



Hanson also brings this action for common law breach of contract, tortious interference with contractual relations, unjust enrichment, fraud, misrepresentation, negligence, reckless and wanton misconduct, intentional infliction of emotional distress, defamation, conversion, and pendent jurisdiction for statutory violations under Conn. Gen. Stat. §42-110a, *et seq.*, the Connecticut Unfair Trade Practices Act (“CUTPA”), and Conn. Gen. Stat. §36a-645, *et seq.*, the Connecticut Consumer Credit Reporting Act (“CCCRA”).

Hanson brings this Complaint for himself and others similarly situated against Ocwen Federal Bank FSB, Ocwen Financial Corporation, William C. Erbey, Litton Loan Servicing LP, Moss, Codilis, Stawiarski, Morris, Schneider and Prior, LLP, and Moss, Pite & Duncan, Gerald R. Moss, Codilis & Stawiarski, P.C., Leo P. Stawiarski, Jr., Morris, Schneider and Prior, Arthur J. Morris, Thomas E. Prior, Randolph Schneider, Fein, Such, Khan & Shepard, P.C., Alan F. Such, Weltman, Weinberg & Reis Co., LPA, Larry R. Rothenberg, Boles, Boles & Ryan, P.L.C., and William R. Boles, Jr., jointly and severally, to obtain declaratory and injunctive relief, damages, including compensatory and punitive damages, costs of suit, and attorneys’ fees, saying and complaining as follows:

#### NATURE OF THE ACTION

1. This action is brought under the pertinent provisions of Federal Rule of Civil Procedure 23 and applicable local civil rules of the District of Connecticut, with respect to consumer mortgages originated, acquired, serviced, collected and/or foreclosed by Ocwen Federal Bank FSB, and/or transferred to Litton Loan Servicing LP, and debt collection practices engaged in by Moss, Codilis, Stawiarski, Morris, Schneider and Prior, LLP.

2. In a mortgage scheme, Ocwen Financial Corporation, Ocwen Federal Bank FSB, and their assigns and agents, including William C. Erbey, who have reaped millions of dollars in profits through employment of a pattern of deceptive practices, misled Hanson and others similarly situated into purchasing mortgages with undisclosed charges, or acquired mortgages or the servicing rights to mortgages originated elsewhere, and then employed discriminatory, predatory, unconscionable, deceptive, and fraudulent tactics to service, collect or foreclose upon said mortgages.
3. This action seeks damages, including punitive damages, redress of injuries, injunctive and declaratory relief, disgorgement of profits, rescission, attorney's fees and costs, and other relief, all arising out of Ocwen Financial Corporation and Ocwen Federal Bank's violation of 18 U.S.C. §1961 *et seq.*, (RICO), 15 U.S.C. §2301 *et seq.*, 18 U.S.C. §1341 *et seq.*, (Mail and Wire Fraud), 15 U.S.C. §1601 *et seq.*, (TILA), 15 U.S.C. §1681 *et seq.*, (FCRA), 15 U.S.C. §1692 *et seq.*, (FDCPA), 12 U.S.C. §1205, (RESPA), 15 U.S.C. §1639, (HOEPA), 15 U.S.C. §1601, *et seq.*, (FCBA), and 15 U.S.C. §45, (FTCA), breach of contract, tortious interference with contractual relations, constructive trust, unjust enrichment, fraud, misrepresentation, defamation, conversion, intentional infliction of emotional distress, wanton and reckless misconduct, negligence and statutory violations under Conn. Gen. Stat. §42-110a, *et seq.*, the Connecticut Unfair Trade Practices Act ("CUTPA"), Conn. Gen. Stat. §36a-645, *et seq.*, the Connecticut Consumer Credit Reporting Act (CCCRA), as well as related claims in connection with deceptive mortgages marketed, originated, serviced or transferred by Ocwen Federal Bank.

4. This action also seeks injunctive relief, damages, including punitive damages, redress of injuries, disgorgement of profits, attorney's fees and costs, and other relief, all arising out of Moss, Codilis, Stawiarski, Morris, Schneider and Prior, LLP's involvement in collection efforts for Ocwen Federal Bank which entail RICO violations, tortuous interference with contractual relations, violation of FDCPA, defamation, intentional infliction of emotional distress, negligence, and violations of CUTPA, and CCCRA.
5. This action also seeks injunctive relief against Litton Loan Servicing LP.

PLAINTIFF

6. Hanson presently is, and at all times relevant to this cause of action was, a Connecticut domiciliary and resident of West Hartford. On August 22, 1997, influenced by deceptive marketing efforts of Ocwen Federal Bank, Hanson borrowed a consumer loan in the original principal amount of \$78,000.00 from Ocwen Federal Bank.
7. Hanson relied upon the integrity of Ocwen Federal Bank and its representations in a federal Truth in Lending statement furnished him, and was induced by written representations of Ocwen Federal Bank and/or its agents in order to proceed to closing on the loan.
8. More particularly, as set forth below, these representations were false or materially misleading, and formed the genesis of a carefully calculated conspiracy by Ocwen Federal Bank, Ocwen Financial Corporation, William R. Erbey, and their predecessors in interest, agents including, but not limited to, and Moss, Codilis, Stawiarski, Morris, Schneider and Prior, LLP to deceive consumers, misappropriate their funds, and ultimately foreclose on their properties.

9. Hanson is interchangeably referred to as "Plaintiff" for purposes of this litigation where necessary.

DEFENDANTS

10. Ocwen Financial Corporation (hereinafter "Ocwen Financial") is, upon information and belief, a publicly held financial services company headquartered in West Palm Beach, Florida.
11. Upon information and belief, Ocwen Financial is a holding company for Ocwen Federal Bank FSB (hereinafter "Ocwen"), a federally chartered savings bank engaged in discounted loan acquisition and residential and commercial lending.
12. Ocwen Financial's primary business is the servicing and special servicing of nonconforming, subperforming and nonperforming residential and commercial mortgage loans.
13. Ocwen Financial services more than \$15 billion of management intensive single-family residential loans.
14. Ocwen Financial brags on its website that "Ocwen's residential foreclosure timeliness regularly outperform industry standards. Ocwen's subprime loan loss severity is about half that of the industry average. This value enhancement created by Ocwen is approximately \$290,000 per \$1 million of nonperforming loans."
15. Ocwen Financial is traded on the New York Stock Exchange under the ticker symbol OCN.

16. In its November 8, 2001 press release announcement of Third Quarter Results, Ocwen Financial reported that “the Servicing business reported net income for the third quarter of 2001 of \$5.6 million vs. 2.0 million in the 2000 third quarter, an increase of 176%. On a year to date basis, Servicing reported net income of \$16.2 million compared to \$8.5 million in 2000, an increase of 91%. The unpaid principal balance of loans serviced for others grew to 21.4 *billion* as of September 30, 2001 compared to \$10.5 billion as of December 31, 2000.”
17. Ocwen, the largest subsidiary of Ocwen Financial, is a federally chartered savings bank organized under the laws of the State of Florida and, upon information and belief, maintains its principal executive offices at West Palm Beach, Florida.
18. At all times relevant hereto, Ocwen was engaged in the business of funding subprime mortgage loans, servicing underperforming and nonperforming loans, making discounted loan acquisitions, aggregating foreclosed properties for listing for sale, advertising, marketing, promoting and selling to investors its loan portfolios.
19. Ocwen is in the business of selling high interest mortgage loans directly to Connecticut consumers as well as through third-party mortgage brokers.
20. Upon information and belief, neither Ocwen Financial nor Ocwen is registered with the Connecticut Secretary of State to do business in Connecticut.
21. Upon information and belief, neither Ocwen Financial nor Ocwen is licensed to engage in the mortgage business in Connecticut.

22. Upon information and belief, Ocwen does business in Connecticut, and at all times relevant, it advertised, marketed, promoted, sold, serviced and transferred mortgages in interstate commerce and in Connecticut.
23. As such, at all times relevant to this complaint, Ocwen was an entity involved in the stream of commerce, and/or subject to nonexclusive regulation by the Federal Trade Commission and/or other federal agencies.
24. William C. Erbey ("Erbey") has been chairman of the board of directors and chief executive officer of Ocwen Financial and its subsidiaries, including Ocwen. Upon information and belief, Erbey owns over twenty-five percent of Ocwen Financial. Upon information and belief, Erbey received \$714,000.00 in compensation for fiscal year 2001 for his services as chairman and chief executive officer of Ocwen Financial and Ocwen.
25. Individually or in concert with others, Erbey directs, controls, formulates or participates in the acts and practices set forth herein and, directly or indirectly, transacts or has transacted business in Connecticut.
26. Upon information and belief Moss, Codilis, Stawiarski, Morris, Schneider, and Prior, LLP ("Moss, Codilis") maintains its principal executive offices at Englewood, Colorado and is an amalgamated law firm comprising autonomous legal partnerships organized under the laws of various states.
27. Among the autonomous partnerships included under the umbrella of the Moss, Codilis law partnership at all times relevant to the claims against Moss, Codilis, particularly the period between October 1, 2001 and July 15, 2002 were the following: Moss, Pite & Duncan, LLP, Codilis & Stawiarski, P.C., Morris, Schneider & Prior, LLC, Fein, Such, Khan & Shepard, P.C., Weltman, Weinberg & Reis Co., LPA, and Boles, Boles & Ryan, P.L.C.

28. For purposes of this action, the autonomous law firms subsumed into the umbrella of the Moss, Codilis law firm at all times relevant to the claims against Moss, Codilis, particularly the period between October 1, 2001 and July 15, 2002, being Moss, Pite & Duncan, LLP, Codilis & Stawiarski, P.C., Morris, Schneider & Prior, LLC, Fein, Such, Khan & Shepard, P.C., Weltman, Weinberg & Reis Co., LPA, and Boles, Boles & Ryan, P.L.C., are encompassed into any reference of "Moss, Codilis," unless otherwise specifically stated and any acts of commission or omission attributed to Moss, Codilis are alleged against them by incorporation as if fully set forth herein.
29. Among the individual partners of Moss, Codilis, Stawiarski, Morris, Schneider, and Prior, LLP, are the following natural persons: Gerald Moss, Ernie Codilis, Leo Stawiarski, Arthur Morris, Thomas Prior, Randolph Schneider, Alan Such, Larry Rothenberg, and William R. Boles.
30. Upon information and belief, Moss, Codilis is a debt collector and actively collects debts on behalf of Ocwen, and all times material to this complaint, engaged in the collection of debts secured by mortgages in Connecticut, for Ocwen.
31. Upon information and belief, Litton Loan Servicing LP ("Litton") is a Houston, Texas corporation which is a subsidiary of Components-Based Asset Servicing and Securitization LLC ("C-BASS"), a Texas corporation.
32. Upon information and belief, Litton does business as a loan subservicing entity, specializing in delinquent loans and home foreclosures.
33. Upon information and belief, Litton is engaged in the interstate subservicing of loans sold to it by Ocwen, or transferred to it by Ocwen.

34. For purposes of this complaint, Ocwen Financial, Ocwen, Moss, Codilis (including the autonomous law firms referred to in ¶¶26-28) and Litton are referred to collectively as “Corporate Defendants.”
35. For purposes of this action, Gerald Moss, Ernie Codilis, Leo Stawiarski, Arthur Morris, Thomas Prior, Randolph Schneider, Alan Such, Larry Rothenberg, and William R. Boles, associated with Moss, Codilis, are referred to collectively as “Personal Capacity Defendants.”
36. Upon information and belief, neither Moss, Codilis nor any of its partners, including the Personal Capacity Defendants, was licensed to engage in the practice of law in Connecticut during the relevant period of October 1, 2001 through July 15, 2002.

#### JURISDICTION

37. The jurisdiction of this Court is founded on diversity jurisdiction pursuant to 28 U.S.C. §1332, as Ocwen Financial maintains its chief executive offices and principal place of business in West Palm Beach, Florida; and Ocwen maintains its principal place of business in Orlando, Florida; and Moss, Codilis is a Colorado corporation with its principal places of business in Englewood, Colorado, and Litton is a Texas corporation with its principal place of business at 5373 West Alabama Street, Suite 600, Houston, Texas 77056; none of the autonomous law partnerships referred to in ¶¶26-28, *supra*, have principal offices in Connecticut; none of the Personal Capacity Defendants cited in ¶¶29 and 35, *supra*, reside in Connecticut; but Hanson is a resident of the State of Connecticut, and the amount in controversy, including the value of the injunctive relief requested, exclusive of interests and costs exceeds \$75,000.00.

38. Moreover, jurisdiction lies within the District of Connecticut because Ocwen Financial, Ocwen, Moss, Codilis, and Litton each have minimum contacts with Connecticut and otherwise intentionally avails of Connecticut markets, so as to render the exercise of jurisdiction by the Connecticut courts permissible under traditional notions of fair play and substantial justice.
39. Ocwen Financial, Ocwen, Moss, Codilis, and Litton each have received substantial compensation from their financial products and services in Connecticut and/or the collection of debts in Connecticut and by doing business that has had effects in Connecticut, and such acts of commission or omission inured to the detriment of Hanson and similarly situated persons, thereby establishing contacts sufficient to subject it to personal jurisdiction in this Court and to justify the application of Connecticut law to all claims asserted herein, including if necessary by way of the Connecticut long-arm statutes, Conn. Gen. Stat. §52-59b(a)(2) and/or §33-411(c).
40. Federal jurisdiction is also premised upon the existence of a federal claim or controversy and is invoked under 28 U.S.C. §2240, this being an action for declaratory relief, as well as under 28 U.S.C. §1331, this being a civil action arising under the Constitution and laws of the United States.
41. The Court also has jurisdiction based upon Hanson's claims, arising under 42 U.S.C. §1982; 12 U.S.C. §2605 ("RESPA"); 18 U.S.C. §1962, the Racketeer Influenced and Corrupt Organizations Act ("RICO"); and the Fair Debt Collection Practices Act, 15 U.S.C. §§ 2301 *et seq.*, Truth In Lending Act, Home Ownership and Equity Protection Act, and supplemental jurisdiction under 28 U.S.C. § 1367 for the pendent claims under Conn. Gen. Stat. §§36-605, *et seq.*, and 42-110a *et seq.*, (CCCRA, and CUTPA).

42. This Court also has jurisdiction of state law claims, under the doctrines of pendent and ancillary jurisdiction.
43. This Court also has jurisdiction over the Connecticut common law conspiracy, defamation, fraud, contract, conversion, constructive trust, unjust enrichment, intentional and negligent tort claims, and wanton and reckless misconduct.
44. Hanson's Connecticut law claims are so related to the federal law claims raised in this complaint that they form part of the same case or controversy under Article III of the United States Constitution.
45. The issues raised by the state-law claims are no more novel or complex than the federal law claims, nor do they substantially predominate over the federal-law claims. Supplemental jurisdiction would avoid unnecessary duplication and multiplicity of actions, and should be exercised in the interests of judicial economy, convenience and fairness.

#### VENUE

46. Venue is proper in the District of Connecticut under 28 U.S.C. §1391 because many of the incidents, events, or omissions complained of and giving rise to the instant claim or controversy occurred within this district.
47. Moreover, Ocwen is a business entity doing substantial business in the District of Connecticut, because Ocwen's mortgage loans were the principal product of a corporation intentionally doing business in Connecticut.
48. Moreover, at all relevant times herein, particularly beginning on or after October 1, 2001, each of Gerald Moss, Ernie Codilis, Leo Stawiarski, Arthur Morris, Thomas Prior, Randolph Schneider, Alan Such, Larry Rothenberg, and William Boles was, and is, an individual partner of Moss, Codilis.

49. Each of the Personal Capacity Defendants helped to formulate partnership policies and participated in decision-making at Moss, Codilis, and shared in the income and profits of Moss, Codilis, and listed Ocwen Financial and/or Ocwen as being among that Personal Capacity Defendant's representative clients; as such, each of the Personal Capacity Defendants mentioned in ¶¶29 and 35, *supra*, was jointly and severally liable for the acts of Moss, Codilis.
50. Additionally, as to all Defendants, substantial portions of the transactions complained of herein occurred in Connecticut and Defendants' products and services were advertised, promoted, sold, and distributed in, or their collection, foreclosure or transfer efforts directed to, Connecticut residents.
51. As a result of the advertisement, promotion, distribution, delivery, sales, servicing, collection, foreclosure and/or transfer of mortgages borrowed by consumers within Hartford County and throughout Connecticut, Defendants, directly and/or through subsidiaries, affiliates or agents, obtained the benefits of the laws of the State of Connecticut and the Connecticut market for mortgages, debt collection, and other related markets.
52. Hanson purchased an Ocwen mortgage in Connecticut and is entitled to receive all monetary compensation in Connecticut.

### CLASS ACTION ALLEGATIONS

53. Plaintiff seeks class action certification status pursuant to Rule 23(a) and 23(b) of the Federal Rules of Civil Procedure consisting of the following subclasses:
- (a) All United States residents who are natural persons and who borrowed mortgage loans from Ocwen, or whose loans were serviced or transferred by Ocwen, particularly between January 1, 1997 and July 15, 2002 and who have suffered financial or emotional injuries due to the RICO, FDCPA, FCRA, FCBA, RESPA, TILA, HOEPA, FTC, CUTPA, CCCRA violations, fraud, breach of contract, unjust enrichment, defamation, tortious interference with contractual relations, intentional infliction of emotional distress, reckless and wanton misconduct, negligence, conversion, and deceptive, false and misleading practices by Defendants and/or who have sustained losses or damages as a result of said activities; and,
  - (b) All United States domiciliaries who are natural persons and who hold mortgages originated by, serviced by, or transferred from, Ocwen, and who are now in collection, forbearance, or foreclosure proceedings brought by or on behalf of Ocwen.
  - (c) All United States-domiciled natural persons whose loans were serviced by Ocwen who were mailed form collection letters from Moss, Codilis directly or from Ocwen on letterheads purporting to be generated by Moss, Codilis, on or after January 1, 2002 through the present date stating that the law firm was attempting to collect a mortgage debt on property located at the same address to which the letter was sent but which did not state the amount of the debt.

### COMMONALITY AND TYPICALITY

54. This action is properly maintainable as a class action under Fed. R. Civ. P. 23(b)(1) in that, as alleged with more particularity in this Complaint, the prosecution of separate actions by individual members of the proposed class would create a risk of inconsistent or varying adjudications with respect to individual members of the class which would establish incompatible standards of conduct for the party opposing the class, or adjudication with respect to individual members of the class would as a practical matter be dispositive of the interests of the other members not parties to the adjudication or substantially impair or impede their ability to protect their interests.
55. In the alternative, this action is properly maintainable as a class action under Fed. R. Civ. P. 23(b)(2), as alleged with more particularity in this Complaint, in that Defendants have acted or refused to act on grounds generally applicable to the proposed class, thereby making appropriate final injunctive relief or corresponding declaratory relief with respect to the class as a whole.
56. In the alternative, this action is properly maintainable as a class action under Fed. R. Civ. P. 23(b)(3) in that, as alleged more particularly in this Complaint, questions of law or fact common to the members of the class predominate over any individual questions affecting only individual members, and because a class action is superior to other available methods for the fair and efficient adjudication of the controversy. In addition, many potential class members may not be aware of the violation of their statutory and common law rights by Defendants, except via a class action.

