

FILED

22
23
24
25 Plaintiff ERNEST MICHAEL BAKENIE (referred to as "Bakenie "), by and
26 through his attorney of record, brings this action against defendants JPMORGAN
27 CHASE BANK, N.A. (Hereinafter "CHASE") and DOES 1 through 10, inclusive,
28

ITC-21
4/2/12

1 inclusive (“Defendants”) and alleges the following on information and belief, except
2 as to those allegations which pertain to the Plaintiff:
3

4 **I. VENUE**

5 1. The Court has subject matter jurisdiction over this action under 28 USC §
6 1331 wherein the action arises under the Constitution, laws or treaties of the United
7 States and/or under 28 USC § 1332 wherein this is a class action over \$10,000,000.00
8 where at least one plaintiff is diverse from one defendant.
9
10

11 2. The Court has personal jurisdiction over the defendants in this action by the
12 fact that the Defendants are conducting business in the state of California.
13

14 3. Venue is proper in this Court pursuant to 28 USC § 1392 because the action
15 involves real property located in the Central District of California; and pursuant to 28
16 USC § 1391(b) and a substantial part of the events or omissions on which the claims are
17 based occurred in this District.
18
19
20
21
22
23
24
25
26
27
28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

II. PARTIES

4. Plaintiff, ERNEST MICHAEL BAKENIE, at all times mentioned herein relevant to the complaint is the owner of real property commonly known as 1617 West Balboa Blvd., Newport Beach CA 92663 (the "Property").

5. Defendant, JPMORGAN CHASE N.A. ("CHASE") is a national banking association organized and existing under the laws of the United States, with its principal banking association organized and existing under the laws of the United States, headquartered in the State of New York and doing business in the State of California.

6. Plaintiffs do not know the true names and capacities of the defendants DOES 1 through 10, inclusive, and, as such, names said defendants by such fictitious names. Plaintiffs will amend the complaint to state the true name and capacity of the DOE defendant(s) when such information is ascertained.

7. Plaintiffs are informed and believe, and allege thereon, that each defendant is responsible in some manner for the occurrences alleged in the complaint, and that plaintiffs' damages were proximately caused by the defendants at all times mentioned in the complaint.

8. Plaintiffs are further informed and believe, and allege thereon, that each defendant was the agent, servant, representative, and/or employee of their co-defendants, and in doing the things hereinafter alleged were acting in the scope of

1 their authority as agents, servants, representatives, family members and/or employees,
2 and with the permission and consent of their co-defendants.
3

4 9. Additionally, plaintiffs are informed and believe, and allege thereon, that
5 each defendant assisted, aided and abetted, adopted, ratified, approved, or condoned
6 the actions of every other defendant and that each corporate defendant, if any, was
7 acting as the alter ego of the other in the acts alleged herein.
8
9
10

11 **III. GENERAL FACTUAL ALLEGATIONS**

12 10. Plaintiff is informed and believes and alleges thereon that defendant
13 CHASE is engaged in the business practice of deceiving bankruptcy judges, Chapter 7
14 trustees, Chapter 11 trustees, Chapter 13 Trustees, the Office of the United States
15 Trustee, creditors, creditor attorneys, debtors in possession, debtors and debtors
16 attorneys (“bankruptcy players”) as to CHASE’S status a secured creditor in tens of
17 thousands of bankruptcy cases filed nationwide.
18
19
20

21 11. Through the use of fabricated assignments, endorsements and affidavits
22 that purport to transfer Deeds of Trust, notes and the rights to all monies due under
23 the terms of tens of thousands of non-negotiable promissory notes (the “MLNs”);
24 CHASE has demonstrated a pattern and practice of playing “hide-and-seek” with
25 debtors, judges and other bankruptcy players.
26
27
28

1 12. CHASE intentionally conceals the identity of the true parties in interest
2 entitled to enforce the terms of tens of thousands of residential non-negotiable
3 promissory notes (the “MLNs”) for its own financial benefit, at the expense of the
4 class and to the detriment of the integrity of the bankruptcy system.
5

6 13. That CHASE is in the business of owning and/or servicing tens of
7 thousands of residential home loans. Many of which have been pledged to Mortgage
8 backed security trusts.
9

10 14. That CHASE acquired the assets of WASHINGTON MUTUAL BANK,
11 N.A. (“Hereinafter, “WAMU”) from the FDIC after WAMU failed and was placed
12 into receivership.
13

14 15. These assets included portfolio loans owned by WAMU and servicing
15 rights of loans that were originated by WAMU and its subsidiaries but pledged or
16 transferred to mortgage backed security trusts before WAMU’s failure.
17

18 16. That these MLNs are each non-negotiable instruments.
19

20 17. That after a defaulted borrower files for relief under a chapter of the U.S.
21 Bankruptcy Code; CHASE retains local attorneys (“network attorneys”) and appears
22 in thousands of bankruptcy matters as a creditor.
23

24 18. Within each case, the network attorneys are charged with various
25 functions depending on the chapter filed and the facts of each case. That in each
26
27
28

1 bankruptcy matter, CHASE and its agents has the burden of establishing standing to
2 obtain the desired relief, remedy or claim.
3

4 19. On behalf of CHASE, the network attorneys file proofs of claims,
5 objections to confirmation of proposed plans, other services and most commonly,
6 Motions for Relief from the Automatic Stay (hereinafter, the “bankruptcy matters”).
7

8 20. Since 15 USC §1641g was enacted in 2009, CHASE, its subsidiaries
9 principals and agents (Hereinafter, “CHASE et al.”) have filed no less than 7,000
10 Motions for Relief of Stay and hundreds of Proofs of Claims in the Central District of
11 California, wherein they falsely claim to be the party entitled to monies due under the
12 terms of MLNs.
13
14

15 21. Said network attorneys are financially rewarded by CHASE et al., based
16 on the speed in which the network attorneys obtain Orders from Relief of Stay and
17 complete other bankruptcy matters. Said network attorneys incur a performance
18 penalty based on the amount of correspondence with CHASE et al. and the amount of
19 evidence the attorney’s require “prove-up” and completing bankruptcy matters.
20
21

22 22. That DOE 1, an unidentified agent or vendor of CHASE, imposes
23 “technology fees” on CHASE and the network attorneys for correspondence, access
24 and copies of the documentary evidence required to “prove up” and complete
25 bankruptcy matters.
26
27
28

1 23. That the Pooling and Servicing Agreements of each private Mortgage
2 Backed Security Trust serviced by CHASE contemplates no less than THREE true
3 sales of each MLN from originator, to sponsor, to depositor and finally to the
4 designated Trustee of the MBST (the “Chain of Title”).
5

