

**IN THE CIRCUIT COURT OF THE  
SEVENTEENTH JUDICIAL CIRCUIT  
IN BROWARD COUNTY, FLORIDA**

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

**CASE NO. CACE-18-015915(04)**

**Plaintiff,**

**v.**

**LAWRENCE JOSEPH FORNO, an individual, and  
RICHARD B. MEYER, an individual;**

**Defendants.**

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**ATTORNEY GENERAL'S *EX PARTE* MOTION FOR TEMPORARY  
INJUNCTION, ASSET FREEZE, AND OTHER RELIEF  
WITH MEMORANDUM IN SUPPORT**

Plaintiff, Office of the Attorney General, State of Florida, Department of Legal Affairs (“Attorney General”), by and through the undersigned counsel, moves for the issuance of an *ex parte* order granting temporary relief, pursuant to Section 812.035(1)(b), Florida Statutes, and the Florida Rules of Civil Procedure, which enjoins Defendant Lawrence Forno, Defendant Richard B. Meyer (collectively, “Defendants”), and the businesses used in Defendants’ theft scheme, from engaging in acts of theft; prohibits their ability to transfer, liquidate, or dissipate assets; provides for temporary ancillary equitable relief necessary to give effect to the requested injunction; and orders expedited discovery.

The requested *ex parte* temporary equitable relief and expedited discovery are necessary to prevent Defendants’ theft scheme from continuing to inflict significant injury to the public and to maintain the status quo to preserve this Court’s ability to provide relief at the conclusion of this matter.

## INTRODUCTION

Defendants (including a licensed Florida Bar attorney) knowingly and feloniously perpetrate an ongoing theft scheme through the brazen filing of fraudulent and unauthorized lawsuits in courts across the State of Florida for the purpose of stealing excess proceeds derived from court-ordered sales of real property (hereinafter “excess proceeds” or “excess funds”). Defendants’ theft scheme has generated millions of dollars in stolen proceeds. The sham lawsuits identified in the Attorney General’s initial complaint, just a fraction of the legal actions filed by Defendants, have resulted in the theft of \$1.5 million dollars. Moreover, Defendants have numerous additional actions for similarly large sums of money which are currently pending before judges across the State.

The funds at issue in this matter are excess proceeds, to wit, monies derived from the forced sale of real property (through either a tax deed sale resulting from unpaid delinquent property taxes or a foreclosure action) that remain after certain debts on the property have been paid. For example, if a property is sold at public auction for \$100,000 and a governmental entity or other party foreclosing on the property is owed \$10,000, the excess funds in such a sale would be \$90,000. The owner of the property or legitimate lienholders may claim the \$90,000 in excess funds.

Defendants file sham legal claims to these excess funds in which they knowingly and willfully misrepresent their role or legal authority to courts across the State of Florida. Defendants’ false claims include representations that: (1) corporate entities controlled by Defendant Meyer have been assigned a right entitling them to obtain the funds; (2) Defendant Meyer or corporate entities he controls have been authorized to collect the funds on behalf of the real party in interest in those funds. In some instances, the entities that allegedly made the assignments or that are named in the lawsuits are non-existent or have been dissolved.

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## I. STATEMENT OF FACTS

The instant motion is based on the facts and supporting evidence contained in the attached affidavits (Exhibits A – V) and incorporated herein by reference.

### A. THE ENTERPRISE’S THEFT SCHEME

#### 1. Overview

Since at least as early as 2014, Defendants, through various business entities they control<sup>1</sup> (Defendants and these business entities are collectively referred to herein as “Enterprise<sup>2</sup>”), have knowingly and willfully engaged in a brazen scheme to improperly claim at least \$1.5 million dollars in excess funds by filing sham legal actions in courts throughout Florida. Defendants execute the Enterprise’s scheme by filing unauthorized legal actions in which they knowingly and willfully misrepresent the Enterprise’s role or legal authority in those legal proceedings. In some instances, the Enterprise files lawsuits that falsely name one of the Entities as a party with a direct, lawful claim to the excess funds (typically due to a putative prior conveyance of the property to an Enterprise entity from a legitimate party). On other occasions, the Enterprise files false legal claims that name legitimate parties (either financial institutions or homeowners) as plaintiffs, such as Wells Fargo, N.A. or Bank of America, N.A. The Enterprise falsely represents that it is authorized to act on behalf of a legitimate party (purportedly due to having been granted a power of attorney from that legitimate party or pursuant to a contractual agreement with that legitimate party to collect the excess funds.<sup>3</sup>). In other instances, Defendant Forno has filed legal claims based on representations dissolved or non-existent entities using fabricated company

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<sup>1</sup> The Enterprise is comprised of Defendant Forno’s law firm; as well as the following business entities, which Defendant Meyer is the sole officer, *e.g.*, president, manager, and registered agent (referred to herein as the “**Meyer Corporate Entities**”): Citi Financial Services Incorporated International (“Citi Financial”), Mellon Mortgage Services Corp., Default Investor Corp.; Default Strategies, LLC; and WCI Financial Corporation; Rockland Trust CC Partners, Inc., The PNC Financial Services Group; and Florida Real Estate Investment Center, Inc. (which Meyer and Melissa Meyer are officers). **Exhibit A at ¶ 48.**

<sup>2</sup> Section 812.012(9) defines “Enterprise” as meaning “any individual, sole proprietorship, partnership, corporation, business trust, union chartered under the laws of this state, or other legal entity, or any unchartered union, association, or group of individuals associated in fact although not a legal entity.”

<sup>3</sup> Meyer provides Forno the affidavits and other supporting documents which accompany the excess legal claims Forno files. **Exhibit A at ¶ 52.** (Forno Tr. 81:8-22).

names that are substantially similar to well-known financial institutions alleged interest in the funds. For example, Defendant Forno named Chase Mortgage Services Corp., as a plaintiff in excess funds lawsuits; these entities, however, are not affiliated with JP Morgan Chase.

Many of the Enterprise's legal claims are filed in the name of (or based on conveyances from), parties that do not have a right to the excess funds – *e.g.*, the entities no longer exist, do not hold the mortgage, are not authorized to assign the mortgage, nor permitted to enter into debt-collection contracts with third parties.

For example, Defendant Forno filed an excess funds lawsuit on behalf of an institution that had been dissolved for approximately fifteen years. **Exhibit A at ¶ 41.** In another case, Forno named Wells Fargo, N.A. as the plaintiff in an excess funds lawsuit, but Wells Fargo, N.A., was simply the trustee for the mortgage-backed securitization trust (and thus was not the proper plaintiff, nor the party with authority execute an assignment of mortgage.). In another matter Forno supposedly filed on behalf of Wells Fargo, N.A., the bank had already filed its own legitimate claim to the funds. **Exhibit A at ¶¶ 36 and 37.**

2. *The Enterprise Files Sham Legal Actions to Steal Funds Belonging to Others*

a. *The Enterprise Files Unauthorized Legal Actions to Claim Funds on behalf of Parties without those Parties' Consent or Knowledge*

Defendants have secured numerous judgments or orders as a result of filing unauthorized legal actions in the name of legitimate parties such as Bank of America N.A. (“BOA”) or Wells Fargo N.A. (“Wells”). As a result of these judgments and orders, hundreds of thousands of dollars in excess funds have been deposited into Defendant Forno's attorney trust account (“IOTA”) and subsequently appropriated by Defendants for their personal use or the use of others not entitled to the funds. **Exhibit A at ¶¶ 36 – 43.**