57. Since the damages suffered by individual class members may be relatively small, the expense and burden of individual litigation make it impracticable for the class members individually to seek redress for the wrongful conduct alleged herein.
58. Common questions of law and/or fact exist as to all members of the Class and predominate over any questions affecting solely individual members of the Class. Among the questions of law and/or fact common to the Class are:
- (a) Whether Ocwen Financial engages in deceptive business practices;
  - (b) Whether Ocwen Financial markets or previously marketed mortgage loans in violation of the Truth In Lending Act, including §131(d)(4) of TILA, 15 U.S.C. §§ 1641(d)(4), and 12 C.F.R. §226.32(e);
  - (c) Whether Ocwen services mortgage loans in violation of the Federal Fair Credit Reporting Act;
  - (d) Whether Ocwen services mortgage loans in violation of the Real Estate Settlement Procedures Act;
  - (e) Whether Ocwen violated the Home Ownership Equity Protect Act;
  - (f) Whether Ocwen engaged in any violation of the Federal Fair Debt Collection Practices Act;
  - (g) Whether Defendants knew or became aware that Ocwen was engaging in fraudulent and deceptive business practices, yet continued to profit from business transactions with Ocwen regarding its mortgage servicing programs, without taking affirmative steps to correct the problems and while concealing the deceptive practices from the public and the class;

- (h) Whether Defendants engaged in a pattern and practice of deceiving and defrauding the class, including by violating Connecticut's consumer protection statutes, to wit CUTPA and CCCRA;
- (i) Whether Plaintiff and members of the proposed class are entitled to compensatory damages, and, if so, the extent of such damages;
- (j) Whether Plaintiff and members of the proposed class are entitled to punitive or exemplary damages, and, if so, the extent of such damages;
- (k) Whether Defendants should be declared financially responsible for notifying all class members of the false, fraudulent and deceptive nature of Ocwen's mortgage origination, servicing, collection and transfer practices;
- (l) Whether Defendants are each an "enterprise" within the meaning of 18 U.S.C. §1961(4);
- (m) Whether Defendants, by causing the interstate transmission of print advertisements which promoted Ocwen mortgages, engaged in repeated acts of wire fraud in violation of 18 U.S.C. §1343;
- (n) Whether Defendants engaged in a pattern of racketeering activity, in violation of 18 U.S.C. §1962(a);
- (o) Whether Defendants have derived income, directly or indirectly, from a pattern of racketeering activity;
- (p) Whether Ocwen Financial has used or invested the aforementioned income, or a part of such income, in the establishment or operation of its Ocwen subsidiary, in violation of 18 U.S.C. §1962(a);

- (q) Whether Ocwen has used or invested the aforementioned income, or a part of such income, in its own operations, in violation of 18 U.S.C. §1962(a);
- (r) Whether Litton has used or invested the aforementioned income, or a part of such income, in its own operations, in violation of 18 U.S.C. §1962(a);
- (s) Whether Moss, Codilis has used or invested the aforementioned income, or a part of such income, in its own operations, in violation of 18 U.S.C. §1962(a);
- (t) Whether Defendants have conspired to violate the provisions of 18 U.S.C. §1962(a);
- (u) Whether Defendants, through written advertising and other representations, created express or implied contracts that were breached;
- (v) Whether Defendants intentionally inflicted emotional distress on Plaintiff and the members of the class;
- (w) Whether Defendants defamed Plaintiff and the class;
- (x) Whether Defendants acted negligently or with reckless misconduct;
- (y) Whether Defendants were unjustly enriched;
- (z) Whether Plaintiff and the class are entitled to an award of reasonable attorneys' fees, prejudgment interest, post-judgment interest and costs of suit.

58. Excluded from the class are all claims for injury by Defendants, any entity in which Defendants have a controlling interest, and their legal representatives, heirs, and successors.
59. Also excluded from the class are all claims for injury resulting from alleged fair debt collection practices act violations by Illinois borrowers who received form collection letters purportedly from Moss, Codilis, which letters and associated collection practices were challenged in an earlier class action against Moss, Codilis, and who did not opt out of the class certified in that action which was settled on December 30, 2001, and who did not receive any new form collection letters dated after December 31, 2001.
60. To the extent that any further subclasses are necessary to satisfy the particular elements of any common law or state statutory allegation, those subclass(es) can be established in the course of these court proceedings.

#### NUMEROSITY

61. Given that thousands of mortgage loans have been originated, acquired, serviced, collected, foreclosed or transferred, the case is suited for class treatment, and the class sought to be represented by Plaintiff—comprising natural persons—is so numerous that joinder of all members in one action is impractical; there are questions of law and fact common to the class; the claims or defenses of Plaintiff and the class are particular to claims and defenses of the class; and the disposition of their claims in a class action will provide substantial benefits to both the parties and the Court.

### ADEQUACY

62. Hanson possesses the requisite experience and judgment to adequately represent the putative class and any subclasses.
63. Hanson has a direct, personal stake in the outcome of this litigation, and is committed to pursuing this matter to a conclusion favorable to the class.
64. Hanson's claims are typical of the claims of the class, and any other subclass(es) to be created in the course of these proceedings, in that Hanson purchased an Ocwen mortgage, which mortgage origination and servicing is asserted to be inherently fraudulent and deceptive, and sustained damages that were directly caused by Defendants' deceptive and conspiratorial business practices, and other misconduct specified herein.
65. Moreover, Hanson has no interests that conflict with or are antagonistic to, and he will fairly and adequately protect, the interests of the class.
66. Upon information and belief, no member of the class has an interest in individually controlling the prosecution of a separate action. However, if any such class member should become known, he or she can opt "out" of this action upon receipt of the class action certification notice pursuant to Fed. R. Civ. P. 23(c)(2).
67. Upon information and belief, no prior action on behalf of either Hanson, the named class representative, or the class as a whole has been instituted.
68. The attorneys for Hanson, the class representative, the Law Offices of Paul Ngobeni & Associates, are experienced and capable in federal litigation generally, and class action litigation particularly, and have served as co-counsel, or as "of counsel", to plaintiffs in other class actions, including federal Multi-District Litigation involving multi-state consumer claims.

69. Hanson, the class representative, and his attorneys are fully cognizant of their duties and responsibilities to the class under Fed. R. Civ. P. 23, and applicable local civil rules for the District of Connecticut.
70. Counsel for the class is ready, willing and able to advance the costs and necessary disbursements of this action, except for the cost of all required notice to class members, which should be borne by Defendants.
71. The class members are readily definable, as proposed in paragraph 53, *supra*, and prosecution of this action as a class action will reduce the possibility of repetitious litigation. Plaintiff knows of no difficulty which will be encountered in the management of this litigation.
72. Although the exact number of class members can be determined only by appropriate discovery, there are potentially thousands of American residents who hold mortgages originated, acquired, serviced, collected, foreclosed or transferred by Ocwen, contaminated by Defendants' deceptive business practices as alleged.
73. The names and addresses of class members are available from Defendants, as well as other sources, and individual notice can be provided to them by first class mail, in the manner proposed in ¶70, *supra*, by enclosing notice of this action with every monthly statement sent to debtors.
74. Published notice and/or Internet notice can also provide adequate and effective notice. Thereafter, individual class members could be required, among other things, to submit affidavits concerning whether they held Ocwen originated or serviced loans, whether they subsequently suffered collection or foreclosure proceedings, and the cost of such collection or foreclosure proceedings, and whether their loans were transferred.

## MORTGAGE LOAN SCHEME

75. The genesis of this lawsuit lies in Ocwen's pattern and practice of usurious loans, predatory loan servicing practices, loan mismanagement, check stacking, voodoo accounting, harassment of debtors, or feigned foreclosure threats against thousands of homes throughout the United States, including in Connecticut, on which it issued deceptive mortgages or held mortgage servicing rights, as well as its illegal transfer of underlying mortgage loans to third parties for servicing including, but not limited to, Litton.
76. Because a detailed description of the false, deceptive and misleading qualities of Defendants' deceptive mortgage practices would be repetitive and extremely lengthy, this Complaint will demonstrate defendants' course of conduct by highlighting key dates and events bearing on the case.
77. Ocwen originates or acquires consumer mortgages, which loans are then self-serviced, or sold and transferred at will to affiliated or unaffiliated financial entities sprinkled throughout the United States for servicing.
78. The deceptive mortgages---a characteristic of which is high variable interest rates---is prevalent in Ocwen's mortgage portfolio, and makes unsuspecting borrowers of such loans more likely to wind up in foreclosure than borrowers of conventional mortgages issued by other banking companies.
79. Typically, mortgages are made to consumers with less-than-pristine credit who have had a difficult time qualifying for mortgages at conventional rates, but who are nonetheless eager to have their own piece of the American dream—home ownership.

80. Ocwen advertises, offers, extends and sells home mortgage loans.
81. These loans are primarily secured by first mortgages on consumers' homes.
82. Ocwen styles itself a niche lender catering to the "subprime" loan market.
83. Its customers include homeowners with poor or insufficient credit histories, records, or ratings who might experience difficulty securing conventional mortgage financing.
84. Ocwen charges consumers substantial prepaid finance charges, such as loan origination fees, underwriting fees, loan processing fees and other fees.
85. Ocwen solicits prospective customers for its products and services through telemarketing, direct mail advertising, and mortgage broker networks. As part of its marketing campaign, Ocwen targets financially vulnerable consumers including persons with poor or insufficient credit histories.
86. Ocwen's Truth In Lending disclosures contain false or misleading statements that cause consumers to be deceived about the material terms of the loan, and misleads consumers about the meaning of the material information used in the TILA disclosure as required by Section 128 of the TILA, 15 U.S.C. §1638, and Section 226.18 of Regulation 2, 12 C.F.R. § 226.18, ("TILA disclosure statement").
87. For example, one of the material disclosures that is deceptively used by Ocwen is the "amount financed" for the loan. Ocwen misrepresents that the amount financed, appearing on the TILA disclosure statement, is the total amount of money that consumers borrow.

88. In fact, the total amount that consumers borrow, and upon which interest accrues, is the amount financed plus the substantial prepaid finance charges imposed by Ocwen.
89. Ocwen also misleads consumers about costs and fees, such as the existence and amount of loan origination fees. Such misrepresentations obscure the existence of these costs and fees and misrepresent the true amount of debt consumers will incur.
90. In addition, Ocwen misleads consumers by stating or implying that the total cost of credit for the loan is the interest rate displayed on the loan note and mortgage and not the “annual percentage rate” (“APR”) displayed on the TILA disclosure statement. In fact, the APR, and not the interest rate on the loan, measures the total cost of credit, and for this reason is an important indicator to consumers that the lender is including substantial prepaid charges.
91. The majority of Ocwen’s borrowers obtain an adjustable rate mortgage (“ARM,”) based on a six-month U.S. dollar “LIBOR” index, which is the acronym for the London InterBank Offered Rate.
92. The terms of the ARM loans include short-term front-end “teaser” interest rates. The teaser interest rate only applies for the first six months of the loan (the “teaser period”). The teaser rate is then phased out through several rate increases, until the rate reaches the “fully indexed rate” - the LIBOR index rate plus a fixed number of percentage points (the “margin”).
93. Ocwen misrepresents how the interest rates on its ARM loans adjust over time, falsely representing that adjustments in the interest rates are based on changes in the LIBOR index.

94. In fact, the interest rate on these loans can, and does, increase as much as one percentage point at every six month adjustment period until the “artificial discount” (the difference between the teaser interest rate and the LIBOR index plus the margin) disappears. This results in higher interest rates and higher monthly payments for consumers.
95. A feature of Ocwen’s mortgage origination practices is the use of kickbacks in the form of high broker fees as inducements to mortgage brokers to steer subprime borrowers to Ocwen.
96. Ocwen’s mortgage practices have long been the subject of complaints from consumers nationwide who were experiencing, and continue to suffer, unconscionably high rates of collection and/or foreclosure, creditor harassment, unfair debt collection practices, and mortgage loan transfers to third parties after the borrower threatens Ocwen with legal action.
97. By 1998, foreclosure incidents resulting from the Ocwen’s deceptive mortgage loan marketing and servicing practices scheme were the subject of a number of borrower litigation throughout the United States.
98. One lawsuit was by the Beach family who, after being placed in foreclosure proceedings by Ocwen, asserted a variety of defenses, including that Ocwen violated the Federal Truth in Lending statutes, 15 U.S.C. §1635 *et seq.*, and sought rescission of the usurious and unconscionable loan.
99. In Ocwen v. Beach, 523 U.S. 410, (1998), the Beach family lost its case when the United States Supreme Court ruled in favor of Ocwen, holding that 15 U.S.C. §1635(f) had a three year statute of limitations and so the Beach family was time-barred from asserting as an affirmative defense the right of rescission otherwise available under that statute.

100. Chronologically, the cacophony of consumer complaints in the current case have their genesis in 1997, as illustrated by the representative loan origination, servicing, collection and transfer nightmare recounted below.

HANSON'S MORTGAGE LOAN SCHEME TIMELINE

101. Plaintiff's entanglement with Ocwen began in mid-1997 when he sought a consumer loan to bridge the gap between what part of his own resources he was willing to spend and the \$105,000 purchase price of his primary residence, 35 Hollywood Avenue, West Hartford, Connecticut (hereinafter, "the Property").

102. Due to a less-than-perfect credit rating, Plaintiff was referred by a smorgasbord of mortgage brokers to several subprime lenders some of whom, including Ocwen, made mortgage loan commitments to Plaintiff.

103. Unknown to Plaintiff, Ocwen had a steering scheme whereby in exchange for a mortgage broker referring prospective borrowers to Ocwen for loans, it would offer those brokers a hefty kickback at the time of closing.

104. Until obtaining a mortgage commitment from Ocwen, Plaintiff had never heard about Ocwen Financial, Ocwen, or any other Defendant.

105. On or about July, 1997 Plaintiff obtained a Commitment Letter from Ocwen.

106. Said Commitment Letter assured Plaintiff of a mortgage loan of \$78,000.00 to partly finance his purchase of a single family home which would serve as his primary residence.

107. On July 30, 1997, Ocwen issued Plaintiff an initial Federal Truth-in-Lending Disclosure ("TIL").

108. The TIL indicated that the amount to be financed was \$73,292.84, that the annual percentage rate was 11.880%, and that the term would be thirty years, for an expected finance charge of \$200,655.18.

109. Said TIL also contained a "Transfer of Servicing Notice".
110. Said Transfer of Servicing Notice also contained in its ¶1 (Servicing Transfer Estimates by Lender), a representation that Ocwen would service the loan itself and would not transfer the loan.
111. In its ¶2, the Transfer of Servicing Notice indicated that "for all the mortgage loans that we make in the 12-month period after your mortgage is funded, we estimate that the percentage of mortgage loans for which we will transfer servicing is between \_X\_ 0 to 25%."
112. The Transfer of Servicing Notice further stated that while in 1993 the percentage of loans transferred was 75%, it was down to 25% in 1994 and for 1995 the percentage was 0%.
113. The Transfer of Servicing Notice was calculated to mislead Plaintiff about Ocwen's actual transfer of servicing practices, and to induce Plaintiff to rely to his detriment on Ocwen's false representation about its transfer practices, and did in fact mislead Plaintiff.
114. Plaintiff accepted Ocwen's loan commitment, closed the loan without incident on August 22, 1997 (the "Closing Date").
115. The HUD-1 Settlement Statement reflected a kickback a sum of two thousand dollars, amounting to approximately 3.9% of the loan amount, to the mortgage broker who steered Plaintiff to Ocwen for loan origination.
116. On the Closing Date, Ocwen disbursed \$77,908.89 to close the \$78,000 loan on the Property, and Plaintiff happily moved into his new home.
117. The Adjustable Rate Note tendered that Closing Date stated that payments would commence on October 1, 1997, at \$720.80 per month under the initial variable rate of 10.625%, and that on September 1, 1999 and every six months thereafter, the rate "may change."

118. The terms of the loan called for it to be repayable over a thirty year term in monthly installments beginning on October 1, 1997.
119. On divers dates every month, starting in September, 1997 Ocwen generated a Monthly Billing Statement which it sent to Plaintiff consisting of an installment payment coupon, plus a Loan Summary apprizing him of his Year to Date interest, Interest Arrearage, Current Interest Rate, Current principal Balance, Current Escrow Balance, and Next Payment Date.
120. By letter to Plaintiff dated October 15, 1997 Ocwen wrote that because according to its records Plaintiff's required private insurance policy expired on 10/14/97, Ocwen had obtained generally more expensive insurance coverage and would charge his escrow account \$654.00.
121. This escrow assessment was illegal, and was imposed despite written and faxed notice directly to Ocwen by both Plaintiff and his hazard insurance carrier of proof of property insurance in force for the Property.
122. Ocwen knew or should have known that Plaintiff in fact had valid hazard insurance during the period for which his account was assessed a premium by Ocwen.
123. Right from the start Plaintiff decided to pay off his high interest loan quickly, and so began a practice of always sending a check payment for an even sum in the minimum monthly amount of \$1,000.
124. Plaintiff, as had been his meticulous practice from inception of his loan installment payment, marked each check with his loan number, name, and an annotation that any payment in excess of the required principal and interest installment should be credited as additional principal and applied to reduce his loan balance.
125. Plaintiff occasionally mailed monthly payments in the sum of \$2,000.

126. In January, 1998 Plaintiff received a Form 1098 for 1997 on his Ocwen account. Said 1098 showed that his principal decreased from 78,000.00 on August 22, 1997 to 74,342.46 on December 31, 1997, reducing his principal by \$3,657.54, with total interest collected by Ocwen of \$2,937.88.
127. By letter dated February 14, 1998 Ocwen asserted that insurance on Plaintiff's home had expired on 2/14/98 and that "in addition you are now technically in default of your loan agreement with Ocwen."
128. Ocwen knew or should have known that the substantive contents of its February 14, 1998 letter were false or misleading.
129. Plaintiff was incensed to receive this derogatory, defamatory and totally false letter from Ocwen, and yet suffered several sleepless nights worrying about the claim of default vis-a-vis his loan agreement with Ocwen.
130. On February 20, 1998, Plaintiff wrote to Ocwen informing Ocwen that "it really incenses me to get such a letter;" advising Ocwen that he had hazard coverage in effect and had on February 9, 1998 faxed same to Ocwen in response to Ocwen's 1/14/98 final request for proof of hazard insurance coverage.
131. Between September 16, 1997 and April 10, 1998 Ocwen generated multiple Monthly Billing Statements whose Loan Summary showed a constant interest rate of 10.625%, and a steadily declining principal as follows:  
09/16/97: \$78,000.00; 10/17/97: 476,901.19; 11/10/97: \$75,792.65;  
12/11/97: \$75,463.73; 01/12/98: \$74,342.46; 02/09/98: \$74,000.70;  
03/11/98: \$73,655.91; 04/10/98: \$73,308.07.

132. **Ocwen's Monthly Billing Statement dated May 11, 1998 which it sent to Plaintiff had the following Loan Summary: Year to Date Interest: \$2,614.69; Interest Arrearage: \$0.00; Current Interest Rate: 10.625%; Current Principal Balance: \$72,957.15; Current Escrow Balance: \$818.01; Next Payment Date: June 1, 1998.**
133. On June 10, 1998 Ocwen generated a Monthly Billing Statement which indicated the following on the Loan Summary: Year to Date interest: \$3,442.01; Interest Arrearage: \$0.0; Current Interest Rate: 10.625%; **Current Principal Balance: \$75,152.79**; Current Escrow Balance: \$818.01.
134. Despite Plaintiff's uninterrupted, timely monthly payments and his express indication on each check tendered that the excess be applied to reduce principal, Ocwen had managed inexplicably to calculate his principal as *increasing* from \$72,957.15 on May 11, 1998, to \$75,152.79 by June 10, 1998, and reversing at least \$2,368.32 in additional principal payments!
135. Plaintiff promptly called Ocwen's Customer Relations Department at least twenty times over the ensuing three-week period. However, Plaintiff was unable to access Ocwen personnel when calling the toll-free number provided for Customer Service during regular business hours.
136. On more than one occasion, Plaintiff received busy signals when he called Ocwen's toll-free number. On other occasions, Plaintiff encountered a recorded message indicating that callers must call back because all representatives are busy.

137. Finally, after much frustration and exasperation, Plaintiff was able to perforate the fog of pretentious and prophylactic phone foibles after holding on-line for more than ten minutes, and gained access to Ocwen's Customer Service where he spoke with Mike Heman and demanded an explanation about the sudden and astronomical regression in principal balance.
138. Mike Heman pledged to look into the matter and call back Plaintiff but he never kept his promise to investigate the matter or to call Plaintiff back.
139. By letter dated August 29, 1998 to Plaintiff, Ocwen wrote: "Ocwen Federal Bank has been notified by your bank that check number 1181, in the amount of \$1625.00 is being returned for one of the following reasons:   X   Insufficient Funds. Your account has been charged \$25 for this returned item."
140. Said letter was false and without factual foundation whatsoever and served and had as its intended effect the harassment, intimidation and frustration of Plaintiff, as well as a basis for Ocwen to continue pilfering from Plaintiff's account.
141. By Telewire dated September 9, 1998, Ocwen notified Plaintiff that "on September 1, 1998 you account 17188343 was transferred to Ocwen's Early Intervention Department for review and, if necessary, referral directly to Ocwen's foreclosure department. We hope you will take advantage of this invitation to settle your account and avoid further damage to your credit rating. The Early Intervention Consultant assigned to your account specializes in resolving seriously delinquent accounts prior to the initiation of foreclosure proceedings."