6 24. That the cost of properly transferring a single MLN to a MBST through
7 the contemplated “Chain of Title” is approximately \$1,500.00. That a typical MBST
8 contemplates a pool of 5,000 MLNs. That CHASE and its agents service loans for
9 hundreds of MBSTs.
10

11 25. That a valid “prove up” of standing in a bankruptcy matter that
12 legitimately establishes that a MBST is the current beneficiary of a class member’s
13 MLN, requires evidence of each of the THREE true sales transactions contemplated
14 in the Pooling and Servicing Agreement of any given MBST.
15

16 26. That CHASE, its agents and its principals frequently lack evidence of said
17 multiple transfers required to establish legitimate standing in bankruptcy, particularly
18 in the case of WAMU originated MLNs.
19

20 27. That CHASE et al. intentionally refuses offer the actual evidence of the
21 THREE MLN transfers because the “technology” cost, processing and legal fees
22 associated with proving standing of the true “chain of title” of MLNs is too high given
23 CHASE’s volume of bankruptcy matters.
24
25
26
27
28

1 28. That CHASE and its network attorneys are charged for access to each and
2 every manufactured document needed to “prove up” the element of standing in the
3 bankruptcy arena by DOE 1 through a complex web based interface platform.
4

5 29. That said manufactured documents include, but are not limited to:
6 Assignments of Deed of Trust, Corporate Assignments, Promissory Notes,
7 Endorsements, Allonges, Acknowledgements and employee affidavits (hereinafter,
8 the “inducing documents”) executed under penalty of perjury.
9
10

11 30. That the existence of these “technology fees” makes representing the truth
12 of each class loan’s true “chain of title” cost prohibitive given the scale of CHASE’s
13 national foreclosure and bankruptcy practice.
14

15 31. That in many cases, including the WAMU MLNs, no evidence exists that
16 class MLNs were EVER legally transferred from loan originator through the
17 contemplated chain of title and to Mortgage Backed Security Trusts serviced by
18 CHASE.
19
20

21 32. Rather than incur the cost of “proving up” its own standing or the
22 standing of its principal Mortgage Backed Security Trust, CHASE systemically
23 misrepresents CHASE or a designated MBST to be a creditor in tens of thousands of
24 bankruptcy cases by utilizing manufacture documents.
25
26
27
28

1 33. That said practice is utilized for all mortgage loans originated by CHASE,
2 and other loan originators, including insolvent WASHINGTON MUTUAL BANK,
3 whose assets were purchased by CHASE.
4

5 34. That said manufactured documents are fabrications intended to create the
6 illusion of a valid transfers MLNs and support the assertion of standing in tens of
7 thousands of bankruptcy cases
8

9 35. That CHASE does not transfer MLNs from a given MBST to itself for
10 administrative convenience as contemplated in 15 USC §1641.
11

12 36. That the aforementioned fabricated evidence is “photo-shopped” and is
13 HIGHLY PERSUASIVE and authentic in appearance so as to ensure legal victory in
14 the bankruptcy courts.
15

16 37. That said manufactured evidence is systemically utilized to deceive
17 bankruptcy players and increase the profits of CHASE, its agents and its principals
18 through massive cost savings and the imposition of attorney fees upon class
19 borrowers.
20

21 38. As a direct result of this practice, over 95% of CHASE’s Motions for
22 Relief of Stay and Proofs of Claim are granted without objection.
23

24 39. That the use of the fabricated evidence has a chilling effect on class
25 debtors and their attorneys. Said business practice discourages bankruptcy players
26
27
28

1 from offering objections or from questioning the validity of CHASE's false claims
2 based on standing.
3

4 40. In addition to cost savings of its practice, CHASE unjustifiably receives
5 trustee payouts from confirmed plans based on submitted Proofs of Claim supported
6 by fabricated evidence. Said payouts are at the expense of unsecured creditors and
7 debtors alike.
8

9 41. That said practice creates the illusion that MLNs were properly
10 transferred to MBSTs, thereby "dumping" the loss of a defaulted loan into a trust
11 years after the loan was originally pledged to a trust.
12

13 42. That said practice allows CHASE to dump defaulted loans that were
14 never properly securitized by WAMU and other originators acquired by CHASE into
15 private mortgage backed security trusts by creating the illusion of a valid transfer.
16
17

18 43. Said practice shifts the liability of defaulted loans not properly securitized
19 by WAMU, from CHASE to private mortgage backed security trusts. The practice
20 allows CHASE to effectively mitigate the millions of dollars in liability of the
21 WAMU acquisition, where WAMU failed to transfer MLNs of its portfolio before its
22 demise. Said practice shifts losses from WAMU to MBST bond investors.
23

24 44. That after a non-judicial foreclosure sale, class members remain indebted
25 to the true beneficiary for the unsecured note but without credit for the loss of the
26 collateral to CHASE's designated assignee.
27
28

1 45. Most egregiously, the network attorneys utilize the inducing documents to
2 obtain attorney fees awards from by the bankruptcy judges ranging from \$600-1000
3 for each successful motion for relief of stay.
4

5 46. That said motions are granted and the hundreds of thousands in attorney
6 fees are awarded under false pretenses.
7

8 47. That CHASE charges bankruptcy attorney fees to members of the class
9 thereby increasing their collective total balances and arrearage claims.
10

11 48. Where a MLN is transferred after origination, Homeowners have a
12 statutory right to know who the identity of the beneficiary of their MLNs pursuant to
13 15 USC §1641.
14

15 49. That CHASE routinely ignores the requirements of 15 USC §1641 and
16 systemically fails to provide the statutory notice with 30 days of each illusionary
17 transfer.
18

19 50. That class members and bankruptcy players have a right to court system
20 that is free of deceit and false evidence.
21

22 51. That the degradation of the integrity of our bankruptcy court system
23 cannot be justified in the name of CHASE's cost savings and unjust enrichment.
24

25 52. That justice will be served only where the fees awards, claims and orders
26 granted by bankruptcy courts are disgorged and vacated.
27
28

1 **IV. EVIDENCE ON DEMAND: FALSE ASSERTIONS OF STANDING BY**
2 **CHASE IN BAKENIE'S BANKRUPTCY MATTERS**

3 53. Plaintiff incorporates these allegations into the claim below as though fully set
4 forth herein.
5

6 54. Plaintiff's only significant asset is his residence at 1617 West Balboa Blvd.,
7 Newport Beach CA 92663 (the "Property").
8

9 55. Plaintiff is informed and believes and based upon such information and belief
10 alleges that on or about July 1, 2006, Plaintiff entered into a residential
11 refinance loan with JPMORGAN CHASE BANK, N.A ("CHASE").
12

13 56. Plaintiff gave a Defendant CHASE a promissory note (the "Note") for
14 \$1,170,000.00 secured by a deed of trust to the Property (the "Deed of Trust").
15