For example, Defendant Forno filed a complaint purportedly on behalf of BOA, which alleged that BOA was entitled to excess funds generated from the sale of real property located in

Miami Beach, Florida (“Miami Property”). **Exhibit A at ¶ 38.** In support of this action, Defendant Forno filed a tax deed sales excess proceeds affidavit and an affidavit of identity and indebtedness<sup>4</sup> which were purportedly executed by a BOA representative. *Id.*

In contradiction of these filings, an Assistant Vice President of BOA provided a sworn affidavit to the Attorney General in which the representative averred that BOA had never authorized any organization or individual to collect excess funds generated from the sale of the Miami Property, never retained Defendant Forno to represent BOA in the legal action, and that BOA had not received any of the court-awarded funds. *Id.* The Enterprise’s bank accounts indicate that no payments, including any of the court-awarded funds, were paid to BOA. *Id.*

In fact, in one such case, which Defendant Forno putatively filed on behalf of Wells, Wells not only had not authorized the Forno action, but Wells had actually filed its own separate lawsuit to claim the excess funds. **Exhibit A at ¶ 36.**

With respect to m legal actions Defendant Forno filed in the name of legitimate parties identified herein, representatives of some of these legitimate parties attest that the legitimate parties had not authorized Defendant Forno or any other party to collect excess funds on behalf of the legitimate party. **Exhibit A at ¶¶ 36 – 38 and 46.** The Enterprise’s bank accounts indicate that no payments, including any of the court-awarded funds, were paid to any of the legitimate parties to whom the funds were awarded in these cases. **Exhibit A at Attach. 60.**

In numerous instances, the Defendants have claimed the Enterprise was authorized to act on behalf of legitimate institutions, typically via a power of attorney or a contractual agreement, to recover funds on behalf of the legitimate party. For example, Defendant Forno filed several

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<sup>4</sup> Florida law requires tax deed sales excess proceeds affidavits and affidavits of identity and indebtedness to be filed in certain excess fund lawsuits. Tax deed sales excess proceeds affidavits require parties to swear that they are a party owed funds. A party that claims a right to the funds as a mortgage holder is required to swear that they held the *recorded* mortgage at the time of the sale. In an affidavit of identity, parties attest to facts pertaining to the amounts they are owed.

excess funds lawsuits putatively on behalf of Mortgage Electronic Registration Systems, Inc. (“MERS”). **Exhibit A at ¶ 46.** In a sworn statement, Forno stated that Meyer had claimed that MERS authorized Meyer to represent the institution. *Id.* In reality, MERS had never authorized Meyer, a Meyer company, nor Forno to file said lawsuits. *Id.* Despite purportedly representing MERS’ interests in these cases, Forno admitted that during the course of litigating these matters on behalf of MERS, he never spoke to or communicated with any MERS representatives. *Id.*

***b. The Enterprise Files Legal Actions which Falsely Represent that the Enterprise Entities are Entitled to Excess Funds***

Defendants have also secured judgments or orders as a result of sham legal actions filed in the name of one of the Enterprise entities. Several of those entities (including Citi Financial Services Incorporated International - which Forno often identifies in court filings as “Citi Financial” - and Mellon Mortgage Services Corp) have names substantially similar to well-recognized, legitimate financial institutions. In reality, these entities have no actual affiliation with those legitimate financial institutions. **Exhibit A at ¶¶ 28 – 35.** Those judgments or orders awarded more than \$1.1 million in excess funds which were deposited into Defendant Forno’s IOTA and subsequently appropriated by Defendants for their personal use or the use of others not entitled to the funds. *Id.*

In these cases, Defendant Forno filed legal claims containing assertions that Enterprise entities were entitled to excess funds by virtue of a legal interest in the underlying real property when, in fact, the Meyer Corporate Entities had no such legitimate interest in the said real property. *Id.* In support of these legal actions, Defendant Forno submitted falsified assignments or other fake documents to courts across the State of Florida that falsely purported to transfer a real property interest from a legitimate party to one of the Enterprise entities that had no such valid interest in that property. *Id.* Most of the assignments of mortgage filed in support of these cases were not recorded in the county where the underlying properties were located, and, in

contradiction to the sworn statements executed on behalf of the Enterprise entities (representatives of the Enterprise entities, including Defendant Meyer, averred in these affidavits that the Enterprise entities were the mortgagees of record that appear on the recorded mortgage). *Id.*

For example, in January 2015, Defendant Forno filed a complaint which named “Citi Financial,” as the party entitled to excess funds generated from the sale of a condominium unit within the “Mark on Brickell” (the “Brickell Property”<sup>5</sup>). **Exhibit A at ¶ 28.** In support of Forno’s claim that Meyer’s Citi Financial Services Incorporated International (represented in the lawsuit as “Citi Financial”) was legally entitled to excess funds generated from the sale of the Brickell Property Defendant Forno filed an assignment of mortgage of the Brickell Property from Selene Finance, LP (“Selene”) to Meyer’s Citi Financial. The assignment of mortgage indicates that it was purportedly executed on behalf of Selene, in Dallas, Texas by Kate Dalin. *Id.*

A Senior Vice President of Selene reviewed the Selene assignment of mortgage, and averred that Selene: (1) does not execute such documents in Dallas, Texas; (2) was unable to locate any records that indicated that Selene had employed any individual by the name of Kate Dalin; (3) was unable to locate any records that indicated that Selene had ever acted as the servicer for any loan on the Brickell Property; and, (4) was unable to locate any records that indicated that Selene retained outside counsel to collect the excess funds generated from the sale of the Brickell Property. *Id.*

Other irregularities are evident on the face of the assignments and affidavits Defendant Forno filed in support of these legal actions. Many of the numerous assignments and affidavits, supposedly executed by numerous institutions during a period of approximately twenty years, are virtually identical in form. **Exhibit A at ¶¶ 28 – 35.**

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<sup>5</sup> described as Condominium M Unit No. PH 203, of the Mark on Brickell.

***c. The Enterprise Files Legal Actions on Behalf of Fabricated Plaintiffs, as well as Dissolved Businesses that Do Not Have an Interest in the Funds***

In some instances, Forno's legal claims to excess funds are based on representations that financial institutions that had been inactive or dissolved well before putative representatives of the entities supposedly "signed" the documents Forno filed in support of his "clients'" legal claims. For example, in 2016, Forno filed an Affidavit of Indebtedness in support of a lawsuit he purportedly brought on behalf of Coastal Funding Services, Inc., ("Coastal Funding") claiming that Coastal Funding was entitled to excess funds. The Affidavit of Indebtedness was purportedly executed by a representative of Coastal Funding in 2016. Coastal Funding, however, was dissolved in 2001. **Exhibit A at ¶ 41.** Similarly, Forno filed other actions that claimed funds based on mortgages or assignments related to a bankrupt out-of-state entity that had been administratively dissolved years earlier. **Exhibit A at ¶ 42.**

In another case, Defendant Forno filed a lawsuit for excess funds on behalf of an apparently non-existent company that had a name substantially similar to a legitimate institution. In that case, Defendant Forno named "Chase Mortgage Servicing Corp." as the plaintiff. **Exhibit A at ¶ 40.** "Chase Mortgage Servicing Corp." is not affiliated with JPMorgan Chase & Co. *Id.* Additionally, the Attorney General was unable to locate any entity that operated under the name "Chase Mortgage Servicing Corp" during the time the lawsuit was filed and the documents Forno filed did not indicate any address for the alleged entity. *Id.*

**B. DEFENDANT FORNO AND MEYERS' ROLES IN THE ENTERPRISE'S THEFT SCHEME**

***1. Defendants' Knowingly and Feloniously Deceive Florida's Courts.***

**Defendant Forno's Knowledge and Felonious Intent**

Defendant Forno's role in the Enterprise's scheme, which involves, *inter alia*, the filing of numerous sham lawsuits to unlawfully appropriate excess funds, evidences a high level of felonious intent. Various attorneys and/or other representatives of legitimate parties named in

many of the sham lawsuits have specifically advised Forno that the legitimate parties named in the suit had not authorized the excess funds litigation filed by Forno.

