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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

FEDERAL TRADE COMMISSION, Plaintiff, v. CD CAPITAL INVESTMENTS, LLC, a California Limited Liability Company; CD CAPITAL, LLC, a California Limited Liability Company; GDS INFORMATION SERVICES, INC., a California Corporation; CHRISTIAN D. QUEZADA, individually and as an officer of CD CAPITAL INVESTMENTS, LLC, and CD CAPITAL, LLC; TUAN DINH DUONG, a/k/a "THOMAS DUONG," "ANDREW VU," and "KEVIN YOUNG," individually and as an officer of CD CAPITAL INVESTMENTS, LLC, CD CAPITAL, LLC, and GDS INFORMATION SERVICES, INC; and GABRIEL DREWS STEWART, individually and as an officer of	Case no. SAC-14-1033-JLS **FIRST AMENDED COMPLAINT FOR PERMANENT INJUNCTION AND OTHER EQUITABLE RELIEF**

GDS INFORMATION SERVICES, INC.
Defendants.

Plaintiff, the Federal Trade Commission ("FTC") for its Complaint alleges:

1. The FTC brings this action under Sections 13(b) and 19 of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. §§ 53(b) and 57b, and the 2009 Omnibus Appropriations Act, Public Law 111-8, Section 626, 123 Stat. 524, 678 (Mar. 11, 2009) ("Omnibus Act"), as clarified by the Credit Card Accountability Responsibility and Disclosure Act of 2009, Public Law 111-24, Section 511, 123 Stat. 1734, 1763-64 (May 22, 2009) ("Credit Card Act"), and amended by the Dodd-Frank Wall Street Reform and Consumer Protection Act, Public Law 111-203, Section 1097, 124 Stat. 1376, 2102-03 (July 21, 2010) ("Dodd-Frank Act"), 12 U.S.C. § 5538, to obtain temporary, preliminary, and permanent injunctive relief, rescission or reformation of contracts, restitution, the refund of monies paid, disgorgement of ill-gotten monies, and other equitable relief for Defendants' acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), the Mortgage Assistance Relief Services Rule ("MARS Rule"), 16 C.F.R. Part 322, re-codified as Mortgage Assistance Relief Services ("Regulation O"), 12 C.F.R. Part 1015, in connection with the marketing and sale of mortgage assistance relief services.

JURISDICTION AND VENUE

2. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1337(a), and 1345; 15 U.S.C. §§ 45(a), 53(b), and 57b, and Section 626 of the Omnibus Act, as clarified by Section 511 of the Credit Card Act, and amended by Section 1097 of the Dodd-Frank Act, 12 U.S.C. § 5538.

3. Venue is proper in this District under 28 U.S.C. § 1391(b)(1), (b)(2), (b)(3), (c)(1), (c)(2), and (d), and 15 U.S.C. § 53(b).

PLAINTIFF

4. Plaintiff FTC is an independent agency of the United States Government created by statute. 15 U.S.C. §§ 41-58. The FTC enforces Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting commerce. In addition, pursuant to 12 U.S.C. § 5538, the FTC also enforces the MARS Rule, which requires mortgage assistance relief services ("MARS") providers to make certain disclosures, prohibits certain representations, and generally prohibits the collection of an advance fee.

5. The FTC is authorized to initiate federal district court proceedings, by its own attorneys, to enjoin violations of the FTC Act; the MARS Rule; and Regulation O; and to secure such equitable relief as may be appropriate in each case, including rescission or reformation of contracts, restitution, the refund of monies paid, and the disgorgement of ill-gotten monies. 15 U.S.C. §§ 53(b), 56(a)(2)(A)-(B), and 57b; § 626, 123 Stat. at 678, as clarified by § 511, 123 Stat. at 1763-64, and amended by § 1097, 124 Stat. at 2102-03, 12 U.S.C. § 5538.

