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CLERK U.S. DISTRICT COURT
CENTRAL DISTRICT OF CALIF.
LOS ANGELES

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19 IN THE UNITED STATES DISTRICT COURT FOR THE
 20 CENTRAL DISTRICT OF CALIFORNIA

21
 22 UNITED STATES OF AMERICA,
 23 Plaintiff,
 24 v.
 25 BAC HOME LOANS SERVICING, LP F/K/A
 COUNTRYWIDE HOME LOANS SERVICING,
 26 LP AND ANY SUCCESSORS IN INTEREST,
 27 Defendant.

CV11 04534
 CIVIL NO.
COMPLAINT

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The Plaintiff, the United States of America (hereinafter, the "United States"), alleges as follows:

1. This action is brought by the United States to enforce the provisions of the Servicemembers Civil Relief Act (hereinafter "SCRA"), 50 U.S.C. app. §§ 501-597b.

2. This Court has jurisdiction over this action under 28 U.S.C. § 1331, 28 U.S.C. § 1345 and 50 U.S.C. app. § 597(a).

3. Venue is proper in this judicial district under 28 U.S.C. § 1391(b) because a substantial part of the events giving rise to the United States' claims occurred in the Central District of California, and because the Defendant does business in the Central District of California.

4. At all times relevant to this complaint, BAC Home Loans Servicing, LP, formerly known as Countrywide Home Loans Servicing, LP ("Defendant") serviced mortgage loans, which involved collecting and remitting loan payments, accounting for principal and interest, contacting delinquent mortgagors, and supervising foreclosures.

5. From at least January 1, 2006 through at least May 31, 2009, Defendant failed to determine consistently and accurately the military status of mortgage loan borrowers in foreclosure. As a result, Defendant wrongfully foreclosed without court orders on approximately 160 properties ("subject properties"). The subject properties were owned by servicemembers who, at the time, were on military service, or were otherwise protected by the SCRA, and who had originated their mortgages before they entered into military service. Further, none of these servicemembers had waived their rights prior to foreclosure pursuant to a separate agreement under Section 517 of the SCRA, 50 U.S.C. app. § 517.

1 6. The subject properties are located in Alaska, Arizona, California,
2 Colorado, Georgia, Idaho, Maryland, Michigan, Minnesota, Missouri, Mississippi,
3 Montana, North Carolina, Nevada, Oregon, Tennessee, Texas, Virginia,
4 Washington, and West Virginia.

5 7. Defendant had actual or constructive notice of the military service of
6 many of the servicemembers who owned the subject properties.

7 8. Defendant's conduct was in violation of the protections afforded by
8 the SCRA, specifically Section 533(c) of the SCRA, 50 U.S.C. app. § 533(c), and
9 constituted a pattern or practice of foreclosing on servicemembers during a period
10 of military service, or a period otherwise protected by the SCRA.

11 9. Servicemembers whose mortgages have been wrongfully foreclosed
12 in violation of the SCRA are aggrieved persons. Such aggrieved persons have
13 suffered damages as a result of Defendant's conduct.

14 10. Defendant's conduct was intentional, willful, and taken in disregard
15 for the rights of servicemembers.

16 WHEREFORE, the United States prays that the Court enter an ORDER that:

- 17 1. Declares that Defendant's conduct violated the SCRA;
- 18 2. Enjoins Defendant, its agents, employees, and successors, and all
19 other persons in active concert or participation with them, from:
- 20 a. foreclosing on any servicemember's property during a period
21 of military service or a period otherwise protected by the
22 SCRA, in violation of Section 533(c) of the SCRA, 50 U.S.C.
23 app. § 533(c);
- 24 b. failing or refusing to take such affirmative steps as may be
25 necessary to restore, as nearly as practicable, each identifiable
26 victim of Defendant's illegal conduct to the position he or she
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would have been in but for Defendant's illegal conduct; and
c. failing or refusing to take such affirmative steps as may be
necessary to prevent the recurrence of any conduct that violates
Section 533(c) of the SCRA, 50 U.S.C. app. § 533(c) in the
future and to eliminate, to the extent practicable, the effects of
Defendant's illegal conduct; and

3. Awards appropriate monetary damages to each identifiable victim of
Defendant's violations of the SCRA.

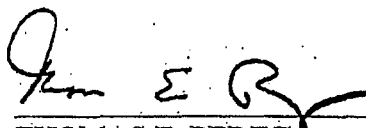
The United States further prays for such additional relief as the interests of
justice may require.

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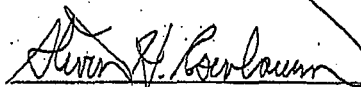
The United States requests a trial by jury.

ERIC H. HOLDER, JR.
Attorney General



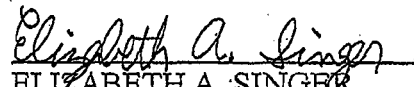
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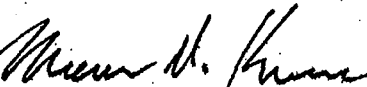


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