For example, in 2016, MERS became aware that Defendant Forno had filed lawsuits that named the company as a plaintiff and made claims that MERS was entitled to excess funds. **Exhibit A at ¶¶ 46. and 51-53.** Subsequently, an attorney who in fact was retained by MERS took Defendant Forno's deposition. *Id.*

During this deposition Forno admitted that Defendant Meyer had directed Forno to file the MERS' lawsuits. Forno claimed that Meyer had given him copies of contractual agreements to engage in recovery activities [purportedly between MERS and a Meyer Corporate Entity] that enabled Meyer to authorize the filing of the lawsuits. *Id.* Despite that claim, Defendant Forno contradictorily admitted that he did not think that Meyer had any direct relationship with MERS. *Id.*

Additionally, Defendant Forno admitted that he knew and was "perfectly ok" with Defendant Meyer's use of the fake name "Rick Reyes" when Meyer returned calls to MERS (supposedly on behalf of Forno). **Exhibit A at ¶ 51.** Again, illogically and despite the supposed contractual relationship between MERS and Meyer, Forno admitted that Meyer had to use the fake name when Meyer contacted MERS because otherwise MERS would not accept or return Meyer's telephone calls because MERS was "opposing counsel." **Exhibit A at ¶¶ 52 – 53.**

During this deposition, Defendant Forno also testified that Meyer would "retain" him via an e-mail communication. Forno admitted that he did not investigate the legitimacy of the documents Meyer provided to him, despite knowing that Meyer had previously been indicted for mortgage fraud. Additionally, Forno admitted that the supposed "recovery agreements" he received from Meyer did not even provide the amount that was to be claimed; instead, Forno

admitted that he would simply file a claim in whatever amount Meyer told him to sue for over the telephone. *Id.*

Since this deposition, Forno (with clear knowledge and awareness of the above-described deficiencies) has continued to file lawsuits on behalf or with the assistance of Defendant Meyer.

In 2015, Defendant Forno filed an excess funds lawsuit in the name of Deutsche Bank. Deutsche Bank (and the loan servicing company involved with the underlying real property) intervened in the lawsuit. The attorney retained by Deutsche Bank in that matter communicated with Defendant Forno regarding the lawsuit. **Exhibit A at ¶ 54.** That attorney informed Forno that Deutsche Bank had retained the attorney and he asked Forno for his contact at Deutsche Bank. *Id.* Defendant Forno declined to provide Deutsche Bank's attorney with Forno's supposed contact at Deutsche Bank. *Id.* Instead, Defendant Forno simply signed and returned the substitution of counsel form Deutsche's retained counsel had provided to him. After Defendant Forno withdrew from this excess fund case, Forno continued to file excess funds legal claims on behalf of other entities as described herein. *Id.*

In addition to the bases of the lawsuits Forno filed, Forno has apparently filed falsified documents related to service of process. **Exhibit A at ¶ 21.**

Despite being well aware that some of the excess funds lawsuits Defendant Forno filed in connection with Meyer were not authorized, Forno continues to file other similar sham lawsuits. Moreover, after being advised by legitimate parties that they had not authorized Defendant Meyer, or his companies, to act on their behalf, Defendant Forno has not sought to vacate any prior judgments relating to those legitimate parties.

Accordingly, it is clear that Defendant Forno knowingly and intentionally filed, and continues to file, lawsuits to unlawfully obtain excess funds for himself and Defendant Meyer.

The Enterprise has no legitimate legal claim to those excess funds, and its appropriation of those funds deprive those with a right to those excess funds of those monies.

### **Defendant Meyer's Knowledge and Felonious Intent**

As part of the Enterprise's theft scheme, Defendant Meyer has routinely signed false documents. Meyer signed affidavits in which he falsely swore that his companies had been assigned mortgages. **Exhibit A at ¶¶ 29, 30, 31 and 35.** Defendant Meyer has also executed documents in which he swore that his companies, as holders of certain mortgages, received mortgage payments from property owners. **Exhibit A at Attach. 7.** Meyer's various bank accounts, however, reflect no such payments. **Exhibit A at Attach. 48 – 60.**

With respect to the previously discussed unauthorized lawsuits on behalf of MERS, Meyer claimed that the four (4) MERS lawsuits had been mistakenly filed (supposedly, the tax information associated with the mortgages that were the basis for the excess funds lawsuits were not accurate. Meyer claimed that, as a result of this allegedly inaccurate tax information, the lawsuits made claims to funds generated from the wrong properties). Defendant Forno stated that these representations by Meyer were false. **Exhibit A at Attach. 46.**

Finally, with respect to the cases brought in the names of legitimate entities, the Enterprise's various bank accounts reveal that none of the court-awarded funds related to the cases at issue were transferred to the parties granted said funds. **Exhibit A at Attach. 60.** Instead, the bank accounts demonstrate that, after court-awarded funds were deposited into those accounts, Meyer paid for personal expenses and made transfers to his personal account or to other individuals/entities not entitled to these court-awarded funds. *Id.*

Clearly, in connection with the Enterprise's above-described actions, Defendant Meyer has obtained excess funds to which he had no legal right by falsely and intentionally representing to courts across this State that: a) his companies held certain mortgages on the underlying

properties; b) his companies had received mortgage payments relating to the underlying properties; and c) his companies were authorized to act on behalf of legitimate institutions. Accordingly, Defendant Meyer knowingly and intentionally obtained excess funds for himself and Defendant Forno, funds to which they had no right, and deprived those with a right to the funds of those monies.

2. Defendants' Efforts and Intent to Conceal the Enterprise's Scheme

The Enterprise files excess funds lawsuits in the name of, or on behalf of companies that no longer (or may never have) had a claim to the excess funds not only to mislead courts, but to also avoid alerting parties with a right to the excess funds of Defendants' bogus actions. Additionally, in some instances the Enterprise has engaged in deceptive or fraudulent service of process tactics to prevent providing parties with a legitimate interest to the funds notice of the Enterprise's bogus claims. For example, in one matter, the Enterprise forged and filed an affidavit of service that falsely claimed one of the defendants had been served with the Enterprise's legal action. **Exhibit U** and **Exhibit A** at ¶21.

In executing the Enterprise's scheme, Defendant Meyer has, at various times, used a fake name to conceal his true identity. Defendant Forno was aware and approved the deception by Meyer. Defendant Meyer has also admitted that he would take active steps to stymie enforcement of any monetary judgment against him by making false statements or moving assets. In a video posted publicly on the Internet, Defendant Meyer admitted that if he sat for a deposition in which he was questioned about his assets, his sworn testimony would:

"...probably gonna be a little bit closer to a story than I am going to be to the truth because I don't want to tell the guy where my stuff is. However, if I end up feeling... having a little bit of guilty moment for a second and I tell him, o.k. I bank at Wells Fargo, what's the first place I'm gonna go after my deposition is over? I'm going to Wells Fargo to move my money." **Exhibit A** at **Attach. 2**.