142. Ocwen's Telewire dated September 9, 1998 was designed to create a false sense of urgency and to induce Plaintiff to hurriedly send of funds to stave off any impending foreclosure action.
143. Said Telewire was false and without factual foundation whatsoever and served and had as its intended effect the harassment, intimidation and frustration of Plaintiff, as well as a basis for Ocwen to continue pilfering from Plaintiff's account.
144. Ocwen in fact never transferred Plaintiff's account 17188343 to Ocwen's Early Intervention Department for review.
145. Ocwen in fact never directly referred Plaintiff's account 17188343 to Ocwen's foreclosure department.
146. Ocwen in fact never assigned any Early Intervention Consultant to Plaintiff's account 17188343.
147. By letter dated September 22, 1998 Plaintiff informed Ocwen that despite having since the inception of his loan until then always made timely payments, he had been threatened with foreclosure. "I do not know whether Ocwen purposefully hires incompetent people," Plaintiff's letter added.
148. Plaintiff's September 22, 1998 letter added that "However, it leaves a sour taste in my mouth when I am perennially bombarded with warnings about lapsed hazard insurance, unpaid property taxes, and overdue mortgage payments when such nonsensical claims are without foundation whatsoever. . . . It does not take a 6<sup>th</sup> Grade without a calculator wizardry to realize that when a loan stands at \$72,957 on 5/1/98 it cannot regress to \$75,153 if the interest rate stays constant and I pay another \$1,000 on time!"

149. Ocwen did not respond orally or in writing to Plaintiff's September 22, 1998 letter.
150. Between September 12, 1998 and October 12, 1998 Plaintiff made at least fifteen discrete telephone calls to Ocwen's customer service department, requesting that his account be audited and errors rectified, without result.
151. On several of these occasions when Plaintiff dialed Ocwen's toll-free customer service number, the line was engaged for several minutes, even when Plaintiff employed the continuous repeat redial features of his telephone, to redial up to thirty times, at two minute intervals.
152. On other occasions in the period referred to between September 12, 1998 and October 12, 1998, Plaintiff was instructed by a robotic recording to navigate a confusing labyrinth of voicemail options in order to leave a message.
153. On more than one occasion in the period referred to in the preceding paragraph, the voicemail system automatically disconnected Plaintiff before he could leave a message or select an entry from the options menu.
154. On or about October 13, 1998 Plaintiff finally reached a live Ocwen customer service representative, Gail Russell.
155. Gail Russell promised to investigate and rectify discrepancies cited by Plaintiff during his telephone discussion, and to send Plaintiff's payment history before the close of business that day.
156. Plaintiff waited in vain to receive said payment history that day, or the next.
157. An Ocwen Customer Relations Department Payment History by Gail Russell faxed to Plaintiff on October 15, 1998 showed that Ocwen had not rectified a single discrepancy on Plaintiff's account or rescinded any late charge or escrow on his account, as reflected in his Monthly Statements.

158. Worse, said faxed History Request showed that Ocwen had rescinded several thousands of dollars worth of payments previously credited to Plaintiff's account, starting in May, 1998.
159. Plaintiff called Ocwen's Customer Service Department and, after several tries, and after being forced by the voicemail system to repeatedly confirm his Social Security Number, the Property address, zip code, and telephone number on record in Ocwen's files, spoke with Lisa Dawn Castro.
160. Lisa Dawn Castro offered that she was simply a collections rep and could not be of much help regarding account discrepancies. With Plaintiff's permission, Lisa Dawn Castro offered to telephonically transfer Plaintiff to a supervisor named "Bomar" (phonetic) but never completed the transfer.
161. Said call was inexplicably disconnected, and Ocwen did not call back.
162. Plaintiff called back and spoke with a customer service rep named Gayle, who would not give out her last name.
163. Gayle denied being the same person as Gail Russell with whom Plaintiff had spoken on October 13, 1998.
164. Gayle informed Plaintiff that on October 15, 1998, his estimated balance was \$73,000.00.
165. At Plaintiff's request Gayle transferred him to Dennis Raybon, a supervisor.
166. Dennis Rayborn explained that the reversals shown on the faxed History Request constituted funds received from a different borrower which had been erroneously credited to Plaintiff's loan.
167. Plaintiff demanded how such a misapplication of funds was possible when he had made constant payments and why in any event his own payments were not fully credited. Dennis Raybon purposefully hung up on Plaintiff.

168. Initially thinking that he had been accidentally disconnected, and knowing that it would be impossible to reach Dennis Raybon as he did not give out his telephone extension or direct dial, Plaintiff waited fifteen minutes for Dennis Raybon to call him back that day, but Ocwen did not call him back.
169. Plaintiff waited for several additional days for Dennis Rayborn or some other Ocwen employee to call him back, in vain.
170. On or about November 4, 1998 Plaintiff called back the toll-free number and spoke with a person named Charlotte. Charlotte refused to give Plaintiff her last name, stating only that "I don't give out my last name but I am the only Charlotte in Customer Relations."
171. Plaintiff asked why he was being assessed late charges although he sent out timely, postage-prepaid payments to Ocwen. Plaintiff also asked how come his principal had actually increased after June 1, 1998 and why the rate of reduction in his principal had greatly diminished after June 1, 1998.
172. Charlotte stated that adjustable rate mortgage balances were constantly affected by interest rate fluctuations, the daily interest assessed, late payment and forbearance fees, escrow credits or debits, or other variables.
173. Plaintiff commented that he was sufficiently educated beyond grade school to understand as much, but that such explanation could not adequately explain away the discrepancy between his cancelled checks and his principal balance as stated by Ocwen.
174. Charlotte retorted, as if by rote recitation, that all of Plaintiff's payments were fully credited and no adjustments were necessary. She hung up him.
175. Plaintiff's further efforts to engage live personnel at Ocwen's Customer Relations Department or Research Department during the months of November, 1998 and December, 1998 were unavailing.

176. Upon information and belief, Ocwen was using Caller ID systems to detect and screen incoming telephone calls, including Plaintiff's, so that it could deflect to a voicemail system calls by borrowers it deemed troublesome.
177. Ocwen continued to alter the payment control records, including jimmying its computer entries, to reflect late payment charges against Plaintiff's account.
178. In January, 1999 Plaintiff received a Form 1098 for 1998 on his Ocwen account. Said 1098 showed that his principal decreased from 74,342.46 on January 1, 1998 to 72,793.63 on December 31, 1998, reflecting a reduction in principal of \$1,548.83 with total interest collected by Ocwen of \$8,082.85.
179. This \$1,548.83 reduction of principal over a 12-month in period in 1998 contrasted starkly with a \$3,657.54 principal reduction over a 4-month period in 1997.
180. The 1998 Form 1098 also demonstrably showed that Ocwen was misdirecting Plaintiff's payments and miscrediting his account so as to maximize the amount of interest collected, and to facilitate its hidden agenda of forcing Plaintiff into alleged default and spurious foreclosure.
181. Plaintiff tried to contact Ocwen via its toll-free number listed on his Monthly Statement, but gave up after getting busy signals or getting disconnected.
182. On April 28, 1999 Plaintiff discovered that he had been reported by Ocwen to the national credit bureaus as being sixty days late, despite having since the inception of his loan until then always made timely payments.
183. Plaintiff made a call to Ocwen and spoke to Millie, employee code M5.
184. Millie decline to give out her last name despite Plaintiff's inquiry, replying that Ocwen's employment handbook forbade employee from giving out their last names.

185. Millie advised Plaintiff to send a written request for research of his loan history, directed to Linda Sanford, Research Department, (407) 859-6580.
186. Millie also instructed Plaintiff to send a letter to Ocwen's Research Department, attention Mr. Henckle, requesting a loan history.
187. On April 29, 1999 Plaintiff sent by certified mail a Qualified Written Request Under Section 6 of RESPA to Ocwen, demanding corrections and credits to his account and the purging of derogatory credit information from his file and national credit bureaus.
188. On April 30, 1999 Plaintiff called Ocwen in an effort to rectify the discrepancies on his loan account, getting through without any problem.
189. Plaintiff spoke with "Theresa" who transferred Plaintiff's call to "Norman" who unsuccessfully tried to transfer Plaintiff to Ocwen's Priority Services.
190. Giving Ocwen the benefit of the doubt, Plaintiff called back Ocwen.
191. Plaintiff managed to reach Theresa a second time. Theresa subsequently transferred Plaintiff's call to "Louis" (phonetic) in the Executive Services Department and Plaintiff discussed his mortgage mishandling misgivings.
192. Louis promised to call Plaintiff back promptly with an explanation of all disputed charges to Plaintiff's account, but he did not ever call back.
193. Plaintiff called back Ocwen on May 3, 1999 and spoke to "Brandy" at Priority Services. Brandy, like other Ocwen employees on past occasions, told Plaintiff she could not pull up his detailed loan history and that he would have to make a formal written request for a transaction history.
194. Plaintiff called back Ocwen on May 3, 1999 and again spoke to Louis, with whom he had spoken on April 30, 1999. Plaintiff threatened to initiate legal action against Ocwen for derogatory and erroneous credit information transmitted to the national credit bureaus.

195. Louis promised to generate a fax which would assure that any negative, mistaken information sent to credit reporting agencies about Plaintiff would be purged and assured Plaintiff that his account was current.
196. Ocwen generated and sent Plaintiff a faxed History Request on May 3, 1999. Said History Request showed without change that Ocwen had rescinded several thousand dollars worth of payments previously credited to Plaintiff's account, starting approximately in May, 1998.
197. By separate fax dated and transmitted on May 3<sup>rd</sup> to Plaintiff Ocwen wrote: "Please accept our apologies for any inconvenience. This letter serves as verification that all derogatory credit will be corrected to your account."
198. Plaintiff called Ocwen on May 5, 1999, and spoke with an employee named Hilda, security code #Q. Plaintiff requested that Ocwen purge mistakes on his loan history, and Hilda promised to call Plaintiff back but did not do so.
199. By letter to Plaintiff dated May 5, 1999 Ocwen wrote: "We have not yet received the insurance information that we requested for the property location shown above. At your expense, we have purchased insurance to protect OCWEN FEDERAL BANK, FSB's interest in your property."
200. An attached "Evidence of Insurance" with a notice date of 05/04/99 informed Plaintiff that his account had been assessed a premium charge of \$603.50 for coverage from 11/14/98 to 11/14/99.
201. This assessment was illegal, and was imposed despite written and faxed notice directly to Ocwen by both Plaintiff and Plaintiff's hazard insurance carrier of proof of property insurance for the Property.
202. Plaintiff called Ocwen again on May 6, 1999, and requested to be transferred to Hilda, security code #Q, with whom he had spoken the previous day.

203. After she accepted his call, Hilda advised Plaintiff to forward any concerns to Roderick Bolden, Executive Services Department, Ocwen Federal Bank, 7700 Southland Boulevard, Orlando, Florida.
204. Plaintiff sent a fax to Mr. Bolden requesting an account history.
205. An Ocwen History Department History Request faxed back by Roderick Bolden, Executive Services, to Plaintiff on May 6, 1999 showed that Ocwen had not rectified a single discrepancy on Plaintiff's account or rescinded any late charge or escrow on his account.
206. Worse, said faxed History Request showed that Ocwen had rescinded several thousands of dollars worth of payments credited to Plaintiff's account, starting in May, 1998.
207. Plaintiff called Ocwen in early June, 1999 to follow-up on the status of his discussion one month earlier with Roderick Bolden and left him a message.
208. An Ocwen History Department History Request faxed anonymously to Plaintiff on June 11, 1999 showed that Ocwen had not rectified a single discrepancy on Plaintiff's account or rescinded any late charge or escrow on his account.
209. Worse, said faxed History Request showed that Ocwen had rescinded several thousands of dollars worth of payments credited to Plaintiff's account, starting approximately in May, 1998.
210. Plaintiff called Ocwen in late June, 1999 in an effort to have someone at Ocwen review the History Request which he had by facsimile transmission from an unidentified person at Ocwen on June 11, 1999.
211. Plaintiff called Ocwen's Customer Service Department but, after several tries, was unable to reach a live person, so left a voicemail message.

212. On July 19, 1999 Ocwen wrote to Plaintiff acknowledging receipt of his dispute, and disingenuously adding: "You state Ocwen incorrectly assessed a Late Charge on your loan. You state your loan is current. You have therefore requested Ocwen research our loan and provide status of same. Ocwen's records reveal all payments have been credited and no outstanding balance is due. As of this date, your loan is next due for the September 1, 1999 payment. Enclosed is a copy of the loan transaction history."
213. The July 19, 1999 letter was signed by Preston Walker, Research Specialist at Ocwen.
214. Said letter distorted and misrepresented Plaintiff's written complaint and RESPA §6 Qualified Written Request for research on his mortgage loan.
215. Said letter failed to explain the discrepancies between Plaintiff's record of payments as demonstrably shown in "front-and-back" photocopies of cancelled checks previously submitted to Ocwen by fax and via certified mail, and the total credits by Ocwen to his loan account.
216. Ocwen continued its systematic thievery and obscene obstinacy despite Plaintiff's persistent complaints about Ocwen's mishandling of his loan.
217. By letter dated July 20, 1999, Ocwen notified Plaintiff of an ARM payment change, from \$720.80 to \$660.70 based on a 11.125% interest rate, based on an index value of 5.622.
218. By letter to Plaintiff dated January 6, 2000 Ocwen wrote: "We have not yet received the insurance information that we requested for the property location shown above. At your expense, we have purchased insurance to protect OCWEN FEDERAL BANK, FSB's interest in your property."

219. An attached "Evidence of Insurance" with a notice date of 01/06/00 informed Plaintiff that his account had been assessed a premium charge of \$569.50 for coverage from 11/14/99 to 11/14/00.
220. This assessment was illegal, and was imposed despite written and faxed notice directly to Ocwen by both Plaintiff and Plaintiff's hazard insurance carrier of proof of property insurance for the Property.
221. By letter dated February 19, 2000 Ocwen stated that Plaintiff owed \$660.70 in P&I, and \$33.04 in current late charges, and threatened foreclosure if that amount was not remitted immediately.
222. On a weekly basis beginning June 6, 2000 and lasting until approximately June 27, 2000, Ocwen harassed Plaintiff with letters reminding him that his payment was past due and that it was attempting to collect a debt.
223. Ocwen also bombarded Plaintiff at his home and workplace with a barrage of calls informing him that he was delinquent and that he would have his home foreclosed upon if immediate payment was not made.
224. By letter dated June 21, 2000, which Ocwen knew or should have known from its records was Plaintiff's birthday, Ocwen notified Plaintiff of its intent to foreclose on "your defaulted home loan." Ocwen indicated that as of June 21, 2000 the payments were past due for \$669.22 P&I, and \$33.46 in late charges.
225. Ocwen deliberately generated its alarming letter, timing it for Plaintiff's birthday and intending thereby to intimidate or panic Plaintiff and cause him emotional distress by ruining his exuberance at reaching age thirty-nine.
226. By letter dated July 21, 2000, Ocwen notified Plaintiff of an ARM payment change, from \$669.22 to \$695.33 based on a 12.5% interest rate, based on an index value of 7.012.

227. Also by letter dated July 21, 2000, Ocwen notified Plaintiff of its intent to foreclose on "your defaulted home loan." Ocwen indicated that as of July 21, 2000 the payments were past due for \$669.22 P&I, and \$33.46 in late charges.
228. By certified letter dated September 6, 2000 Ocwen sent a formal Notice of Default to Plaintiff. Said letter stated that past due amounts were as follows: P&I, \$1338.44, late charges, \$33.46. Ocwen further advised that unless Plaintiff's account was brought current by October 6, 2000 his loan would be accelerated, which could result in foreclosure, reasonable attorney's fees and court costs. Thereafter, Plaintiff called Ocwen and left a message for Gwen Tate, an Ocwen supervisor, disputing the debt and requesting an accurate accounting and the cessation of collection efforts.
229. By letter to Plaintiff dated September 15, 2000 Ocwen wrote: "We have not yet received the insurance information that we requested for the property location shown above. At your expense, we have purchased insurance to protect OCWEN FEDERAL BANK, FSB's interest in your property."
230. An attached "Evidence of Insurance" with a notice date of 09/15/00 informed Plaintiff that his account had been assessed a premium charge of \$552.50 for coverage from 11/14/00 to 11/14/01.
231. This assessment was illegal, and was imposed despite written and faxed notice directly to Ocwen by both Plaintiff and Plaintiff's hazard insurance carrier of proof of property insurance for the Property.
232. By letter dated October 24, 2000 Ocwen stated that Plaintiff owed \$695.33 in P&I and \$34.77 in late charges, plus \$3.53 in other (unspecified) advances, and threatened foreclosure if that amount was not remitted immediately.

233. By letter dated December 21, 2000 Ocwen stated that Plaintiff owed \$695.33 in P&I, \$303.99 in escrow, \$34.77 in current late charges, \$34.77 in prior late charges, plus \$3.53 in other (unspecified) advances, and threatened foreclosure if that amount was not remitted immediately.
234. By letter dated January 20, 2001 Ocwen notified Plaintiff of an ARM payment change, from \$695.33 to \$656.292 based on an 11.75% interest rate, based on an index value of 6.203%.
235. By letter dated March 1, 2001, Ocwen notified Plaintiff that it had cancelled previously placed Lender Insurance because of "other insurance coverage provided." Nevertheless, Ocwen charged an allegedly earned premium of \$48.44 to Plaintiff's account for the period of 11/14/00 to 12/16/00, although notified about Plaintiff's insurance in force.
236. By letter dated July 27, 2001 Ocwen notified Plaintiff of an ARM payment change, from \$656.92 to \$606.59 based on a 10.75% interest rate, based on an index value of 3.8300%.
237. By letter dated August 21, 2001, Ocwen notified Plaintiff that it had placed Lender Insurance because it had not received proof of insurance previously requested. The cost of said unwarranted insurance was a mind-boggling \$1,343.00 and was assessed against Plaintiff's account.
238. This assessment was illegal, and was imposed despite written and faxed notice directly to Ocwen by both Plaintiff and Plaintiff's hazard insurance carrier of proof of property insurance for the Property.

239. Plaintiff called Ocwen in September, 2001 to dispute the validity of the forced hazard insurance and, anxious to resolve the problem once and for all, divulged his unlisted and unpublished *home* telephone number previously unknown to Ocwen which from loan inception only had his *work* number on file as his method of telephonic contact.
240. Plaintiff decided to refinance his loan through with Continental Mortgage brokers of Connecticut, and divest himself of the albatross that Ocwen was.
241. Plaintiff obtained a loan commitment in September, 2001 and scheduled a closing on his refinance loan for October 1, 2001, after incurring ascertainable sums of money for credit reports, home appraisal, and Continental Mortgage brokers Federal Express disbursements.
242. Prior to obtaining the mortgage commitment, Plaintiff issued a check for \$1,000 to Ocwen for the payment period due October 1, 2001 on his loan.
243. Thereafter, upon notification of the refinancing commitment Plaintiff issued a stop payment order on said check for the October 1, 2001 payment.
244. Plaintiff's refinance plan was aborted because Ocwen informally issued an erroneous payoff figure to Continental Mortgage brokers. As a consequence Plaintiff, given his personal experience with Ocwen's larcenous loan practices, as well as having heard about its horrendous history vis-a-vis consumer complaints, became unwilling to send monies to Ocwen, have another financial institution make a payoff, and then find it subsequently impossible to recoup the \$1,000 October, 2001 payment.
245. By letter dated October 2, 2001, Ocwen advised Plaintiff that his bank had returned check #2495 in the amount of \$1,000 for reason of "stop payment" order.

