

STATE OF FLORIDA
OFFICE OF THE ATTORNEY GENERAL,
OF LEGAL AFFAIRS

IN THE MATTER OF:

AG Case # L10-3-1147

INVESTIGATION OF

**Law Offices of Marshall C. Watson, P.A.
and Marshall C. Watson, Individually.**

ASSURANCE OF VOLUNTARY COMPLIANCE

PURSUANT to the provisions of the Florida Deceptive and Unfair Trade Practices Act, Part II of the Consumer Protection Statute, Chapter 501, the OFFICE OF THE ATTORNEY GENERAL, DEPARTMENT OF LEGAL AFFAIRS, hereinafter referred to as the "DEPARTMENT," caused an investigation to be made into the business practices of the LAW OFFICES OF MARSHALL C. WATSON, P.A. and MARSHALL C. WATSON, Individually (collectively, "Respondents") to determine whether Respondents have engaged in deceptive or unfair trade practices.

Respondent, LAW OFFICES OF MARSHALL C. WATSON, P.A., is a Florida corporation filed June 19, 1997 which presently conducts business in the State of Florida, with its principal place of business being 1800 NW 49th Street, #120, Fort Lauderdale, FL 33309.

Respondent, MARSHALL C. WATSON, is an attorney licensed to practice in the State of Florida.

This Assurance of Voluntary Compliance (hereinafter referred to as the "Assurance") is solely intended to resolve the investigation as to whether Respondents engaged in any deceptive or unfair trade practices. It is AGREED that this Assurance does not constitute an admission of


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any kind. This Assurance does not constitute a finding by any court or agency, including the DEPARTMENT, that Respondents have engaged in any act or practice declared unlawful by any laws, rules or regulations of the State of Florida. Respondents enter into this Assurance solely for the purpose of resolving this matter and without any admission that they have violated the law.

The DEPARTMENT, by and through the undersigned representatives of the Attorney General's Office, accept this Assurance in termination of this investigation, pursuant to Section 501.207(6), Florida Statutes, and by virtue of the authority in the Attorney General by said statute. The DEPARTMENT acknowledges Respondents' good faith and full cooperation during the course of its investigation, and Respondents' role in working with the DEPARTMENT to establish best practices in foreclosure actions.

I. BACKGROUND

1.1. During the time frame beginning at least four years prior to the effective date of this Assurance, Respondents participated in the filing of foreclosure actions on consumers alleged to have defaulted on their home mortgages. During this time period, Respondents have represented mortgagees in filing foreclosure actions in circuit courts throughout the State of Florida, obtained foreclosure judgments and handled the subsequent purchase of the foreclosed properties at the foreclosure sale on behalf of the Plaintiff, as well as the subsequent sale of the properties. The Department has received and reviewed consumer complaints and other information alleging the following:

- a. foreclosure actions have been filed before the legal standing of the Plaintiff has been determined;


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- b. process servers have provided false returns of service in foreclosure actions;
- c. unnecessary Defendants, such as John and Jane Doe, unknown tenants and unknown spouses, have been named in foreclosure actions and served with complaints at increased costs to foreclosure Defendants;
- d. forged documents have been filed with the Courts in foreclosure actions;
- e. affidavits have been filed which were executed by persons without knowledge of the allegations contained in the affidavits;
- f. documents have been filed which were notarized outside the presence of the party whose signature was being notarized;
- g. Summary Judgments of foreclosure have been obtained without proper notice to the Defendants.

1.2. As a result of these complaints, the DEPARTMENT opened an investigation into the business practices of the Respondents and other law firms.

1.3. This Assurance is being entered by Respondents for the sole purpose of compromising disputed claims without the necessity for protracted and expensive litigation, and this Assurance does not in any regard or respect constitute an admission by Respondents of violations of any law or regulation.

1.4. This Assurance is being entered by the DEPARTMENT to protect consumers by ensuring that best practices are utilized in foreclosure actions insuring significant and immediate changes in the process and procedures of litigation of foreclosure actions by Respondents.


