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CLERK U.S. DISTRICT COURT  
CENTRAL DIST. OF CALIF.  
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12  
13 UNITED STATES DISTRICT COURT  
14 CENTRAL DISTRICT OF CALIFORNIA

15 **BEVERLY KING and NANCY**  
16 **GLENNON**, individually and on behalf of  
all others similarly situated,

17 Plaintiffs,

18 v.

19 **CITIMORTGAGE, Inc.**, a member of  
20 **CITIGROUP Inc.**,

21 Defendant.  
22  
23  
24

**CASE NO. - 3792 MMM PLA**

**CLASS ACTION**

**COMPLAINT FOR:**

- (1) Breach of Contract;
- (2) Breach of the Implied Covenant of Good Faith and Fair Dealing;
- (3) Promissory Estoppel;
- (4) Violation of California Business and Professions Code § 17500 *et seq.*; and
- (5) Violation of California Business and Professions Code § 17200 *et seq.*

**DEMAND FOR JURY TRIAL**

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1 Plaintiffs Beverly King and Nancy Glennon (“Plaintiffs”), individually and  
2 on behalf of all others similarly situated, by their undersigned counsel, allege the  
3 following upon personal knowledge as to their own acts and, as to all other  
4 allegations, upon information and belief and investigation by counsel, including a  
5 review of publicly available documents.

6 **NATURE OF THE ACTION**

7 1. Plaintiffs bring this class action on behalf of themselves and a class of  
8 persons (“Class Members”) who sought modifications to their mortgage payments  
9 through their mortgage servicer, Defendant CitiMortgage, Inc. (“CitiMortgage” or  
10 Defendant), a member of Citigroup Inc. (collectively “Citi”), from on or about  
11 April 13, 2009, through the final disposition of this and any and all related cases  
12 (the “Class Period”).

13 2. At the time Plaintiffs contacted CitiMortgage to reduce the loan  
14 payments on their joint loan due to a reduction in hours at their government jobs,  
15 they were behind on only one payment of \$2,188 and had otherwise made  
16 payments since the loan’s inception in December 2007.

17 3. CitiMortgage represented it would help by putting Plaintiffs in a trial  
18 mortgage modification program that would become permanent if Plaintiffs made  
19 reduced payments during the three-month trial period.

20 4. Despite Plaintiffs making the monthly reduced payments that  
21 CitiMortgage asked them to make, and complying with Defendant’s requests for  
22 various documentation, Plaintiffs found themselves hounded by CitiMortgage a  
23 few months later for a purported \$14,000 delinquency, their credit-worthiness  
24 ruined, and rejected for permanent loan modification.

25 5. Plaintiffs’ story is typical. CitiMortgage did not live up to its promises  
26 of providing borrowers with reduced loan payments. Moreover, consumers  
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1 emerged from the trial modification in worse shape than they entered it, despite  
2 doing everything CitiMortgage requested of them relating to the trial modification.

3 6. In March 2009, in reaction to the rising tide of foreclosures, the  
4 United States Treasury introduced the Home Affordable Modification Program  
5 (“HAMP”), to be implemented by loan servicers such as CitiMortgage. The  
6 HAMP supplemented various other modification or forbearance plans offered by  
7 servicers, including CitiMortgage.

8 7. When Plaintiffs began having trouble making their regular loan  
9 payments, they contacted CitiMortgage to find out if they were eligible to enter the  
10 widely advertised modification programs. The main lure of the HAMP and other  
11 CitiMortgage-sponsored hardship assistance plans to consumers is the stay of  
12 foreclosure proceedings and the promise of smaller loan payments.

13 8. Plaintiffs were qualified for the trial modification period to begin in  
14 September 2009.<sup>1</sup> The trial period is supposed to last for 90 days and its purpose is  
15 to test whether the consumer can make the modified payments and to allow for the  
16 submission of all documents. In reality, the trial period typically lasted far longer  
17 than 90 days. For Plaintiffs, it lasted from September 2009 through February  
18 2010.

19 9. Pursuant to their agreement with Defendant, Plaintiffs and Class  
20 Members fulfilled their obligations by submitting the requested paperwork and  
21 timely making the modified payments during the trial period.

22 10. Consumers that were rejected from permanent modification plans  
23 through no fault of their own should find themselves in no worse position than they  
24 entered it. Instead, Defendant’s failure to honor its agreements and its  
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26 <sup>1</sup> The initial qualification depends on the nature of the property at issue, the amount  
27 of the balance that is owed, the borrower’s income as a proportion of the monthly  
28 payment, and other factors discussed by CitiMortgage with consumers over the  
telephone.

1 misrepresentations and omissions about a program enacted to help homeowners  
2 reduce their payments and keep their homes have left Plaintiffs and Class Members  
3 financially devastated.

4 **JURISDICTION AND VENUE**

5 11. This Court has jurisdiction pursuant to 28 U.S.C. § 1332(d) because  
6 there are at least 100 Class Members in the proposed Class, the combined claims of  
7 proposed Class Members exceed \$5,000,000 exclusive of interest and costs, and at  
8 least one Class Member is a citizen of a state other than Defendant’s state of  
9 citizenship.

10 12. Venue is proper pursuant to 28 U.S.C. § 1391(a) because a substantial  
11 part of the events giving rise to the claims asserted herein occurred in this district,  
12 and Plaintiffs dealt with Defendant, which is located in and/or does business in this  
13 district. Venue is proper pursuant to 28 U.S.C. § 1391(c) because Defendant  
14 conducts substantial business in this District, has sufficient minimum contacts with  
15 this District, and otherwise purposely avails itself of the markets in this District,  
16 through the promotion, sale, and marketing of its services in this District.

17 **THE PARTIES**

18 13. Plaintiffs Beverly King (“King”) and Nancy Glennon (“Glennon”),  
19 members of the Class defined below, jointly hold a mortgage for their home,  
20 located in this district, in Rancho Cucamonga, California, through service provider  
21 CitiMortgage. King is employed by the Riverside County Flood Control and Water  
22 Conservation District. Glennon is employed by the California State Compensation  
23 Insurance Fund.