DEFENDANTS

6. Defendant CD Capital Investments, LLC, also doing business as UW Solutions, also formerly known as The Processing Department ("Capital Investments"), is a California limited liability company with its most recent principal place of business (through May 2014) located at a virtual office at 65 Enterprise, Aliso Viejo, California 92656. Capital Investments also maintains virtual office locations at 500 North State College Boulevard, Suite 1100, Orange, California 92868, and 17470 North Pacesetter Way, Scottsdale, Arizona 85255. At all times material to this Complaint, acting alone or as part of the common enterprise described in paragraph 12, Capital Investments has advertised, marketed, provided, offered to provide, or arranged for others to provide MARS, as defined in 16 C.F.R. § 322.2, recodified as 12 C.F.R. § 1015.2. Capital

Investments transacts or has transacted business in this district and throughout the United States.

7. Defendant CD Capital, LLC, also doing business as UW Solutions, also formerly known as The Processing Department ("CD Capital," together with Capital Investments, collectively referred to as "UW Solutions"), is a California limited liability company with its principal place of business at a virtual office located at 500 North State College Boulevard, Suite 1100, Orange, California 92868. CD Capital also maintained virtual office and/or mailbox services at 65 Enterprise, Aliso Viejo, California 92656, and 17470 North Pacesetter Way, Scottsdale, Arizona 85255. At all times material to this Complaint, acting alone or as part of the common enterprise described in paragraph 12, CD Capital has advertised, marketed, provided, offered to provide, or arranged for others to provide MARS, as defined in 16 C.F.R. § 322.2, recodified as 12 C.F.R. § 1015.2. CD Capital transacts or has transacted business in this district and throughout the United States.

8. Defendant GDS Information Services, Inc., also doing business as 2Apply, also formerly known as NPV Report, NPV Test, NPVTest.org, and National Mortgage Help Center ("2Apply"), is a California Corporation with its principal place of business at a private mailbox located at 360 East 1st Street #825, Tustin, California 92780. 2Apply also maintains offices at a private residence in Orange, California. In 2011, the Alabama State Banking Department obtained a Cease & Desist Order against 2Apply. At all times material to this Complaint, acting alone or in concert with others, 2Apply has advertised, marketed, provided, offered to provide, or arranged for others to provide MARS, as defined in 16 C.F.R. § 322.2, recodified as 12 C.F.R. § 1015.2. 2Apply transacts or has transacted business in this district and throughout the United States.

9. Defendant Christian D. Quezada ("Quezada") holds himself out as CEO, managing member, manager, owner, and corporate secretary of Capital

Investments and CD Capital in official corporate filings and bank documents. Quezada is the only signatory on the bank accounts for Capital Investments and CD Capital. Quezada is also listed as the point of contact on payment receipts that consumers receive from payment processors for Capital Investments and CD Capital. In addition, Quezada pays the bills and serves as a contact for UW Solutions' internet and telephone services. Quezada previously worked at Noah Savings Mortgage, a company that the Oregon Attorney General's office sued for performing illegal foreclosure consulting and loan modification services. At all times material to this Complaint, acting alone or in concert with others, Defendant Quezada has formulated, directed, controlled, had the authority to control, or participated in the acts and practices of Capital Investments and CD Capital, including the acts and practices set forth in this Complaint. Defendant Quezada resides in this district and, in connection with the matters alleged herein, transacts or has transacted business in this district and throughout the United States.

10. Defendant Tuan Dihn Duong, also known as "Thomas Duong," "Andrew Vu," and "Kevin Young," ("Duong") acted as, and was, an actual or constructive owner of Capital Investments, CD Capital, and 2Apply, which he used, along with multiple aliases, to conceal his true identity and involvement in the acts and practices herein alleged in violation of Section 5 and Regulation O. Duong registered and owned the fictitious business names "NPVTest" and "NPVReport," and set up, paid for, and served as the contact for 2Apply's website. The Corporate Defendants, under Duong's actual or constructive control, eventually assumed the use of these names and this website. At all times material to this Complaint, acting alone or in concert with others, he has formulated, directed, controlled, had the authority to control, or participated in the acts and practices of UW Solutions and 2Apply, including the acts and practices set forth in this Complaint. Duong crafted marketing materials, managed employees, controlled bank accounts, and arranged for office locations with respect to the

Corporate Defendants. In 2010, the Oregon Attorney General's Office sued Duong and Noah Savings Mortgage for performing illegal foreclosure consulting and loan modification services. Defendant Duong resides in this district and, in connection with the matters alleged herein, transacts or has transacted business in this district and throughout the United States.

