

**STATE OF FLORIDA  
DEPARTMENT OF LEGAL AFFAIRS  
OFFICE OF THE ATTORNEY GENERAL**

**IN THE MATTER OF:**

**ATTORNEY DEBT SERVICES, LLC  
d/b/a HOMEKEEPER USA and  
JAMES T. PAPPAS an individual**

**AG Case No. L-09-3-1001**

**Respondents.**

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**ASSURANCE OF VOLUNTARY COMPLIANCE**

**PURSUANT** to the provisions of Chapter 501, Part II, Florida Statutes, the Florida Deceptive and Unfair Trade Practices Act, the STATE OF FLORIDA, DEPARTMENT OF LEGAL AFFAIRS, OFFICE OF THE ATTORNEY GENERAL, hereinafter referred to as the "Department," caused an investigation to be made into the business practices of ATTORNEY DEBT SERVICES, LLC, a Florida Limited Liability Corporation, doing business as HomeKeeper USA, which presently conducts business in the state of Florida with a principal place of business at 3030 North Rocky Point Drive, Suite 400, Tampa, FL 33607, and James T. Pappas, managing member of the business. Attorney Debt Services, LLC, doing business as HomeKeeper USA and James T. Pappas are hereinafter referred to as "Respondents."

**IT APPEARS THAT** Respondents are prepared to enter into this Assurance of Voluntary Compliance, hereinafter "AVC," without an admission that Respondents have violated the law and for the purpose of resolution of this matter with the Department, and the Department, by and through the undersigned Assistant Attorney General, and the undersigned Director, Economic Crimes Division, being in agreement, does in this

accept this AVC in termination of this investigation, pursuant to Section 501.207(6), Florida Statutes, and by virtue of the authority vested in the Department by said statute.

### **I. STIPULATED FACTS**

1.1 Respondents engaged primarily in the business of offering services to homeowners who have defaulted under the terms of their home mortgages, are about to enter the foreclosure process, or are in foreclosure. Specifically, among other things, Respondents offer, for an advance fee, to assist consumers with arranging an alternative payment plan with the homeowner's lender for the purpose of avoiding foreclosure.

1.2 The Department has investigated allegations that Respondents are not fully compliant with provisions of Florida Statute 501.1377 which prohibit collection of client payments prior to completion of foreclosure-related rescue services and which also include requirements for foreclosure-related rescue services written agreements.

1.3 Respondents and the Department desire to resolve all issues arising during the course of this investigation.

1.4 This AVC is based upon the stipulated facts set forth in Paragraphs 1.1 through 1.3 above. The Department shall not be estopped from taking further action in this matter should the facts described herein be shown to be incorrect in any material way, or the AVC not be complied with in full.

### **II. TERMS**

2.1 Respondents have voluntarily agreed to cease all business operations of HomeKeeper USA as of close of business December 19, 2008, until such time as issues identified in paragraph 1.2, above are remedied. In addition, Respondents agree to discontinue use of the "Attorney Debt Services, LLC" business name and to notify the

Secretary of State to cancel the business registration within thirty (30) calendar days of the effective date of this AVC. Respondents will also discontinue use of the name "HomeKeeper USA, Inc." on its web site.

2.2 Respondents and their representatives, agents, employees, successors, assigns or any other person who acts under, by, through, or on behalf of Respondents, directly or indirectly, or through any corporate or other device, shall comply with the Florida Deceptive and Unfair Trade Practices Act, Chapter 501, Part II, Florida Statutes.

2.3 Respondents shall make the terms and conditions of this AVC known to the Respondents' managers, members, officers, directors, and successors.

2.4 Respondents shall not affect any change in any form of doing business or organizational identity as a method of avoiding the terms of this AVC.

2.5 Nothing in this AVC shall be construed as a waiver of any private rights of any person or release of any private rights, causes of action, or remedies of any person against the Respondents.

2.6 Florida Statute 501.1377, effective October 1, 2008, prohibits foreclosure-related rescue businesses, such as Respondents, from collecting payment from clients prior to the completion of foreclosure-related rescue services. Respondents agree to refund clients identified in Exhibit A (a listing of all clients that were charged and paid an upfront fee for foreclosure-related rescue services on or after October 1, 2008) in accordance with the following:

a. No refund is required for the improper collection of the fee in advance of services, if Respondents have completed the contracted foreclosure-related rescue services as of the date of their signing of this AVC.

b. No additional refund is required if the Respondents have previously refunded the consumer(s) in accordance with Respondents' Memorandum of Understanding with the consumer.

c. No refund is required, for the improper collection of the fee in advance of services, if within sixty (60) calendar days of the date of Respondents' signature to this AVC, Respondents complete the contracted foreclosure-related rescue services of the clients listed in Exhibit A and commencing thirty (30) calendar days after the execution of this AVC, Respondents provide the Department an update each thirty (30) calendar days to identify the status of each client account included in Exhibit A.

d. If Respondents fail to complete the contracted foreclosure-related rescue services within six (6) months of the date of Respondents' signature to this AVC, Respondents shall fully refund each client listed in Exhibit A whose foreclosure-related rescue services have not been completed.