24 14. Defendant CitiMortgage, Inc. is headquartered in O’Fallon, Missouri.  
25 CitiMortgage is the fourth-largest mortgage servicer in the country. Throughout its  
26 website CitiMortgage states that it “is committed to helping [its] customers facing  
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1 financial hardship remain in their homes.” CitiMortgage is part of Citigroup Inc., a  
2 global financial conglomerate based in New York City.

3  
4 **BACKGROUND TO THE RESIDENTIAL MORTGAGE CRISIS**

5 15. Toward the end of 2007 and throughout 2008, the residential real  
6 estate market collapsed, causing a tailspin that drove the economy into recession.

7 16. Because Citigroup made extravagantly wrong bets on asset-backed  
8 securities, it found itself on the brink of financial collapse and had to be bailed out  
9 with \$45 billion from the federal government’s Troubled Asset Relief Program  
10 (“TARP”).

11 17. In response to the foreclosure crisis, President Obama introduced the  
12 Financial Stability Plan on February 10, 2009, to help prevent foreclosures and  
13 restructure troubled mortgage loans.

14 18. As part of the plan, on March 4, 2009, the U.S. Treasury introduced  
15 the Home Affordable Modification Program, which provided guidelines for  
16 mortgage servicers to adopt to modify loans for homeowners in financial need,  
17 including the following:

- 18 • Servicers will receive an up-front Servicer Incentive Payment of  
19 \$1,000 for each eligible modification meeting guidelines established.
- 20 • Any foreclosure action will be temporarily suspended during the trial  
21 period, or while borrowers are considered for alternative foreclosure  
22 prevention options.
- 23 • ***The trial modification period will last 90 days*** (three payments at  
24 modified terms) or longer if necessary to comply with investor  
25 contractual obligations. The borrower must be current at the end of  
26 the trial period to obtain a Home Affordable Modification.

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- The servicer must inform borrowers of the availability and advantages of counseling and provide a list of local HUD-approved counselors and that counseling is a requirement of the modification terms.
- There are no modification fees or charges borne by the borrower.
- ***Unpaid late fees will be waived for the borrower.*** These include late fees prior to the start of the trial period and accrued during the period.
- Compensation is provided to the servicer that performs the loss mitigation or modification activities. Upon modification following successful completion of the trial period, and contingent on signing the program servicer agreement, the servicer will receive an incentive fee of \$1,000 for each eligible modification meeting HAMP.
- For loans modified while still current, the servicer will receive a Current Borrower One-Time Incentive of \$500 following successful completion of the trial period.
- When promoting or describing loan modifications, ***servicers should provide borrowers with information designed to help them understand the modification terms that are being offered and the modification process. Servicers also must provide borrowers with clear and understandable written information about the material terms, costs, and risks of the modified mortgage loan in a timely manner to enable borrowers to make informed decisions.***
- ***Servicers should have procedures and systems in place to be able to respond to inquiries and complaints relating to loan modifications. Servicers should ensure that such inquiries and complaints are provided fair consideration, and timely and appropriate responses and resolution.***

- 1 • Servicers will be required to maintain records of key data points for  
2 verification/compliance reviews.
- 3 • Servicers will be required to collect and transmit borrower and  
4 property data in order to ensure compliance with the program as well  
5 as to measure its effectiveness.

6 (Emphasis added.)

7 19. On April 13, 2009, CitiMortgage signed the Servicer Participation  
8 Agreement for the HAMP.

### 9 **DEFENDANT’S UNLAWFUL BUSINESS PRACTICES**

#### 10 **CitiMortgage Encourages Borrowers to Apply For Hardship Modifications**

11 20. CitiMortgage advertises its homeowner assistance programs on its  
12 website, urging consumers experiencing economic hardship to contact it: “Citi is  
13 committed to helping our customers facing financial hardship remain in their  
14 homes. If you are having trouble paying your monthly mortgage payment due to a  
15 change or loss of a job, serious illness or divorce you may have options that could  
16 lower your mortgage costs. . . . If you are facing financial hardship, we will work  
17 with you to find the best option for you.” CitiMortgage advertises its commitment  
18 to “Homeowner Assistance,” representing to borrowers that CitiMortgage is  
19 committed to helping keep people in their homes, and that options are available to  
20 lower monthly payment obligations.

#### 21 **Homeowner Assistance**

22 CitiMortgage is committed to helping keep people in their homes.

23 There are many possible solutions to manage your mortgage payment,  
24 and the most important step you can take is to reach out for help  
25 today.

26 **Are you concerned about your ability to pay your bills? Help Is**  
27 **Free!**

1 Changing or losing a job, serious illness or a divorce can have a  
2 serious impact on your finances.

3 Many homeowners are having trouble with their mortgage payments  
4 and you may have the option to modify or change certain parts of your  
5 mortgage loan agreement.

6 Sometimes altering the interest rate, the term of the mortgage or even  
7 the mortgage product may be able to help you manage your monthly  
8 payments.

9 After careful consideration and review of all available options, some  
10 homeowners may decide not to stay in their home.

11 There are options and solutions for these situations as well.

12 Please have the following documents available to help us review your  
13 financial situation:

- 14 • Pay stubs dated within the last 30 days, covering at least a 60-  
15 day (2-month) period.
- 16 • W2/tax return or year-end business statement (if applicable) for  
17 the prior year.
- 18 • Personal bank statements from the last 6 months.

19 Sign in to review your options

20 21. CitiMortgage’s website also stated under “Hardship Assistance” that:

21 CitiMortgage understands sometimes situations occur that make it  
22 difficult for you to make your monthly mortgage payments. Our  
23 Workable Solutions Program was specifically created to help our  
24 customers who are experiencing these hardships.

25 To determine the need for hardship assistance, start with the following  
26 questions:

- 27 • Are you unemployed?

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- Have you had a change in jobs that has caused a decrease in your income?
- Have you had to relocate due to loss of employment or a job transfer?
- Is illness affecting your ability to make your current mortgage payments?
- Has divorce affected your ability to make mortgage payments?
- Has there been a recent death in the family?
- Have you been impacted by a natural disaster?

If you answered “Yes” to any of the above questions, we may be able to assist you (based on investor or insurer guidelines on your loan).