"I'm not gonna let you do a garnish[ment] ... what am I? An idiot?" *Id.*

In the same video, Defendant Meyer also asserted that "...if [the] answers aren't accurate or if I'm going to change the location of my money there's nothing you can do." *Id.*

Defendant Meyer has also cashed checks he received in connection with the Enterprise's Theft scheme at a check cashing store (on one day, he cashed three different checks for a total of \$150,000.00). **Exhibit A** at ¶ 50. Moreover, Defendant Meyer has transferred funds generated by the Enterprise to various non-Enterprise corporate bank accounts for which he is a signatory. **Exhibit A** at ¶ 49.

## **II. AN *EX PARTE* ORDER GRANTING TEMPORARY EQUITABLE RELIEF SHOULD ISSUE AGAINST THE ENTERPRISE**

The Attorney General seeks an order for *ex parte* temporary equitable relief pursuant to the Florida Theft Statute and rule 1.610, Florida Rules of Civil Procedure, as well as expedited discovery pursuant to the Florida Rules of Civil Procedure, to prevent unnecessary future harm to the public and to preserve the status quo until this Court proceeds to a full hearing on the merits of this case.

The Enterprise's flagrant violations of the law should be immediately enjoined. Such temporary restrictions are in the public interest as they will halt the Enterprise's victimization of even more members of the public by preventing the continued theft of excess funds via fraudulent and unmeritorious legal claims. Moreover, such relief is warranted because the Enterprise has no legitimate interest in continuing to benefit from its elaborate theft scheme. An order prohibiting the Enterprise's disposal, transfer, liquidation, assignment, relocation, or dissipation of assets related to the scheme and granting expedited discovery is necessary to maintain the status quo. Additionally, it is critical that this Court put in place protections to ensure that victims' funds in the Enterprise's possession are not further dissipated or hidden and that evidence is not destroyed.

In light of the Enterprise's repeated and continuing course of fraudulent conduct and its total disregard for the proper administration of justice in courts across this State, it is highly likely the Enterprise will show little to no regard for this Court's orders. Therefore, the Attorney General respectfully requests this Court prevent future public harm and maintain the status quo until this matter reaches final adjudication by entering an order for temporary equitable relief without notice that, *inter alia*: (1) enjoins the Enterprise's filing of excess funds claims; (2) directs financial institutions to freeze the Enterprise's assets so that it cannot conceal or dispose of the ill-gotten funds in its control which are subject to disgorgement and can be used for victim restitution; (3) appoints a temporary receiver; (4) grants the Attorney General and temporary receiver immediate access to the Enterprise's business premises to preserve evidence, as well as other expedited discovery; and (5) provides any additional equitable relief necessary to give effect to the injunction. Failing to provide such protections to prevent future harm and preserve the status quo would permit the Defendants to profit from the Enterprise's illegal activities and further injure the victims whom this action is intended to help.

**A. THE ATTORNEY GENERAL IS AUTHORIZED TO SEEK AND THIS COURT HAS AUTHORITY TO GRANT THE REQUESTED INJUNCTIVE AND ANCILLARY EQUITABLE RELIEF**

Unlike many criminal statutes, the Florida Theft Statute provides civil remedies, as well as criminal penalties, for violations of the act. The Florida Theft Statute specifically confers upon the Attorney General authority to institute civil proceedings to prevent violations of the Statute. *See Roush v. State*, 413 So. 2d 15, 19 (Fla. 1982) and section 812.035, Fla. Stat.

In a civil proceeding brought pursuant to the Florida Theft Statute, Florida courts have at their "disposal a wide range of civil remedies with which [they can] prevent further violations of the [Florida Theft Statute] ..." *Roush*, 413 So. 2d at 19. The Florida Theft Statute "gives the circuit court the discretionary power to order a number of harsh civil remedies, including injunctions. . .

which can be imposed in the absence of a criminal conviction.” *Id.* at 20. In any action brought pursuant to the Florida Theft Statute, “[p]ending final determination, the circuit court may at any time enter such injunctions, prohibitions, or restraining orders. . . as the court may deem proper.” § 812.035(5), Fla. Stat. Furthermore, when the public interest is implicated, as it is in this matter, courts’ “equitable powers assume an even broader and more flexible character than when only a private controversy is at stake.” *Porter v. Warner Holding Co.*, 328 U.S. 395, 398 (1946)(referencing the Emergency Price Control Act).

Accordingly, the Attorney General and this Court have the authority to respectively seek and grant the *ex parte* temporary relief requested in the instant Motion.

## **B. AN *EX PARTE* TEMPORARY INJUNCTION AGAINST THE ENTERPRISE IS WARRANTED**

### *1. Temporary Injunction Standard: Government Agencies Seeking Statutorily Authorized Injunctions Need only to Establish a Clear Legal Right to the Relief Sought*

Rule 1.610, Florida Rules of Civil Procedure (“Rule”), authorizes injunctive relief in the form of a temporary injunction upon an appropriate showing. Temporary injunctive relief is an extraordinary remedy to preserve the status quo while the merits of the underlying dispute are litigated. *See Bautista REO U.S., LLC v. ARR Investments, Inc.*, 4D16-3658, 2017 WL 3085349, at \*2 (Fla. 4th DCA July 19, 2017). Generally, courts require a showing of irreparable harm, an inadequate remedy at law, clear legal right<sup>6</sup>, and public interest. *Provident Mgmt. Corp. v. City of Treasure Island*, 796 So. 2d 481, 485 (Fla. 2001); *see also Concerned Citizens for Judicial Fairness, Inc. v. Yacucci*, 162 So. 3d 68, 72 (Fla. 4th DCA 2014).

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<sup>6</sup> Courts frequently use the phrases “a clear legal right to the relief sought” and “substantial likelihood of success on the merits” interchangeably when discussing the third prong of the temporary injunction test set forth in rule 1.610, Florida Rules of Civil Procedure. In *Finkelstein*, the Fourth District Court of Appeal enunciated its preference to “apply the standard which calls for determination of clear legal right.” *Finkelstein v. Se. Bank, N.A.*, 490 So. 2d 976, 981 (Fla. 4th DCA 1986).

Although courts ordinarily follow this four-part test in considering the propriety of temporary injunctive relief, the standard for a government agency authorized to seek injunctive relief by a statute that protects the public safety or welfare is simply to prove a clear legal right to the requested relief. Accordingly, when seeking to obtain a temporary injunction to enjoin violations of the Florida Theft Statute, the Attorney General (an enforcement authority of the Florida Theft Statute), is afforded the benefit of not having to make a showing of irreparable harm, inadequate remedy at law, or demonstrate that such relief is in the public interest; the Attorney General needs only to demonstrate a “clear legal right” to the requested relief. *See Storer Communications, Inc. v. State, Dept. of Legal Affairs*, 591 So. 2d 238, 240 (Fla. 4th DCA 1991) (stating that when seeking a temporary injunction pursuant to a statute providing for injunctive relief, the Department of Legal Affairs’ “sole burden” is to “establish that it had a clear legal right.”). As a matter of law, a government agency’s request for a statutorily authorized temporary injunction satisfies the elements of public interest, irreparable harm, or lack of an adequate remedy at law. *See, State of Florida, Dept. of Environmental Regulation v. Kaszyk*, 590 So. 2d 1010, 1012 (3d DCA 1991) (finding injunctions authorized pursuant to statutes designed to protect the public health and welfare are in the public interest.); *Miami-Dade County v. Fernandez*, 905 So. 2d 213, 215-16 (3d DCA 2005) (finding a government agency has a “clear public interest” in seeing that existing regulations are complied with.); and *Rudge v. City of Stuart*, 65 So. 3d 645 at 647 (4th DCA 2011) (holding that where a government agency seeks an injunction in order to enforce its police power, “irreparable harm is presumed.”).