16 57. That after origination, CHASE represented itself to Plaintiff to be the
17 beneficiary and servicer of the subject MLN. As such, Plaintiff tendered
18 monthly mortgage obligations to CHASE.
19

20 58. That following his loss of employment as a licensed real estate broker and a
21 devastating motorcycle accident, Plaintiff defaulted on the loan, property taxes
22 and a junior lien in early 2009.
23

24 59. That facing an imminent foreclosure sale, the Plaintiff filed a Chapter 7
25 voluntary petition on August 13, 2009 [Case number 8:09-bk-18443-TA].
26
27
28

1 60. That at no time prior to August 13, 2009 did Defendant CHASE represent to
2 Plaintiff that his loan had been sold or that an assignment of the deed of trust
3 had ever been recorded.
4

5 61. That on December 15, 2009 JP Morgan CHASE Bank, NA filed a Notice of
6 Motion and Motion for Relief of the Automatic Stay (Hereinafter "Bakenie
7 bankruptcy matter #1") regarding 1617 West Balboa Blvd. Newport Beach, CA.
8 [EXHIBIT A-1].
9

10
11 62. That CHASE and its agents went to great length to create the illusion of
12 standing in the Motion for Relief of the Automatic Stay through the use of a
13 false declaration and a fabricated endorsement.
14

15 63. That the BAKENIE case is a typical example of the implementation of
16 CHASE's business practice.
17

18 64. That CHASE's Motion for Relief of the Automatic Stay, which contained a
19 fabricated endorsement and a false declaration executed under penalty of
20 perjury, was offered so as to create the illusion that CHASE had standing as a
21 party in interest.
22

23
24 65. That at no time during the pendency of this bankruptcy matter did Defendant
25 CHASE represent to Plaintiff, the Court or the Chapter 7 Trustee that the loan
26 had been sold or that an assignment of the deed of trust had ever been recorded.
27
28

1 66. That under penalty of perjury, Defendant CHASE through employee affidavit
2 that it was the current owner of the subject note and deed of trust, a false
3 statement.
4

5 67. That CHASE did not disclose any contractual servicer relationship with the
6 CHASE Mortgage Finance Trust Series 2006-1, or mention in any way to the
7 Court, Chapter 7 Trustee the United States Trustee or debtor's counsel that a
8 transfer of the subject loan had occurred.
9
10

11 68. That CHASE went to great lengths to create the illusion that it owned the
12 subject loan and therefore had standing to seek relief of the automatic stay as a
13 party in interest, including the creation of a fabricated and "photo-shopped"
14 endorsement with was attached to a copy of the original note and offered as
15 evidence.
16
17

18 69. That in further support of its motion, CHASE attached a false "REAL
19 PROPERTY DECLARATION" signed under penalty of perjury by Kimberly
20 M. Horne on December 11, 2009 in Columbus Ohio which states: "*I have
21 personal knowledge of the matters set forth in this declaration and, if called
22 upon to testify, I could and would competently testify thereto. I am over 18
23 years of age. I have knowledge regarding Movant's interest in the real property
24 that is the subject of this Motion ("Property") because: See Attachment 1.*"
25
26
27
28

1 70. That Kimberly M. Horne's Declaration [EXHIBIT A-2] further misrepresents
2 that: *"I am one of the custodians of the books, records and files of Movant that*
3 *pertain to loans and extensions of credit given to the Plaintiff(s) concerning the*
4 *Property. I have personally worked on books, records and files, and as to the*
5 *following facts, I know them to be true of my own knowledge or I have gained*
6 *knowledge of them from the business records of Movant on behalf of Movant,*
7 *which were made at or about the time of the events recorded, and which are*
8 *maintained in the ordinary course of Movant's business at or near the time of*
9 *the acts, conditions or events to which they relate. Any such document was*
10 *prepared in the ordinary course of business of Movant by a person who had*
11 *knowledge of the event being recorded and had or has a business duty to record*
12 *accurately such event. The business records are available for inspection and*
13 *copies can be submitted to the Court if required."*

14
15
16
17
18
19 71. That Attachment 1 of the Kimberly M. Horne's Declaration falsely states:

20
21 *"Movant is the current owner of the note and is entitled to enforce the*
22 *provisions of the Note and Deed of Trust"*
23

24 72. That Kimberly M. Horne is as a known "robo-signer" who has signed
25 thousands of false affidavits and documents submitted as evidence of standing
26 in bankruptcy matters for the benefit and at the direction of CHASE et al.
27
28

1 73. The fabricated endorsement was purportedly executed as payable in blank on
2 August 25 2006 and allegedly executed by ANGELA NOLAN, Assistant Vice
3 President of Chase Home Finance LLC. [EXHIBIT A-3].
4

5 74. That ANGELA NOLAN is not an Assistant Vice President of Chase Home
6 Finance LLC and is a known "robo-signer" who has executed thousands of false
7 affidavits and documents submitted as evidence of standing in bankruptcy
8 matters for the benefit and at the direction of CHASE et al.
9
10

11 75. That on December 29, 2009, the designated Chapter 7 Trustee Richard
12 Marshack, represented by Plaintiff's current counsel, filed an Adversary
13 Proceeding against CHASE [Adversary case 8:09-ap-01814-Hereinafter,
14 "Bakenie bankruptcy matter #2"], on behalf of the bankruptcy estate based upon
15 violations of the Truth in Lending Act unrelated to the instant action and
16 seeking rescission of the original transaction.
17
18

19 76. That Bakenie and the Chapter 7 Trustee relied on CHASE's false representation
20 in bankruptcy matter #1, that CHASE owned the subject note when the trustee
21 named the CHASE as the appropriate Defendant in the adversary proceeding.
22
23

24 77. That based on the false declarations made by CHASE agent Kimberly M.
25 Horne, and over the objection of Bakenie and the Chapter 7 Trustee Richard
26 Marshack, the Court entered an Order granting Chase's motion for relief of stay
27 on January 19, 2009.
28

1 78. That the subject Order was obtained under false pretenses. That the
2
3 aforementioned fabricated documents and false declaration appeared authentic
4 and convincing such that the Bankruptcy Court was induced into believing that
5 CHASE was a party in interest and had standing in Bakenie's case.

6
7 79. That CHASE thereafter was awarded attorney fees in an amount less than
8 \$1,000.00 which was then charged to Bakenie's loan balance.

9
10 80. That after CHASE was sued in the adversary proceeding by the Chapter 7
11 Trustee, CHASE changed its position on February 26, 2010 and declared that
12 U.S. BANK, N.A., as trustee for CHASE Mortgage Finance Trust Series 2006-1
13 was the owner of the subject loan pursuant to a previously undisclosed
14 Assignment of Deed of Trust.