\* \* \*

If you’re facing foreclosure, you may still be able to keep your home. This requires you to be proactive and work with your lender or servicer, or a professional counselor. Here are the steps you can take to try to retain your home:

1. Contact you lender
2. Write a hardship letter
3. Complete the necessary homeowner assistance forms
4. Work with your lender or servicer to determine an affordable workout option
5. Stick to the budget and follow the plan steps outlined by your lender or servicer
6. Keep copies of your communication and documents
7. Stay focused and continue communicating with your lender, servicer and the counselor

1 Whether you decide to go with a modification, repayment plan or  
2 extension, you will need to supply the following documents to your  
3 lender or servicer:

- 4 1. Hardship Letter
- 5 2. Breakdown of Expense (a budget from a counselor or a  
6 completed Hardship Assistance Package)
- 7 3. Proof of Income (regardless of employment status):
  - 8 • 2 recent consecutive pay stubs; or
  - 9 • 2 consecutive months of bank statements, or
  - 10 • 2 consecutive tax returns

11 22. The announcement of CitiMortgage's participation in HAMP and  
12 CitiMortgage's advertising of its programs to help customers in financial difficulty  
13 prompted thousands of customers who were having trouble making their loan  
14 payments to contact Defendant to find out if they qualified for a modification or  
15 other program to help them pay their mortgages.

16 23. Defendant instructed Plaintiffs to fill out the "Customer Hardship  
17 Assistance Package" which included financial worksheets with questions about  
18 their expenses and requested copies of recent pay stubs, tax forms (W-2 and 1040  
19 forms), other income statements, bank statements and property tax information.

20 **Plaintiffs Comply With CitiMortgage's Loan Modification Instructions**

21 24. In April 2009, Beverly King and Nancy Glennon had difficulty  
22 making their regular mortgage payment due to a reduction in their work hours.  
23 Plaintiffs missed a mortgage payment in April. King called CitiMortgage to inquire  
24 about receiving a modification of their existing monthly obligation of \$2,186.82.  
25 She was told a hardship assistance package would be sent to her.

26 25. Upon receipt, Plaintiffs promptly submitted the hardship assistance  
27 package and the requested documentation, but CitiMortgage continued to request  
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1 additional documentation or the same documentation that was sent but supposedly  
2 not received by CitiMortgage. King and Glennon continued to make their loan  
3 payments during this time.

4 26. Finally, in July 2009, Defendant acknowledged receipt of the hardship  
5 package and stated that the package would take about 30 days to process. By letter  
6 dated July 14, 2009, Defendant informed Plaintiffs that their account was  
7 delinquent in the amount of \$4,671, but that their request for repayment was  
8 approved and required four payments in the amount of \$2,186.82 to be made on  
9 the last day of the July, August, September and October of 2009. The purportedly  
10 delinquent amount of \$4,671 did not appear to be reflected in the repayment  
11 schedule.

12 27. Upon receipt of the July 14, 2009 letter, Beverly King called  
13 CitiMortgage to explain that the repayment amount of \$2,186.82 did not appear to  
14 represent a modified or reduced amount; that was the amount Plaintiffs had always  
15 paid. Beverly King was told this was an error and that a new letter reflecting a  
16 reduced payment schedule would be sent shortly.

17 28. By letter dated August 24, 2009, CitiMortgage informed Plaintiffs that  
18 their reduced payment plan had been approved, and that a delinquency of \$4,843  
19 was outstanding. The repayment schedule required four payments of \$1,094 to be  
20 made by the tenth day of September, October, November, and December of 2009.  
21 But, inexplicably, the repayment schedule referenced a payment of \$11,401 due by  
22 January 10, 2010. The CitiMortgage letter does not explain what that figure  
23 purports to represent. Plaintiffs accepted this “modification” offer and made the  
24 requested payments starting in September 2009.

25 29. Due to an error in processing the first September payment, Plaintiffs  
26 entered into an automatic withdrawal arrangement to ensure timely payment. By  
27 letter dated September 17, 2009, CitiMortgage confirmed to Beverly King that a  
28

1 payment schedule of three reduced payments of \$1,094 would be withdrawn  
2 automatically from a designated bank account on the 10th days of October,  
3 November and December of 2009. The letter made no reference to the \$11,401 that  
4 appeared on the August 24, 2009, letter. The payments were processed as  
5 scheduled.

6 30. Plaintiffs timely submitted each of the modified payments as required  
7 under their agreement with Defendant under the trial modification period.

8 31. Despite doing everything Defendant asked them to do, Plaintiffs were  
9 notified in February 2010 that they were not eligible for the HAMP modification.  
10 Additionally, Defendant tacked on late and delinquent fees based on when  
11 Plaintiffs began making the modified payments, in the amount of \$13,591, which  
12 included \$353.39 in late charges and \$117 in delinquency expenses. Defendant told  
13 Plaintiffs that if they did not make the enormous payment immediately, they would  
14 face either a short-sale of their home or foreclosure.

15 32. The \$13,591 purported delinquency figure is unexplained. The only  
16 way Plaintiffs could owe that much is if CitiMortgage considered the difference  
17 between the unmodified and modified amounts as delinquent, contrary to its  
18 advertising, promises, representations or any good faith effort to help borrowers.  
19 Obviously, if Plaintiffs had nearly \$14,000 in cash they would not have sought  
20 hardship modification in the first place.

21 33. In some instances, Defendant's representations over several months to  
22 Class Members about their participation in the trial modification period also  
23 forestalled Class Members from attempting to pursue any other options to prevent  
24 delinquency on their mortgage payments. Class Members sought the modification  
25 because they were financially constrained from making their regular interest rate  
26 payments.

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1           34. Also, Defendants reported to credit bureaus Plaintiffs and other Class  
2 Members who were making modified payments during the trial period as late or in  
3 default. Class Members have had their credit destroyed, which will substantially  
4 and negatively impact their ability to rent an apartment if they lose their homes,  
5 among other problems.

