SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NASSAU

Laura Squassoni, Frances Gagliostro, Scott Farley, Cynthia Tabares, Bert Tabares, Sophia Burke, Darlene Henson, Kathie Crete, David Crete, Judy Johns, Randall Johns, Bonnie Scarborough, James Hegler, Deborah Hegler, Lorraine Boardwine, Randy Boardwine, Michael Ellis, Tina Ellis, Phillip Stanford, Shakirah Stanford, Carolyn Campbell, Andrea Niedelman, Barry Niedelman, Levi Gales, Heather Risch and Randall Witt, Plaintiffs, - against - Anthony Blackwell, United Legal Solutions, Inc. (a/k/a United Solutions Corporation), United Solutions Law Firm LLC, Consumer First Corporation, Consumer First Law Group LLC, Blackwell's Attorneys LLC, Andre Day, Derrick Lafond, Jake Daloya, Kevin Quinn, Matthew Lapides, Vincent Villani, Jaime Enciso, Gabriel Katz, Jonathan Lyons, Akeem Hutchinson, Matthew Volpe, Aren Goldfaden, Jerzy Bialik, Ralphie Tarazi, and Michael Katz. Defendants.	Index No. _____ **EMERGENCY AFFIRMATION OF DANIEL F. KOLB IN SUPPORT OF EX PARTE APPLICATION FOR TEMPORARY RESTRAINING ORDER SEEKING ORDER OF ATTACHMENT**

STATE OF NEW YORK)
: ss
COUNTY OF NEW YORK)

DANIEL F. KOLB, being duly sworn, deposes and says:

1. I am a member of the bar of this Court and the law firm of Davis Polk & Wardwell LLP, attorneys for plaintiffs Laura Squassoni, Frances Gagliostro, Scott Farley, Cynthia Tabares, Bert Tabares, Sophia Burke, Darlene Henson, Kathie Crete, David Crete, Judy Johns, Randall Johns, Bonnie Scarborough, James Hegler, Deborah Hegler, Lorraine Boardwine,

Randy Boardwine, Michael Ellis, Tina Ellis, Phillip Stanford, Shakirah Stanford, Carolyn Campbell, Andrea Niedelman, Barry Niedelman, Levi Gales, Heather Risch and Randall Witt (collectively "Plaintiffs"). I submit this emergency affidavit in support of Plaintiffs' application for the expedited issuance of a temporary restraining order pending the hearing of Plaintiffs' motion for an order of attachment pursuant to New York Civil Practice Law and Rules ("C.P.L.R.") §§ 6201 and 6211 against the assets of the Defendants United Solutions Law Firm LLC, Consumer First Law Group LLC, and Blackwell's Attorneys LLC (collectively, the "Attachment Defendants") and any interest of the Attachment Defendants in personal or real property situated in the State of New York, or any debt owed to said Attachment Defendants, for the purpose of securing satisfaction of any judgment ultimately to be entered in this action.

2. For the reasons described below, Plaintiffs may suffer immediate and irreparable injury unless the Attachment Defendants, which are all foreign limited liability corporations not qualified to do business in the State of New York, are restrained pending a hearing on Plaintiffs' motion for an order of attachment, filed herewith by order to show cause.

3. Plaintiffs request *ex parte* equitable relief on an expedited basis to prevent the Attachment Defendants from removing any funds or other assets from the state, a removal that could be accomplished electronically on a moment's notice. As described more fully below, Defendants have already abruptly closed their doors after bilking New York residents and others out of thousands of dollars each, and, upon information and belief, may have sold some or all of the assets of Consumer First Law Group LLC to someone else to continue the business. Plaintiffs seek an order of this Court that will permit Plaintiffs to obtain an order of attachment, and to preserve Plaintiffs' rights to recourse in the form of damages before Defendants' assets vanish.

Background on the Action

4. This is an action for damages resulting from Defendants' violations of N.Y. General Business Law ("G.B.L.") § 349 (the "Deceptive Practices Act"); G.B.L. § 350 and 350-a ("False Advertising"); N.Y. Real Property Law § 265-b ("Distressed Property Consulting"); and N.Y. Banking Law § 590 ("Registration of Mortgage Brokers"); as well as for common law fraud, fraudulent inducement, aiding and abetting fraud, breach of contract, and attorney malpractice.

5. Plaintiffs allege in this action that Defendants operated a collection of for-profit mortgage modification companies that scammed homeowners by falsely promising the services of an experienced "attorney" to help negotiate their mortgage payments down to an affordable level. The scam was twofold: the "attorney" in question was not licensed to practice law in the State of New York or any other relevant jurisdiction, and the Defendants failed to provide the promised services. Instead, they became nearly impossible to reach when Plaintiffs needed them most.

6. Defendants are accused of promising to obtain mortgage modifications for Plaintiffs and other vulnerable homeowners like them in exchange for an up-front fee of thousands of dollars. Plaintiffs allege that Defendants not only misrepresented themselves as a "law firm" run by an attorney who was authorized to practice law in the relevant jurisdictions, but also failed to follow through on the promised services, kept the up-front fees, and failed to honor their money-back guarantee. Upon information and belief, Defendants failed to obtain a loan modification at or anywhere near the terms promised to Plaintiffs in this action.