15
16 81. That CHASE filed a Motion to Dismiss the Adversary Proceeding wherein
17 CHASE alleged that it was NOT the true owner of the note. *"An Assignment of*
18 *Deed of Trust was recorded around July 28, 2009 with the Orange County*
19 *Official Records as instrument number 20090004005371. The Assignment*
20 *indicates that U.S. Bank, N.A. as trustee for CHASE Mortgage Finance Trust*
21 *Series 2006-1 ("US Bank") was assigned beneficial interest under the DOT.*
22 *See, RJN, Exhibit 4."*

23
24
25
26 82. That the referenced Assignment of Deed of Trust is a fabricated and "photo-
27 shopped" document created to support the illusion that the CHASE Mortgage
28

1 Finance Trust Series 2006-1 is the true party in interest and therefore standing to
2 enforce the terms of the Bakenie MLN [EXHIBIT B].
3

4 83. That the Adversary Proceeding was amended by the Chapter 7 Trustee to grant
5 the debtor standing and to add Bakenie as a Plaintiff to the matter.
6

7 84. That the Bankruptcy Court determined that even if estate's TILA claim was
8 valid, the estate was unlikely to be able to "carve out" enough equity to justify
9 liquidation of the property.
10

11 85. That Chapter 7 trustee and Bakenie stipulated to dismiss the Truth in Lending
12 claims against both CHASE and for CHASE Mortgage Finance Trust Series
13 2006-1 without prejudice.
14

15 86. That the Trustee abandoned all claims to the Plaintiff and filed a no asset report
16 on or about April 18, 2010.
17

18 87. That Bakenie then filed a Complaint in Federal Court alleging the same Truth in
19 Lending violations, Debt collection claims and a Unlawful/Unfair Acts §17200
20 claim against CHASE and U.S. BANK, N.A., as trustee for CHASE Mortgage
21 Finance Trust Series 2006-1.
22

23 88. That notwithstanding the Kimberly M. Horne's Declaration and the Angela
24 Nolan endorsement, CHASE asserted that CHASE Mortgage Finance Trust
25 Series 2006-1 by way of the aforementioned Assignment of Deed of Trust,
26
27 exclusively.
28

1 89. That following a Motion to Dismiss Bakenie's First Amended case, the Court
2 dismissed all claims except the Unlawful/Unfair Acts §17200 claim.
3

4 90. Prior to trial Bakenie and Defendants CHASE and for CHASE Mortgage
5 Finance Trust Series 2006-1 stipulated to dismiss the remaining
6 Unlawful/Unfair Acts §17200 claim without prejudice and to pursue a resolution
7 outside of court.
8

9 91. That the matter was never settled.
10

11 92. That Bakenie filed a Complaint in Superior Court alleging claims including
12 fraud and wrongful foreclosure on August 8, 2011. That the Superior Court
13 case is still pending.
14

15
16
17 **BACKGROUND FACTS ON Chase Mortgage Finance Trust Series 2006-1**

18 93. Plaintiff incorporates these allegations into the claim below as though fully set
19 forth herein.
20

21 94. Plaintiff is informed and believes and based upon such information and belief
22 alleges that Chase Mortgage Finance Trust Series 2006-1 is a mortgaged-backed
23 security trust and the issuing entity of approximately \$1,079,241,000 in
24 investment bond certificates.
25

26 95. Plaintiff is informed and believes and based upon such information and belief
27 alleges that Defendant CHASE and its agents caused a prospectus supplement
28

1 and Pooling and Servicing Agreement (Hereinafter "PSA") to be filed in the
2 public record of the Securities and Exchange Commission on August 17, 2006,
3
4 [\[http://www.secinfo.com/d12atd.v53x.htm#n4x\]](http://www.secinfo.com/d12atd.v53x.htm#n4x),

5 96. Plaintiff is informed and believes and based upon such information and belief
6
7 alleges that Chase Home Finance LLC is the designated "sponsor and seller" of
8 the Chase Mortgage Finance Trust Series 2006-1; that Chase Mortgage Finance
9 Corporation designated "depositor" of the Chase Mortgage Finance Trust Series
10 2006-1.
11

12 97. Plaintiff is informed and believes and based upon such information and belief
13
14 alleges that Defendant CHASE is the designated "custodian" and "servicer" of
15 the Chase Mortgage Finance Trust Series 2006-1.
16

17 98. Plaintiff is informed and believes and based upon such information and belief
18
19 alleges that as custodian, CHASE is responsible for "Holding and maintaining
20 the Mortgage Loan documents related to the Mortgage Loans in a fire-resistant
21 facility intended for the safekeeping of mortgage loan files on behalf of the
22 Trustee."
23

24 99. That Chase Home Finance LLC, Chase Mortgage Finance Corporation and
25 Defendant CHASE are all affiliated.
26

27 100. Plaintiff is informed and believes and based upon such information and
28 belief alleges that the "closing date" of the Chase Mortgage Finance Trust Series

1 2006-1 was August 22, 2006 and that the PSA contemplates and describes a
2 three sale “chain of title” for each loan to be deposited into the corpus of the
3 MBST.
4

5 101. Plaintiff is informed and believes and based upon such information and
6 belief alleges that the PSA of the Chase Mortgage Finance Trust Series 2006-1
7 contemplates and discloses that it shall purchase all loans from the Chase
8 Mortgage Finance Corporation (“depositor”) for consideration before the
9 “closing date”.
10
11

12 102. Plaintiff is informed and believes and based upon such information and
13 belief alleges that the PSA of the Chase Mortgage Finance Trust Series 2006-1
14 contemplates and discloses that the “depositor” shall purchase all loans from the
15 Chase Home Finance LLC (“sponsor”) for consideration before the “closing
16 date”.
17
18

19 103. Plaintiff is informed and believes and based upon such information and
20 belief alleges that the PSA of the Chase Mortgage Finance Trust Series 2006-1
21 contemplates and discloses that the “sponsor” shall purchase loans from the
22 Defendant Chase (“originator”) for consideration before the “closing date”.
23
24

25 104. That the MBST’s PSA discloses a three step chain of title of each
26 mortgage note contemplated for purchase as follows: originator Defendant
27 CHASE sells each note to sponsor Chase Home Finance LLC, who sells each
28

1 note to depositor Chase Mortgage Finance Corporation, who sells each note to
2 U.S. National Bank, as trustee for the Chase Mortgage Finance Trust Series
3 2006-1, prior to the “closing date” of August 17, 2006.