### **III. STIPULATED PAYMENT**

3.1 The parties agree that Respondents shall contribute a total of \$10,000.00 (TEN THOUSAND DOLLARS) to the SENIORS VS. CRIME, Inc., for educational, investigative, and crime prevention programs for the benefit of senior citizens and the community as a whole. All payments shall be made by cashier's check or other certified funds, made payable to SENIORS VS. CRIME, INC., and sent to Erin Cullaro, Assistant Attorney General, Office of the Attorney General, Concourse Center IV, 3507 E. Frontage Rd., Suite 325, Tampa, Florida 33607. Payments shall be made as follows: \$3,400.00 (THREE THOUSAND FOUR HUNDRED DOLLARS) shall accompany the signed and notarized agreement. Thereafter, \$3,300.00 (THREE THOUSAND THREE HUNDRED

DOLLARS) shall be due and payable, in the same manner as set forth above, thirty days from the date of execution of this agreement and then \$3,300.00 (THREE THOUSAND THREE HUNDRED DOLLARS) on or before the expiration of sixty (60) days from the date of execution of this agreement. Time is of the essence in all payments.

3.2 The original signed copy of this AVC and each of the above-described payments will be delivered to the attention of: Erin Collins Cullaro, Assistant Attorney General, Office of Attorney General, Economic Crimes Division, 3507 E. Frontage Rd., Ste. 325, Tampa, Florida, 33607.

3.3 Consumers who request refunds based upon conditions identified in paragraph 1.2 above will be refunded within thirty calendar days of their request. The schedule referenced in Exhibit A will be maintained current to accurately reflect the status of consumer refunds and or foreclosure-related service actions.

3.4 In the event that a court of competent jurisdiction makes a determination that a violation of any condition of this AVC has occurred, then Respondents shall be jointly and severally liable for \$500,000.00 (FIVE HUNDRED THOUSAND DOLLARS) in penalties, attorney's fees and costs, and other relief, as are allowed by law.

#### **IV. BUSINESS RECORDS**

4.1 Respondents agree to retain documents and other information reasonably sufficient to establish compliance with the provisions herein, and shall provide reasonable access to such documents and information to the Department upon request.

#### **V. FUTURE VIOLATIONS**

5.1 **IT IS HEREBY AGREED** by the parties that any failure to comply with the terms and conditions of this AVC is by statute prima facie evidence of a violation of

Chapter 501, Part II, Florida Statutes, and will subject Respondents to any and all civil penalties and sanctions authorized by law, including attorney's fees and costs.


**VI. ACCEPTANCE**

6.1 **IT IS HEREBY AGREED** by the parties that this AVC shall become effective upon its acceptance by the Director, Economic Crimes Division, who may refuse to accept it at her discretion. The receipt of or deposit by the Department of any monies pursuant to this AVC does not constitute acceptance by said Department, and monies received will be returned if this AVC is not accepted.

**IN WITNESS WHEREOF**, Respondents have caused this AVC to be executed by an authorized representative, as a true act and deed, in the county and state listed below, as of the date affixed thereon.

**BY MY SIGNATURE** I hereby affirm that I am acting in my capacity and within my authority as Manager, and in my individual capacity, and that by my signature I am binding myself and the business to the terms and conditions of this AVC.

**ATTORNEY DEBT SERVICES, LLC dba HomeKeeper USA**

  
by James T. Pappas,  
Individually and as Managing Member

**State of Florida**  
**County of Hillsborough**

**BEFORE ME**, an officer duly authorized to take acknowledgments in the State of Florida, personally appeared James T. Pappas and acknowledged before me that he executed the foregoing instrument for the purposes therein stated, on this 27th day of January, 2009.

Sworn to and subscribed before me this 27th day of January, 2009.



NOTARY PUBLIC

Produced Florida Driver License P120-458-63-141-0 as identification



CHARLES A. HOLLAND  
Commission DD 659748  
Expires May 27, 2011  
Bonded Thru Troy Fain Insurance 800-366-7019

 Initials

**OFFICE OF THE ATTORNEY GENERAL**

*Erin Cullaro*

ERIN COLLINS CULLARO

Assistant Attorney General

Concourse Center 4

3507 Frontage Road, Suite 325

Tampa, Florida 33607

(813) 287-7950

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Accepted this 9 day of February, 2009.

*Mary Leontakianakos*

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MARY LEONTAKIANAKOS

Director, Economic Crimes Division

Department of Legal Affairs

OFFICE OF THE ATTORNEY GENERAL

The Capitol

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