Prior to issuing a temporary injunction, a trial court must be certain that the petition or other pleadings demonstrate a prima facie clear legal right to the relief requested. *Reinhold Construction, Inc. v. City Council for City of Vero Beach*, 429 So.2d 699 (Fla. 4th DCA 1983). To establish a clear legal right, the movant must demonstrate that it has a substantial likelihood of

success on the merits. *See, e.g., 3299 N. Fed. Highway, Inc. v. Bd. of County Com'rs of Broward County*, 646 So. 2d 215, 222 (Fla. 4th DCA 1994)(“...[T]o meet the ‘clear legal right’ test, the proponent of the injunction must demonstrate that it has a substantial likelihood of success on the merits”); *Gold Coast Chem. Corp. v. Goldberg*, 668 So. 2d 326, 327 (Fla. 4th DCA 1996); and *Playpen S., Inc. v. City of Oakland Park*, 396 So. 2d 830, 831 (Fla. 4th DCA 1981). “A substantial likelihood of success on the merits is shown if good reasons for anticipating that result are demonstrated.” *Reinhold Construction, Inc.*, 429 So. 2d at 699.

A temporary injunction should be granted only after the movant has alleged a prima facie case that the movant is entitled to relief and provided competent, substantial evidence in support of its facial allegations. *Singletary v. Costello*, 665 So. 2d 1099, 1102 (Fla. 4th DCA 1996) *Contemporary Interiors, Inc. v. Four Marks, Inc.*, 384 So.2d 734, 735 (Fla. 4th DCA 1980); *Finkelstein*, 490 So. 2d at 980; *Concerned Citizens for Judicial Fairness, Inc.*, 162 So. 3d at 72; and *State v. Beeler*, 530 So. 2d 932, 934 (Fla. 1988).

Furthermore, the Attorney General, as a state agency, is not required to post a bond pursuant to the Rule. *Sunplus Credit, Inc. v. Office of Attorney Gen., Dept. of Legal Affairs*, 752 So. 2d 1225, 1227 (Fla. 4th DCA 2000). Florida law provides that “[w]hen an injunction is issued on the pleading of a municipality of the state or any officer, agency, or political subdivision thereof, the court may require or dispense with a bond, with or without surety, and conditional in the same manner, having due regard for the public interest.” Fla. R. Civ. P. 1.610(b); and *Surplus Credit, Inc. v. Office of the Attorney General*, 752 So. 2d 1225, 1227 (4th DCA 2000). “The only exception to the mandatory bond requirement is when the movant is a governmental entity... the reason governmental entities are not required to post a bond before the granting of a temporary injunction is because governmental entities are “presumed to be financially responsible.” *Provident Mgmt. Corp. v. City of Treasure Island*, 796 So. 2d 481, 485–86 (Fla. 2001).

Accordingly, the Attorney General, as a state agency and the petitioning party, is not required to post a bond because the requested temporary injunction serves the public interest.

2. Standard for Ex Parte Temporary Injunctive Relief

Pursuant to rule 1.610(a), Florida Rules of Civil Procedure, “a temporary injunction may be granted without written or oral notice to the adverse party only if: (1) it appears from the specific facts shown by the affidavit or verified pleading that immediate and irreparable injury, loss, or damage will result to the movant before the adverse party can be heard in opposition; and (2) the movant’s attorney certifies in writing any efforts that have been made to give notice and the reasons why notice should not be require.” Fla. R. Civ. P. 1.610(a)(1). Pursuant to Florida law, it is sufficient to show “(1) how and why the giving of notice would accelerate or precipitate the injury or (2) that the time required to notice a hearing would actually permit the threatened irreparable injury to occur.” *Smith v. Knight*, 679 So. 2d 359, 361-2 (4th DCA 1996). “Examples of such a showing are where notice of a hearing will prompt a defendant to destroy records, cause unsecured assets to be liquidated in the context of a fraudulent enterprise, or precipitate the disposal of the major asset of a partnership subject to an accounting.” (*Id.*, at 362 (citations omitted)).

3. An Ex Parte Temporary Injunction is Necessary to Protect the Public from the Enterprise’s Theft Scheme

The Attorney General is entitled to a temporary *ex parte* injunction that would prevent the Enterprise’s violations of the Florida Theft Statute and preclude the Enterprise from taking actions that would continue to injure the public and exacerbate the injury to those who have already fallen victim to its theft scheme. The ample competent substantial evidence in support of this motion more than sufficiently establishes a prima facie case that the Enterprise is violating the Florida Theft Statute and that the Attorney General has a substantial likelihood of success on the merits of

its allegations in this matter. Accordingly, the Attorney General has a clear legal right to temporarily enjoin the Enterprise's conduct.

Moreover, permitting the Enterprise to continue its fraudulent scheme until the time a hearing is scheduled would cause further unnecessary and irreparable harm to the public, allow the Defendants to continue to benefit from their illegal acts, and risk the destruction of evidence and the dissipation or concealment of the stolen funds, thus accelerating or precipitating public harm. Accordingly, an *ex parte* temporary injunction is wholly warranted.

***a. The Attorney General has Established a Clear Legal Right to a Temporary Injunction Enjoining the Enterprise's Theft Scheme***

With respect to injunctive relief, the clear legal right test is satisfied when "a substantial likelihood of success on the merits" is demonstrated. *3299 N. Fed. Highway, Inc. v. Bd. of County Com'rs of Broward County*, 646 So. 2d 215. The abundance of competent evidence set forth herein clearly demonstrates a substantial likelihood that the Attorney General will prevail on its allegations that Defendants are violating the Florida Theft Statute. Accordingly, the Attorney General has a clear legal right to a temporary injunction enjoining Defendants' violations of the Florida Theft Statute.

The evidence in support of the Attorney General's Motion clearly establishes that the Attorney General has a substantial likelihood of success on the merits of its claims that the Enterprise has engaged in theft<sup>7</sup> and that they will be subject to the permanent remedies provided for by the Florida Theft Statute at the conclusion of this litigation. The affidavits, court records, financial records, and other evidence incorporated herein clearly establish that the Defendants have knowingly and intentionally engaged in theft and that their egregious conduct is ongoing.

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<sup>7</sup> Both liability and damages in a civil theft action must be proven by clear and convincing evidence. *Stuart L. Stein, P.A. v. Miller Indus., Inc.*, 564 So. 2d 539 (Fla. 4th DCA 1990) and *Haddad v. Cura*, 674 So. 2d 168 (Fla. 3d DCA 1996).

The Attorney General’s motion includes, *inter alia*, unequivocal evidence that Defendants, in perpetrating the Enterprise’s elaborate scam, knowingly and with felonious intent, manufacture evidence to deceive Florida courts and other parties, make fraudulent representation to the courts, and use funds generated in their scheme for Defendants’ personal use, thus depriving others of these funds. For these good reasons, a temporary injunction enjoining the Enterprise’s deliberately deceptive conduct, which involves defrauding Florida courts and stealing excess funds lawfully belonging to others, should issue immediately.