4
5 105. That CHASE failed to transfer the Bakenie MLN in the manner described
6 in the PSA.
7

8 106. That the subject Assignment of Deed of Trust purports that the Bakenie
9 MLN was transferred directly from CHASE to Chase Mortgage Finance Trust
10 Series 2006-1 after it was defaulted and nearly THREE YEARS after the
11 “closing date”.
12

13
14 107. Plaintiff alleges that the Assignment of Deed of Trust is a false document
15 that misrepresents that the Bakenie MLN was transferred on the date and in the
16 direct manner described in the language of the document.
17

18 108. That CHASE’s intention in recording the Assignment of Deed of Trust is
19 to “dump” the loss of the Bakenie MLN into the Chase Mortgage Finance Trust
20 Series 2006-1 through the use of the fabricated document.
21

22 109. That while Plaintiff lacks standing to complain about CHASE’s failure to
23 comply with the PSA, Bakenie has standing to complain about the effect of
24 CHASE’s deceptive business practice on similarly situated class members.
25
26
27
28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

V. CLASS ACTION ALLEGATIONS

110. Plaintiff incorporates the allegations above in this claim as though fully set forth herein.

111. CHASE is engaged in systemic fraud upon the Bankruptcy Courts, class members and other bankruptcy players for financial gain.

112. Plaintiffs bring this action under Rule 23 of the Federal Rules of Civil Procedure, on behalf of the themselves and on the following Classes:

(1) All California debtors, as defined under the U.S. Bankruptcy code, in whose cases CHASE appeared and asserted standing as a creditor in any bankruptcy matter BASED on false, inaccurate, misleading or deceptive documents or written representations and where another entity other than CHASE is the actual creditor of a MLN.

(2) Excluded from the Class are defendants, and their affiliates, subsidiaries, current or former employees, officers, directors, agents, representatives, and their family members.

113. Plaintiffs do not know the exact size or identities of the members of the proposed class, since such information is in the exclusive control of the Defendants. Plaintiff is informed and believes and alleges thereon the class ONE consists of anywhere from 10,000 to 15,000 California debtors who originated MLNs with CHASE or any of its subsidiaries. Plaintiff is informed and believes and alleges thereon the class TWO size consists of anywhere from 10,000 to 15,000 California debtors who originated MLNs with

1 WASHINGTON MUTUAL BANK, N.A., and whose loans were subsequently
2 serviced by CHASE or any of its subsidiaries. Therefore, the proposed Classes
3 is so numerous that joinder of all members is impracticable.
4

5 114. A class action is superior to other methods for the fast and efficient
6 adjudication of this controversy and to avoid the risk of disparate and
7 inconsistent rulings in different courts. A class action regarding the issues in
8 this case does not create any problems of manageability.
9
10

11 115. A pattern and practice of conduct by defendants exist in this case wherein
12 common questions of fact and law predominate over any questions affecting
13 only individual members including, but not limited to the following:
14

- 15 a. Whether CHASE is estopped from denying the truth of the matters
16 asserted in various title, endorsements, affidavits and other documents
17 filed in bankruptcy matters;
18
- 19 b. Whether the assignments, endorsements and affidavits used as evidence
20 of standing in thousands of bankruptcy matters are false, misleading anti-
21 competitive or deceptive;
22
- 23 c. Whether the use of the aforementioned assignments, endorsements and
24 affidavits as evidence of standing in thousands of bankruptcy matters
25 constitute a violation of California Business & Professions Code §17200;
26
27
28

- 1 d. Whether defendant's actions are systemic and constitute a business
2 pattern or practice;
3
4 e. A determination of the affect of defendant's business practice on
5 competition with other loan servicers and lenders engaged in a similar
6 bankruptcy practices;
7
8 f. The amount of damages appropriate for violation Cal B&P §17200 in this
9 context;
10
11 g. The amount of court sanctions and punitive damages appropriate for
12 violation of Cal B&P §17200 in this context;
13
14 h. The amount of restitution and disgorgement appropriate for violation of
15 Cal B&P §17200 in this context;
16
17 i. The amount of cost savings benefiting CHASE and its agents from the
18 deceptive practices violating Cal B&P §17200 in this context;
19
20 j. The effect of vacating Bankruptcy Orders, claims and awards granted
21 based on the alleged deceptive business practice;
22
23 k. The degree, scope and cost of implementing remedial processes and
24 oversight of CHASE's future bankruptcy practice;
25
26 l. Whether injunctive relief is appropriate.

27 116. This is a matter of important public policy because the fair treatment of
28 distressed borrowers is state and national policy priorities.

1 117. The claims of the individual named Plaintiffs are typical of the claims of
2 the Class and do not conflict with the interests of any other members of the
3 Class.
4

5 118. The individually named Plaintiffs will fairly and adequately protect the
6 interests of the Class. They are committed to the vigorous prosecution of the
7 Class' claims and have retained attorneys who are qualified to pursue this
8 litigation.
9
10

11 119. The putative class action meets the requirements of Federal Rules of Civil
12 Procedure 23(a), 23(b) and/or 23(c).
13

14 120. The nature of notice to the proposed class required and/or contemplated is
15 the best practicable method possible and contemplated the defendant's list when
16 disclosed would most likely be media outlets, mailing to the property addresses
17 affected by the filed foreclosures and internet and other general notices are
18 contemplated to ensure notice.
19
20

21 121. Defendants have acted or refused to act on grounds that apply generally to
22 the Class so that final injunctive relief or corresponding declaratory relief is
23 appropriate respecting the Class as a whole.
24
25
26
27
28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

VI. CLAIMS

FIRST CLAIM

**Unfair and Unlawful Practices
(Against All defendants and Does 1 through 10)**

122. Plaintiffs incorporate in this claim all of the allegations above as though set forth in full herein.

123. Plaintiffs bring this claim on their own behalf and on behalf of each member of the Class described above.

124. California's Unfair Competition Law (UCL) defines unfair competition to include any "unlawful, unfair, or fraudulent" business act or practice. Cal Bus & Prof Code §17200 et seq.

125. As stated above, defendant engage in unlawful, deceptive, misleading and anti-competitive business practices under the UCL based on deceit upon the bankruptcy court, perjury, fraud, intentional misrepresentation, negligent misrepresentation, contractual interference and conversion as alleged above.

126. As stated above, that CHASE is in the business of manufacturing chain of title transfer evidence on demand so as to falsely prove standing in thousands of bankruptcy matters.