246. Between October 3, 2001 and November 3, 2001, Plaintiff received a relentless torrent of harassing and threatening telephone calls from a hodge-podge of Ocwen employees at unreasonable hours at his workplace.
247. Between October 3, 2001 and November 3, 2001, Plaintiff received a barrage of harassing and threatening telephone calls from unidentified Ocwen employees on the answering machine at his residence.
248. On or about October 31, 2001 Plaintiff called Ocwen's toll-free number and requested that Ocwen employees and related bill collectors cease and desist from calling him at his residential number, but only to contact him at his workplace, and then only between the hours of 9 a.m. to 5 p.m.
249. Starting on or about November 3, 2001 Plaintiff received a coterie of certified letters from Moss, Codilis, attorneys for Ocwen purporting that Plaintiff was in default and that unless full payment of said default was made by December 6, 2001 Ocwen would accelerate the loan and undertake foreclosure proceedings.
250. Said Moss, Codilis correspondence were a computer-generated form collection communications created in connection with attempts to collect on a residential mortgage loan secured by property located at the same address as that to which the letter was sent.
251. Said letters failed to properly state the debt owed by Plaintiff.
252. By certified letter dated November 17, 2001 Plaintiff replied to Moss, Codilis disputing the demanded default amount and requesting an itemization of the reinstatement charges, along with an accounting of his loan.
253. Moss, Codilis responded on December 11, 2001 dismissing Plaintiff's concerns by submitting an Ocwen's Detail Transaction History which showed that Plaintiff owed \$2,706.51 as of November 2, 2001.

254. Although Plaintiff had disputed the debt, Moss, Codilis demanded that Plaintiff cure the default rather than cease collection efforts, and instructed Plaintiff to contact Kristi Alford, Breach Research Specialist or Ocwen directly.
255. Plaintiff wrote again to Moss, Codilis on December 20, 2001 categorically disputing said default and again requesting a proper accounting and a comprehensive explanation of all charges, escrows and reversals to the account.
256. Further, Plaintiff threatened in writing to sue Moss, Codilis in addition to Ocwen if the errors on his loan account were not satisfactorily rectified.
257. By letter dated December 21, 2001 Ocwen stated that Plaintiff was past due for \$2,040.58 consisting of \$606.59 in P&I, \$1,343.00 in escrow, and \$90.99 in current late charges and threatened foreclosure if that amount was not remitted immediately.
258. During the last week of December, 2001, with the Federal Reserve Bank predicated to begin raising interest rates during 2002, Plaintiff decided to resurrect his longstanding desire to refinance his loan, this time through Creative Mortgage brokers, to eradicate Ocwen's servicing of his loan and eliminate its accounting irregularities once and for all time.
259. After incurring ascertainable expenses for a credit history report, a new property appraisal, and miscellaneous postage and long distance calls, Plaintiff secured a commitment through Creative Mortgage brokers to refinance his Ocwen mortgage.

260. Before either Creative Mortgage brokers or Plaintiff could demand an accurate payoff from Ocwen, Ocwen sent Plaintiff a fax dated January 1, 2002 showing a January 31, 2002 payoff figure of \$66,3340, including principal of \$63,098.10, interest of \$1,694.64, late charges of \$90.99, future late charges of \$30.33, NSF Check charge of \$25, recoverable breach fee of \$9.34, payoff fax fee of \$20, payoff quote fee of \$20 and escrow advance of \$1,343.00, plus per diem interest of \$18.84.
261. Meanwhile, Moss, Codilis wrote again to Plaintiff by letter dated January 3, 2002 once again dismissing Plaintiff's concerns by submitting Ocwen's doctored Detail Transaction History, stating that Plaintiff owed \$2,681.51 as of December 1, 2001, and informing that no reversals were made to Plaintiff's account in May, 1999. The letter was sent under the name of Stephanie Carson, Breach Research Specialist.
262. Moss, Codilis also simulated legal process by claiming in its letter that foreclosure proceedings were imminent when Moss, Codilis had no intention to institute immediate litigation to foreclose on Plaintiff's mortgage.
263. Plaintiff, forced to defer refinancing of his Ocwen mortgage in order to obtain an accurate payoff figure, told Creative Mortgage brokers to postpone the scheduled closing on his refinance from early February, 2002 until further his further direction while he fought futilely to obtained an amicable accounting from Ocwen.
264. Ocwen sent Plaintiff a letter dated January 25, 2002 acknowledging receipt of his request that Ocwen "perform research relative to the issue(s) stated in your letter for the above-referenced loan," and advising that under RESPA Ocwen had sixty days to respond with an explanation of the facts, including the detail of any adjustment or corrections.

265. The letter further noted Ocwen's policy to perform all research and provide a written response within fifteen days.
266. By letter dated January 30, 2002 Ocwen notified Plaintiff of an ARM payment change, from \$606.59 to \$597.45 based on a 10.625% interest rate, based on an index value of 1.981%.
267. In late January, 2002 Plaintiff left a lengthy voicemail message for Leo Stawiarski, name partner at Moss, Codilis by calling its Colorado Office.
268. Plaintiff warned in his voicemail that he would take decisive legal action against Ocwen and Moss, Codilis unless the unconscionable account was properly audited and all illegal charges accumulated over the years were rescinded with back interest, and an accurate payoff amount issued to him.
269. By letter dated February 4, 2002 Ocwen's Shelley Blanton responded to Plaintiff's December, 20, 2001 written assertions as follows: Concern 1: You disputed the default amount and requested that Ocwen provide a listing of the charges assessed, along with an accounting of the loan and also an explanation of reversals done on your loan in May 1999. Response: As of February 1, 2002 your account is due for December 1, 2001. The amount to cure the default is \$3,421.18. Enclosed is a Reinstatement Summary listing the charges assessed, and a Detail Transaction History demonstrating all credits and disbursements made by Ocwen."

270. Shelley Blanton's letter further stated that "Our records also indicate that there were no reversals made on your account in May 1999. Concern2: You stated that your loan was assessed fees for a forbearance plan and return (*sic*) checks and requested that Ocwen provide you with an explanation. Response: A review of your loan does not indicate that you were on a forbearance agreement with Ocwen or that Ocwen charged your loan for forbearance payments. On October 21, 2001 a returned check fee was assessed to your loan for check number 2495 in the amount of \$1,000 dated for September 10, 2001. Concern 3: You stated that you have uninterrupted Hazard Insurance coverage, and requested that Ocwen remove the forced hazard insurance and its associated fees. Response: A review of your loan indicates that proof of hazard insurance was received and on March 20, 2001 funds in the amount of \$504.06 was credited to your loan as the refund for the forced hazard insurance."
271. Said response by Shelley Blanton was filled with deliberate distortions of Plaintiff's dispute of default, and contained a formalistic and futile effort to mislead Plaintiff, proving that Ocwen would not cease collection efforts.
272. Plaintiff categorically rejected the figures mentioned as bogus, unjustified and derived by voodoo computations, and chalked off Shelley Blanton's letter as another computer-generated, wholly-inadequate, rote response.
273. Plaintiff called Ocwen, disputing the payoff figure and its breakdown components with Ocwen's employee Michael Johnson who admitted that Ocwen's accounting practices "drive several customers up the wall."
274. In mid-February, 2002 Plaintiff called Moss, Codilis and was routed upon request by an operator to Stephanie Carson, Breach Research Specialist.

275. Plaintiff, upon asking her, discovered that Stephanie Carson was actually an Ocwen researcher in Florida, rather than a Moss, Codilis employee in Colorado, as the Moss, Codilis communication misleadingly implied.
276. Plaintiff nevertheless broached his concerns with Stephanie Carson, who told Plaintiff she had pulled up his loan transaction history electronically.
277. After going line by line through the loan transaction history, Stephanie Carson, the most courteous Ocwen employee ever encountered by Plaintiff during his interactions over the past four years, exclaimed that she definitely could see that something was wrong with the way Plaintiff's account had been computed and handled and pledged to follow through with Ocwen and rectify the miscredited funds due and owing to Plaintiff.
278. For the first time ever, Plaintiff learned through Stephanie Carson that the reason monies had been allegedly miscredited to his account starting in November 1997 and through May, 1998 when they were reversed is that the funds actually belonged to a customer whose account number was 17188434 (versus Plaintiff's loan which has the last three digits as 343).
279. Nevertheless, Stephanie Carson would not provide Plaintiff with any additional details of the alleged miscredit of funds, or explain what became of Plaintiff's payments posted between November, 1997 and May, 1998.
280. Regarding a further reversal made by Ocwen in November, 1998 Stephanie Carson asked Plaintiff to prove that he had made a payment on the account in November, 1998, although Plaintiff protested that he had previously copied and submitted such proof of payment by certified mail and simultaneously by fax to Ocwen to facilitate its research, as part of his April, 1999 Qualified Written Request under RESPA §6.

281. By fax dated February 15, 2002 Plaintiff transmitted to Stephanie Carson at Moss, Codilis, nine pages worth of "front and back" xeroxes of cancelled checks for prior payments to Ocwen, including the November, 1998 check.
282. In the process of copying said checks, Plaintiff discovered that Ocwen was engaged in check stacking, deliberately delaying the proper posting of payments received from Plaintiff to his respective account on a timely basis.
283. On February 20, 2002 Plaintiff received a telephone message at work taken by his legal secretary to "call 'Ana' from Moss, Codilis."
284. Believing, based upon his extensive and cordial discussion with Stephanie Carson that at long last his account had been rectified and he was being called by a representative of Moss, Codilis to be formally informed, Plaintiff called back 877-201-3090 as instructed and spoke with "Ana."
285. To his disappointment, Plaintiff discovered upon inquiry that Ana actually worked for Ocwen and that she was not calling to report measurable progress towards rectifying Plaintiff's longstanding dispute.
286. Rather, Ana began to threaten Plaintiff with imminent foreclosure and to heap verbal abuse upon Plaintiff.
287. Plaintiff hung up on Ana in total disillusionment after enduring invective, verbal abuse, threats and disparaging remarks from her in response to his comments that he was getting totally exasperated and being goaded into filing a lawsuit against Ocwen and Moss, Codilis.
288. Plaintiff realized that Ocwen deliberately failed to properly train its customer service reps and/or to adequately staff its Customer Relations Department with properly trained personnel, in order to discourage Plaintiff and others similarly situated from making rapid inquiries about its billing practices.

289. Plaintiff realized that Ocwen negligently failed to properly train its customer service reps and/or to adequately staff its Customer Relations Department with properly trained personnel, thereby hindering Plaintiff and others similarly situated from making rapid inquiries about its billing practices.
290. Plaintiff subsequently surfed the Internet and discovering that Ocwen was routinely maligned by a plethora of customers for a panoply of accounting errors, bogus late charges, repeated forced hazard insurance at exorbitant rates, fraudulent billing practices, and predatory foreclosure practices.
291. Plaintiff also uncovered reports of Ocwen shuttering satellite offices at whim, without providing adequate advance notice to borrowers, including Plaintiff, and without leaving any forwarding address.
292. Ultimately, as a result of such sudden, clandestine closures, misdirected payments would be returned as undeliverable by the postal service to borrowers, who would be forced to redirect their payments after cumbersome inquiries to obtain Ocwen's new addresses, with the consequence that Ocwen could impose late fees for the delayed payments.
293. Ocwen's closing of satellite offices at whim without leaving any forwarding address, and without providing adequate advance notification to borrowers, meant that required evidence of hazard insurance mailed by insurance companies on behalf of Plaintiff and the class, would be returned as undeliverable by the postal service, thus enabling Ocwen to charge exorbitant premiums for mortgagee-only hazard insurance policies.
294. Plaintiff decided thereafter to retain legal counsel to began tentatively drafting a lawsuit against Ocwen and Moss, Codilis.
295. Subsequent legal research uncovered Better Business Bureau complaints.

296. Dozens of Better Business Bureaus had recorded repeated complaints about Ocwen from several borrowers and that Ocwen had been determined to engage in a policy and practice of not responding at all or adequately to consumers concerns and BBB efforts to discern the gravity of the Ocwen deceptive mortgage loan servicing practices problem.
297. The BBB of Southland, California, for example, in a report dated February 12, 2002 rated Ocwen “as having an unsatisfactory business performance record due to a pattern of unanswered customer complaints. Most complainants allege they experience difficulty obtaining information regarding billing discrepancies or loan payoff amounts. Some customers complain of rude and unhelpful representatives. Others contend their loan payments are mismanaged, causing penalties and late fees.”
298. The BBB of San Diego on February 24, 2002 rated Ocwen as having an “unsatisfactory record with the Bureau due to unanswered complaints.”
299. The BBB of Central Florida in a report dated February 20, 2002 rated Ocwen as having “an unsatisfactory record at the Bureau due to unanswered complaints. The company has resolved most complaints presented by the Bureau; however the Bureau did not receive a response to other complaints that the company did not perform according to the terms of the contract.”
300. The BBB of Chicago and Northern Illinois, reported that: “correspondence forwarded to this company May 19, 1999, has been returned by the Postal Service marked: ‘Moved, Left No Address.’” The BBB suggested that complainants contact the Illinois Attorney General for further help as it lacked facilities for tracing companies.

301. The BBB of Central and Southern New Jersey reported on February 20, 2002 that “our file shows that mail sent to this company was returned by the Post office as move, left no forwarding order, forwarding order expired or was unable to locate. Our file contains no other information to enable us to issue a report at this time.”
302. The BBB of Southeast Florida on February 19, 2002 reported that “the BBB has sent two requests for basic information to this company. However, the company has decline to provide this data. Our file shows that this company has an unsatisfactory record with the Bureau. Specifically, our records show a pattern of no response to customer complaints brought to its attention by the Bureau and a pattern of failure to eliminate the basic cause of customer complaints regarding billing disputes.”
303. The “Rip-Off Report” at <http://www.ripoffreport.com/>, also provided a trove of consumers nationwide upset at Ocwen’s deceptive loan practices.
304. No less than thirty-four complainants with horror stories virtually identical to those complained of by Plaintiff here, and reported by the various BBBs above, mentioned failure to credit payments on time, harassing phone calls, threatening mail and rude phone representatives, all caused by Ocwen.
305. A few of the complaints posted at the Rip-Off Report also lambasted Moss, Codilis’ predatory, deceptive and unfair debt collection tactics.
306. On or about February 24, 2002 Plaintiff received a voicemail from Paul Britt, Esq., who identified himself as Moss, Codilis’ General Counsel. Paul Britt’s message asked Plaintiff to call him back in reference to the voicemail he had left for Moss, Codilis name partner Leo Stawiarski in the recent past.

307. On or about February 25 2002 Plaintiff called back Paul Britt at (720) 284-0843 and identified himself as an Ocwen borrower who doubled as a Connecticut lawyer experienced in consumer litigation and who was on the brink of hiring outside counsel to prosecute a class action against Ocwen.
308. During the ensuing phone discussion Paul Britt sympathized with Plaintiff's distress at his asserted Ocwen mortgage mismanagement and asked him to forebear from filing his threatened lawsuit against Ocwen and Moss, Codilis while he, Paul Britt, thoroughly investigated Plaintiff's allegations.
309. Plaintiff, purely as a result of professional courtesy from one attorney to another and in detrimental reliance upon Paul Britt's pledge to personally check things out, agreed to forebear while Moss, Codilis' senior legal staff properly investigated his account and rectified his years-old loan issues.
310. Meantime, Plaintiff's problems with his Ocwen loan continued unabated.
311. On or about February, 27, 2002 Plaintiff spoke with Nadine White-Boyd, Esq., Ocwen's Florida counsel who had been referred to him by Paul Britt. After Plaintiff explained his problems with Ocwen's servicing, Nadine White-Boyd pledged to investigate the file and call him back, but never did.
312. On or about February 27, 2002 Plaintiff received a computer-generated letter dated February 21, 2002 purporting to come from Moss, Codilis. The letter indicated that "Moss, Codilis would like to present to you some of the alternatives which you may have available regarding your delinquent loan."
313. The letter further represented that "at Moss, Codilis, we strive to provide service which will exceed your expectations. . . We are here to build a mutually beneficial relationship, rectify any problems, resolve any issues, and assist you with your needs."

314. Said letter was demonstrably deceptive as Moss, Codilis had no intention to build any mutually beneficial relationships, rectify any problems, resolve any issues, or otherwise strive to provide service which would exceed Plaintiff's expectations, under the totality of the circumstances.
315. At the time of receipt of said Moss, Codilis February 21, 2002 letter, Plaintiff having available in his bank and brokerage accounts sufficient funds to pay off the Ocwen mortgage immediately, called Moss, Codilis and left a message addressed to its partners that while he could pay off his Ocwen loan himself, he reserved the right to refinance his loan and it was incumbent upon Ocwen to issue him a correct and uninflated pay-off figure devoid of spurious surcharges.
316. Plaintiff added that he was on the verge of suing Ocwen and Moss, Codilis.
317. By letter dated February 23, 2002, received by Plaintiff on March 2, 2002 Ocwen notified Plaintiff that on 02/23/02 his account was transferred to Ocwen's Early Intervention Department "for review and, if necessary, referral directly to Ocwen's foreclosure department. We hope you will take advantage of this invitation to settle your account and avoid further damage to your credit rating. The Early Intervention Consultant assigned to your account specializes in resolving seriously delinquent accounts prior to the initiation of foreclosure proceedings."
318. On March 7, 2002 Plaintiff unexpectedly lost his dearly beloved father.
319. On or about March 9, 2002 Plaintiff received a "Friendly Reminder Notice" dated March 6, 2002 from Ocwen informing him that his current payment had not yet been received.
320. On March 12, 2002 an Ocwen collections representative, who would not give out her name, called Plaintiff at his workplace.

321. Said unidentified customer service rep informed Plaintiff that his loan was seriously delinquent and risking referral for foreclosure. She inquired as to whether she could take a credit card or check-by-phone payment from him.
322. Plaintiff indicated to Ocwen's unidentified customer service rep that he had just lost his father and therefore would be due to depart shortly for Africa, and so he would be reluctantly sending a \$2,000 payment to forestall any foreclosure action during his planned month-long absence from the United States to lay his father to rest.
323. Plaintiff added emphatically that unless his loan account was rectified by the end of March, 2002, his lawyers would bring a long-contemplated lawsuit against Ocwen for larceny, and ask the Connecticut, California and Florida Attorneys General and the Connecticut Consumer Protection Commissioner to investigate Ocwen's predatory loan origination and servicing practices as soon as practical after he returned from burying his father in Africa.
324. Said unidentified Ocwen customer service representative indicated that she was recording Plaintiff's conversation and taking detailed notes to enable her have her supervisors properly address Plaintiff's concerns.
325. After Plaintiff refused to divulge the name of his legal counsel or confirm if he had filed for bankruptcy, she unceremoniously hung up on Plaintiff.
326. On March 19, 2002 Plaintiff asked his counsel to suspend drafting of Plaintiff's consumer lawsuit during Plaintiff's return to his native country for a full month to finance and oversee burial arrangements and final obsequies involving his late father, whose sudden death devastated him.
327. On April 14, 2002 Plaintiff returned to the United States to wade through piles of residential and business mail accumulated during his month-long absence abroad.

328. In the process of perusing through his residential mail, Plaintiff discovered a letter from Ocwen dated March 21, 2002, postmarked March 27, 2002, warning Plaintiff that his account was past due for \$606.50 P&I, \$597.84 escrow, and \$181.98 current late charges.
329. Plaintiff also discovered having received in his absence a letter from Ocwen stating that “we are continuing to research efforts regarding your loan. It is Ocwen’s policy to perform all research and provide a written response within fifteen (15) days from the receipt of your letter. However, as a result of the research required to accurately and completely address your request, we will be unable to respond within our target of fifteen (15) days. Ocwen is committed to serving you, accordingly your request is a priority with us.”
330. Plaintiff reviewed his folders containing correspondence and documents and discovered that Ocwen had engaged all along in a deliberate pattern and practice of back-dating correspondence several days prior to actual mailing, and sometimes franking the same envelope two or three times with different Pitney Bowes meter stamps in violation of postal regulations.
331. Ocwen’s habit of back-dating correspondence meant that when Plaintiff received correspondence, it was invariably much later than reflected on the letterhead enclosed in the envelope, and Ocwen’s charade allowed it to cover-up its sloth and assess late charges for its mail fraud in belatedly mailing out Monthly Statements and other loan-related correspondence.
332. Indicia of Ocwen’s fraud in back-dating correspondence was shown by a letter dated April 12<sup>th</sup> but bearing an envelope postmarked 4/20/02; mail dated March 27<sup>th</sup> but bearing an envelope franked 3/29/02; mail bearing a date of March 21<sup>st</sup> but franked by Ocwen on March 26, 2002 and thereafter franked again on March 27, 2002 as mailed from zip code 33404.