6 **CitiMortgage Admits Problems With Its Modification Plans**

7           35. On August 25, 2009, Citi published a press release titled, “Foreclosure  
8 Prevention Activities Helped 108,000 U.S. Homeowners.” The press release  
9 stated, in pertinent part:

10                   **Citi’s Successful Foreclosure Prevention Initiatives**

11  
12           CitiMortgage is the fourth largest mortgage servicer in the U.S. and *is*  
13 *committed to helping families facing financial difficulty stay in their*  
14 *homes*. CitiMortgage recently implemented the Administration’s  
15 Home Affordable Modification Program (HAMP). That program, as  
16 well as other loss mitigation initiatives, were *unexpectedly*  
17 *challenging to put in place*. Rapidly escalating and unprecedented  
18 volumes of customer calls led Citi to quickly expand its response  
19 capabilities during recent months. *Citi’s constant goal is to*  
20 *continuously improve its customers’ experience when dealing with*  
21 *Citi*. Accordingly, Citi increased its loss mitigation staff by 1,400  
22 since the beginning of the year. CitiMortgage designed, developed  
23 and implemented training around HAMP for over 4,000 employees.  
24 Call center capabilities were increased significantly and the company  
25 has solicited over 140,000 delinquent borrowers beginning in April.  
26 As of July, over 40,000 borrowers have been offered trial HAMP  
27 plans to date.  
28

1 Last year, CitiMortgage launched the *Citi Homeowner Assistance*  
2 *program, a multi-faceted program to help homeowners avoid*  
3 *foreclosure and stay in their homes. Citi has developed programs*  
4 *addressing homeowners at all stages – from those who are current*  
5 *on their payments but may face economic distress, to borrowers who*  
6 *have fallen behind on their payments, to recently unemployed*  
7 *eligible customers – to provide assistance.*

8 The company is using a variety of means to help homeowners,  
9 including expanding its specially trained servicing units to work with  
10 homeowners to find long-term solutions; a continuous evaluation of  
11 portfolios to identify those borrowers who may be eligible for reduced  
12 monthly payments; adoption of the Obama Administration’s  
13 streamlined long-term modification program; and partnering with  
14 community and nonprofit partners through Citi’s Office of  
15 Homeownership Preservation to offer free services to borrowers and  
16 training to counselors.

17  
18 (Emphasis added.)

19 36. In its third quarter earnings report released on October 15, 2009,  
20 Citigroup stated that it “[c]ompleted more than 24,000 mortgage loan  
21 modifications during the quarter. In addition, at the end of the quarter, Citigroup  
22 had more than 63,000 loans in the trial modification period under the [HAMP].”  
23 The earnings report further stated (although this was not revealed to Class  
24 Members) that “[l]oans in the trial modification period under the HAMP *continue*  
25 *to remain delinquent even if the reduced payments agreed to under the program*  
26 *are made by the borrower . . . [t]he impact of the HAMP also contributed to the*  
27 *\$2.0 billion sequential increase in loans 90+ days past due* in the North America  
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1 residential real estate lending business” (emphasis added). Citi’s first mortgage  
2 delinquencies went from \$10.2 billion in the second quarter of 2009 to \$12.5  
3 billion in the third quarter.

4 **CLASS ALLEGATIONS**

5 37. Plaintiffs bring this action on their own behalf and as a Class Action  
6 pursuant to Rule 23 of the Federal Rules of Civil Procedure. Plaintiffs seek  
7 certification of the following Class:

8 All persons in the United States whose loans have been serviced by  
9 CitiMortgage and who, since April 13, 2009 through the final  
10 disposition of this and all related actions, have complied with their  
11 obligation under a trial loan modification program and have not  
12 received a permanent modification pursuant to the loan modification  
13 agreement and harmed thereby.

14 38. Plaintiffs and the members of the Class are so numerous that joinder  
15 of all members individually, in one action or otherwise, is impractical.

16 39. This action involves questions of law and fact common to Plaintiffs  
17 and all members of the Class, which include:

18 (a) Whether Defendant breached its contracts and promises with  
19 Plaintiffs and the Class Members and their obligations under the HAMP and other  
20 CitiMortgage loan modification programs;

21 (b) Whether Defendant breached the implied covenant of good  
22 faith and fair dealing;

23 (c) Whether Defendant should be required under the doctrine of  
24 promissory estoppel to offer permanent modifications to Class Members;

25 (d) Whether Defendant violated California Business and  
26 Professions Code Section 17500;

1 (e) Whether Defendant violated California Business and  
2 Professions Code Section 17200; and

3 (f) Whether Plaintiffs and Class Members sustained damages  
4 resulting from Defendant's conduct and, if so, the proper measure of damages,  
5 restitution, equitable or other relief, and the amount and nature of such relief.

6 40. Plaintiffs understand and are willing to undertake the responsibilities  
7 of acting in a representative capacity on behalf of the proposed Class. Plaintiffs  
8 will fairly and adequately protect the interests of the Class and have no interests  
9 adverse to or that directly conflict with the interests of the other members of the  
10 Class.

11 41. Plaintiffs have engaged the services of counsel, who are experienced  
12 in complex class litigation, who will adequately prosecute this action, and will  
13 assert and protect the rights of and otherwise represent Plaintiffs and the absent  
14 Class Members.

15 42. Plaintiffs' claims are typical of those of the absent Class Members  
16 because Plaintiffs and the Class Members each sustained damages arising from  
17 Defendant's wrongful conduct, as alleged more fully herein.

18 43. This action is brought under Rule 23 because Defendant has acted on  
19 grounds generally applicable to all members of the Class.

20 44. Judicial determination of the common legal and factual issues  
21 essential to this case would be far more efficient and economical as a class action  
22 than piecemeal individual determinations.

23 45. Plaintiffs know of no difficulty that will be encountered in the  
24 management of this litigation that would preclude its maintenance as a class action.  
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**COUNT I**  
**Breach of Contract**

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3       46. Plaintiffs incorporate the above allegations by reference as though  
4 fully set forth herein.

5       47. Plaintiffs held a mortgage serviced through Defendant CitiMortgage.

6       48. Plaintiffs sought to modify their monthly payments based on  
7 Defendant's participation in the HAMP or another CitiMortgage loan modification  
8 program. Plaintiffs provided all the necessary documentation requested by  
9 Defendant in a timely manner in order to participate in a modification program.  
10 Defendant indicated the process of review of their documentation would be 30  
11 days.

12       49. Defendant informed Plaintiffs that they could begin the trial  
13 modification period and make modified interest payments immediately, without  
14 disclosing the possibility of negative consequences to their mortgage payment  
15 history, and under the expectation that they would receive a permanent  
16 modification under the HAMP or other CitiMortgage loan modification program  
17 thereafter.