127. As stated above, that through use of manufactured evidence, that defendant has systemically deceives the bankruptcy court and other bankruptcy

1 players as to the identity of the true beneficiary or creditor class members'
2 MLNs.
3

4 128. As stated above, that CHASE created documents and affidavits that were
5 false so as to create the illusion of standing.
6

7 129. That CHASE has systemically violated federal perjury statute, 18 U.S.C.
8 1621.
9

10 130. Under 18 U.S.C. 1621

11 Whoever—

12 (1) having taken an oath before a competent tribunal, officer, or person, in
13 any case in which a law of the United States authorizes an oath to be
14 administered, that he will testify, declare, depose, or certify truly, or that any
15 written testimony, declaration, deposition, or certificate by him subscribed,
16 is true, willfully and contrary to such oath states or subscribes any material
17 matter which he does not believe to be true; or

18 (2) in any declaration, certificate, verification, or statement under penalty of
19 perjury as permitted under section 1746 of title 28, United States Code,
20 **willfully subscribes as true any material matter which he does not**
21 **believe to be true;**

22 is guilty of perjury and shall, except as otherwise expressly provided by law,
23 be fined under this title or imprisoned not more than five years, or both. This
24 section is applicable whether the statement or subscription is made within or
25 without the United States.
26

27 131. That CHASE, through its agent, filed a declaration under penalty of
28 perjury in the U.S. Bankruptcy Court representing that CHASE was the party
entitled to enforce the terms of the BAKENIE MLN in order to induce the court
to relieve CHASE from the automatic stay. It was signed by CHASE agent

1 Kimberly Horne, a representative or authorized agent of CHASE and
2 incorporated the fabricated endorsement executed by Angela Nolan by
3 reference.
4

5 132. That the "Assignment of Deed of Trust" filed with the Orange County
6 Recorder's Office on July 28, 2009 September 10, 2010 purports to represent
7 that a transfer of the BAKENIE MLN occurred from CHASE to Chase
8 Mortgage Finance Trust Series 2006-1 on April 21, 2009.
9
10

11 133. That the Assignment of Deed of Trust is a fabricated document used by
12 CHASE et al, in BAKENIE's adversary proceeding, so as to create the illusion
13 that Chase Mortgage Finance Trust Series 2006-1 is a new creditor and party
14 entitled to enforce the terms of the MLN.
15

16 134. That the Assignment of Deed of Trust was executed by LUPE TABITA
17 of NORTHWEST TRUSTEE SERVICES INC. as Attorney in Fact for CHASE.
18

19 135. That NORTHWEST TRUSTEE SERVICES INC is not the Attorney in
20 fact for CHASE.
21

22 136. That LUPE TABITA is as a known "robo-signer" who has signed
23 thousands of false documents submitted as evidence of standing in bankruptcy
24 matters for the benefit and at the direction of CHASE et al.
25

26 137. That the transaction claimed by CHASE in the Assignment of Deed never
27 occurred as represented by TABITA.
28

1 138. Plaintiff is informed and believes and alleges thereon that CHASE did not
2 believe any of these facts when it caused the Assignment to be recorded.
3

4 139. That the example set forth in the BAKENIE bankruptcy matters are
5 typical examples of the deceptive business practice being utilized by CHASE in
6 thousands of bankruptcy cases.
7

8 140. That these same deceptive business practices have been employed in each
9 and every bankruptcy matter wherein CHASE appears as a secured creditor.
10

11 141. That these described deceptive business practices are not limited to the
12 BAKENIE bankruptcy matters.
13

14 142. That CHASE's business practice creates TWO distinctly false
15 representations of the historical "chain of title" of the BAKENIE MLN, neither
16 of which is consistent with the Pooling and Servicing Agreement.
17

18 143. That was false and inaccurate and manufactured for the purpose of
19 deceiving the bankruptcy players into accepting CHASE's version of the chain
20 of title transfers without regard to the truth.
21

22 144. A debt collector violates 15 USC 1692f by
23

24 **(6)** Taking or threatening to take any nonjudicial action to effect
25 dispossession or disablement of property if—

26 **(A)** there is no present right to possession of the property claimed as
27 collateral through an enforceable security interest;

28 **(B)** there is no present intention to take possession of the property; or

(C) the property is exempt by law from such dispossession or disablement.

1 145. As stated above, CHASE, individually and through its authorized
2 representatives, has causes thousands of false and fabricated declarations,
3 assignments, endorsements, proofs of claim and motions made under penalty of
4 perjury to be filed with the United States Bankruptcy Court in each of the
5
6
7 bankruptcy cases of BAKENIE and other class members.

8 146. California Penal Code §532 states:

9
10 532. (a) Every person who knowingly and designedly, by any false or
11 fraudulent representation or pretense, defrauds any other person of
12 money, labor, or property, whether real or personal, or who causes or
13 procures others to report falsely of his or her wealth or mercantile
14 character, and by thus imposing upon any person obtains credit, and
15 thereby fraudulently gets possession of money or property, or obtains
16 the labor or service of another, is punishable in the same manner
17 and to the same extent as for larceny of the money or property so
18 obtained.

19 (b) Upon a trial for having, with an intent to cheat or defraud
20 another designedly, by any false pretense, obtained the signature of
21 any person to a written instrument, or having obtained from any
22 person any labor, money, or property, whether real or personal, or
23 valuable thing, the defendant cannot be convicted if the false
24 pretense was expressed in language unaccompanied by a false token or
25 writing, unless the pretense, or some note or memorandum thereof is
26 in writing, subscribed by or in the handwriting of the defendant, or
27 unless the pretense is proven by the testimony of two witnesses, or
28 that of one witness and corroborating circumstances. This section
does not apply to a prosecution for falsely representing or
personating another, and, in that assumed character, marrying, or
receiving any money or property.

Penal Code §532f states:

532f. (a) A person commits mortgage fraud if, with the intent to
defraud, the person does any of the following:

(1) Deliberately makes any misstatement, misrepresentation, or
omission during the mortgage lending process with the intention that
it be relied on by a mortgage lender, borrower, or any other party to
the mortgage lending process.

(2) Deliberately uses or facilitates the use of any misstatement,
misrepresentation, or omission, knowing the same to contain a
misstatement, misrepresentation, or omission, during the mortgage
lending process with the intention that it be relied on by a mortgage
lender, borrower, or any other party to the mortgage lending
process.

(3) Receives any proceeds or any other funds in connection with a
mortgage loan closing that the person knew resulted from a violation

1 of paragraph (1) or (2) of this subdivision.

2 (4) Files or causes to be filed with the recorder of any county in
3 connection with a mortgage loan transaction any document the person
4 knows to contain a deliberate misstatement, misrepresentation, or
5 omission.

6 (b) An offense involving mortgage fraud shall not be based solely
7 on information lawfully disclosed pursuant to federal disclosure
8 laws, regulations, or interpretations related to the mortgage lending
9 process.

10 (c) (1) Notwithstanding any other provision of law, an order for
11 the production of any or all relevant records possessed by a real
12 estate recordholder in whatever form and however stored may be issued
13 by a judge upon a written ex parte application made under penalty of
14 perjury by a peace officer stating that there are reasonable grounds
15 to believe that the records sought are relevant and material to an
16 ongoing investigation of a felony fraud violation.