11. Defendant Gabriel D. Stewart ("Stewart") is an owner and officer of 2Apply. Stewart holds himself out as President, CEO, Secretary, CFO, and sole director of 2Apply in corporate filings. Stewart is the only signatory on the bank accounts for 2Apply. Stewart also pays the bills and serves as a contact for 2Apply's internet and telephone services. At all times material to this Complaint, acting alone or in concert with others, he has formulated, directed, controlled, had the authority to control, or participated in the acts and practices of 2Apply, including the acts and practices set forth in this Complaint. Defendant Stewart resides in this district and, in connection with the matters alleged herein, transacts or has transacted business in this district and throughout the United States.

COMMON ENTERPRISE

12. Defendants Capital Investments, CD Capital, and 2Apply (collectively, "Corporate Defendants") have operated as a common enterprise while engaging in the deceptive acts and practices and other violations of law alleged below. These Corporate Defendants have conducted the business practices described below through an interrelated network of companies that have common control, managers, employees, business functions, office locations, and the commingling of funds. Because these Corporate Defendants have operated as a common enterprise, each of them is jointly and severally liable for the acts and practices alleged below. Defendants Quezada, Duong, and Stewart have formulated, directed, controlled, had the authority to control, or participated in the acts and practices of the Corporate Defendants that constitute the common enterprise.

COMMERCE

13. At all times material to this Complaint, Defendants have maintained a substantial course of trade in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

DEFENDANTS' BUSINESS PRACTICES

14. Since at least mid-2011 to present, Corporate Defendants, through operation of the common enterprise, and Defendants Quezeda, Duong, and Stewart have engaged in a course of conduct to advertise, market, sell, provide, offer to provide, or arrange for others to provide MARS, including mortgage loan forbearance, loan modification, and loan restructuring services.

15. Defendants market their services primarily via outbound telemarketing calls from 2Apply to consumers. Defendants also market their services on the Internet, including through the use of websites such as: www.2apply.net and www.uw-solutions.com.

16. Many of Defendants' customers are financially distressed homeowners, including elderly consumers. Defendants promise consumers that they will lower the consumer's mortgage interest rate or obtain a loan forbearance, a loan modification, or other loan restructuring.

17. In many instances, Defendants charge an initial up-front fee of $395-$695 to process the consumer's "application."

18. In many instances, Defendants also charge consumers monthly "post-application monitoring fees" of $299-$499.

19. Defendants, in many instances, promise consumers that they will receive the promised MARS within two to four months.

20. In numerous instances, Defendants have failed to obtain any relief for their customers.

The Sales Pitch

21. Defendants initiate contact with consumers via outbound telemarketing calls. Defendants also market their services to consumers via the Internet, including through the use of websites such as: www.uw-solutions.com and www.2apply.net.

22. In numerous instances, Defendants have told consumers expressly or by implication that if they pay an initial, up-front fee, consumers are likely to obtain loan modifications or other concessions from their lenders and that the process will be complete within as little as two to four months.

23. In numerous instances, Defendants have told consumers that they have already been "pre-qualified" for a loan modification with their lender or servicer.

24. In some instances, Defendants represent to consumers that they are affiliated with the "Making Home Affordable Program," sponsored by "President Obama" or "the government."

25. In some instances, Defendants represent to consumers that they are affiliated with the consumer's lender or servicer.

26. Defendants further represent to consumers that their lender or servicer will not foreclose on their home if they are in the process of obtaining a loan modification.

27. In numerous instances, Defendants have told consumers that, in order to obtain the promised MARS, consumers should cease making mortgage payments to their lenders.

28. In numerous instances, Defendants also have told consumers that they should cease communications with their lenders. In some instances, Defendants have told consumers that communicating with their lenders could negatively impact Defendants' ability to obtain MARS for them.

Payment Structure and Enrollment

29. Defendants request payment information and authorization from consumers before providing any services. Defendants have collected payments from consumers in numerous ways, including but not limited to: personal checks, cashier's check or money order, automatic bank withdrawal or ACH payment, direct wire transfer, and in-person deposits by consumers into Defendants' bank accounts.