18       50. Plaintiffs agreed to Defendant's offer and made the modified  
19 payments based on Defendant's representations about the trial modification  
20 agreements, keeping all information and representations true and accurate in all  
21 material respects, and by taking all such other steps necessary, or are excused from  
22 performance because of Defendant's non-performance as alleged herein.

23       51. Defendant accepted Plaintiffs' modified offer of reduced payments  
24 throughout the trial period.

25       52. Plaintiffs' modified payments during the trial period constitute  
26 consideration and by making those payments Plaintiffs gave up their ability to  
27 pursue other alternatives to prevent default of their mortgage payments and  
28 foreclosures.

1           53. Plaintiffs and Defendant therefore formed a valid contract concerning  
2 the modification of their mortgage payments.

3           54. Defendant did not perform in accordance with the contract terms  
4 regarding the trial modification period, and in fact, Defendant intentionally and  
5 systematically delayed converting the trial modifications into permanent  
6 modifications and instead demanded additional documentation already sent and  
7 failed to implement as required under the loan modification programs adequate  
8 procedures and systems to respond to customer's inquiries and complaints.

9           55. Instead of fulfilling their obligations under the contracts formed with  
10 Plaintiffs, Defendant rejected Plaintiffs from the trial modification period, thereby  
11 nullifying and voiding their trial modification agreements, and demanded balloon  
12 payments, late and default fees.

13           56. Even if CitiMortgage did not breach an express term of the trial  
14 modification period agreement, it breached an implied term that required it to  
15 extend offers for permanent modifications within a reasonable time period  
16 following Plaintiffs' performance under the trial modification agreements. At the  
17 very least CitiMortgage should not penalize them for their compliance with the  
18 modified payments with exorbitant balloon payments and charging them late and  
19 delinquency fees, and reporting them to credit bureaus as in default -- all of which  
20 placed Plaintiffs in a materially worse position than before entering the contract  
21 with Defendant.

22           57. Plaintiffs remain ready, willing and able to perform under the  
23 contracts by continuing to make their modified payments.

24           58. As a direct and proximate result of Defendant's breach of these  
25 material terms that they falsely and misleading represented, Plaintiffs did not  
26 receive the benefit of their bargain and were damaged and are threatened with  
27 additional harm, in an amount to be determined at trial.

28

**COUNT II**  
**Breach of the Implied Covenant of Good Faith and Fair Dealing**

1  
2  
3 59. Plaintiffs incorporate the above allegations by reference as though  
4 fully set forth herein.

5 60. Every contract imposes upon each party a duty of good faith and fair  
6 dealing in its performance. The mortgage service agreements, Defendant's  
7 participation in the HAMP, and Defendant's representations in connection with the  
8 trial modification period between Plaintiffs and Defendant created a binding  
9 contract contained an implied covenant of good faith and fair dealing. The  
10 covenant requires that neither party to the contract do anything to infringe upon the  
11 other party's rights to the benefits of the agreement, or to deprive the other party of  
12 the benefits of the contract.

13 61. Defendant's breached the implied covenants of good faith and fair  
14 dealing contained in each of the agreements by, among other things:

15 (a) failing to make good faith efforts under their contractual  
16 obligations, written and implied promises, loan servicing functions owed to  
17 Plaintiffs, who fulfilled their obligations by making timely modified payments, to  
18 provide them with a loan modification;

19 (b) making false and/or misleading representations that Plaintiffs  
20 were eligible and entered into the trial modification period, which would lead to a  
21 permanent modification of their mortgage payment;

22 (c) failing to disclose to Plaintiffs that their modified payments  
23 may be reported to credit bureaus as delinquent;

24 (d) delaying processing, demanding duplicate documentation, and  
25 failing to provide adequate information or communication regarding the loan  
26 modification programs to Plaintiffs; and

27 (e) demanding exorbitant balloon payments, late fees, and  
28 delinquency fees from Plaintiffs that neither they, nor any other Class Member,

1 could reasonably be in a position to pay. In Plaintiffs' case, this was almost  
2 \$14,000 due all at once. Defendant knows that Plaintiffs and anyone else seeking  
3 hardship modification cannot reasonably be expected to pay a large balloon  
4 payment and their demands for such amounts constitutes bad faith dealing.

5 62. As a direct result of Defendant's breaches of the implied covenants of  
6 good faith and fair dealing, Plaintiffs and the Class were damaged, in an amount to  
7 be determined at trial.

8 **COUNT III**  
9 **Promissory Estoppel**

10 63. Plaintiffs incorporate the above allegations by reference as though  
11 fully set forth herein.

12 64. Defendant made representations regarding the trial modification  
13 period under the HAMP and CitiMortgage's loan modification program that  
14 Plaintiffs were eligible and could begin immediately making modified payments  
15 that would satisfy their loan obligations and lead to a permanent loan modification.

16 65. Defendant's representations about HAMP and its loan modification  
17 programs were intended to induce Plaintiffs to rely on the representations and  
18 make their modified payments based on them.

19 66. Plaintiffs and Class Members did rely on Defendant's representations  
20 about the loan modification programs and began making their modified payments.

21 67. Given the information about the loan modification programs,  
22 including the purpose of the program(s), Defendant's participation in the HAMP,  
23 and the representations Defendant made to Plaintiffs, Plaintiffs' reliance was  
24 reasonable.

25 68. Plaintiffs relied on Defendant's misrepresentations to their detriment.  
26 Plaintiffs were reported to credit agencies as delinquent for paying the modified  
27 amount that CitiMortgage asked them to pay, thereby lowering their credit score.  
28

1 Plaintiffs are being hounded by CitiMortgage for balloon payments they could not  
2 reasonably be expected to pay. Furthermore, Plaintiffs have not received a  
3 permanent loan modification and have lost the opportunity to seek other  
4 alternatives to prevent the default of their mortgage and avoid foreclosure.

5 **COUNT IV**  
6 **Violation of California Business and Professions Code Section 17500 *et seq.***

7 69. Plaintiffs incorporate the above allegations by reference as though  
8 fully set forth herein.