333. Plaintiff also discovered a letter received in his absence dated April 2, 2002 from Ocwen's Shelley Blanton using Moss, Codilis stationery, feigning civility and stating that "Below are recaps and responses to the issues you raised. Concern 1: You disputed the default amount and requested that Ocwen provide a listing of the charges assessed, along with an accounting of the loan and also an explanation of reversals done on your loan in May 1999. Response: As of February 1, 2002 your account is due for December 1, 2001. The amount to cure the default is \$3,421.18. Enclosed is a Reinstatement Summary listing the charges assessed, and a Detail Transaction History demonstrating all credits and disbursements made by Ocwen. Our records also indicate that there were no reversals made on your account in May 1999. Concern2: You stated that your loan was assessed fees for a forbearance plan and return (*sic*) checks and requested that Ocwen provide you with an explanation. Response: A review of your loan does not indicate that you were on a forbearance agreement with Ocwen or that Ocwen charged your loan for forbearance payments. On October 21, 2001 a returned check fee was assessed to your loan for check number 2495 in the amount of \$1,000 dated for September 10, 2001. Concern 3: You stated that you have uninterrupted Hazard Insurance coverage, and requested that Ocwen remove the forced hazard insurance and its associated fees. Response: A review of your loan indicates that proof of hazard insurance was received and on March 20, 2001 funds in the amount of \$504.06 was credited to your loan as the refund for the forced hazard insurance. As of this date your loan is next due for the May 1, 2002 payment."

334. Other than the last sentence regarding a May 1, 2002 payment due date, the computer-generated form collection letter was identical in all respects to one dated February 4, 2002 received and vigorously disputed and categorically rejected by Plaintiff, as mentioned *supra*, ¶¶269 to 271.
335. Plaintiff also discovered having received in his absence abroad correspondence from Ocwen dated April 9, 2002 advising him, *inter alia*, that “due to a temporary programming issue on our servicing system, you may have received a billing statement from Ocwen Federal Bank FSB dated between March 18, 2002 and March 31, 2002 with a payment remittance coupon that incorrectly stated your Payment Due Date.”
336. Plaintiff also discovered a letter from Nadine White-Boyd, upon information and belief the same person referred to Plaintiff by Moss, Codilis General Counsel Paul Britt, Esq., cited in ¶311, *supra*.
337. With the exception of a different date, Nadine White-Boyd’s letter repeated verbatim the verbiage contained in Ocwen’s letter sent by Shelley Blanton, cited in ¶¶333 to 334, *supra*.
338. Nadine White-Boyd’s title under her name in the unsigned letter, was Breach Specialist, and not Florida Counsel, as her title had been misrepresented to Plaintiff by Paul Britt, Esq.
339. On or about April 12, 2002, Ocwen sold and transferred loan servicing rights on Plaintiff’s mortgage to Litton, effective April 29, 2002.
340. Upon information and belief, on or around April 12, 2002 Litton agreed to acquire, take over, or undertake servicing rights to Plaintiff’s Ocwen loan.
341. Within one week after his return from his funeral obligations in Africa, Plaintiff received a letter from Ocwen dated April 12, 2002, postmarked April 20, 2002.

342. Said letter bore a subject line: Notice of Assignment, Sale or Transfer of Servicing Rights re Ocwen Federal Bank Loan Number 17188343.
343. Said letter indicated that Ocwen had assigned, sold, and transferred to Litton Ocwen's right to collect payments from Plaintiff.
344. Plaintiff learned to his chagrin that Ocwen had transferred his loan to Litton despite Ocwen's indication on the TIL statement that it would not transfer said's loan, and despite Ocwen's trickery that it was working to resolve Plaintiff's loan discrepancies.
345. Knowing fully well that Plaintiff was determined to unmask Ocwen's deceptive trade practices, Ocwen surreptitiously transferred Plaintiff's account to Litton while Plaintiff was out of the country and unable to take expeditious action to prevent said purported transfer.
346. Knowing that Plaintiff was determined to unmask its deceptive and unfair trade practices, Ocwen misled Plaintiff as late as March 21, 2002 about researching his loan, when it had already decided to transfer servicing of his loan to Litton, in order to rid itself of the panoply of problems engendered by Plaintiff's determination to litigate to reverse Ocwen's blatant daylight robbery of his funds, unless his account was rectified.
347. Plaintiff decided to resurrect and ask his legal counsel to accelerate preparation of his lawsuit against Ocwen, and to include an injunction against Litton to prevent or rescind said sale and transfer of his account.

348. Renewed research at <http://www.ripoffreport.com> revealed that the number of complaints about Ocwen's unfair and deceptive business practices had mushroomed from about thirty-four complaints in mid-February, 2002 to one hundred fifty discrete complainants by mid-May, 2002, and to almost two hundred complaints as of June 5, 2002, each with horror stories virtually identical to those complained of by Plaintiff here, including failure to credit payments on time, harassing phone calls, threatening mail, rude phone representatives, check stacking, harassment by actual and putative employees of Ocwen's lawyers Moss, Codilis, and other unsavory tactics.
349. Online research also revealed that Ocwen had been successfully sued in the United Kingdom by a plaintiff named Carol Riley after Ocwen tried to repossess her home despite her having paid off her loan.
350. Information culled from a website, <http://www.ppmagazine.co.uk/335.html> indicated that after trouncing Ocwen in court, Ms. Riley "received hundreds of complaints about Ocwen after she set up a support group, the National Association of Mortgage Victims (NAMV) in the late 1990s."
351. Upon information and belief, the complainants claimed they had been misled and unfairly penalized by Ocwen, which was "deliberately failing to draw debits and cash cheques on time, thereby forcing people to default."
352. According to the information at the website referred to in the preceding paragraph, Ocwen "was paying secret commissions of up to 21% to brokers who were masquerading as independent."

353. Upon information and belief, on June 26, 2002 a British Judge Holman of Manchester, England ruled on the question of whether Ocwen “should be allowed to repossess the homes of 150 people it claims have defaulted on their mortgages” by enjoining Ocwen from foreclosing on said 150 mortgages, pending further proceedings.
354. Upon information and belief, Ocwen’s predatory lending activities were the subject of parliamentary debates in the English House of Commons during May, 2002, and thereafter Ocwen changed its name to “iGroup Loans.”
355. Online research also revealed the existence of a consumer website at <http://www.budhibbs.com>, which features a web page entitled “America’s Worst Collection Agencies” listing Ocwen Financial and stating further: “These are scavenger-debt collector who masquerade as a financial organization. They ARE debt collectors as defined by law. NEVER give them any information on your bank/credit accounts. YOU WILL REGRET IT!! And the rules DO apply to them.”
356. Online research also unearthed a law suit against Ocwen alleging negligent hiring, negligent supervision and negligent retention by Ocwen Financial managerial employees Patti J. Kidder and Katherine R. Dean after discovering that an Ocwen employee was secretly videotaping their private parts for display on voyeuristic and pornographic internet “webcam” sites.
357. The Kidder-Dean lawsuit’s allegation that Ocwen’s managers, supervisors, owners and officers issued a barrage of insults, including “Patti porn star,” in response to the employee complaints.

358. Said alleged response by Ocwen, juxtaposed with the plethora of unflattering consumer online complaints above, demonstrated for Plaintiff the sheer devil-may-care attitude of Ocwen vis-a-vis any complaints.
359. Knowing fully well that Plaintiff had threatened repeatedly to sue Ocwen and its legal cohorts, neither Ocwen nor Moss, Codilis followed through with disingenuous threats to institute foreclosure proceedings against Plaintiff, although Plaintiff did not blink when told his loan was being accelerated.
360. Ocwen transferred Plaintiff's loan because Ocwen knew that it had pillaged and pilfered Plaintiff's payments and that it would be unable to render an honest accounting as repeatedly demanded by Plaintiff over the years.
361. Ocwen did not disclose to Plaintiff what the unpaid balance of Plaintiff's loan was at the time of transfer of servicing rights to Litton.
362. On or May 15, 2002 Plaintiff received correspondence from Litton informing him of the transfer of servicing on his mortgage loan from Ocwen to Litton, including a payment coupon telling him the amount of his current payment amount was \$597.45, due on or by May 1, 2002.
363. Litton did not disclose to Plaintiff what the unpaid balance of Plaintiff's loan was at the time of transfer of the account from Ocwen to Litton.
364. Litton did not explain why despite Ocwen's plethora of statements warning Plaintiff that his account was past due for thousands of dollars, and/or that he was in default, Litton had calculated Plaintiff's current payment due as only in the amount of \$597.45.

365. On or about May 24, 2002 Litton sent Plaintiff two letters warning him that his mortgage loan was past due for May 1, 2002 in the amount of \$627.
366. On or about May 29, 2002 Litton's customer rep Luis Quintero called Plaintiff and warned him that his mortgage loan was past due for May 1<sup>st</sup>.
367. In view of his suit and since Litton had not complied with his request for the transfer balance, Plaintiff had made no payments to Litton by June 9, 2002.
368. On or about June 10, 2002 Plaintiff called Litton in response to a certified letter and calls he received threatening him with imminent foreclosure.
369. Plaintiff spoke with Litton's Joe Diaz and disputed the validity of his debt.
370. Plaintiff again asked Litton for a written statement indicating the amount of his loan balance at the time it was sold or transferred by Ocwen to Litton.
371. Instead of ceasing collection efforts until he had verified Plaintiff's loan amount, Litton's Joe Diaz reaffirmed the debt, lambasted Plaintiff as a deadbeat and told him that his home would be immediately foreclosed upon by a local lawyer, when Plaintiff indicated that the only reason he had not sent in any mortgage payments was because he had filed and served a lawsuit naming Litton as a co-defendant with regard to his loan and he was awaiting a court decision on a Temporary Restraining Order.
372. Said telephonic harassment disquieted Plaintiff, and intentionally and/or negligently inflicted emotional distress upon Plaintiff.
373. To avert foreclosure, Plaintiff reluctantly sent off a check on June 13, 2002 to cover the amount of the two mortgage payments demanded by Litton.

COUNT I

VIOLATION OF CONNECTICUT GENERAL STATUTES §§ 42-110A, ET SEQ.

374. Plaintiff hereby incorporates by reference all preceding paragraphs of this Complaint as if fully set forth herein.
375. This claim for relief arises under the Connecticut Unfair Trade Practices Act (“CUTPA”), Conn. Gen. Stat. §§42-110a, *et seq.*
376. CUTPA §42-110g(a) permits any person who suffers an ascertainable loss of money or property, real or personal, as a result of the use or employment of a method, act or practice prohibited by CUTPA to bring an action to recover actual damages.
377. At all times material to this complaint each of Ocwen Financial, Ocwen, and Moss, Codilis was acting in furtherance of the policies, practices and customs of that defendant and within the scope of his agency and promoted Ocwen’s deceptive scheme through the mails.
378. Ocwen Financial, as part of its marketing and promotional activities, allowed Ocwen to make photographic reproductions of Ocwen Financial products and services and feature them online on Internet websites, and in print media advertisements.
379. Said advertisements were distributed throughout Connecticut under the aegis and marketing prowess of mortgage brokers with whom Ocwen had referral relationships.
380. Plaintiff and the class are consumers whose mortgages were originated, serviced or transferred by Ocwen.

381. At all relevant times, Ocwen was not licensed by the Connecticut Department of Banking to engage in collection activities as a Consumer Collection Agency.
382. Plaintiff and the class made payments on their Ocwen loans in response to collection efforts and demands made by Ocwen under the Scheme.
383. Ocwen victimized Plaintiff and the class by overcharging for replacement hazard insurance on homeowner properties under the pretext that Plaintiff and the class had defaulted on their obligation to maintain hazard insurance for their properties.
384. Ocwen, under the pretextual practices mentioned in the preceding paragraph, typically charged Plaintiff and the class two to five times more for the replacement hazard insurance than what the original insurance premium had cost.
385. Ocwen profited at the expense of homeowners by systematically overcharging for the replacement insurance coverage and obtaining cash commissions or in-kind services from the replacement insurance vendors.
386. Ocwen trapped Plaintiff and the class in expensive mortgage loans through a variety of financial schemes, including pre-payment penalties.

387. Ocwen kept incorrect records, harassed Plaintiff and the class, undermined short sale and refinance proposals of Plaintiff and the class, lost payments, put payments into wrong accounts, refused to acknowledge discrepancies reported to it in writing, even where Plaintiff and the class used return receipt certified mail, refused to accept payments from Plaintiff and the class, added outrageous fees, reported inaccurate, defamatory and slanderous information to national credit bureaus, and adjusted rates by adding 5.750% to the current index on some flex mortgages.
388. At all relevant times, Moss, Codilis was licensed by the Connecticut Department of Banking to engage in collection activities as a Consumer Collection Agency under license number CCAG8715, but exceeded the permissible scope of lawful collection activities, as set forth in preceding and succeeding paragraphs of this complaint.
389. In reliance on demand letters which they disputed, Plaintiff and the class paid all or part of debts demanded by Moss, Codilis on behalf of Ocwen, to avoid the time-consuming embroilment that would be entailed by getting entangled in foreclosure actions threatened by Ocwen and/or Moss, Codilis.
390. Plaintiff also diverted funds from his online brokerage margin account at a time when stocks were plummeting, and consequently he was unable to meet a variety of margin calls and had his shares sold at below purchase prices, incurring ascertainable losses thereby.

391. Upon information and belief, other class members also were forced to take out loans, sell stocks, redeem certificates of deposit, or otherwise liquidate personal property, incurring ascertainable losses thereby.
392. Plaintiff and the class suffered severe emotional distress as a result of getting the Moss, Codilis computer-generated form collection letters.
393. Plaintiff and the class were the intended target of Ocwen's deceptive mortgage servicing scheme.
394. Plaintiff and the class were the intended target of Moss, Codilis illegal, unfair and coercive debt collection practices.
395. As a result of Ocwen's deceptive mortgage servicing practices, Plaintiff and the class suffered injuries.
396. But for Ocwen's deceptive mortgage practices, as outlined in previous paragraphs of this complaint, Plaintiff and the class would not have sustained injuries.
397. As a result of Moss, Codilis deceptive debt collection practices, Plaintiff and the class suffered injuries.
398. But for Moss, Codilis deceptive debt collection practices as outlined in previous paragraphs of this complaint, Plaintiff and the class would not have sustained injuries.
399. Ocwen has not attempted to reimburse Plaintiff and the class he represents for the funds it has misappropriated, and the attendant late fees and penalties assessed against accounts held for Plaintiff and the class.

400. Plaintiff and the class he represents have been compelled to pay unjustified and excessive charges and penalties, and collection expenses.
401. Ocwen's purported mortgage servicing transfers have also resulted in a quantifiable loss for Plaintiff and the class he represents.
402. Having done so, Plaintiff and the class he represents have been subjected to injury by Ocwen Financial, Ocwen and Moss, Codilis.
403. Accordingly, through this action, Plaintiff and members of the proposed class seek compensation for the damages that they incurred in connection with the origination, servicing, collection and/or transfer of their mortgage loans.
404. Ocwen engaged in harassing or abusive conduct and employed fraudulent, deceptive, or misleading practices in connection with the collection of the alleged debts of Plaintiff and the class.
405. Moss, Codilis engaged in harassing or abusive conduct and employed fraudulent, deceptive, or misleading practices in connection with the collection of the alleged debts of Plaintiff and the class.
406. By the misrepresentations and non-disclosure of material facts alleged above, Ocwen Financial, Ocwen and Moss, Codilis deceived and continue to deceive Connecticut consumers, including Plaintiff and the class.
407. This conduct constitutes unlawful, unfair, deceptive and fraudulent business practices within the meaning of state consumer protection statutes.

408. In addition, Defendants' use of media to promote the sale of Ocwen mortgages through false and deceptive representations as alleged above constitutes unfair competition and unfair, deceptive, untrue, or misleading advertising within the meaning of state consumer protection statutes.
409. As a result of Defendants' unfair and deceptive trade practices, Plaintiff and the class have acted to their detriment in holding Ocwen-serviced mortgages which they would not have purchased had they been told the truth, and have, therefore, been placed at an increased risk of harm.
410. Moss, Codilis engaged in deceptive debt collection practices as described earlier in this complaint which constitute unfair trade practices.
411. Moss, Codilis principals jointly and severally approved Moss, Codilis pattern and practice of harassing Plaintiff and the class he represents.
412. Plaintiff and the class suffered substantial injuries of a financial and emotional nature.
413. Moreover, the injuries caused Plaintiff and the class by Ocwen were not outweighed by any countervailing benefits to Plaintiff and the class.
414. Additionally, Plaintiff and the class could not have reasonably avoided the aforesaid injuries due to the inherently deceptive nature of Ocwen's practices.
415. Connecticut has enacted statutes to protect consumers against unfair, deceptive or fraudulent business practices, unfair competition and false advertising.

416. Connecticut allows consumers, after due notice to the State Commissioner for Consumer Protection and the Attorney General, a private right of action for injunctive relief under these statutes.
417. At all times material to this complaint, Ocwen Financial, Ocwen and Moss, Codilis were acting for financial gain within the meaning of Connecticut's Unfair Trade Practices Act ("CUTPA").
418. Ocwen Financial, Ocwen and Moss, Codilis knowingly concealed, suppressed and omitted in their advertisements, including online web pages and broker-distributed promotional literature, material facts about the deceptive mortgages with the intent that Plaintiff and the class would rely upon the concealments, suppressions or omissions, in violation of CUTPA.
419. In exchange for the money they paid for Ocwen mortgage loans, Plaintiff and the class he represents received exorbitant and usurious mortgages, thereby suffering "ascertainable losses" as a result of Defendants' unlawful practices Conn. Gen. Stat. §§ 42-110a, *et seq.*
420. Pursuant to Conn. Gen. Statute § 42-110(g) Plaintiff and class members are entitled to their actual damages, punitive damages, injunctive relief, costs and attorneys fees.
421. As a result of Ocwen Financial, Ocwen and Moss, Codilis' unfair and deceptive trade practices, Plaintiff and the class he represents have or will suffer damages, which include, without limitation, interest costs, collection costs, escrow costs, and or foreclosure forbearance or foreclosure defense costs in an amount to be determined at trial.

422. Plaintiff has been obligated to retain the undersigned counsel to represent him, the class, and any applicable subclasses in this action, and this counsel is entitled to a fee for legal services.
423. The conduct of Ocwen Financial, Ocwen and Moss, Codilis, as set forth above, was unfair, immoral, unscrupulous, and/or deceptive, and constitutes a violation of Conn. Gen. Stat. §42-110(b)(a).
424. A copy of this Amended Complaint has been mailed to Connecticut Attorney General Richard Blumenthal, pursuant to Conn. Gen. Statute §42-i 10(g)(c).
425. A copy of this Amended Complaint has been mailed to the Commissioner of Consumer Protection of the State of Connecticut, pursuant to Conn. Gen. Statute §42-i 10(g)(c).
426. All conditions precedent to the bringing of this action have been performed or have been satisfied or waived.

COUNT II

CIVIL CONSPIRACY

427. Plaintiff and the class reallege all prior allegations in the Complaint, and incorporate them by reference.
428. This claim for relief arises under the common law of the State of Connecticut, and is asserted against Ocwen Financial, Ocwen, Erbey, and Moss, Codilis, and each of Gerald Moss, Ernie Codilis, Leo Stawiarski, Arthur Morris, Thomas Prior, Randolph Schneider, Alan Such, Larry Rothenberg, and William Boles.