30. Defendants' fee structure is comprised of several advance fees, each of which is collected prior to the execution of a written agreement between the consumer and the loan holder or servicer that incorporates an offer obtained by Defendants. Defendants first collect from consumers, on average, an up-front payment of $495 for "processing" consumer applications. Next, Defendants collect from consumers, on average, $399 per month for "post-application monitoring" services.

31. Once consumers agree to pay, Defendants send the consumers a packet of documents to sign and return. The packet that Defendants send to consumers typically includes: (1) an invoice authorizing UW Solutions to charge the consumer's account; (2) a recurring payment authorization form allowing UW Solutions to automatically withdraw recurring payments from the consumer's bank account; (3) a borrower signature authorization form allowing UW Solutions to "discuss my request for payments assistance and/or a loan modification" with the consumer's lender or mortgage servicing company; (4) a checklist of documents the consumer must send to UW Solutions; (5) sample hardship letters or a hardship letter guide; and (5) a Uniform Residential Loan Application, Making Home Affordable Application, or other loan modification application. The invoice and recurring payment authorization form both contain a statement saying, "I (we) agree not to chargeback the processed [sic] by the Party for services rendered

under the Agreement and I (we) understand that these charges are NON-Refundable."

Post-Enrollment

32. When consumers call to check on the status of their loan modification, Defendants tell consumers that they need to submit additional documents for Defendants to process their application. In numerous instances, consumers are forced to submit the same requested documents to Defendants on several occasions. Defendants tell consumers who submit the requested documents, in many instances, that that their loan modification is "with the underwriter," "being processed," "almost ready to close," or otherwise near completion.

33. In numerous instances, consumers who have paid advance fees to Defendants have been left to negotiate with their own lenders. In some instances, consumers who reach out to their lenders learn that Defendants never contacted their lenders at all. In other instances, consumers who reach out to their lenders learn that Defendants were unsuccessful in obtaining MARS.

34. Consumers who paid Defendants advance fees for the promised MARS, in many instances, have suffered significant economic injury, including: paying hundreds or thousands of dollars to Defendants and receiving little or no services in return; falling further behind on mortgage payments; going into foreclosure; and even losing their homes.

35. After consumers have agreed to work with Defendants and paid the requested advance fees, in numerous instances, Defendants have failed to obtain a loan modification, principal reduction, or other relief to stop foreclosure or make consumers' mortgage payments more affordable.

VIOLATIONS OF THE FTC ACT

36. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits "unfair or deceptive acts or practices in or affecting commerce."

37. Misrepresentations or deceptive omissions of material fact constitute deceptive acts or practices prohibited by Section 5(a) of the FTC Act.

COUNT I

(Deceptive Representations Regarding Substantially More Affordable Loan Payments, Substantially Lower Interest Rates, or Foreclosure Avoidance)

38. In numerous instances, in connection with the advertising, marketing, promotion, offering for sale, sale, or performance of mortgage assistance relief services, Defendants have represented, directly or indirectly, expressly or by implication, that Defendants typically will obtain mortgage loan modifications for consumers that will make their payments substantially more affordable, will substantially lower their interest rates, or will help them avoid foreclosure.

39. In truth and in fact, Defendants typically do not obtain mortgage loan modifications for consumers that will make their payments substantially more affordable, will substantially lower their interest rates, or help them avoid foreclosure.

40. Therefore, Defendants' representations as set forth in Paragraph 38 are false and misleading and constitute a deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S. C. § 45(a).

COUNT II

(Deceptive Representations Regarding Loan Modification Services)

41. In numerous instances, in connection with the advertising, marketing, promotion, offering for sale or sale or performance of mortgage assistance relief services, Defendants have represented, directly or indirectly, expressly or by implication:

(a) that Defendants typically will deliver the promised result from the mortgage assistance relief service within two to four months;

(b) that Defendants are affiliated with, endorsed or approved by, or otherwise associated with:

(i) The United States government,

(ii) Any governmental homeowner assistance plan,

(iii) Any Federal, State, or local governmental agency, unit, or department,

(iv) Any nonprofit housing counselor agency or program, or

(v) The maker, holder, or servicer of the consumer's dwelling loan; and

(c) that the consumer is not obligated to, or should not, make scheduled periodic payments or any other payments pursuant to the terms of the consumer's dwelling loan.