9 70. Throughout the Class Period, Defendant engaged in a public  
10 advertising and marketing campaign representing its participation in the HAMP  
11 and other loan modification and hardship assistance programs, its commitment to  
12 helping customers prevent default payments and foreclosure on their homes  
13 through loan modifications, and in fact boasted about its success in helping  
14 customers under the HAMP and other loan modification programs on a nationwide  
15 basis, including in California.

16 71. Defendant engaged in their advertising and marketing with intent to  
17 directly or indirectly solicit customers to inquire about the HAMP and other loan  
18 modification programs. Defendant failed to disclose the risks regarding the trial  
19 modification period, including that: (1) Plaintiffs and Class Members may not even  
20 be eligible to participate in the program; (2) Defendant may report their modified  
21 payments as default or late payments of their regular mortgage payment to credit  
22 bureaus, thereby destroying their credit histories; and (3) they could be rejected  
23 from the trial modification period at any point, which could result in an immediate  
24 demand for a balloon payment plus late and delinquency fees.

25 72. Contrary to the advertising that appeared on CitiMortgage's website,  
26 and elsewhere, the most common effect of attempting to modify a CitiMortgage  
27 serviced loan was that borrowers would be left in a worse position than before.  
28

1 73. Defendant’s advertisements and marketing representations are false,  
2 misleading, and likely to deceive the public and/or deceived the public by falsely  
3 representing the HAMP and trial modification programs and/or its benefits, while  
4 concealing the risks involved, as detailed above.

5 74. In making and disseminating the statements alleged herein, Defendant  
6 knew or should have known that the statements were untrue or misleading, in  
7 violation of California Business and Professions Code Section 17500, *et seq.*

8 75. Plaintiffs and Class Members seek restitution, declaratory and  
9 injunctive relief, and other relief allowable under Section 17500, *et seq.*

10 **COUNT V**  
11 **Violation of California Business and Professions Code Section 17200 *et seq.***

12 76. Plaintiffs incorporate the above allegations by reference as though  
13 fully set forth herein.

14 77. The circumstances giving rise to Plaintiffs’ allegations, including the  
15 corporate policies regarding the sales, marketing, and implementation of the  
16 HAMP and other loan modification programs and the trial modification period,  
17 occurred in the State of California. Therefore, application of California law is  
18 appropriate.

19 78. By engaging in the acts and practices described above, Defendant  
20 committed one or more acts of “unfair competition” within the meaning of  
21 Business & Professions Code Section 17200. “Unfair competition” is defined to  
22 include any “unlawful, unfair or fraudulent business act or practice and unfair,  
23 deceptive, untrue or misleading advertising and any act prohibited by [Business &  
24 Professions Code § 17500 *et seq.*].”

25 79. Defendant committed “unlawful” business acts or practices by, among  
26 other things, engaging in false advertising in violation of Business and Professions  
27 Code Section 17500, breaching their contracts with Plaintiffs and Class Members,  
28

1 breaching the implied covenant of good faith and fair dealing, and/or are required  
2 by the doctrine of promissory estoppel to offer permanent modifications to Class  
3 Members.

4 80. Defendant committed “unfair” business acts or practices by, among  
5 other things:

6 (a) engaging in conduct where the utility of such conduct, if any, is  
7 outweighed by the gravity of the consequences to Plaintiffs and Class Members;

8 (b) engaging in conduct that is immoral, unethical, oppressive,  
9 unscrupulous, or substantially injurious to Plaintiffs and Class Members; and

10 (c) engaging in conduct that undermines or violates the spirit or  
11 intent of the consumer protection laws alleged in this Complaint.

12 81. Defendant committed “fraudulent” business acts or practices by,  
13 among other things, engaging in conduct Defendant knew or should have known  
14 were likely to and did deceive the public, including Plaintiffs and other Class  
15 Members.

16 82. As detailed above, Defendant’s unlawful and unfair practices include,  
17 but are not limited to, the following:

18 (a) failing to make good faith efforts to provide them with a loan  
19 modification and breaching their contractual obligations, written and implied  
20 promises, loan servicing functions owed to Plaintiffs, who fulfilled their  
21 obligations by making timely modified payments;

22 (b) making false and/or misleading representations that Plaintiffs  
23 were eligible and entered into the trial modification period, which would lead to a  
24 permanent modification of their mortgage payment;

25 (c) failing to disclose to Plaintiffs that their modified payments  
26 may be reported to credit bureaus as default or late payments that would lower  
27 their credit scores;

28

1 (d) delaying processing, demanding duplicate documentation, and  
2 failing to provide adequate information or communication regarding the loan  
3 modification programs to Plaintiffs; and

4 (e) omitting to inform Plaintiffs and Class Members that they could  
5 be rejected from the trial modification period at any point, and that this would  
6 result in the immediate demand for a balloon payment consisting of purported  
7 delinquency payments and late fees.

8 83. Plaintiffs and Class Members lost money and/or property and suffered  
9 injury in fact, including damage to their credit, additional debt, late fees and  
10 delinquency expenses. Plaintiffs and Class Members would not have inquired,  
11 entered the trial modification period, or made modified payments as represented to  
12 them under it, had they been aware of the false, misleading and incomplete nature  
13 of Defendant's representations about the CitiMortgage modification program(s).

14 84. Plaintiffs and Class Members seek restitution, declaratory and  
15 injunctive relief, and other relief allowable under Section 17200, *et seq.*

16 **PRAYER FOR RELIEF**

17 WHEREFORE, Plaintiffs, on behalf of themselves and all others similarly  
18 situated pray for judgment against Defendant as follows:

19 A. An order certifying this case as a class action and appointing Plaintiffs  
20 and their counsel to represent the Class Members;

21 B. Restitution to Plaintiffs and Class Members;

22 C. Actual damages for injuries suffered by Plaintiffs and Class Members;

23 D. An order declaring the alleged acts and practices of Defendant to  
24 constitute a breach of contract and a breach of the covenant of good faith and fair  
25 dealing;

26 E. An order declaring that Defendant is required under the doctrine of  
27 promissory estoppel to offer permanent modifications to Plaintiffs and Class  
28