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II. TERMS

2.1. Effective with the date of this Assurance, Respondents have agreed to implement the following policies and procedures and to ensure such best practices:

a. As a condition precedent to initiating a foreclosure case in a circuit court in Florida, each foreclosure case file of Respondent, LAW OFFICES OF MARSHALL C. WATSON, P.A. will contain the following: (1) the original note, or a lost note affidavit; (2) the original mortgage or a copy of the recorded mortgage; and (3) documentation establishing the loan and mortgage are in default; if (1) through (3) do not reflect the Plaintiff to be named in the foreclosure complaint as the party entitled to foreclose the note and mortgage, there must also be contained in the law firm's file documentation reflecting that the Plaintiff is a holder of the note or a nonholder in possession of the note who has the rights of a holder pursuant to Section 673.3011 of the Florida Statutes.

b. All foreclosure complaints filed subsequent to the effective date of this Assurance will name only one John or Jane Doe, or one unknown tenant per living unit unless Respondents have specific information in their file from a source in which MARSHALL A. WATSON has no ownership interest that there are persons other than the mortgagors residing in the home. Respondents will only add an "unknown spouse" as a party Defendant if there is information and documentation contained in Respondent's file that the property has been declared as Homestead Property. In the event of service by publication, Respondents' file will contain evidence of all efforts to make contact with


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the Defendants listed in the foreclosure complaint to be served by publication prior to seeking service by publication.

c. For cases that have already been filed and active, but in which no final judgment has yet been issued by the court on the effective date of this Assurance, the Respondents will ensure that prior to seeking entry of a final judgment the foreclosure court file contains the following: (i) the original note or a lost note affidavit; (ii) the original mortgage or a copy of the recorded mortgage; (iii) documentation establishing that the loan and mortgage are in default; and (iv) documentation reflecting that the named Plaintiff is entitled to enforce the mortgage. A verified complaint will only be required to be filed for complaints and amended complaints that were filed after June 3, 2010.

d. For cases currently in litigation on the effective date of this Assurance, without a final judgment having been issued by the court, the Respondents shall review said filings for compliance with Section 2.1(c) of this agreement and will file either amended affidavits, replacement affidavits or notices of withdrawal of any affidavits executed by persons who Respondents learn did not have actual knowledge of the allegations contained in the affidavits. Respondents shall not proceed with the litigation until there is compliance with the terms and conditions of this provision.

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 continue to comply with the Florida Deceptive and Unfair Trade Practices Act, Chapter 501, Florida Statutes.


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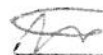
2.3. It is further agreed by the parties that Respondents shall be responsible for making the substantive terms and conditions of this agreement known to the officers, employees, agents, representatives, or any other persons that are substantially affected by this Assurance and are involved in Respondents' businesses, projects and activities. The obligation imposed by this paragraph is continuing in nature and shall apply to new officers, employees, agents, representatives or any other persons who become engaged in Respondents' business activities, including any future business activities in which MARSHALL C. WATSON engages.

2.4. It is further agreed by the parties that Respondents shall not affect any change in the form of doing business, or the organizational identity of any of the existing business entities, or create any new business entities, as a method of avoiding the terms and conditions set forth in this Assurance.

2.5. Nothing in this Assurance shall affect the private rights of any person or release any private causes of action.

III. STIPULATED PAYMENT

3.1. The parties agree that Respondent shall contribute a total of one million dollars (\$1,000,000.00) to the State of Florida, Office of the Attorney General, of Legal Affairs, pursuant to Section 501.207(6), Florida Statutes, in payment of all legal fees, costs and investigative fees regarding this investigation and in payment for costs of future investigations, if any. All payments shall be made by cashier's check or other certified funds, made payable to Department of Legal Affairs Revolving Trust Fund. The lump sum payment(s) shall be delivered to Assistant Attorney General June M. Clarkson and/or Assistant Attorney General Theresa B.


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Edwards with the original executed Assurance and delivered to the Office of the Attorney General at 110 S.E. 6th Street, Tenth Floor, Ft. Lauderdale, Florida 33301.

3.2 Respondents shall make, at the time of the signing of the present agreement, a one million dollar (\$1,000,000.00) donation to the Florida Bar Foundation, a Florida non-for-profit corporation (hereinafter "FBF"), Post Office Box 1553, Orlando, FL 32802-1553, to continue the Florida Attorney General Mortgage Foreclosure Grant Program, said funding to be utilized to provide legal assistance and representation to single family occupant homeowners in Florida who are in foreclosure proceedings or are in danger of facing foreclosure.