42. In truth and in fact:

(a) Defendants typically do not deliver the promised result from mortgage assistance relief service within two to four months;

(b) Defendants are not affiliated with, endorsed or approved by, or otherwise associated with:

(i) The United States government,

(ii) Any governmental homeowner assistance plan,

(iii) Any Federal, State, or local governmental agency, unit, or department,

(iv) Any nonprofit housing counselor agency or program, or

(v) The maker, holder, or servicer of the consumer's dwelling loan, and

(c) the consumer is obligated to make scheduled periodic payments or any other payments pursuant to the terms of the consumer's dwelling loan.

43. Therefore, Defendants' representations as set forth in paragraph 41 are false and misleading and constitute deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S. C. § 45(a)

VIOLATIONS OF THE MARS RULE

44. In 2009, Congress directed the FTC to prescribe rules prohibiting unfair or deceptive acts or practices with respect to mortgage loans. Omnibus Act, § 626, 123 Stat. at 678, as clarified by Credit Card Act, § 511, 123 Stat. at 1763-64. Pursuant to that direction, the FTC promulgated the MARS Rule, 16 C.F.R. Part 322, all but one of the provisions of which became effective on December 29, 2010. The remaining provision, Section 322.5, became effective on January 31, 2011.

45. The MARS Rule and Regulation O define "mortgage assistance relief service provider" as "any person that provides, offers to provide, or arranges for others to provide, any mortgage assistance relief service" other than the dwelling loan holder, the servicer of a dwelling loan, or any agent or contractor of such individual or entity. 16 C.F.R. § 322.2, recodified as 12 C.F.R. § 1015.2.

46. Since January 31, 2011, the MARS Rule and Regulation O prohibit any mortgage assistance relief service provider from requesting or receiving payment of any fee or other consideration until the consumer has executed a written agreement between the consumer and the consumer's loan holder or servicer that incorporates the offer that the provider obtained from the loan holder or servicer. 16 C.F.R. § 322.5(a), recodified as 12 C.F.R. § 1015.5(a).

47. The MARS Rule and Regulation O prohibit any mortgage assistance relief service provider from representing, expressly or by implication, in connection with the advertising, marketing, promotion, offering for sale, sale, or performance of any mortgage assistance relief service, that a consumer cannot or should not contact or communicate with his or her lender or servicer, 16 C.F.R. § 322.3(a), recodified as 12 C.F.R. § 1015.3(a).

48. The MARS Rule and Regulation O prohibit any mortgage assistance relief service provider from misrepresenting, expressly or by implication, any

material aspect of any mortgage assistance relief service, including but not limited to:

(a) the likelihood of negotiating, obtaining, or arranging any represented service or result. 16 C.F.R. § 322.3(b)(1), recodified as 12 C.F.R. § 1015.3(b)(1);

(b) the amount of time it will take the mortgage assistance relief service provider to accomplish any represented service or result. 16 C.F.R. § 322.3(b)(2), recodified as 12 C.F.R. § 1015.3(b)(2);

(c) that a mortgage assistance relief service is affiliated with, endorsed or approved by, or otherwise associated with (i) the United States government, (ii) any governmental homeowner assistance plan, (iii) any Federal, State, or local government agency, unit, or department, (iv) any nonprofit housing counselor agency or program, (v) the maker, holder, or servicer of the consumer's dwelling loan, or (vi) any other individual, entity, or program. 16 C.F.R. § 322.3(b)(3)(i)-(vi), recodified as 12 C.F.R. § 1015.3(b)(i)-(vi).

(d) the consumer's obligation to make scheduled periodic payments or any other payments pursuant to the terms of the consumer's dwelling loan. 16 C.F.R. § 322.3(b)(4), recodified as 12 C.F.R. § 1015.3(b)(4).

49. The MARS Rule and Regulation O prohibit any mortgage assistance relief service provider from failing to place a statement in every general commercial communication disclosing that (i) the provider is not associated with the government and its service is not approved by the government or any lender, and (ii) in certain cases, a statement disclosing that the lender may not agree to modify a loan, even if the consumer uses the provider's service. 16 C.F.R. §§ 322.4(a)(1)-(2), recodified as 12 C.F.R. §§ 1015.4(a)(1)-(2).