1 Members on the terms promised in Plaintiffs' and Class Members' trial period  
2 modifications;

3 F. A permanent or final injunction enjoining Defendant's agents and  
4 employees, affiliates and subsidiaries, from continuing to harm Plaintiffs and the  
5 members of the Class;

6 G. An order requiring Defendant to adopt and enforce a policy that  
7 requires appropriate training of its employees and agents regarding their duties  
8 under the loan modification programs and other hardship assistance programs;

9 H. An order for Defendant's specific performance of its contractual  
10 obligations together with other relief required by contract and law;

11 I. Reasonable attorneys' fees and the costs of this action;

12 J. Statutory pre-judgment interest; and

13 K. Such other relief as this Court may deem just and proper.

14 **DEMAND FOR JURY TRIAL**

15 Plaintiffs hereby demand trial of their claims by jury to the extent authorized  
16 by law.

17 DATED: May 19, 2010

**MILBERG LLP**  
JEFF S. WESTERMAN  
SABRINA S. KIM

19  
20   
SABRINA S. KIM

21 One California Plaza  
22 300 S. Grand Avenue, Suite 3900  
23 Los Angeles, CA 90071  
24 Telephone: (213) 617-1200  
25 Facsimile: (213) 617-1975  
26 Email: jwesterman@milberg.com

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

**NOTICE OF ASSIGNMENT TO UNITED STATES MAGISTRATE JUDGE FOR DISCOVERY**

This case has been assigned to District Judge Margaret M. Morrow and the assigned discovery Magistrate Judge is Paul Abrams.

The case number on all documents filed with the Court should read as follows:

**CV10 - 3792 MMM (PLAx)**

Pursuant to General Order 05-07 of the United States District Court for the Central District of California, the Magistrate Judge has been designated to hear discovery related motions.

All discovery related motions should be noticed on the calendar of the Magistrate Judge

===== :  
**NOTICE TO COUNSEL**

*A copy of this notice must be served with the summons and complaint on all defendants (if a removal action is filed, a copy of this notice must be served on all plaintiffs).*

Subsequent documents must be filed at the following location:

**Western Division**  
312 N. Spring St., Rm. G-8  
Los Angeles, CA 90012

**Southern Division**  
411 West Fourth St., Rm. 1-053  
Santa Ana, CA 92701-4516

**Eastern Division**  
3470 Twelfth St., Rm. 134  
Riverside, CA 92501

Failure to file at the proper location will result in your documents being returned to you.

Name & Address:  
MILBERG LLP  
Jeff S. Westerman (SBN 94559)  
jwesterman@milberg.com  
SABRINA S. KIM (SBN 186242)  
skim@milberg.com  
300 S. Grand Avenue, Suite 3900, Los Angeles, CA 90071  
Telephone: (213) 617-1200 Facsimile: (213) 617-1975

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

BEVERLY KING and NANCY GLENNON,  
individually and on behalf of all others similarly  
situated,

PLAINTIFF(S)

v.

CITIMORTGAGE, Inc., a member of CITIGROUP  
Inc.,

DEFENDANT(S).

CASE NUMBER

CV10-3792 MMM PLA<sub>x</sub>

SUMMONS

TO: DEFENDANT(S): CITIMORTGAGE, Inc.

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it), you must serve on the plaintiff an answer to the attached  complaint  \_\_\_\_\_ amended complaint  counterclaim  cross-claim or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff's attorney, Jeff S. Westerman; Sabrina S. Kim, whose address is Milberg LLP, 300 South Grand Avenue, Suite 3900, Los Angeles, CA 90071. If you fail to do so, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

Clerk, U.S. District Court

Dated: MAY 19 2010

By: NATALIE LONGORIA



[Use 60 days if the defendant is the United States or a United States agency, or is an officer or employee of the United States. Allowed 60 days by Rule 12(a)(3)].

1198

**UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA  
CIVIL COVER SHEET**

<b>I (a) PLAINTIFFS</b> (Check box if you are representing yourself <input type="checkbox"/> BEVERLY KING and NANCY GLENNON, individually and on behalf of all others similarly situated,	<b>DEFENDANTS</b> CITIMORTGAGE, Inc., a member of CITIGROUP Inc.,
--	--

<b>(b) Attorneys</b> (Firm Name, Address and Telephone Number. If you are representing yourself, provide same.) Jeff S. Westerman; Sabrina S. Kim Milberg LLP 300 S. Grand Avenue, Suite 3900, Los Angeles, CA 90071 Telephone: (213) 617-1200 Facsimile: (213) 617-1975	Attorneys (If Known)
--	----------------------

<b>II. BASIS OF JURISDICTION</b> (Place an X in one box only.)  <input type="checkbox"/> 1 U.S. Government Plaintiff <input type="checkbox"/> 3 Federal Question (U.S. Government Not a Party)  <input type="checkbox"/> 2 U.S. Government Defendant <input checked="" type="checkbox"/> 4 Diversity (Indicate Citizenship of Parties in Item III)	<b>III. CITIZENSHIP OF PRINCIPAL PARTIES - For Diversity Cases Only</b> (Place an X in one box for plaintiff and one for defendant.) <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:40%;">Citizen of This State</td> <td style="width:10%;"><b>PTF</b></td> <td style="width:10%;"><b>DEF</b></td> <td style="width:30%;">Incorporated or Principal Place of Business in this State</td> <td style="width:10%;"><b>PTF</b></td> <td style="width:10%;"><b>DEF</b></td> </tr> <tr> <td></td> <td><input checked="" type="checkbox"/> 1</td> <td><input type="checkbox"/> 1</td> <td></td> <td><input type="checkbox"/> 4</td> <td><input type="checkbox"/> 4</td> </tr> <tr> <td>Citizen of Another State</td> <td><input type="checkbox"/> 2</td> <td><input type="checkbox"/> 2</td> <td>Incorporated and Principal Place of Business in Another State</td> <td><input type="checkbox"/> 5</td> <td><input checked="" type="checkbox"/> 5</td> </tr> <tr> <td>Citizen or Subject of a Foreign Country</td> <td><input type="checkbox"/> 3</td> <td><input type="checkbox"/> 3</td> <td>Foreign Nation</td> <td><input type="checkbox"/> 6</td> <td><input type="checkbox"/> 6</td> </tr> </table>	Citizen of This State	<b>PTF</b>	<b>DEF</b>	Incorporated or Principal Place of Business in this State	<b>PTF</b>	<b>DEF</b>		<input checked="" type="checkbox"/> 1	<input type="checkbox"/> 1		<input type="checkbox"/> 4	<input type="checkbox"/> 4	Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business in Another State	<input type="checkbox"/> 5	<input checked="" type="checkbox"/> 5	Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6
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Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6																				