To prevail on an action for civil theft, a plaintiff must prove by a showing of clear and convincing evidence that the defendant: (1) knowingly; (2) obtained or used, or endeavored to obtain or use, the plaintiff’s property; (3) with felonious intent; (4) to deprive plaintiff of its right to or a benefit from the property or appropriate the property to the defendant’s own use or to the use of a person not entitled to the use of the property.” *See, e.g.*, section 812.014, Fla. Stat.; *Stuart L. Stein, P.A. v. Miller Indus., Inc.*, 564 So. 2d 539 (Fla. 4th DCA 1990); *Hawthorne v. Lyons*, 192 So. 3d 1279, 1280 (1st DCA 2016) (internal citation omitted); *State v. Dunmann*, 427 So. 2d 166 (Fla. 1983); *Pelletier v. Cutler*, 543 So. 2d 406 (Fla. 4th DCA 1989); and *Friedman v. Lauderdale Medical Equipment Service, Inc.*, 591 So. 2d 328 (Fla. 4th DCA 1992).

As demonstrated by the following competent evidence, it is clear that there is a substantial likelihood that the Attorney General will prevail on its allegations that the Enterprise has and continues to violate the Florida Theft Statute. Accordingly, the Attorney General has a clear legal right to a temporary injunction enjoining the Enterprise’s egregious conduct.

**i. The Enterprise has knowingly obtained or used, or endeavored to obtain or use funds belonging to others**

There is no question that the Enterprise has obtained, used, or endeavored to obtain or use funds belonging to others. The Florida Theft Statute defines “obtains or uses” as “any manner of: (a) taking or exercising control over property; (b) making any unauthorized use, disposition, or

transfer of property; (c) obtaining property by fraud, willful misrepresentation of a future act, or false promise; or (d) conduct previously known as stealing; larceny; purloining; abstracting; embezzlement; misapplication; misappropriation; conversion; or obtaining money or property by false pretenses, fraud, or deception; or other conduct similar in nature.” § 812.012(2), Fla. Stat.

The Enterprise has obtained excess funds that belonged to others through its fraud and deception on courts across the State. The excess funds awarded as a result of the Enterprise’s sham legal claims were deposited into Defendant Forno’s IOTA and subsequently transferred to and commingled with funds in Forno’s personal account and accounts controlled by Meyer. The Enterprise has failed to transfer these court-awarded excess funds to the parties awarded these monies and instead used these funds for unauthorized purposes, such as, *inter alia*, Defendants’ personal use. This substantial competent evidence establishes that Defendants have knowingly obtained, used, or endeavored to obtain or use funds belonging to others.

**ii. Defendants knowingly deprives others of their right to or a benefit from the property and appropriates the property for the Defendants’ own use or to the use of a person not entitled to the use of the property.**

The Enterprise knowingly deprives entities/individuals of their right to or a benefit from the property or appropriates the property to Defendants’ own use or to the use of a person not entitled to the use of the property.

The Florida Theft act defines “property” as anything of value (section 812.012(4), Florida Statutes), and “property of another” as property in which a person has an interest upon which another person is not privileged to infringe without consent, whether or not the other person also has an interest in the property (section 812.012(5), Florida Statutes).

As set forth *supra*, Defendant Forno’s knowledge that the Enterprise’s legal actions have sought to claim the property of another is evidenced by his filing of legal claims on behalf of parties without the knowledge or consent of these parties, his submission of forged documents and

false statements to Florida's courts in support of these bogus legal actions, his voluntarily dismissal or withdrawal from cases in which the false claims were challenged by legitimate parties, and his refusal to disclose his contacts at or agreements with the financial institutions that had purportedly retained him.

Defendant Meyer's personal involvement, as well as the extensive use of his various companies with names similar to more well-known financial institutions in the Enterprise's scheme demonstrate Meyer's knowledge of the above-described conduct. Meyer's participation includes the execution of affidavits in which he falsely swore that one of his numerous companies held a property entitling the company to the excess funds when no such right had been conveyed to those companies. Moreover, Meyer knowingly appropriated the property of others for his own use or to the use of a person not entitled to the use of the property. Once funds are transferred to Defendant Forno's IOTA, Forno then transfers the bulk of the funds to accounts controlled by Meyer and Meyer's family members. These accounts Defendants then deliberately fail to transfer funds to the parties whom courts awarded said funds, and instead appropriate the funds for their personal use.

Accordingly, this substantial competent evidence establishes that the Defendants knowingly deprive entities/individuals of their right to or a benefit from the property, as well as appropriate the property of others to Defendants for Defendants' own use or the use of a person not entitled to the use of the property.

**iii. Defendants have had felonious intent in executing the Enterprise's ongoing course of fraud and deception of Florida's Courts**

The intent necessary to satisfy the intent element in a claim for civil theft is "animus furandi, which means intent to steal, or felonious intent." *Daniels v. State*, 587 So. 2d 460, 461-2 (Fla. 1991)); *see also, Healy v. Suntrust Service Corp.*, 569 So. 2d 458, 460 (5th DCA 1990).

The Defendants have knowingly participated in the Enterprise's scheme to make legal claims to excess funds belonging to entities/individuals without the knowledge or consent of those entities/individuals. In support of the Enterprise's unauthorized legal actions, Defendants deliberately make false representations to courts and submit falsified documents. Defendant Forno has filed legal actions in the name of legitimate institutions without speaking to representatives of these institutions. Moreover, even after being advised by legitimate parties that they had not authorized Defendant Meyer, or his companies, to act on their behalf, Defendant Forno did not seek to vacate any prior judgments. In fact, Defendant Forno continues to work with Defendant Meyer to secure excess funds via the Enterprise's sham legal actions.

The purpose and result of the Enterprise's calculated deceptive acts has been to mislead courts across the State into ordering millions of dollars that belong to others into Defendant Forno's IOTA. Defendant Forno has then transferred these funds to (and the funds were commingled with the funds in) his personal account(s), accounts controlled by Meyer, and/or to others who were not entitled to these funds. Defendant Meyer has failed to transfer the funds in his accounts to the parties who were awarded or otherwise had a claim to these funds and instead used these funds for his personal use.

This substantial competent evidence establishes that Defendants deliberately orchestrated the Enterprise's elaborate scheme, in which Defendants knowingly undertook deceptive and fraudulent actions to deceive courts across the State into awarding funds belonging to others to the Enterprise, with the intent to steal the excess funds to which they laid false claim and to permanently deprive the entities/individuals to whom these funds in fact belonged of these monies.

In addition to enjoining the Enterprise's activities connected to the filing of sham lawsuits, it is necessary for this Court to also enjoin the Enterprise's disposal, distribution, transfer,

assignment, relocation, dissipating or waste of assets derived from of the Enterprise's scheme until further order of the Court to maintain the status quo. An asset freeze is critical to maintaining the status quo in this matter given the evidence demonstrating the Enterprise's willingness to engage in wrongdoing. The Enterprise has engaged in intentional acts to deceive courts; concealed its theft scheme through the use of multiple corporate entities designed to mimic legitimate and credible entities, its use of aliases, as well as its almost immediate transfer of stolen funds into Defendants' bank accounts and the Enterprise's practice of spending these stolen funds on personal expenditures such as a Mercedes Benz, a horse riding school and home improvements.

Accordingly, to prevent exacerbating the injury to the victims of the Enterprise's theft scheme and to maintain the status quo as to these victims, it is necessary for this Court to grant a temporary injunction that freezes the Enterprise's bank accounts until such time as an accounting can be conducted as to each account and it can be determined what portion of the funds contained in each account belong to the Enterprise's victims.