50. The MARS Rule and Regulation O prohibit any mortgage assistance relief service provider from failing to place a statement in every consumer-specific

commercial communication (i) confirming that the consumer may stop doing business with the provider or reject an offer of mortgage assistance without having to pay for the services, (ii) disclosing that the provider is not associated with the government and its service is not approved by the government or any lender, and (iii) in certain cases, a statement disclosing that the lender may not agree to modify a loan, even if the consumer uses the provider's service, and (iv) in certain cases, a statement disclosing that if they stop paying their mortgage, consumers may lose their home or damage their credit. 16 C.F.R. §§ 322.4(b)(1)-(3) and (c), recodified as 12 C.F.R. §§ 1015.4(b)(1)-(3) and (c).

51. Pursuant to the Omnibus Act, § 626, 123 Stat. at 678, as clarified by the Credit Card Act, § 511, 123 Stat. at 1763-64 and amended by the Dodd-Frank Act, § 1097, 124 Stat. at 2102-03, 12 U.S.C. § 5538, and pursuant to Section 18(d)(3) of the FTC Act, 15 U.S.C. § 57a(d)(3), a violation of the MARS Rule or Regulation O constitutes an unfair or deceptive act or practice in or affecting commerce, in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

COUNT III

(Collection of Advance Payments)

52. In numerous instances, in the course of providing, offering to provide, or arranging for others to provide mortgage assistance relief services, Defendants ask for or receive payment before consumers have executed a written agreement between the consumer and the loan holder or servicer that incorporates the offer obtained by Defendants, in violation of the MARS Rule, 16 C.F.R. § 322.5(a) and Regulation O, 12 C.F.R. § 1015.5(a).

COUNT IV

(Prohibited Representation)

53. In numerous instances, in the course of providing, offering to provide, or arranging for others to provide mortgage assistance relief services, Defendants, in violation of the MARS Rule, 16 C.F.R. § 322.3(a), and Regulation O, 12 C.F.R.

§ 1015.3(a), have represented, expressly or by implication, that a consumer cannot or should not contact or communicate with his or her lender or servicer.

COUNT V

(Material Misrepresentations)

54. In numerous instances, in the course of providing, offering to provide, or arranging for others to provide mortgage assistance relief services, Defendants, in violation of the MARS Rule, 16 C.F.R. § 322.3(b)(1)-(4), and Regulation O, 12 C.F.R. § 1015.3(b)(1)-(4), have misrepresented, expressly or by implication, material aspects of their services, including, but not limited to:

(a) Defendants' likelihood of obtaining mortgage loan modifications for consumers that will make their payments substantially more affordable;

(b) The amount of time it will take the mortgage assistance relief service provider to accomplish any represented service or result;

(c) Defendants are affiliated with, endorsed, or approved by, or otherwise associated with:

(i) The United States government,

(ii) Any governmental homeowner assistance plan,

(iii) Any Federal, State, or local governmental agency, unit, or department,

(iv) Any nonprofit housing counselor agency or program, or

(v) The maker, holder, or servicer of the consumer's dwelling loan, and

(d) The consumer's obligation to make scheduled periodic payments or any other payments pursuant to the terms of the consumer's dwelling loan.

COUNT VI

(Failure to Disclose)

55. In numerous instances, in the course of providing, offering to provide, or arranging for others to provide mortgage assistance relief services, Defendants have failed to make the following disclosures:

(a) in all general commercial communications –

(1) "[Name of company] is not associated with the government, and our service is not approved by the government or your lender," in violation of the MARS Rule, 16 C.F.R. § 322.4(a)(1), and Regulation O, 12 C.F.R. § 1015.4(a)(1); and

(2) Even if you accept this offer and use our service, your lender may not agree to change your loan," in violation of the MARS Rule, 16 C.F.R. § 322.4(a)(2), and Regulation O, 12 C.F.R. § 1015.4(a)(2);

(b) in all consumer-specific commercial communications –

(1) "You may stop doing business with us at any time. You may accept or reject the offer of mortgage assistance we obtain from your lender [or servicer]. If you reject the offer, you do not have to pay us. If you accept the offer, you will have to pay us [insert amount or method for calculating the amount] for our services," in violation of the MARS Rule, 16 C.F.R. § 322.4(b)(1), and Regulation O, 12 C.F.R. § 1015.4(b)(1);