429. On various occasions from July 1, 1997 to the present date, Ocwen Financial, Ocwen and/or Moss, Codilis, or each of them, agreed and conspired with one another to use interstate commerce to induce Plaintiff and members of the class he represents to purchase Ocwen deceptive mortgages, and/or pay unwarranted service charges, and/or engaged in unfair debt collection practices, and/or employed defamatory practices, and/or tortuously interfered with Plaintiff and the class' contractual relations.
430. Upon information and belief, Ocwen Financial and Ocwen advertised Ocwen originated and/or serviced mortgages in national mortgage broker and trade magazines and publications, as well as on the internet, representing, among other things, that Ocwen mortgages were affordable.
431. Notwithstanding their knowledge that Ocwen mortgages were inherently unfair and characterized by undisclosed broker kickbacks, high rates of interest and spurious servicing penalties, Ocwen Financial and Ocwen continued to promote its consumer mortgage loans in special and general interest publications, without any disclaimer as to their deceptive nature.
432. Notwithstanding knowledge of the inherently deceptive nature of their mortgage scheme, Ocwen Financial and Ocwen failed, and continue to fail, to advise borrowers of such loans, including Plaintiff and the class, of the disproportionately higher potential for foreclosure, hidden fee charges, or accounting problems, but engaged in a calculated pattern and practice to hide the deceptive nature of such mortgages from actual borrowers.

433. Moss, Codilis joined this conspiracy by serving as a debt collector on Ocwen's unconscionable mortgages, and by helping Ocwen recoup bogus late charges, reinstatement penalties, foreclosure forbearance penalties, and attorney's fees by using computer-generated form collection letters, and by employing written and telephonic harassment and threats of collection, foreclosure and other litigation against Plaintiff and the class.
434. Litton conspired with Ocwen Financial and Ocwen by agreeing to purchase mortgage loans which it knew or should have known had been improperly and unfairly serviced, and/or designated as seriously delinquent by Ocwen.
435. Litton further facilitated Ocwen's conspiracy by buying at Ocwen loans at deep discount after inflated interest and spurious service charges and late billing, forbearance and reversal assessments had been added by Ocwen.
436. Litton did so in furtherance of the conspiracy and in order to obtain loans with a higher market value than actually warranted and which would be easier to foreclose upon because the borrowers would be doubled over under an upward-spiraling principal loan balance.
437. Defendants committed wrongful, overt acts in furtherance of the conspiracy as described above, including but not limited to designing and disseminating advertisements and commercials that were unconscionable, false, deceptive and/or misleading under the totality of the circumstances.

438. Based on information they had, should have had or of which they were aware, Ocwen Financial, Ocwen, Moss, Codilis and Litton knew that Ocwen mortgage loans were deceptive as marketed, in that their rate of interest and servicing practices would cause borrowers to default on their loans and result in foreclosure and/or transfer.
439. The actions of Ocwen Financial, Ocwen and Moss, Codilis, individually and severally, in selling deceptive mortgages, engaging in unfair loan servicing practices by the use of mails, and using the instrumentality of interstate postal service to engage in fraudulent debt collection practices, vis-a-vis Plaintiff and the class after using interstate print media to market their services, amounted to civil conspiracy, in violation of Connecticut law.
440. The conduct of Ocwen Financial, Ocwen, Moss, Codilis and Litton, as set forth above, was undertaken in furtherance of its trade or commerce.
441. Ocwen Financial, Ocwen, Moss, Codilis, and Litton reached an understanding, engaged in a sequence of events or course of conduct, and otherwise agreed and conspired to violate the statutory and common law rights of Plaintiff and the class he represents.
442. Ocwen Financial, Ocwen, Moss, Codilis, and Litton did reach this understanding and agreement, and did engage in this course of conduct with the mutual purpose, and objective and knowledge and that it would inure financial gain to them and induce Plaintiff and the class to expend monies on Ocwen mortgages.

443. Each of the Corporate Defendants and the Personal capacity Defendants knew that the other's conduct constituted a breach of duty, but nevertheless rendered substantial assistance or encouragement to the other to so conduct himself.
444. Ocwen Financial had knowledge of the civil conspiracy as alleged above, and had the ability to prevent said ongoing conspiracy, but failed to do so.
445. More particularly, Ocwen Financial, as corporate parent of Ocwen, and had the power and duty to prevent said ongoing conspiracy, but failed to do so.
446. Ocwen had knowledge of the civil conspiracy as alleged above, and had the ability and duty to prevent said ongoing conspiracy, but failed to do so.
447. Moss, Codilis had knowledge of the civil conspiracy as alleged above, and had the power to prevent said ongoing conspiracy, but failed to do so.
448. The individually named defendants affiliated with Moss, Codilis had, or should have had, knowledge of the civil conspiracy as alleged above, had the ethical duty to prevent said ongoing conspiracy, but failed to do so.
449. As a direct result of the overt acts committed by Defendants pursuant to the conspiracy between them, Plaintiff and the class he represents have suffered general and specific harm and damages in an amount to be determined at trial, but in no event less than the amounts of excessive points, interest, forced hazard insurance premiums, forbearance charges, and miscellaneous penalties they paid in connection with the origination, servicing, collection, foreclosure or transfer of their Ocwen mortgages.

COUNT III

VIOLATION OF FEDERAL RICO (18 U.S.C. §§ 1962(c),(d))

450. Plaintiff and the class reallege all prior allegations in the Complaint, and incorporate them by reference as if specifically set forth herein.
451. This action is brought under 18 U.S.C. § 1962(c), and (d) commonly known as the Federal Racketeer Influenced and Corrupt Organizations Act ("RICO"), and is asserted against Ocwen Financial, Ocwen and Moss, Codilis (the "RICO-1 defendants").
452. Ocwen Financial is an "enterprise" within the meaning of 18 U.S.C. § 1961(4).
453. Ocwen Financial is engaged in, and its activities affect, interstate commerce in a number of ways, including but not limited to the following:
- (A) Ocwen Financial engages in discounted loan acquisition and residential and commercial lending.
  - (B) Ocwen Financial services more than \$15 billion of management intensive single-family residential loans.
  - (C) Ocwen Financial's primary business is the servicing and special servicing of nonconforming, subperforming and nonperforming residential and commercial mortgage loans.
  - (D) Ocwen Financial engages in residential foreclosures on a nationwide basis.

- (E) Ocwen Financial is traded on the New York Stock Exchange under the ticker symbol OCN and its stock is held by shareholders nationwide.
  - (F) Ocwen Financial receives and transmits money on a national basis.
  - (G) Ocwen is a federally chartered savings bank whose activities affect interstate commerce in a number of ways, including but not limited to the following:
    - (H) Funding subprime mortgage loans nationally;
    - (I) Servicing underperforming and nonperforming loans nationwide;
    - (J) Making discounted loan acquisitions;
    - (K) Aggregating foreclosed properties for listing for sale, advertising, marketing, promoting and selling them to investors or holding them in its investment portfolios for appreciation;
    - (L) Selling high interest mortgage loans directly to consumers through third-party mortgage brokers.
454. Moss, Codilis is engaged in, and its activities affect, interstate commerce in a number of ways, including but not limited to the following:
- (A) Holding itself out as a national law firm formed to provide superior customer service to mortgage bankers nationwide;
  - (B) Maintaining offices in several states including, without limitation, Colorado, Florida, New York, New Jersey.
  - (C) Engaging in debt collection on a nationwide basis;

- (D) Using the instrumentality of the mails to harass consumers in the course of trying to collect debts allegedly due.
455. Litton is engaged in, and its activities affect, interstate commerce in a number of ways, including but not limited to the following:
- (A) Holding itself out as the nation's leading special servicer of delinquent loans;
  - (B) Doing business as on a nationwide basis in the arena of home foreclosures.
456. Each of the RICO-1 defendants is capable of holding a legal or beneficial interest in property, and is therefore a "person" within the meaning of 18 U.S.C. § 1961(3).
457. The RICO-1 defendants conducted and participated, directly or indirectly in the conduct of Ocwen Financial's affairs through a pattern of racketeering activity that comprised Ocwen's efforts to induce Plaintiff and the class to purchase Ocwen mortgage loans by deliberately creating the false impression that such purchase would enhance their home ownership. This pattern of racketeering activity is referred to within this Complaint as the Mortgage Origination, Servicing, Collection, Foreclosure and Transfer Scheme ("Scheme").

458. The Scheme is described generally in the Factual Allegations section of this Complaint and consists of repeated acts of: 18 U.S.C. §1961 *et seq.*, (RICO), 15 U.S.C. §2301 *et seq.*, 18 U.S.C. §1341 *et seq.*, (Mail and Wire Fraud), 15 U.S.C. §1601 *et seq.*, Truth-In-Lending Act (TILA), 15 U.S.C. §1681 *et seq.*, Fair Credit Reporting Act (FCRA), 15 U.S.C. §1692 *et seq.*, Fair Debt Collection Practices Act (FDCPA), 12 U.S.C. §1205, Real Estate Settlement Procedures Act (RESPA), 15 U.S.C. §1639, Home Ownership Equity Protection Act (HOEPA), 15 U.S.C. §1601, *et seq.*, Fair Credit Billing Act, and 15 U.S.C. §45, Trade Commission Act (FTCA).
459. Throughout the class period, for the purpose of executing or attempting to execute the Scheme, Ocwen Financial and Ocwen aggressively marketed via the use of the United States mail thousands of subprime, high-interest, prepayment penalty-featured loans involving Plaintiff and the class.
460. Throughout the class period, for the purpose of executing or attempting to execute the Scheme, Ocwen aggressively originated or serviced via the use of the mail thousands of loans involving Plaintiff and class members.
461. The marketing of these loans was deliberately and reasonably calculated to deceive persons of ordinary prudence and comprehension into believing that if they purchased Ocwen mortgages, they would be getting affordable mortgages.
462. Each of these mailings constituted a violation of 18 U.S.C. §1341. Plaintiff and the class reasonably relied on these deceptive solicitations in taking out Ocwen mortgages.

463. Ocwen is an enterprise that was conducted for the purpose of selling and servicing mortgage loans as alleged more particularly in this Complaint, and those activities constituted an enterprise for purposes of RICO.
464. Specifically, Ocwen directed hundreds if not thousands of advertisements at Plaintiff and the class in order to systematically cheat and defraud mailing recipients of their money.
465. Ocwen used interstate mail communications execute and further its scheme to obtain money from Plaintiff and the class by false or fraudulent or misleading pretenses, misrepresentations and promises.
466. Ocwen engaged in racketeering activity by violating 18 U.S.C. §1341, the mail fraud statute by:
- (A) contacting Plaintiff and the class concerning mortgage loans;
  - (B) creating false and misleading "deadlines" to give a sense of false urgency to payment notices sent to mailing recipients;
  - (C) accepting payments for mortgages and mortgage serving across state lines;
  - (D) using the agency of interstate mails to disseminate its mortgage loan offers; and,
  - (E) transmitting communications, advertisements, and solicitations to the mass-media throughout the United States.
467. Ocwen used interstate mail communications on virtually a monthly basis between July 1, 1997 and July 15, 2002, for the purpose of executing the scheme to defraud recipients of its mailings.

468. Moss, Codilis engaged in racketeering activity by violating 18 U.S.C. §1341, the mail fraud statute by:
- (A) contacting Plaintiff and the class concerning mortgage debts;
  - (B) creating false and misleading "deadlines" to give a sense of false urgency to payment notices sent to mailing recipients;
  - (C) accepting payments for mortgages debts across state lines;
  - (D) using the agency of interstate mails to disseminate its computer-generated form collection letters;
469. Ocwen used interstate mail communications on virtually a monthly basis between August 1, 1997 and May 1, 2002, for the purpose of executing the scheme to defraud recipients of its mailings.
470. Moss, Codilis used interstate mail communications on virtually a monthly basis between November 1, 2001 and July 15, 2002, for the purpose of executing the scheme to defraud recipients of its form collection letters.
471. Ocwen conducted its mortgage marketing enterprise through a pattern of racketeering activity, and Plaintiff and the class were directly or proximately injured in their business or property by Ocwen's racketeering violations.
472. Moss, Codilis conducted its debt collection business via a pattern of racketeering activity, and Plaintiff and the class were directly and proximately injured in their business or property by Moss, Codilis's racketeering violations.

473. Ocwen knowingly and intentionally misrepresented the nature of its Scheme as a “loan servicing issue” when in effect the Scheme was little more than a window-dressed larcenous loan scheme, and Ocwen Financial and Ocwen management knew at the time that its campaign was false and misleading, and that recipients of its mailings, including Plaintiff and the class, would not get mortgage loans at the interest rates and on the terms they were promised, even after closing the loans and complying meticulously with the deceptive loan servicing practices employed by Ocwen.
474. Ocwen engaged in a pattern of mail fraud for the purposes of defrauding customers who purchased mortgages from it, or whose loan servicing was outsourced to it by third party lenders.
475. This racketeering activity had the purpose of obtaining income from defrauded Plaintiff and the class, who spent money in reliance on Ocwen's promises.
476. Plaintiff, and all similarly situated class members, justifiably relied on the misrepresentations and omissions described above, to their detriment.
477. Ocwen concealed its systematic fraud and Plaintiff and the class did not, nor could they reasonably have been expected to, discover Ocwen's pervasive fraud until they severally surfed the Internet recently and began appreciating the scale and depth of the deceptive nature of Ocwen's Scheme, after reading about similarly injured borrowers all over the world.

478. On or about the same time, Plaintiff discovered a federal lawsuit styled Berkery v. Ocwen, No. 3:01CV1239, filed in the District of Connecticut asserting breach of contract, negligence, estoppel and CUTPA claims.
479. Thereafter, Plaintiff became apprized of a Housing and Urban Development §903 Complaint by the National Reinvestment Coalition (NCRC) and Makeba Gaines-Kelly against Ocwen and Ocwen Financial, citing predatory lending, violation of the Federal Fair Housing Act and consumer protection laws, racial discrimination, and disproportionate foreclosure practices.
480. Plaintiff further discovered that NCRC had filed a challenge with the office of Thrift Supervision, charging that Ocwen discriminatorily and disproportionately victimizes racial minorities and low income borrowers, employing reverse redlining or the practice of targeting minority communities with abusive loans, and reporting that in Washington, D.C. in 2000, Ocwen's foreclosure rate was at 11.7%, the highest of total foreclosures filed by subprime lenders, further indicia of predatory lending.
481. Moss, Codilis concealed its deceptive and unfair debt collection practices and Plaintiff and the class did not, nor could they reasonably have been expected to, discover Moss, Codilis unfair practices until June 3, 2002 when legal research on the world wide web uncovered a just-settled consumer class action in the Northern District of Illinois against Moss, Codilis alleging violations of the FDCPA in connection with allegedly deceptive collection letters.

482. As a result of said consumer class action, Jones v. Moss, Codilis, No. 00C7743 (N.D. Ill.), involving a settlement approved December 28, 2001 by Judge Anderson, Plaintiff and the class began to appreciate the national scale of Moss, Codilis' deceptive and unfair debt collection practices.
483. Plaintiff and the class further began to appreciate the scale of Moss, Codilis' deceptive and unfair debt collection practices after discovering that in an action styled Shea v. Codilis, No. 99C0057 (N.D. Ill.), a national class had been certified against Codilis & Associates violations of the FDCPA in connection with form collection letters on March 27, 2000, thereby putting Moss, Codilis on notice before the Jones lawsuit, about its collection tactics.
484. Ocwen's actions were designed to and did benefit Ocwen Financial, to the detriment of Plaintiff and the class, all of which was known to Ocwen.
485. Moss, Codilis actions were designed to and did benefit Ocwen Financial and Ocwen, to the detriment of Plaintiff and the class and/or subclasses, all of which was known to Ocwen and Ocwen Financial.
486. Ocwen Financial, Ocwen, and Moss, Codilis should be forced to surrender the profit from past years resulting from such unlawful activity.
487. Ocwen's transfer actions were designed to and did benefit Litton, to the detriment of Plaintiff and the class, all of which was known to Ocwen.
488. Litton's acquiescence was designed to and did benefit Ocwen Financial and Ocwen, to the detriment of Plaintiff, all of which was known to Ocwen.

489. During the class period, in executing or attempting to execute the Scheme, Ocwen exchanged many interstate phone calls with Plaintiff and class members concerning Ocwen-originated or Ocwen-serviced mortgage loans, mortgages taken out by Plaintiff and the class, and the collection of monies for mortgage loans borrowed by Plaintiff and members of the class.
490. Each of these interstate telephone calls constituted a violation of 18 U.S.C. §1343.
491. Throughout the class period, for the purpose of executing or attempting to execute the Scheme, Ocwen Financial and/or Ocwen ad/or Moss, Codilis caused the interstate transmission of television commercials which promoted or featured Ocwen mortgages and/or Ocwen loan servicing abilities and/or Moss, Codilis collection services.
492. Each broadcast of these television commercials constituted a violation of 18 U.S.C. §1343.
493. Each of the above-described acts were interrelated, and were part of a common and continuous pattern of fraudulent activity, perpetrated for the same or similar purposes that involved the same or similarly situated participants and methods of commission, and had similar results impacting similar victims, Plaintiffs and members of the class.
494. These acts thus constituted a pattern of racketeering activity within the meaning of 18 U.S.C. §1961(5).

495. On various occasions during the class period, the RICO-1 defendants, and each of them, agreed and conspired with one another to do the things heretofore alleged and to participate in the Scheme.
496. The outrageous actions of Ocwen Financial, Ocwen and Moss, Codilis, individually and severally, in selling deceptive mortgages, engaging in unfair loan servicing practices by the use of mails, and using the instrumentality of interstate postal service to engage in fraudulent debt collection practices, to Plaintiff after using interstate print media to market their products, amounted to wire fraud in violation of 18 U.S.C. §1343.
497. The conduct of Ocwen Financial, Ocwen and Moss, Codilis, as set forth above, was undertaken in furtherance of its trade or commerce.
498. Ocwen Financial had knowledge of the 18 U.S.C. §1341 conspiracy or conspiracies as alleged above, had the ability to prevent said conspiracy or conspiracies, but failed to do so, in violation of 18 U.S.C. §1964, *et seq.*
499. More particularly, Ocwen Financial, as corporate parent of Ocwen, had the power to prevent said conspiracy or conspiracies, but failed to do so.
500. Ocwen had knowledge of the 18 U.S.C. §1341 conspiracy or conspiracies as alleged above, had the ability to prevent said conspiracy or conspiracies, but failed to do so, in violation of 18 U.S.C. §1964, *et seq.*
501. Moss, Codilis had knowledge of the 18 U.S.C. §1341 conspiracy or conspiracies as alleged above, had the ability to prevent said conspiracy or conspiracies, but failed to do so, in violation of 18 U.S.C. §1964, *et seq.*

502. Litton had knowledge of the 18 U.S.C. §1341 conspiracy or conspiracies as alleged above, had the ability to prevent said conspiracy or conspiracies, but failed to do so, in violation of 18 U.S.C. §1964, *et seq.*
503. The individually named defendants affiliated with Moss, Codilis had, or should have had, knowledge of the 18 U.S.C. §1341 conspiracy or conspiracies as alleged above, had the ability to prevent said conspiracy or conspiracies, but failed to do so, in violation of 18 U.S.C. §1964, *et seq.*
504. The RICO-1 defendants committed wrongful, overt acts in furtherance of the conspiracy as described above. In doing so, each RICO-1 defendant conspired to violate 18 U.S.C. §1962(c), in violation of 18 U.S.C. §1962(d).
505. Plaintiff and the class were directly injured in their business or property by reason of each RICO-1 defendant's pattern of racketeering, in violation of 18 U.S.C. §1962(c) and each injury bore direct relation to the RICO-1 defendants' racketeering activity.
506. Each RICO-1 defendant's acts were a substantial cause of the injuries of Plaintiff and the class and these injuries were reasonably foreseeable.
507. Each RICO-1 defendant had actual knowledge that its illegal acts were in violation of federal and Connecticut law.