3.3 No statutory penalties or fines shall be applied.

3.4 The original Assurance, bearing the signature of Respondents' counsel and the notarized signatures of MARSHALL C. WATSON, individually and as President and Director of LAW OFFICES OF MARSHALL C. WATSON, P.A. and the above-described payments will be delivered to the attention of: June M. Clarkson and Theresa B. Edwards, Assistants Attorneys General, Office of Attorney General, Economic Crimes Division, 110 SE 6th Street, 10th Floor, Fort Lauderdale, FL 33301.

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 within ten days of request.

Respondents will provide to the DEPARTMENT the name of a person who will act as liaison for the firm, available to representatives of the DEPARTMENT to answer questions and provide information establishing compliance with the terms of this Assurance.


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V. FUTURE VIOLATIONS

5.1. It is hereby agreed by the parties that any willful failure by either Respondent to comply with the terms and conditions of this Assurance will be prima facie evidence of a violation of Chapter 501, Part II, Florida Statutes, and will subject the Respondent in violation to any and all civil penalties and sanctions authorized by law, including attorneys' fees and costs.

VI. CLOSURE OF INVESTIGATION

6.1. The DEPARTMENT agrees to close its civil investigation into the activities of Respondents upon the execution of this Assurance by all parties. The parties agree that this Assurance has been entered into based on the truthfulness of the information provided by Respondents, in their individual and corporate capacities.


VII. EFFECTIVE DATE OF ASSURANCE OF VOLUNTARY COMPLIANCE

7.1 It is further agreed by the parties that the effective date of this Assurance shall be the date of its execution and delivery by all the parties, including each of the parties reflected by the signature lines below. Acceptance by the Office of the Attorney General can be established only by the signature of the Deputy Attorney General. It is further agreed that facsimile copies of signatures and notary seals may be accepted as original for the purposes of establishing the existence of this agreement.

VIII. NOTICE TO PARTIES

8.1. It is further agreed that future notice to any of the parties to this Assurance may be made by notice sent certified mail to the addresses set forth below unless either party notifies the other by certified mail of another address to which notices should be provided.



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IX. CONSTRUCTION OF AGREEMENT

9.1. It is further agreed that the parties jointly participated in the negotiation of the terms of this Assurance. No provision of this Assurance shall be construed for, or against, any party, on the grounds that one party had more control over establishing the terms of this Assurance, than another.

GREENBERG TRAURIG
1221 Brickell Avenue
Miami, FL 33131


By: Holly R. Skolnick, Esq.
(305) 579-0860
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Marshall C. Watson, individually
1800 NW 49th Street, #120
Fort Lauderdale, FL 33309


Marshall C. Watson as President and Director of
The Law Offices of MARSHALL C. WATSON, P.A.
1800 NW 49th Street, #120
Fort Lauderdale, FL 33309

STATE OF FLORIDA)

COUNTY OF BROWARD)

BEFORE ME, an officer duly authorized to take acknowledgments in the State of Florida, personally appeared, Marshall C. Watson individually, and as President and Director of


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The law Offices of MARSHALL WATSON, P.A., a Florida Corporation. He acknowledged before me that he executed the foregoing instrument for the purposes therein stated on the 7th day of March, 2011.

Subscribed to before me this 7th day of March, 2011.

NOTARY PUBLIC
MARSHALL WATSON, P.A.
1111 S. W. 1st St.
Fort Lauderdale, FL 33301
(954) 712-4600
www.marshallwatson.com

NOTARY PUBLIC

(print, type, or stamp commissioned Notary Public)

Personally Known ☒ or Produced Identification ☐ (check one)

Type of long-term office, if any: _____

OFFICE OF THE ATTORNEY GENERAL

June M. Clarkson

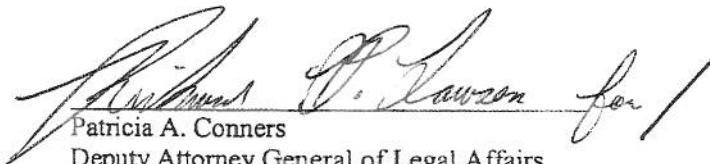
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June.Clarkson@myfloridalegal.com

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Accepted this 24 day of March, 2011.

APL
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Patricia A. Conners

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