***b. A Temporary Injunction is the Only Remedy that will Protect the Public from the Irreparable Harm Inflicted by the Enterprise's Ongoing Theft Scheme***

Notwithstanding the case law set forth *supra* providing that the Attorney General is not required to establish public interest, irreparable harm, or lack of an adequate remedy at law because it seeks an injunction pursuant to the Florida Theft Statute, the following legal authority and substantial competent evidence establish that the requested injunction is in the public interest, will prevent irreparable harm, and that other remedies at law are inadequate.

Injunctions issued pursuant to the Florida Theft Statute are in the public interest. The Florida Theft Statute "represents a purposeful and meaningful legislative effort to combat theft and theft-related criminal activities." *Roush*, 413 So. 2d at 21. The authorized civil sanctions,

which expressly include injunctive relief, provide the State with an effective tool to halt the continuing harmful effects of those activities. *See, Id.* In *Roush*, the Florida Supreme Court recognized that the public was protected from further harm by the circuit court's injunction, issued pursuant to the Florida Theft Statute, which "inhibited future fraudulent conduct." *Id.* The competent evidence set forth herein clearly demonstrates that the Enterprise has engaged in, and continues to perpetrate, a scheme to steal funds by making fraudulent representations to courts across the State to the detriment of the public.

Additionally, the evidence submitted in support of this motion clearly establishes that failing to enjoin the Enterprise's ongoing acts of theft would result in irreparable harm. Through its elaborate theft scheme, the Enterprise routinely obtains and appropriates funds belonging to others. The Enterprise then dissipates these funds almost immediately, transferring the stolen funds to the Defendants and others who have no right to these funds. Permitting the Enterprise to knowingly engage in its egregious deception on courts across this State and permanently deprive others of the excess funds they are owed would allow the Enterprise to inflict irreparable harm on members of the public.

No remedy other than an immediate injunction would halt the Enterprise's continuing course of unlawful conduct and protect the public from future harm caused by its fraudulent theft scheme. The substantial competent evidence incorporated herein clearly establishes that the Enterprise is not going to stop on its own accord. Defendant Forno has routinely dismissed or withdrawn from his bogus legal actions when legitimate parties became aware of and challenged his false assertions. Furthermore, despite being well-aware of the fraudulent nature of the Enterprise's legal actions, the Defendants continue to file fraudulent excess funds claims, submit forged evidence, and make false representations to courts across the State. The Florida Theft Statute expressly provides for temporary injunctive relief because enjoining violations of the

Statute, such as the Enterprise's fraudulent scheme to steal excess funds, is the most appropriate and effective remedy.

*c. Ex Parte Temporary Relief is Necessary to Prevent Immediate and Irreparable Injury or Loss*

The Attorney General has made a prima facie case, setting forth competent evidence that it has a substantial likelihood of proving that the Enterprise's scheme violates the Florida Theft Statute and therefore has a clear legal right to temporary injunctive relief that enjoins the Enterprise's ongoing theft scheme. The affidavits, court records, and financial records which support this motion clearly demonstrate that the Defendants have knowingly and intentionally engaged in theft. The Enterprise's unmeritorious legal claims have resulted in the mass theft of at least \$1.5 million dollars, with Defendants stealing as much as \$220,000.00 from a single bogus lawsuit.

Moreover, it is clear that there is substantial risk of immediate and irreparable injury to the Enterprise's victims if the Enterprise is given notice of the requested temporary relief. Defendants' ongoing orchestration of the Enterprise's complex theft scheme demonstrates their clear disregard for the judicial process. Despite being well-aware of the falsity of the Enterprise's legal actions, Defendants continue to defraud Florida courts and injure the public by filing sham claims supported by fraudulent documents. In fact, the Enterprise currently has numerous similar excess fund suits pending before Florida Courts. Therefore, irreparable injury to the public is immediate.

Moreover, the possibility of criminal prosecution and a large monetary judgment depriving Defendants of the fruits of their illicit labor provide Defendants with ample incentive to conceal otherwise recoverable assets, as well as destroy evidence. In fact, the threat that Defendants may conceal funds is real; Defendant Meyer has made public statements, which he broadcasted over the Internet, detailing the actions he would take to conceal assets to evade a

monetary judgment. In light of that fact, coupled with the Enterprise's ongoing course of fraud and deception, there is substantial risk of further injury if notice were to be provided. Therefore an *ex parte* temporary injunction is necessary to protect the public.

Accordingly, it is imperative that this honorable Court enter an order without notice that: (1) enjoins the Enterprise from making or otherwise pursuing in any manner legal claims for excess funds, and (2) directs financial institutions to prevent Defendants' dissipation, transfer or liquidation of assets to prevent Defendants from dissipating or concealing said funds. The funds presently identified in Defendants' known financial accounts are inadequate to provide full victim redress. Providing notice would permit Defendants to continue to spend stolen funds and give them the opportunity to dissipate or conceal assets that this Court could use to provide relief to Defendants' victims at the conclusion of this litigation, thus exacerbating the injuries of Defendants' victims.

**C. TEMPORARY ANCILLARY EQUITABLE RELIEF & EXPEDITED DISCOVERY WITHOUT NOTICE ARE WARRANTED**

As discussed above, the Florida Civil Theft statute authorizes this Court to grant injunctions, divestitures, restraining orders, performance bonds, forfeitures and seizures, among other relief. Additionally, the statute expressly provides that its provisions "shall not be construed strictly or liberally, but shall be construed in light of their purposes to achieve their remedial goals." Section 812.037, Fla. Stat. Moreover, courts have the inherent authority to enter ancillary relief to give effect to their injunctive orders. *Porter v. Warner Holding Co.*, 66 S.Ct. 1086, 1089, 328 U.S. 395, 399 (1946); *F.T.C. v. Gem Merch. Corp.*, 87 F.3d 466, 469 (11th Cir. 1996); *Langford v. Wauchula State Bank*, 4 So. 2d 10, 11 (Fla. 1941); *Circle Fin. Co. v. Peacock*, 399 So. 2d 81, 84 (Fla. 1st DCA 1981). The ancillary relief detailed herein is critical to ensuring that an order from this Court enjoining the Enterprise's theft scheme effectively protects the public.

1. Order for Performance Bond

In addition to injunctive relief, section 812.035(5), Florida Statutes, authorizes this court to require performance bonds. Should this Court enter an order freezing Defendant Forno's IOTA, the Attorney General submits that, after an accounting can be conducted to determine what portion of the funds contained in the account belong to the Enterprise's victims, upon the request of Defendant Forno, the Court should consider entering a subsequent order modifying the injunction restraining Defendant Forno's use of his IOTA upon Defendant Forno's: (1) payment of a performance bond in an amount equal to the amount of funds connected to the excess funds scheme in his IOTA at the time his IOTA is frozen and (2) submission of sufficient evidence that the performance bond is in the amount of funds connected to the excess funds in his IOTA.