508. Plaintiff and the class were an intended target of each RICO-1 defendant's RICO violations; specifically, Plaintiff and the class each was a target of the harms that the predicate acts—check stacking, harassing phone calls, deceptive loan practices, unfair credit reporting, defamation, intentional infliction of emotional distress, were intended to cause, and federal statutes ---FDICPA, FCRA, RESPA, TILA, HOEPA, FCBA, FTC, and Connecticut statutes---CUTPA and CCCRA—against them were intended to prevent.
509. As a direct and proximate result of Ocwen Financial, Ocwen, Moss, Codilis and Litton's RICO-violative activities and their conspiracy and agreement to commit and further those acts, Plaintiff and members of the class have suffered damage to their property in the form of millions of dollars of payments to Ocwen for Ocwen mortgages.
510. Under the provisions of 18 U.S.C. §1964(c), Plaintiff are entitled to bring this action and to recover herein compensatory damages, treble damages, the costs of bringing this suit, and reasonable attorney's fees.

#### COUNT IV

##### VIOLATION OF FEDERAL RICO (18 U.S.C. §§1962(a),(d))

511. Hanson reallege all prior allegations in the Complaint, and incorporate them by reference.
512. This action is brought under 18 U.S.C. §1962(a), and (d), and is asserted against Ocwen and Moss, Codilis (the "RICO-2 defendants"), and each of them.

513. At all relevant times, each of the RICO-2 defendants was a “person” within the meaning of 18 U.S.C. § 1961(3), as each of the RICO-2 defendants was capable of holding a legal or beneficial interest in property.
514. At all relevant times, Ocwen and Moss, Codilis have constituted “enterprises” within the meaning of 18 U.S.C. § 1961(4), which are engaged in, or the activities of which affect, interstate commerce as described in Count III.
515. Each of the RICO-2 defendants was a principal in the pattern of racketeering activity described in Count III.
516. Each of the RICO-2 defendants has received income derived, directly or indirectly, from the pattern of racketeering activity described in Count III.
517. Ocwen received revenue from the sale of Ocwen mortgage loans, from mortgage loan servicing, and from the accounts it placed with Moss, Codilis for collection.
518. Moss, Codilis received revenue from the contingency or prepaid collection of debts on behalf of Ocwen mortgage loans, and from foreclosure litigation instituted on behalf of, and at the behest of, Ocwen.
519. Upon information and belief, Ocwen received: (a) revenue or profits from the origination of loans by Ocwen; (b) profits from the loan servicing on Ocwen- or third-party-originated mortgages; and (c) a percentage share of the gross proceeds from Moss, Codilis debt collection efforts.

520. Each of the RICO-2 defendants has used or invested the aforementioned income, or part of such income, in the operations of Ocwen and Moss, Codilis, including but not limited to:

- (A) Ocwen has used or invested the aforementioned income, or a part of such income, in its own operations, in violation of 18 U.S.C. §1962(a).
- (B) Ocwen has used or invested the aforementioned income, or a part of such income, directly or indirectly, in the establishment or operation of its parent or subsidiary operations, in violation of 18 U.S.C. §1962(a).
- (C) Moss, Codilis has used or invested the aforementioned income, or a part of such income, in its own operations, in violation of 18 U.S.C. §1962(a).
- (D) Moss, Codilis has used or invested the aforementioned income, or a part of such income, directly or indirectly, in the establishment or operation of subsidiary or affiliate law offices, in violation of 18 U.S.C. § 1962(a).

521. Plaintiff and members of the class have been injured by reason of Defendants' violations of 18 U.S.C. §1962(a) because the RICO-2 defendants' investment or use of racketeering income in the operations of Ocwen and Moss, Codilis has allowed Ocwen Financial, Ocwen, and Moss, Codilis (RICO-1 defendants) to continue the operation of the Scheme, which has further injured and threatens to injure Plaintiff and the class by fraudulently forcing them to remain with Ocwen's servicing scheme.

522. On various occasions during the class period, the RICO-2 defendants, and each of them, agreed and conspired with one another to do the things heretofore alleged, to participate in and further the Scheme, and to receive or invest in income obtained through racketeering activity.
523. The RICO-2 defendants committed wrongful, overt acts in furtherance of the conspiracy as described above. In doing so, each RICO-2 defendant conspired to violate 18 U.S.C. §1962(a), in violation of 18 U.S.C. § 1962(d).
524. As a direct and proximate result of Ocwen Financial, Ocwen and Moss, Codilis' RICO-violative activities and their conspiracy and agreement to commit and further those acts, Plaintiff and members of the class have suffered damage to their property in the form of millions of dollars of payments to Ocwen for mortgage servicing and collection charges.
525. Under the provisions of 18 U.S.C. § 1964(c), Plaintiff and the class are entitled to bring this action and to recover herein compensatory damages, treble damages, the costs of bringing this suit, and reasonable attorney's fees.
526. Borrowers of Ocwen mortgages and/or whose mortgages are serviced by Ocwen or whose Ocwen debts are collected by Moss, Codilis such as Plaintiff and the class have suffered a loss as a result of Ocwen's and Moss, Codilis' actions, in that they paid money for mortgages or mortgage servicing that they would not otherwise have, absent Ocwen's deceptive marketing practices and Moss, Codilis' threats.

527. Ocwen and Moss, Codilis have profited by its false and misleading warranty by making millions of dollars per year at the expense of the mortgage purchasers who are the victims of this fraud.

COUNT V

CONSTRUCTIVE TRUST UNDER CONNECTICUT COMMON LAW

528. Plaintiff and the class reallege all prior allegations in the Complaint, and incorporate them by reference.

529. Ocwen marketed its mortgage loans and mortgage servicing practices even though it knew or should have known that its loan servicing and collection policies constituted a deceptive and unfair practice which would cause consumers such as Plaintiff and class members to pay out sums of money which were not deserved by Ocwen.

530. Ocwen Financial knowingly received money from Ocwen which Moss, Codilis had obtained through wrongful acts, as co-conspirators, as principals in an agency relationship with Ocwen, and as collection and foreclosure attorneys on mortgages sold or serviced through Ocwen.

531. Litton knowingly acquired loan servicing accounts from Ocwen on which Moss, Codilis had obtained payments through wrongful acts, as co-conspirators, as principals in an agency relationship with Ocwen, and as debt collectors on mortgages sold by Ocwen.

532. Moss, Codilis knowingly received money from Ocwen which Moss, Codilis had obtained through wrongful acts, as co-conspirators, as principals in an agency relationship with Ocwen, and as debt collectors on mortgages sold by Ocwen.
533. Plaintiff and the class he represents are entitled, under the statutory and common law of Connecticut, to refunds and other relief from Ocwen Financial, Ocwen and Moss, Codilis for the harm caused them by Ocwen Financial, Ocwen and Moss, Codilis' wrongful acts.
534. Plaintiff and the class are entitled to an order from this Court declaring that Ocwen Financial, Ocwen and Moss, Codilis must hold in a constructive trust for Plaintiff and the class the money cited in the paragraph immediately preceding the one preceding this one, and enjoining Ocwen Financial, Ocwen and Moss, Codilis to provide relief to Plaintiff and the class.

COUNT VI

FAIR DEBT COLLECTION PRACTICES ACT

535. Plaintiff and the class hereby incorporates by reference all other paragraph of this Complaint as if fully set forth here and further alleges as follows.
536. Ocwen was at all times hereto a debt collector within the meaning of the FDCPA.
537. Moss, Codilis was at all times hereto a debt collector within the meaning of the FDCPA.

538. In violation of the FDCPA, Ocwen's collection letters did not comport with the mandate that a debt collector must send a notice to the consumer which advises consumers of their federal rights to dispute a debt, request verification of a debt, or obtain certain information about the creditor within 30 days of an initial communication from a debt-collector.
539. Ocwen's validation notices, to the extent incorporated into its dunning letters, were not effectively communicated, and were overshadowed, confounded or diluted as seen from the perspective of the least sophisticated consumer, which Ocwen's letters did by the unfair and deceptive statements in its contents.
540. Ocwen was engaged in the use of an instrumentality of interstate commerce or the mails in a business the principal purpose of which was the collection or attempted collection of consumers debts owed or due or asserted to be owed.
541. Ocwen used the Moss, Codilis letterhead in the course of collecting or attempting to collect debts.
542. Ocwen used a name other than its own in the process of collecting the debts allegedly owed by Plaintiff and the class.
543. Ocwen's collection letters sent under the Moss, Codilis letterhead were not clearly labeled as being from the collection unit of Ocwen Federal Bank.

544. Ocwen's collection letters sent under the Moss, Codilis letterhead were not written on stationery which bore the Ocwen letterhead or logo, and were signed by persons who were identified as Moss, Codilis employees and not Ocwen employees.
545. Ocwen violated the FDCPA by mailing debt collection letters which required payment of a debt within 15 days of the letter's postmark date, in violation of the FDCPA which gives consumers 30 days within which to request validation of the debt.
546. Ocwen's collection letters sent under its own letterhead to Plaintiff and the class created a false sense of urgency and "misrepresented the importance, cost, purpose and urgency of the communication in violation of 15 U.S.C. §§1692e.
547. Ocwen's employees used obscene or profane language, misrepresented the legal rights of Plaintiff and the class, simulated legal process, and placed telephone calls to Plaintiff and the class at unreasonable hours.
548. Ocwen imposed and/or collected service charges in the of course of collection debts from Plaintiff and the class, even though such amounts were not expressly authorized by Ocwen's mortgage contracts with Plaintiff and the class, or permitted by Connecticut law, in violation of 15 U.S.C. 1692f(1).
549. Moss, Codilis permitted Ocwen to use software developed by Moss, Codilis to generate collection letters which created the false impression that said collection letters had been personally sent out by Moss, Codilis lawyers.

550. Moss, Codilis was engaged in the use of an instrumentality of interstate commerce or the mails in a business the principal purpose of which was the collection or attempted collection of consumers debts owed or due or asserted to be owed.
551. Moss, Codilis form collection letters stated that the law firm was attempting to collect a mortgage debt but did not state the amount of the debt, as the law required.
552. In direct violation of the debt collection statute, some Moss, Codilis form collection letters to the property owners stated the unpaid principal balance of the loan but added that this amount did not include accrued but unpaid interest, unpaid late charges, escrow advances or other charges. Recipients of the letter were then advised to call Moss, Codilis or Ocwen for further information on their debt, thereby failing to disclose the amount of the debt.
553. Moss, Codilis, notwithstanding the standard debt validation notice on the reverse side of its communication, violated the FDCPA, §1692(a)(4), by contradicting or confusing the letter's statutorily required language clearly, thereby making Plaintiff and the class uncertain as to what the mixed message meant in actuality.
554. Moss, Codilis, notwithstanding the standard debt validation notice on the reverse side of its communication, violated the FDCPA, §1692g(b) by failing to cease collection efforts during the statutory verification period.

555. Moss, Codilis' debt collection communications to Plaintiff and the class he represents was intentionally frightening, contained false threats and misrepresentations of fact.

556. Moss, Codilis' debt collection communications were made to Plaintiff and the class he represents within one year of the filing of this lawsuit.

COUNT VII

NEGLIGENCE

557. Plaintiff hereby incorporates by reference all other paragraph of this Complaint as if fully set forth here and further allege as follows.

558. Ocwen Financial, Ocwen, and Moss, Codilis knew or should have known that the Scheme, in its ordinary and foreseeable use, would be swallowed line, hook and sinker, by Plaintiff and members of the class.

559. Ocwen Financial, Ocwen, and Moss, Codilis knew or should have known that the Scheme they designed, marketed and/or sold, in ordinary and foreseeable use, would be deceptive and unfair.

560. Due to their superior knowledge of the deceptive and unfair nature of the Scheme, Ocwen Financial, Ocwen, and Moss, Codilis had and have a duty to disclose to the public the deceptive nature of the Scheme.

561. Ocwen Financial, Ocwen and Moss, Codilis each had a duty to act with reasonable care in their dealings with Plaintiff and the class he represents.

562. Ocwen Financial, Ocwen and Moss, Codilis each knew or should have known that it's misconduct would injure Plaintiff and the class.

563. Nevertheless, Ocwen Financial, Ocwen and Moss, Codilis hatched the Scheme aforementioned which, if exposed, would injure an innocent person in Plaintiff's circumstances.
564. Ocwen Financial, Ocwen, and Moss, Codilis failed to exercise reasonable care with respect to the design, development, marketing and/or sale of mortgage loans and mortgage servicing practices by, among other things, imposing usurious interest rates, failing to properly calculate interest charges, failing to properly credit customer payments, failing to properly and timely research customer loan histories, failing to purge erroneous credit histories upon request, failing to ensure that debt collection efforts comported with the law, defaming consumers, prematurely threatening foreclosure, transferring accounts to third party loan servicing entities without first apprising the consumer, and by failing to warn or to warn adequately or sufficiently, either directly or indirectly, the foreseeable users of its deceptive and unfair Scheme.
565. Ocwen Financial, Ocwen, and Moss, Codilis failed to exercise reasonable care by failing to represent accurately to the Plaintiff and the members of the class, whether directly or indirectly, that the mortgage servicing would pose a financial welfare risk.
566. Nonetheless, Ocwen Financial, and Ocwen continued to market mortgage loans without taking the steps necessary to remedy this deceptiveness and without disclosing the inherently unfair nature of its services.

567. Ocwen Financial, Ocwen, and Moss, Codilis each has made equivocal announcements and public pronouncements resulting in the false impression that its is interested in the welfare of Owen borrowers.
568. Ocwen has made equivocal announcements and pronouncements in rebuttals to consumer complaints at <http://www.ripoffreport.com/> resulting in the false impression that Ocwen is interested in the welfare of its borrowers.
569. Moss, Codilis has recited in its form collection letter aforementioned in ¶¶294 to 295, above, that it strives to provide service which will exceed borrower expectations, to build a mutually beneficial relationship, rectify any problems, resolve any issues, and assist borrowers with their needs, resulting in the false notion that Moss, Codilis cares about the welfare of targeted debtors.
570. Ocwen's and Moss, Codilis public and private expressions of prioritization of customer complaints are each designed to be dramatic. However, none of these statements and steps have been adequate to protect Plaintiff and others similarly situated from the continuing harm of financial expense, inconvenience, anxiety and embarrassment entailed in holding deceptive mortgages and being subjected to unfair and deceptive collection practices.
571. This course of conduct by Ocwen Financial, Ocwen, and Moss, Codilis was done negligently, and directly and proximately caused serious injury to Plaintiff and the class.
572. As a result, Plaintiff and the class have or will suffer damage.

573. In addition, Plaintiff and the class have or will incur costs and expenses due to the Scheme, including, without limitation, costs of refinancing, credit repair, medical care for the negligent infliction of emotional distress and other damages in an amount to be determined at trial.

COUNT VIII

INTENTIONAL OR RECKLESS MISREPRESENTATION

574. Plaintiff and the class hereby incorporates by reference all other paragraph of this Complaint as if fully set forth here and further allege as follows.

575. Ocwen Financial, Ocwen, and Moss, Codilis representations regarding the quality, and characteristics of Ocwen's mortgages, mortgage servicing practices, debt collection and loan transfer policies were willful, reckless, or negligent misrepresentations of material facts.

576. Ocwen Financial, Ocwen, and Moss, Codilis made these representations either intentionally, without knowledge of their truth or falsity, or negligently, to induce Plaintiff and class to act thereon, and Plaintiff and the class did, without knowledge of their falsity, and justifiably and reasonably acted upon these misrepresentations to their injury, as evidenced by their purchase or Ocwen mortgages.

577. Ocwen Financial, Ocwen, and Moss, Codilis either knew or should have known that Ocwen mortgages, mortgage servicing practices, debt collection efforts and loan transfer policies were deceptive and unfair and would result in risks to the financial and emotional well-being of borrowers, and were otherwise not as the servicing, collection or transfer transactions were represented to be by Ocwen Financial, Ocwen, and Moss, Codilis, as alleged above.
578. Upon information and belief, Ocwen negligently advised borrowers with disputes whose mortgages it was servicing, including Plaintiff and the class, to request in writing loan history research reports.
579. Ocwen's instructions to Plaintiff and the class to pursue this course of action, knowing or having reason to know that such instructions would not make the deceptive and unfair practices any less.
580. Ocwen's representations were unconscionable, false, deceptive or misleading because they suggested or implied that such written requests for loan history reports would result in corrective action being taken to purge incorrect information from loan accounts of Plaintiff and the class, when in fact such written requests did absolutely nothing to improve the odds of purging derogatory information.
581. Ocwen Financial, Ocwen, and Moss, Codilis were and are under a duty to disclose the true information about the deceptive nature of their practices to Plaintiff and the class, because Ocwen Financial, Ocwen, and Moss, Codilis have superior knowledge of the defects.

582. As a consequence of such a deceptive marketing campaign, Ocwen became one of the nation's leading lender of subprime loans and the leading foreclosure of delinquent homes.
583. Ocwen Financial, Ocwen, and Moss, Codilis engaged in the foregoing actions as part of a calculated scheme or plan with the specific intent to mislead consumers such as Plaintiff and the class into believing that they had purchased mortgages or their mortgages were being serviced by a superior loan servicing entity.
584. This course of conduct by Ocwen Financial, Ocwen, and Moss, Codilis was done willfully, maliciously, intentionally, or with reckless disregard, and directly and proximately caused serious injury to Plaintiff and the class.
585. As a result of Ocwen Financial, Ocwen, and Moss, Codilis' willful, reckless or negligent misrepresentation of material facts, Plaintiff and the class acted to their detriment in purchasing Ocwen mortgages, which they would not have purchased had they been told the truth, and have or will suffer damages, which include, without limitation, costs to refinance, repair credit, and/or other damages in an amount to be determined at trial.
586. Ocwen Financial, Ocwen, and Moss, Codilis failed to take any steps to prevent the false, misleading and deceptive loan servicing, collection and transfer practices from continuing, and from being disseminated via the instrumentality of the U.S. Mails, and in fact did so purposefully and deliberately, for gain.

COUNT IX

DEFAMATION

587. Plaintiff hereby incorporates by reference all other paragraph of this Complaint as if fully set forth here and further allege as follows.
588. Ocwen habitually disseminated derogatory communications regarding Plaintiff and members of the class he represents among its employees.
589. Ocwen maintained defamatory statements against Plaintiff in its loan file regarding Plaintiff.
590. Ocwen habitually disseminated derogatory communications regarding Plaintiff and members of the class he represents to national credit reporting agencies such as Experian, Equifax, and TRW.
591. Ocwen published the aforesaid derogatory statements to Litton.
592. Ocwen published the aforesaid derogatory statements to Moss, Codilis.
593. Moss, Codilis republished the derogatory statements about Plaintiff among its employees.
594. Upon information and belief, the natural defendants, Gerald Moss, Ernie Codilis, Leo Stawiarski, Arthur Morris, Thomas Prior, Randolph Schneider, Alan Such, Larry Rothenberg, and William Boles, republished the derogatory statements about Plaintiff among themselves.
595. Said dissemination to their respective employees by Ocwen and Moss, Codilis, as well as to third parties amounted to publication.

596. Plaintiff and the class have suffered emotional distress, embarrassment, and/or adverse credit scoring and denial of further credit as a consequence of being defamed by Ocwen and Moss, Codilis.

597. By reason of Ocwen's and Moss, Codilis' defamation, they each have caused actual damages and injuries to Plaintiff and other members of the Class in amounts yet to be determined.

COUNT X

BREACH OF CONTRACT

598. Plaintiff hereby incorporates by reference all other paragraph of this Complaint as if fully set forth here and further allege as follows.

599. Plaintiff and the class members each entered into a binding contract with Ocwen regarding the origination and/or servicing of their loans.

600. By one or more of its actions alleged above, Ocwen breached the express or implied terms of the contract it entered into with Plaintiff and the class.

601. Plaintiff and the class consequently have suffered or will suffer damages in an amount to be determined at trial, which include, without limitation, compensatory, restitutionary, and punitive damages, plus the costs of suit.