17 (2) The ex parte application shall specify with particularity the
18 records to be produced, which shall relate to a party or parties in
19 the criminal investigation.

20 (3) Relevant records may include, but are not limited to, purchase
21 contracts, loan applications, settlement statements, closing
22 statements, escrow instructions, payoff demands, disbursement
23 reports, or checks.

24 (4) The ex parte application and any subsequent judicial order may
25 be ordered sealed by the court upon a sufficient showing that it is
26 necessary for the effective continuation of the investigation.

27 (5) The records ordered to be produced shall be provided to the
28 peace officer applicant or his or her designee within a reasonable
time period after service of the order upon the real estate
recordholder.

(d) (1) Nothing in this section shall preclude the real estate
recordholder from notifying a customer of the receipt of the order
for production of records, unless a court orders the real estate
recordholder to withhold notification to the customer upon a finding
that this notice would impede the investigation.

(2) If a court has made an order to withhold notification to the
customer under this subdivision, the peace officer who or law
enforcement agency that obtained the records shall notify the
customer by delivering a copy of the ex parte order to the customer
within 10 days of the termination of the investigation.

(e) (1) Nothing in this section shall preclude the real estate
recordholder from voluntarily disclosing information or providing
records to law enforcement upon request.

(2) This section shall not preclude a real estate recordholder, in
its discretion, from initiating contact with, and thereafter
communicating with and disclosing records to, appropriate state or
local agencies concerning a suspected violation of any law.

(f) No real estate recordholder, or any officer, employee, or
agent of the real estate recordholder, shall be liable to any person
for either of the following:

(1) Disclosing information in response to an order pursuant to
this section.

(2) Complying with an order under this section not to disclose to
the customer the order, or the dissemination of information pursuant
to the order.

1 (g) Any records required to be produced pursuant to this section
2 shall be accompanied by an affidavit of a custodian of records of the
3 real estate recordholder or other qualified witness which states, or
4 includes in substance, all of the following:

5 (1) The affiant is the duly authorized custodian of the records or
6 other qualified witness and has authority to certify the records.

7 (2) The identity of the records.

8 (3) A description of the mode of preparation of the records.

9 (4) The records were prepared by the personnel of the business in
10 the regular course of business at or near the time of an act,
11 condition, or event.

12 (5) Any copies of records described in the order are true copies.

13 (h) A person who violates this section is guilty of a public
14 offense punishable by imprisonment in a county jail for not more than
15 one year or by imprisonment pursuant to subdivision (h) of Section
16 1170.

17 (i) For the purposes of this section, the following terms shall
18 have the following meanings:

19 (1) "Person" means any individual, partnership, firm, association,
20 corporation, limited liability company, or other legal entity.

21 (2) "Mortgage lending process" means the process through which a
22 person seeks or obtains a mortgage loan, including, but not limited
23 to, solicitation, application, origination, negotiation of terms,
24 third-party provider services, underwriting, signing and closing, and
25 funding of the loan.

26 (3) "Mortgage loan" means a loan or agreement to extend credit to
27 a person that is secured by a deed of trust or other document
28 representing a security interest or lien upon any interest in real
property, including the renewal or refinancing of the loan.

(4) "Real estate recordholder" means any person, licensed or
unlicensed, that meets any of the following conditions:

(A) Is a title insurer that engages in the "business of title
insurance" as defined by Section 12340.3 of the Insurance Code, an
underwritten title company, or an escrow company.

(B) Functions as a broker or salesperson by engaging in any of the
type of acts set forth in Sections 10131, 10131.1, 10131.2, 10131.3,
10131.4, and 10131.6 of the Business and Professions Code.

(C) Engages in the making or servicing of loans secured by real
property.

(j) Fraud involving a mortgage loan may only be prosecuted under
this section when the value of the alleged fraud meets the threshold
for grand theft as set out in subdivision (a) of Section 487.

1692e. False or misleading representations

A debt collector may not use any false, deceptive, or misleading representation or means
in connection with the collection of any debt. Without limiting the general application of
the foregoing, the following conduct is a violation of this section:

- 1 (1) The false representation or implication that the debt collector is vouched for, bonded
2 by, or affiliated with the United States or any State, including the use of any badge,
3 uniform, or facsimile thereof.
- 4 (2) The false representation of—
- 5 (A) the character, amount, or legal status of any debt; or
- 6 (B) any services rendered or compensation which may be lawfully received by any debt
7 collector for the collection of a debt.
- 8 (3) The false representation or implication that any individual is an attorney or that any
9 communication is from an attorney.
- 10 (4) The representation or implication that nonpayment of any debt will result in the arrest
11 or imprisonment of any person or the seizure, garnishment, attachment, or sale of any
12 property or wages of any person unless such action is lawful and the debt collector or
13 creditor intends to take such action.
- 14 (5) The threat to take any action that cannot legally be taken or that is not intended to be
15 taken.
- 16 (6) The false representation or implication that a sale, referral, or other transfer of any
17 interest in a debt shall cause the consumer to—
- 18 (A) lose any claim or defense to payment of the debt; or
- 19 (B) become subject to any practice prohibited by this subchapter.
- 20 (7) The false representation or implication that the consumer committed any crime or
21 other conduct in order to disgrace the consumer.

22

23 147. That CHASE's systemic practices rise to the level of "unlawful" under
24 the perjury statute.

25

26

27

28

1 148. That CHASE's systemic practices rise to the level of "fraudulent" under
2 the plain definition of the word and is highly likely to mislead the public
3 including the bankruptcy players.
4

5 149. That CHASE's systemic practices rise to the level of "unfair" under the
6 plain definition of the word as these practices provide CHASE a cost savings
7 advantage over its competitors.
8

9 150. That CHASE continues to employ the business practice of manufacturing
10 evidence to support its position in bankruptcy matters in violation of existing
11 "Consent Orders" to refrain from wrongful and deceptive foreclosure practices.
12

13 151. That CHASE continues to present evidence and assertions as to the chain
14 of title transfers of MLNs in bankruptcy matters, that CHASE either knows to
15 be false or where CHASE has no reason to believe that these assertions
16 contained in these documents are true.
17

18 152. That CHASE engages in this deceptive business practice for its own
19 financial benefit, at the expense of class members, investors, competitors and
20 with complete disdain for the bankruptcy court system.
21

22 153. CHASE is motivated by cost savings relative to its competitors and
23 therein gains an unfair competitive advantage over its legitimate industry rivals.
24
25
26
27
28

1 154. CHASE is motivated by mitigating exposure to investors of MBSTs for
2 its failure, and the failure of WAMU, to properly securitized MLNs in the
3 manner promised to investors.
4