**IV. ORIGIN** (Place an X in one box only.)

1 Original Proceeding    
  2 Removed from State Court    
  3 Remanded from Appellate Court    
  4 Reinstated or Reopened    
  5 Transferred from another district (specify):    
  6 Multi-District Litigation    
  7 Appeal to District Judge from Magistrate Judge

**V. REQUESTED IN COMPLAINT:**     **JURY DEMAND:**  Yes      No (Check 'Yes' only if demanded in complaint.)

**CLASS ACTION** under F.R.C.P. 23:  Yes      No     **MONEY DEMANDED IN COMPLAINT:** \$ \_\_\_\_\_

**VI. CAUSE OF ACTION** (Cite the U.S. Civil Statute under which you are filing and write a brief statement of cause. Do not cite jurisdictional statutes unless diversity.)  
 Breach of Contract; Breach of the Implied Covenant of Good Faith & Fair Dealing; Promissory Estoppel; Violation of Cal. Bus. & Prof. Code §§ 17200 & 17500 et seq.

**VII. NATURE OF SUIT** (Place an X in one box only.)

<b>OTHER STATUTES</b> <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce/ICC Rates/etc. <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 810 Selective Service <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Act <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Info. Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes	<b>CONTRACT</b> <input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loan (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input checked="" type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise <b>REAL PROPERTY</b> <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	<b>TORTS - PERSONAL INJURY</b> <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Fed. Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury-Med Malpractice <input type="checkbox"/> 365 Personal Injury-Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability <b>IMMIGRATION</b> <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 463 Habeas Corpus-Alien Detainee <input type="checkbox"/> 465 Other Immigration Actions	<b>TORTS - PERSONAL PROPERTY</b> <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability <b>BANKRUPTCY</b> <input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 <b>CIVIL RIGHTS</b> <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 445 American with Disabilities - Employment <input type="checkbox"/> 446 American with Disabilities - Other <input type="checkbox"/> 440 Other Civil Rights	<b>PRISONER PETITIONS</b> <input type="checkbox"/> 510 Motions to Vacate Sentence Habeas Corpus <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus/Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <b>FORFEITURE/PENALTY</b> <input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs <input type="checkbox"/> 660 Occupational Safety/Health <input type="checkbox"/> 690 Other	<b>LABOR</b> <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act <b>PROPERTY RIGHTS</b> <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark <b>SOCIAL SECURITY</b> <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) <b>FEDERAL TAX SUITS</b> <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS-Third Party 26 USC 7609
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CV10-3792

**FOR OFFICE USE ONLY:** Case Number: \_\_\_\_\_

AFTER COMPLETING THE FRONT SIDE OF FORM CV-71, COMPLETE THE INFORMATION REQUESTED BELOW.

**UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA  
CIVIL COVER SHEET**

**VIII(a). IDENTICAL CASES:** Has this action been previously filed in this court and dismissed, remanded or closed?  No  Yes

If yes, list case number(s): \_\_\_\_\_

**VIII(b). RELATED CASES:** Have any cases been previously filed in this court that are related to the present case?  No  Yes

If yes, list case number(s): \_\_\_\_\_

**Civil cases are deemed related if a previously filed case and the present case:**

- (Check all boxes that apply)  A. Arise from the same or closely related transactions, happenings, or events; or  
 B. Call for determination of the same or substantially related or similar questions of law and fact; or  
 C. For other reasons would entail substantial duplication of labor if heard by different judges; or  
 D. Involve the same patent, trademark or copyright, and one of the factors identified above in a, b or c also is present.

**IX. VENUE:** (When completing the following information, use an additional sheet if necessary.)

(a) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which **EACH** named plaintiff resides.

Check here if the government, its agencies or employees is a named plaintiff. If this box is checked, go to item (b).

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
San Bernardino	

(b) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which **EACH** named defendant resides.

Check here if the government, its agencies or employees is a named defendant. If this box is checked, go to item (c).

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
	Missouri

(c) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which **EACH** claim arose.

**Note: In land condemnation cases, use the location of the tract of land involved.**

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
San Bernardino	

\* Los Angeles, Orange, San Bernardino, Riverside, Ventura, Santa Barbara, or San Luis Obispo Counties

**Note: In land condemnation cases, use the location of the tract of land involved**

X. SIGNATURE OF ATTORNEY (OR PRO PER): Sabrina S. Kim / HJS Date May 19, 2010

**Notice to Counsel/Parties:** The CV-71 (JS-44) Civil Cover Sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law. This form, approved by the Judicial Conference of the United States in September 1974, is required pursuant to Local Rule 3-1 is not filed but is used by the Clerk of the Court for the purpose of statistics, venue and initiating the civil docket sheet. (For more detailed instructions, see separate instructions sheet.)

**Key to Statistical codes relating to Social Security Cases:**

Nature of Suit Code	Abbreviation	Substantive Statement of Cause of Action
861	HIA	All claims for health insurance benefits (Medicare) under Title 18, Part A, of the Social Security Act, as amended. Also, include claims by hospitals, skilled nursing facilities, etc., for certification as providers of services under the program. (42 U.S.C. 1935FF(b))
862	BL	All claims for "Black Lung" benefits under Title 4, Part B, of the Federal Coal Mine Health and Safety Act of 1969. (30 U.S.C. 923)
863	DIWC	All claims filed by insured workers for disability insurance benefits under Title 2 of the Social Security Act, as amended; plus all claims filed for child's insurance benefits based on disability. (42 U.S.C. 405(g))
863	DIWW	All claims filed for widows or widowers insurance benefits based on disability under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405(g))
864	SSID	All claims for supplemental security income payments based upon disability filed under Title 16 of the Social Security Act, as amended.
865	RSI	All claims for retirement (old age) and survivors benefits under Title 2 of the Social Security Act, as amended. (42 U.S.C. (g))