2. Appointment of a Temporary Receiver

"Equitable receiverships are a creation of common law, which are reserved for cases involving fraud, self-dealing, or waste". *Granada Lakes Villas Condo. Ass'n, Inc. v. Metro-Dade Investments Co.*, 125 So. 3d 756, 758–59 (Fla. 2013) (citing *McAllister Hotel v. Schatzberg*, 40 So.2d 201, 202–03 (Fla.1949); *Apalachicola N.R. Co. v. Sommers*, 79 Fla. 816, 85 So. 361, 362 (1920)). "The power to appoint a receiver has long been recognized as one that is inherent in a court of equity, which 'lies in the sound discretion of the chancellor to be granted or withheld according to the facts and circumstances of the particular case.'" *Id.* (Internal citations omitted). This Court may enter an *ex parte* order appointing a temporary receiver upon a showing that there is a strong likelihood of success on the merits at trial. *See Phillips v. Greene*, 994 So.2d 371 (3d DCA 2008). Further, A temporary receivership which is appointed without notice to preserve the property and interests of the parties during the pendency of a lawsuit may include parties that are not parties named in the action, but are in possession of the named parties assets. *Puma Enterprises Corp. v. Vitale*, 566 So. 2d 1343, 1345 (Fla. 3d DCA 1990).

This Honorable Court should appoint a temporary receiver over the businesses used in the Enterprise's theft scheme to marshal assets and preserve evidence critical to the prosecution of this matter. As the evidence demonstrates, the Enterprise has gone to great lengths to deceive courts across this State and to conceal its theft scheme. Thus, the Enterprise is likely to frustrate Plaintiff's efforts to discover evidence and identify assets. The receiver will help to prevent the Enterprise from disposing of ill-gotten funds by identifying, securing, and controlling the use of the Enterprise's assets, as well as preserving its records. The receiver will also assist in determining the full extent of the theft scheme and identify additional victims of the Enterprise's scheme. For these reasons, the Court should appoint a temporary receiver over the businesses used to perpetrate the Enterprise's theft scheme.

3. Immediate Access and Expedited Discovery

Additionally, to locate documents and assets related to the Enterprise's scheme, this Honorable Court should authorize the Plaintiff to engage in expedited discovery, order the turnover of the Enterprise's business records, and allow the Plaintiff and the temporary receiver immediate access to the Enterprise's business premises and records.

The risk looms large that the Enterprise will destroy key documents that identify its assets and information pertaining to defrauded parties, thus, immediate access and expedited discovery provisions are necessary to ensure that the Attorney General, temporary receiver, and this Court can ultimately determine: (a) the full scope of the Enterprise's' business operations, its financial status, the participants involved, and their roles in the theft scheme; (b) the full range and extent of the Enterprise's violations of law; (c) the identities of injured parties; (d) the total amount of public injury; and (e) the nature, extent, and location of the Enterprise's assets. The competent evidence set forth herein demonstrates that the Enterprise has obtained millions of dollars in stolen funds through its theft scheme. Accordingly, there is every incentive for Defendants to

destroy incriminating evidence and conceal their ill-gotten gains. As such, the Court's Order should grant the Plaintiff and the receiver immediate access and authorize a turnover of business records and limited expedited discovery. Moreover, given the expedited nature of civil theft proceedings, expedited discovery and immediate access to the Enterprise's records is critical to effective prosecution of this matter.

Rules 1.310(a), 1.340(a), 1.350(b), and 1.370(a), Florida Rules of Civil Procedure, give courts the authority to order expedited discovery. As stated above, when the public interest is at stake, the exercise of the court's broad equitable authority is particularly appropriate. *Porter*, 328 U.S. at 398 (when the public interest is implicated, the court's "equitable powers assume an even broader and more flexible character than when only a private controversy is at stake").

Specifically, to locate and trace wrongfully obtained assets and to protect against the destruction or concealment of key business records related to the Enterprise's theft scheme, the Attorney General requests that this honorable Court grant the temporary receiver and the Attorney General immediate access to the Enterprise's physical business premises to locate and to secure the Enterprise's assets and documents and limited expedited discovery for these same purposes. Along these lines, the Attorney General requests this honorable Court enter an order granting the Attorney General permission to conduct depositions and to require the production of documents relating to the Enterprise's assets and business transactions upon two (2) days' notice, as well as, require the Enterprise to grant the Attorney General immediate access to all electronic records.

Expedited discovery and immediate access to the Enterprise's business premises are necessary (given the nature of this scheme and the lengths to which the Enterprise has gone to obscure its scheme) to prevent irreparable harm in the form of the dissipation or concealment of assets or documents, and the strong likelihood that the perpetrators will dissipate assets. Accordingly, this Court should enter a temporary restraining order granting the Attorney General

and temporary receiver immediate access to the Enterprise's business premises and expedited discovery.

4. Required Disclosures

For the reasons set forth above, the Attorney General requests this honorable Court order an immediate accounting of Defendants' assets and any transfers by the Enterprise since July 1, 2013, of assets worth \$1,000 or more. An accounting, combined with an asset freeze, will increase the likelihood of preserving existing assets pending final determination of this matter.

Finally, the Attorney General also requests that this honorable Court order Defendant Forno to provide notice of the order entered in this matter to each judge presiding over a legal action for excess funds filed by Forno, as well as the clerk of court in each judicial circuit where such an action is pending.

**D. ATTORNEY GENERAL'S CERTIFICATION THAT *EX PARTE* TEMPORARY RELIEF IS WARRANTED**

Pursuant to rule 1.610(a)(1)(B), Florida Rules of Civil Procedure, the undersigned counsel certifies that notice of the requested temporary injunction (to which the Attorney General, as described above, has demonstrated a clear legal right) should not be required because the facts of this case show that the time required to notice a hearing on a temporary injunction would permit the Enterprise to continue to injure the public until a hearing is held and would exacerbate the injury suffered by the victims who have already fallen prey to their theft scheme. Here, the Enterprise's egregious and widespread pattern of filing fraudulent legal claims across the State of Florida in pursuit of its theft scheme, failure to stop filing these fraudulent actions when confronted with evidence that their legal actions were shams, coupled with its successful theft of more than \$1.5 million dollars, clearly demonstrate that the Enterprise will likely continue its illegal actions until it is enjoined by this Court and thus demonstrates the need for *ex parte* relief.

Defendant Meyer has admitted that he would seek to conceal his assets to evade a judgment. Further, Defendants face significant financial and criminal liability for knowingly and deliberately engaging in deception and fraud on courts across this State. Accordingly, the undersigned counsel reasonably believes that if notice were to be provided, Defendants may dissipate assets which could be used to provide victims relief at the conclusion of this litigation and thus, further exacerbate the injury to these victims. Moreover, given the Enterprise's disregard for the legal process, providing notice could jeopardize the prosecution of this matter by providing the Enterprise an opportunity to destroy evidence.

If the Enterprise is permitted to continue to orchestrate the above-described theft scheme, and unless the requested *ex parte* temporary equitable relief is granted by this Court, the number of victims who suffer and those who are otherwise aggrieved by these practices will continue to mount.

Moreover, the substantial risk of asset dissipation and document destruction in this case, coupled with the Enterprise's ongoing and deliberate statutory violations, justifies *ex parte* relief without notice. Absent the requested temporary *ex parte* equitable relief, the Attorney General has no adequate remedy at law to prevent further immediate damage to the public. The Attorney General submits that an *ex parte* injunction, asset freeze, temporary receiver, expedited discovery, and other ancillary equitable relief to give effect to the injunction are critically necessary to protect the public from the Enterprise's fraudulent tactics.

### **III. CONCLUSION**

The Enterprise's theft scheme has caused, and will continue to cause, substantial public injury. Thus, the Attorney General respectfully requests this honorable Court enter the proposed temporary injunction, ancillary equitable relief, and expedited discovery on an *ex parte* basis, to

protect the public from further immediate harm and help ensure effective relief for victims who have already fallen prey to the Enterprise's scheme.

Dated: September 4, 2018.

Respectfully Submitted,

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