5 155. That CHASE views the requirement of standing in the bankruptcy system
6 as a costly barrier to getting what it wants: the quick and inexpensive resolution
7 to thousands of bankruptcy matters with minimal opposition.
8

9 156. Rather than satisfy its burden of proof to establish standing, CHASE has
10 determined that manufacturing evidence to accomplish its goals and chill
11 opposition is a more cost effective business practice.
12

13 157. As stated, the process of proving up standing for a Mortgage Backed
14 Security Trust typically involves proving three true sales of a given MLN (From
15 Originator to Sponsor to Depositor to the Trust). CHASE utilizes this deceptive
16 business practice to avoid the costs associated with this proving standing.
17

18 158. To CHASE, the ends justify the means: Whether there is a lack of ANY
19 evidence of a MBSTs standing OR where CHASE views the cost of proving up
20 THREE MLNs transfers is too high, CHASE efficiently avoids the challenge
21 utilizing the business practice of manufacturing evidence.
22

23 159. The cost savings benefits to CHASE are estimated to be in the tens of
24 millions in saved legal fees, technology costs and increased time to foreclosure.
25
26
27
28

1 160. Through the utilization of this practice, CHASE receives additional
2 financial benefits including trustee payouts from confirmed plans based on
3 submitted Proofs of Claim supported by fabricated evidence. Said payouts are
4 at the expense of unsecured creditors and debtors alike.
5

6
7 161. Most egregiously, the network attorneys utilize the business practice to
8 obtain attorney fees awards from by the bankruptcy judges ranging from \$600-
9 \$1000 for each successful motion for relief of stay and allowed proofs of claim.
10 Said awards allow CHASE to pad its claims and add fees to the loan balances
11 arrearage claims of class members.
12

13
14 162. That CHASE's manufactured evidence is so persuasive that 95% of
15 motions for relief of stay are granted without opposition and over 95% of
16 CHASE's Proofs of Claims are allowed.
17

18 163. That the systemic use of the fabricated evidence has a chilling effect on
19 class debtors and their attorneys. Said business practice discourages bankruptcy
20 players from offering objections or from questioning the validity of CHASE's
21 false claims based on standing.
22

23
24 164. That the systemic use of the fabricated evidence provides CHASE with an
25 unfair competitive advantage over other loan servicers and lender s who must
26 bear the cost of proving up bankruptcy matters without the benefit of utilizing
27 fabricated evidence to fit the desired outcome.
28

1 165. That the systemic use of the fabricated evidence has a chilling effect on
2 class debtors and their attorneys. Said business practice discourages bankruptcy
3 players from offering objections or from questioning the validity of CHASE's
4 false claims based on standing.
5

6
7 166. That the fabricated title documents and affidavits used by CHASE, while
8 persuasive, are blatant misrepresents the chain of title transfer of class member's
9 MLN and affront to the integrity of the legal system.
10

11 167. That after a non-judicial foreclosure sale, class members remain indebted
12 to the true beneficiary for the unsecured note but without credit for the loss of
13 the collateral to CHASE. Said business practice also harms the true creditors.
14

15 168. Plaintiffs are further informed and believe and allege thereon that each of
16 these defendants' business practices are likely to continue to deceive the public
17 and are likely to continue to induce bankruptcy players including other class
18 members into relying to their detriment on false representations made in title
19 documents and affidavits offered in bankruptcy matters.
20

21
22 169. Defendants' acts, and each of them, violate the unfair competition laws of
23 the state of California and specifically California Business and Professions Code
24 §§ 17200, et seq. as indicated above.
25
26
27
28

1 170. As a proximate result of defendants' conduct, plaintiffs, each of them,
2 was injured financially and/or to her property rights. Said conduct as set forth
3 herein resulted in statutory, general and special damages.
4

5 171. Plaintiffs are further entitled to injunctive relief and any other equitable
6 relief that the court deems appropriate.
7

8
9 Wherefore plaintiff demands judgment against defendants as set forth below.
10

11
12 **VII. PRAYER FOR RELIEF**
13

14 WHEREFORE, Plaintiffs pray for judgment against defendants, and each of
15 them, as follows:
16

- 17 a. A determination whether CHASE is estopped from denying the truth of the matters
18 asserted in various title and other documents offered in bankruptcy matters;
19
20 b. An order certifying the plaintiff TILA class, appointing named plaintiffs as the
21 representatives of the class and appointing the law firm(s) representing the named
22 plaintiffs as counsel for the TILA class;
23
24 c. A determination whether defendant's business practices, actions, failures to act,
25 representations and assertions in bankruptcy matters constitute violations of
26 California Business & Professions Code §17200;
27
28

- 1 d. In the alternative, an order certifying the plaintiff §17200 class, appointing named
2 plaintiffs as the representatives of the class and appointing the law firm(s)
3 representing the named plaintiffs as counsel for the §17200 class;
4
- 5 e. Pursuant to Business and Professions Code § 17203, an order that all Defendants,
6 their successors, agents, representatives, employees, and all persons who act in
7 concert with them be permanently enjoined from committing any acts of unfair
8 competition in violations of § 17200, including, but not limited to, the violations
9 alleged herein.
10
- 11 f. A determination of the amount of actual, special and general damages appropriate
12 for violations of Cal B&P §17200 in this context;
13
- 14 g. A determination of the amount of statutory damages and civil penalties appropriate
15 for violations of Cal B&P §17200 in this context;
16
- 17 h. A determination of the amount of court sanctions and punitive damages appropriate
18 for violations of Cal B&P §17200 in this context;
19
- 20 i. A determination of the amount of restitution and disgorgement appropriate for
21 violations of Cal B&P §17200 in this context;
22
- 23 j. A determination of the amount of cost savings benefiting CHASE from the
24 deceptive practices violating Cal B&P §17200 in this context;
25
- 26 k. An Order vacating all Bankruptcy orders, claims and awards granted based on
27 CHASE's misrepresentations and deceptive business practices;
28

1 l. An Order directing CHASE to implement remedial processes and oversight of
2 CHASE's future bankruptcy and foreclosure practices;

3
4 m. Costs

5 n. Attorney fess

6
7 o. Prejudgment interest at the statutory rate;

8 p. Post-judgment interest;

9 q. Such other and further relief as the Court finds necessary and proper.
10
11

12 **VIII. DEMAND FOR JURY TRIAL**

13
14 Plaintiffs hereby demand a jury trial.
15
16

17
18 Dated: January 11, 2012

LAW OFFICES OF J. ARTHUR ROBERTS

19
20 /s/ Joseph Arthur Roberts

21 JOSEPH ARTHUR ROBERTS, ESQ.

22 Attorney for Plaintiffs BAKENIE

23 and all others similarly situated
24
25
26
27
28