(2) "[Name of Company] is not associated with the government, and our service is not approved by the government or your lender," in violation of the MARS Rule, 16 C.F.R. § 322.4(b)(2), and Regulation O, 12 C.F.R. § 1015.4(b)(2);

(3) "Even if you accept this offer and use our service, your lender may not agree to change your loan," in violation of the MARS

Rule, 16 C.F.R. § 322.4(b)(3), and Regulation O, 12 C.F.R. § 1015.4(b)(3); and

(4) "If you stop paying your mortgage, you could lose your home and damage your credit," in violation of the MARS Rule, 16 C.F.R. § 322.4(c), and Regulation O, 12 C.F.R. § 1015.4(c).

CONSUMER INJURY

56. Consumers have suffered and will continue to suffer substantial injury as a result of Defendants' violations of the FTC Act, the MARS Rule, and Regulation O. In addition, Defendants have been unjustly enriched as a result of their unlawful acts or practices. Absent injunctive relief by this Court, Defendants are likely to continue to injure consumers, reap unjust enrichment, and harm the public interest.

THIS COURT'S POWER TO GRANT RELIEF

57. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), empowers this Court to grant injunctive and such other relief as the Court may deem appropriate to halt and redress violations of any provision of law enforced by the FTC. The Court, in the exercise of its equitable jurisdiction, may award ancillary relief, including rescission or reformation of contracts, restitution, the refund of monies paid, and the disgorgement of ill-gotten monies, to prevent and remedy any violation of any provision of law enforced by the FTC.

58. Section 19 of the FTC Act, 15 U.S.C. § 57b, and Section 626 of the Omnibus Act authorize this Court to grant such relief as the Court finds necessary to redress injury to consumers resulting from Defendants' violations of the MARS Rule, including rescission and reformation of contracts and the refund of money.

PRAYER FOR RELIEF

Wherefore, Plaintiff Federal Trade Commission, pursuant to Sections 13(b) and 19 of the FTC Act, 15 U.S.C. § 53(b) and 57b, the Omnibus Act, and the Court's own equitable powers, requests that the Court:

A. Award Plaintiff such preliminary injunctive and ancillary relief as may be necessary to avert the likelihood of consumer injury during the pendency of this action, and to preserve the possibility of effective final relief, including but not limited to a temporary and preliminary injunction, an order freezing assets, and appointment of a receiver;

B. Enter a permanent injunction to prevent future violations of the FTC Act, the MARS Rule and Regulation O by Defendants;

C. Award such relief as the Court finds necessary to redress injury to consumers resulting from Defendants' violations of the FTC Act and the MARS Rule and Regulation O, including but not limited to, rescission or reformation of contracts, restitution, the refund of monies paid, and the disgorgement of ill-gotten monies; and

D. Award Plaintiff the costs of bringing this action, as well as such other and additional relief as the Court may determine to be just and proper.

Dated: April 2, 2015

Respectfully submitted,

JONATHAN E. NUECHTERLEIN
General Counsel

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DECLARATION OF SERVICE

I hereby certify that on the 2nd day of April 2015, I caused the foregoing **PLAINTIFF'S FIRST AMENDED COMPLAINT FOR PERMANENT INJUNCTION AND OTHER EQUITABLE RELIEF** to be served by third party commercial carrier for overnight delivery on the following:

Christian D. Quezada
[Street address omitted per
L.R. 79-5.1]
Garden Grove, CA 92843
Defendant (Pro Per)

Christian Quezada
Agent for Service of Process
CD Capital Investment, LLC
[Street address omitted per
L.R. 79-5.1]
Garden Grove, CA 92843

Christian Quezada
Agent for Service of Process
CD Capital, LLC
[Street address omitted per
L.R. 79-5.1]
Garden Grove, CA 92843

Additionally, I have caused the foregoing documents to be emailed to Mireya Duenas and Defendant Gabriel Drews Stewart who have consented to service via email. I also have emailed Defendant Christian Quezada.

s/ LaShawn M. Johnson
LaShawn M. Johnson