COUNT XI

VIOLATION OF REAL ESTATE SETTLEMENT PROCEDURES ACT

602. Plaintiff hereby incorporates by reference all other paragraphs of this Complaint as if fully set forth here and further alleges as follows.
603. The Real Estate Settlement Procedures Act ("RESPA"), 12 U.S.C. §1605 *et seq.*, provides a private right of action by purchasers of mortgages against lenders and loan servicers who, *inter alia*, fail to comply with the federal law mandates for timely researching, responding and if need be, removing derogatory information from borrower loan histories.
604. Ocwen has failed to comply with the terms of RESPA, §6 despite the repeated requests of Plaintiff and the other members of the class.
605. Ocwen breached RESPA by intentionally, recklessly or negligently compiling erroneous loan history information on Plaintiff and the class, and by failing to properly research and rescind such ruinous information within a reasonable time and without charge.
606. Ocwen has been given a reasonable opportunity to cure such failures to comply, and has repeatedly failed to do so.
607. As a result of the foregoing, Plaintiff and the members of the Class have suffered damages to an extent and in an amount reserved for determination at trial.

COUNT XII

FRAUD

608. Plaintiff and the class reallege all prior allegations of the Complaint, and incorporate them herein by reference as if fully set forth herein.
609. Ocwen fraudulently failed to disclose properly and accurately the amount financed, and/or the finance charge, in violation of 15 U.S.C. §1638(a)(3).
610. Ocwen fraudulently failed to disclose properly and accurately the annual percentage rate, in violation of 15 U.S.C. §1638(a)(4);
611. Ocwen fraudulently failed to disclose properly and accurately the number, amounts and timing of payments scheduled to repay the obligation, in violation of 15 U.S.C. §1638(a)(6).
612. Ocwen fraudulently failed to disclose properly and accurately the total payments, in violation of 15 U.S.C. §1638(a)(5).
613. Misleading advertising is fraudulent and unlawful, and Ocwen's campaign constituted misleading advertising because it was a scheme to defraud Hanson, and the other members of the class through an ongoing course of conduct, with intent to obtain property from one or more persons by false or fraudulent pretenses, representations, promises or willful misrepresentations of a future act.
614. Ocwen's Scheme included false and misleading advertisements and other mailings as mentioned in previous paragraphs of this complaint.
615. Ocwen's fraudulent acts have and continue to injure consumers in Connecticut and elsewhere.

616. Ocwen's campaign constituted a deliberate or negligent scheme designed to fool or deceive to defraud Hanson, and other members of the class, and Ocwen's campaign was especially targeted to, and had its most adverse impact upon, class members such as Hanson, who as people with less-than-pristine credit ratings, were especially susceptible to Ocwen's marketing prowess.
617. Plaintiff and the class were taken in by Ocwen's repeated representations to them over a prolonged period of time that it had their best interests at heart and was professional in its mortgage servicing practices.
618. Plaintiff's beliefs and those of the class were, given the totality of the circumstances and taking into account the context of the Ocwen marketing prowess, reasonable.
619. Ocwen failed to tell Plaintiff and the class at any time that its mortgage loans and mortgage servicing, debt collection and transfer tactics were not actually legitimate, or that its practices were actually deceptive and properties mortgages to Ocwen were prone to being foreclosed upon.

#### TOLLING OF THE STATUTE OF LIMITATIONS

620. The deceptive nature of Ocwen's Scheme and mortgage servicing practices are latent and self-concealing. Accordingly, exercising reasonable care, Plaintiff and the class could not discover that such inherent deceptiveness existed in the relationship they were induced to enter into with Ocwen.

621. By suppressing the dissemination of truthful information regarding the deceptive nature of its Scheme and mortgage servicing practices, Ocwen actively foreclosed Plaintiff and the class from learning of the Scheme's inherent deceptiveness and unfairness.
622. By reason of the foregoing, the claims of Plaintiff and the class are timely under any applicable statute of limitations (as tolled by the filing of this class action Complaint) pursuant to the discovery rule and the doctrine of fraudulent concealment.
623. The activities engaged in by Ocwen Financial, Ocwen, and Moss, Codilis have created and/or are creating an unreasonable risk of ruinous financial harm to Plaintiff and to the class.
624. As a direct and proximate result of the intentional infliction of emotional distress by Ocwen Financial, Ocwen, and Moss, Codilis, Plaintiff and the class have suffered and/or will suffer damages.
625. The effect of Ocwen's deceptive and unfair trade practices and policies had a disparate impact on consumers such as class representative Hanson, a fact which was known by, or should have been known by, Ocwen.
626. Ocwen willfully engaged in and continues to engage in the acts complained of in this Complaint, and Ocwen knew or should have know that its acts were unfair or deceptive.

COUNT XIII

INTENTIONAL INFLICTION OF EMOTIONAL DISTRESS

627. Plaintiff and the class hereby incorporates by reference all other paragraph of this Complaint as if fully set forth here and further alleges as follows.
628. Ocwen Financial, Ocwen, and Moss, Codilis intended to injure Plaintiff and the class by their acts.
629. The activities engaged in by Ocwen Financial, Ocwen, and Moss, Codilis have created and/or are creating a serious risk of infliction of intentional infliction of emotional distress.
630. Plaintiff and the class were in fact injured by the intentional acts of Ocwen Financial, Ocwen, and Moss, Codilis.
631. The outrageous conduct of Defendants, individually and severally, in engaging in false, misleading and deceptive mailings, and in repeatedly reporting Plaintiff and the class as delinquent or in default on their loans to national creditreporting agencies and in threatening Plaintiff with foreclosure have caused Plaintiff humiliation, mental anguish and emotional distress.
632. These acts of omission and commission, together with the aforesaid practices, customs, policies of Defendants, collectively or individually, were therefore a direct and proximate cause of the pain, suffering, humiliation, and statutory deprivations described above, to Plaintiff and the class.
633. The practices, policies and customs, as set forth in the preceding paragraphs were a deliberate and conscious choice by each corporate defendant that establishes a deliberate indifference to class members rights.

634. The actions of Defendants, taken without lawful justification, constitute the negligent infliction of emotional distress upon Plaintiff under Connecticut law.

635. The actions of Defendants, taken without lawful justification, constitute the intentional infliction of emotional distress upon Plaintiff under Connecticut law.

#### COUNT XIV

#### UNJUST ENRICHMENT

636. Plaintiff and the class reallege all prior allegations of the Complaint, and incorporate them herein by reference as if fully set forth herein.

637. The misconduct of Defendants, individually and severally, in engaging in false, misleading and deceptive mailing and advertising techniques, and in originating, servicing, collecting or transferring mortgage loans taken out by Plaintiff and the class have resulted in Defendants being unjustly enriched.

638. As a result of the foregoing, Plaintiff and the members of the Class have suffered damages to an extent and in an amount reserved for determination at trial.

639. Moreover, as a result of the actions of defendant as described above, Defendants have been unjustly enriched and should return to Plaintiff and the class, the amount of money by which they have been unjustly enriched.

640. As a result of their having been unjustly enriched, Defendants should be made to disgorge and return to Plaintiff and the class, the amount of money by which they have been unjustly enriched.

COUNT XV

FAIR CREDIT REPORTING ACT

641. Plaintiff and the class reallege all prior allegations of the Complaint, and incorporate them herein by reference as if fully set forth herein.
642. Ocwen failed to conduct proper investigations of disputed credit entries by Plaintiff and the class he represents, in violation of 15 U.S.C. § 1681i.
643. Ocwen prevented Plaintiff and the class from explaining in credit records that they contested certain accountings, in violation of 15 U.S.C. § 1681e.
644. Ocwen failed to correct the credit reports of Plaintiff and the class, in violation of 15 U.S.C. §§ 1681e.
645. Ocwen failed to afford Plaintiff and the class an opportunity to attach to any credit report being transmitted to a national credit reporting agency a rebuttal statement showing that Plaintiff and the class disputed the alleged debts, alleged late payments and alleged delinquencies.
646. Ocwen continued to list Plaintiff and the class he represents as past-due, delinquent, in default, or foreclosed on their credit reports even after being notified that the underlying debt entries were false or erroneous, also in violation of 15 U.S.C. § 1681e.
647. Ocwen's failure to take appropriate corrective action after being advised of the inaccuracy of the credit reports being transmitted to national credit reporting agencies, resulted in the loss of business and consumer opportunities for Plaintiff and the class.

648. Moss, Codilis failed to conduct proper investigations of disputed credit entries by Plaintiff and the class, in violation of 15 U.S.C. §§1681i.
649. Moss, Codilis failed to correct the credit reports of Plaintiff and the class, in violation of 15 U.S.C. §§1681e.
650. Moss, Codilis continued to list Plaintiff and the class as past-due, delinquent, and/or in default, even after being notified that the underlying debt entries were false or erroneous, also in violation of 15 U.S.C. §1681e.
651. By their actions, Ocwen and Moss, Codilis have jointly and severally injured Plaintiff and the class.
652. As a result of the foregoing, Plaintiff and the members of the Class have suffered damages to an extent and in an amount reserved for determination at trial.

COUNT XVI

CONNECTICUT CONSUMER CREDIT REPORTING ACT

653. Hanson reallege all prior allegations of the Complaint, and incorporate them herein by reference as if fully set forth herein.
654. Ocwen failed to conduct proper investigations of disputed credit entries, in violation of Conn. Gen. Stat. §36a-645.
655. Ocwen continued to list Plaintiff as past-due, delinquent, in default, foreclosed on his credit reports even after being notified that the underlying debt entries were false or erroneous, also in violation of Conn. Gen. Stat. §36a-645.

656. Ocwen prevented Plaintiff from explaining in credit reports that he contested certain accounts, in violation of Conn. Gen. Stat. §36a-645.
657. Moss, Codilis failed to conduct proper investigations of disputed credit entries, in violation of Conn. Gen. Stat. §36a-645.
658. Moss, Codilis continued to list Plaintiff as past-due, delinquent, and in default, on his credit reports even after being notified that the underlying debt entries were false or erroneous, also in violation of Conn. Gen. Stat. §36a-645.
659. Moss, Codilis prevented Plaintiff from explaining in credit reports that he contested certain accounts, in violation of Conn. Gen. Stat. §36a-645.
660. By their actions, Ocwen and Moss, Codilis have jointly and severally injured Plaintiff and the class.
661. As a result of the foregoing, Plaintiff and the members of the Class have suffered damages to an extent and in an amount reserved for determination at trial.

#### COUNT XVIII

#### TORTUOUS INTERFERENCE WITH CONTRACTUAL RELATIONS

662. Plaintiff and the class reallege all prior allegations of the Complaint, and incorporate them herein by reference as if fully set forth herein.
663. Ocwen's acts of commission and omission complained of in preceding paragraphs of this Complaint amounted to a violation of the implied contract of good faith and fair dealing required when dealing under a contract.
664. By its actions, Ocwen has injured Plaintiff and the class he represents.

665. As a result of the foregoing, Plaintiff and the members of the class have suffered damages to an extent and in an amount reserved for determination at trial.
666. Moss, Codilis acts of malfeasance and nonfeasance complained of in preceding paragraphs of this Complaint amounted to a breach of the implied duty of good faith and fair dealing inherent in relationships arising out of a contract.
667. By interjecting itself into the mortgage servicing contracts Ocwen on the one hand, and Plaintiff and the class he represents on the other, and by thereafter falsely accusing Plaintiff and the class of having defaulted on servicing contracts, Moss, Codilis tortuously interfered with the contractual relations between Ocwen and Plaintiff and the class.
668. By its actions, Moss, Codilis has injured Plaintiff and the class he represents.
669. Litton's actions complained of in preceding paragraphs of this Complaint amounted to a breach of the implied duty of good faith and fair dealing.
670. By interjecting itself into Plaintiff's contract with Ocwen and orchestrating by the payment of a lesser sum than the alleged principal balance acquisition of the servicing rights on Plaintiff's loan at a time when Ocwen had inflated said loan with spurious escrow, late, and interest charges and attorney's fees, Litton tortuously interfered with Plaintiff's contractual relations with Ocwen.
671. By its actions, Litton has injured Plaintiff.

672. As a result of the foregoing, Plaintiff has suffered unspecified damages, although Plaintiff is at this juncture seeking only injunctive relief against Litton, reserving hereunder his right to pursue monetary damages at trial.

COUNT XVII

TRUTH IN LENDING ACT

673. Plaintiff and the class reallege all prior allegations of the Complaint, and incorporate them herein by reference as if fully set forth herein.

674. Ocwen's actions complained in the Complaint violated the TILA.

675. By its actions, Ocwen has injured Plaintiff and the class he represents, who have suffered damages to an extent to be determined at trial.

COUNT XVIII

TRADE COMMISSION ACT

676. Plaintiff and the class reallege all prior allegations of the Complaint, and incorporate them herein by reference as if fully set forth herein.

677. Ocwen did not possess and rely upon a reasonable basis that substantiates the representation at the time it was made.

678. Ocwen's practices constitute deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act, 15 U.S.C. § 45(a).

679. In the course and conduct of offering and extending credit, Ocwen has represented, expressly or by implication, that adjustments in the interest rate on its ARM loans are based entirely on changes in the LIBOR index and that, over the course of the loan, the interest rate can be lower than the initial teaser rate.
680. In truth and in fact, adjustments in the interest rate on Ocwen's ARM loans are not based entirely on changes in the LIBOR index, and over the course of the loan the interest rate cannot be lower than the initial teaser rate.
681. The initial teaser interest rate automatically increases as much as one percentage point every six months until the artificial discount disappears, and the lowest the interest rate can be is the initial teaser interest rate, regardless of any decrease in the LIBOR index. Therefore, Ocwen's representation as alleged in paragraph 30, was, and is, false or misleading.
682. Ocwen's practices constitute deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act, 15 U.S.C. §45m.
683. In the course and conduct of offering and extending credit, Ocwen has represented, expressly or by implication, that the initial monthly payment on its ARM loans will not increase unless the LIBOR index increases.
684. In truth and in fact, the initial monthly payment on Ocwen's ARM loans will increase even if the LIBOR index does not. The initial monthly payment will increase at every six-month adjustment period until the artificial discount disappears, regardless of whether the LIBOR index increases.

685. Therefore, Ocwen's representation as alleged in the preceding paragraphs was, and is, false or misleading.
686. Ocwen's practices constitute deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act, 15 U.S.C. §45w.
687. In the course and conduct of offering and extending credit, Ocwen represented, expressly or by implication, that the total amount that consumers borrow on its loans, and upon which interest accrues, is the amount financed, which appears on the TILA disclosure statement.
688. In truth and in fact, the total amount that consumers borrow on its loans, and upon which interest accrues, is not only the amount financed but includes substantial additional fees and charges imposed by Ocwen, upon which interest will accrue.
689. Therefore, Ocwen's representation as alleged above was, and is, false or misleading.
690. Ocwen's practices constitute deceptive acts or practices in or affecting commerce in violation of 15 U.S.C. §45w.
691. In the course and conduct of offering and extending credit, Ocwen has represented, expressly or by implication, that its prepaid finance charges, such as the loan origination fees, are part of the interest payments on the loan.

692. In truth and in fact, the prepaid finance charges imposed by Ocwen are not part of the interest payments on the loan. These charges are added to the amount financed and are part of the loan principal, or the total amount of money borrowed, and interest accrues on these charges.

693. Therefore, Ocwen's representation as alleged above was, and is, false or misleading.

694. Ocwen's practices constitute deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act, 15 U.S.C. §45(a).

#### COUNT XIX

#### CONVERSION

695. Plaintiff and the class reallege all prior allegations of the Complaint, and incorporate them herein by reference as if fully set forth herein.

696. Ocwen's actions alleged in the Complaint amounted to conversion of funds.

697. By its actions, Ocwen has injured Plaintiff and the class he represents, who have suffered damages to an extent to be determined at trial.

#### COUNT XX

#### RECKLESS AND WANTON MISCONDUCT

698. Plaintiff and the class reallege all prior allegations of the Complaint, and incorporate them herein by reference as if fully set forth herein.

699. Ocwen's actions alleged above amounted to reckless misconduct which have damaged Plaintiff and the class to an extent to be determined at trial.

DEMAND FOR JURY TRIAL

Plaintiff and the class he represents demand trial by jury for all issues so triable.

RELIEF REQUESTED

WHEREFOR, Plaintiff respectfully requests that this Court:

- (a) Assume jurisdiction over this action.
- (b) Declare that Defendants Ocwen Financial, Ocwen have engaged in conduct which constitutes unlawful practices under FDCPA, FCRA, FCBA, RESPA, RICO, TILA, HOEPA, plus CUTPA, and CCCRA.
- (c) Issue a Preliminary Injunction enjoining Defendants from engaging in the future in conduct constituting unlawful practices under FDCPA, FCRA, FCBA, RESPA, RICO, TILA, HOEPA, CUTPA, and CCCRA.
- (d) Issue a Preliminary Injunction enjoining Defendants, directly or through third parties, from foreclosing on any mortgage liens held on property held by class members where the liens are based on loans whose servicing is asserted to violate cited federal or any state law.
- (e) Preliminarily enjoin Defendants from attempting to limit class members' remedies, and from fraudulently concealing and suppressing the deceptive and unfair nature of Ocwen's mortgage origination, servicing and transfer practices, when contacted by potential class members about the existence of this lawsuit.
- (f) Issue a Preliminary Injunction enjoining Defendants, directly or through third parties, from altering, concealing, shredding or otherwise destroying or disposing of any origination, servicing, collection or transfer records relating to putative class members.

- (g) Calendar the matter down for an expedited evidentiary hearing on Plaintiff's *Amended* Motion for a Preliminary Injunction, before ruling on if there is substantial evidence to support Defendants' practices.
- (h) Grant expedited discovery pursuant to Fed. R. Civ. P. 26 *et seq.*, to aid in developing the facts for the Preliminary Injunction.
- (i) Grant the Preliminary Injunction without requiring Plaintiff to post bond or security for costs or damages.
- (j) Declare Defendants financially responsible for notifying all putative class members that Ocwen's mortgage origination, servicing and transfer scheme is deceptive and unfair, prior to class certification.
- (k) Order Ocwen to properly, completely, expeditiously and truthfully account for the mortgage payments of Plaintiff and class members, utilizing an outside public accounting firm employing generally recognized accounting principles and practices within 60 days hereof.
- (l) Establish a trust account where Plaintiff and class members can pay their monthly mortgage payments in escrow, *pendente lite*, in order to prevent deliberate, reckless or negligent misapplication of said funds by Ocwen, as has consistently been alleged to have occurred.
- (m) Permanently enjoin Defendants from engaging in the future in conduct which constitutes unlawful practices under FDCPA, FCRA, FCBA, RESPA, RICO, TILA, HOEPA, and CUTPA, and CCCRA.
- (n) Permanently enjoin Defendants from engaging in the future in conduct which amounts to fraud, conversion of funds, defamation, reckless and wanton misconduct, breach of contract, and intentional infliction of emotional distress upon Plaintiff and class members.

- (o) Permanently enjoin Defendants from engaging in conduct the result of which is to induce mortgage brokers to steer subprime borrowers to Ocwen in violation of any applicable federal or state laws.
- (p) Order disgorgement of any profits or commissions made by Ocwen through the origination, servicing, collection, transfer and/or foreclosure of mortgage loans held by class members.
- (q) In consideration of the massive fraud at issue on a global scale, the demonstrable, continuing damage to thousands of hapless victims, and the potential for the dissipation of assets through a corporate reorganization or voluntary bankruptcy, place Defendant Ocwen under a Master In Supervision or in a receivership during the pendency of these proceedings to aid in the preservation of assets to satisfy judgments which may be recovered by Plaintiff and the class.
- (r) Attach, prior to judgment, the body of William C. Erbey, pursuant to Conn. Gen. Stat. §52-369, in light of the civil fraud alleged herein.
- (s) Bar William R. Erbey from natural lifetime participation, directly or as a consultant, in the mortgage origination or servicing industry.
- (t) Award Plaintiff and the class the maximum allowable damages under the FDCPA, one percent (1%) of Ocwen, Ocwen Financial, Erbey, Moss, Codilis, and the Personal Capacity Defendants net worth, whichever is less, due to Ocwen and Moss, Codilis frequent, persistent, blatant, and intentional violations of the FDCPA.
- (u) Award Plaintiff and the class judgment against Defendants, jointly and severally, for actual or statutory damages or compensatory damages to the tune of **one hundred and fifty million (\$150,000,000) dollars.**