7. Defendant Anthony Blackwell is an individual who, at times relevant to the Verified Complaint ("Compl.") in this action, was licensed to practice law in the State of Nevada

only. He began working as an attorney for the Nassau County for-profit loan modification company Homesafe America Inc. ("Homesafe") in mid-2010. That company (along with other defendants, including Defendant United Legal Solutions Inc.) is the subject of *Mook v. Homesafe America Inc.*, No. 9472/11 (Sup. Ct. Nassau Cnty.), an action proceeding before this court alleging many of the same causes of action against this predecessor entity.

8. While working at Homesafe, Blackwell came to realize that the company was operating in violation of N.Y. Real Property Law § 265-b ("Section 265-b") and an impending regulation by the U.S. Federal Trade Commission (the "MARS Rule," *see* 16 C.F.R. § 322), now in effect, which both prohibit the charging of an up-front fee for loan modification services. He learned, however, that Section 265-b had a narrow exception for attorneys "admitted to practice in the state of New York when the attorney is directly providing consulting services to a homeowner in the course of his or her regular legal practice." N.Y. R.P.L. § 265-b(e)(i). The MARS Rule has a similar exception. *See* 16 C.F.R. § 322.

9. Blackwell believed that he could use these narrow exceptions to his advantage by claiming that he, as an attorney, was providing the loan modifications, all the while allowing his Homesafe colleagues to continue accepting up-front fees without fear of liability. Moreover, having an "attorney" at the head of the company would create a veneer of legitimacy that would help convince customers to pay large up-front sums in "retainer" fees.

10. While Homesafe went out of business in December 2010 after a falling-out between the owners (non-parties to this action Scott Schreiber and Guy Samuel), it did not stop Blackwell's profit scheme. Instead, he went into business separately with *both* former Homesafe owners. This time, Blackwell organized the corporate forms to create the appearance of complying with Section 265-b and the MARS Rule.

11. Tacitly acknowledging that he was not admitted to practice law in New York, Blackwell incorporated two purported "law firms" in Las Vegas under Nevada Law: United Solutions Law Firm LLC on February 6, 2011 and Consumer First Law Group LLC on January 27, 2011. The Articles of Organization for United Solutions Law Firm LLC are attached to the Affirmation of Jillian Rennie Stillman, filed herewith ("Stillman Aff.") as Exhibit 2. The Articles of Organization for Consumer First Law Group LLC are attached to the Stillman Aff. as Exhibit 5. Neither organization is qualified to do business in New York. Stillman Aff. Exhibits 3, 6.

12. Around the same time that Blackwell established the Nevada LLCs, Samuel and Schreiber incorporated loan modification "sales companies" in New York, which would operate in tandem with the "law firm" entities, soliciting customers for the "law firms." The only difference between Homesafe's sales efforts and the new entities' sales efforts was that now the salespeople pitched loan modification as a "legal service" offered by their purported "law firm."

13. Defendants then began soliciting business via false, misleading, and deceptive advertisements and claims, including a virtual guarantee of success, a money-back guarantee, a promise that an experienced and duly-licensed attorney would oversee each application, and claims that Plaintiffs no longer needed to make mortgage payments. There were no attorneys other than Blackwell who worked at or for Consumer First Law Group LLC or Blackwell's Attorneys LLC, and while a New York-licensed attorney worked at United Solutions Law Firm LLC for a few weeks, she did not do anything but call customers and welcome them to the "firm," representing herself as a New York attorney. Compl. ¶ 85.

14. After Consumer First Law Group LLC became the target of negative comments on the Internet, Blackwell incorporated Blackwell's Attorneys LLC, another Nevada LLC not

qualified to do business in New York, on June 28, 2011. Upon information and belief, Blackwell told the salespeople at Consumer First Law Group LLC that they could pitch the company's services using either name. The articles of organization for Blackwell's Attorneys LLC are attached to the Stillman Aff. as Exhibit 7. A showing that the company is not qualified to do business in New York is attached to the Stillman Aff. as Exhibit 8.

15. Soon after Plaintiffs paid for Defendants' services, Defendants became impossible to reach. Phones went unanswered, voicemail boxes were full, and emails went unreturned or bounced back to the sender. Plaintiffs' requests for refunds, when they could reach anyone at all, were ignored. Compl. ¶¶ 191, 261, 372-73, 399-400, 519, 522, 573.

16. Despite Defendants' promises, no Plaintiff has received a loan modification at or anywhere near the terms promised by Defendants. In fact, many Plaintiffs learned that Defendants never contacted their lenders at all, or did nothing to increase their likelihood of obtaining a loan modification. Compl. ¶¶ 306, 368, 488, 578, 614.

17. Upon information and belief, Blackwell has access to at least some of the bank accounts belonging to the Attachment Defendants. Compl. ¶ 102.

New York Assets of Foreign Unqualified Corporations Are Subject to Attachment

18. Plaintiffs are entitled to an attachment of the funds of the Attachment Defendants, which are foreign, unregistered corporations.

19. The State of New York provides for the remedy of attachment in C.P.L.R. §§ 6201, 6210, 6211, 6212 and 6214(b). Section 6201 allows attachment where a "plaintiff has demanded and would be entitled . . . to a money judgment against one or more defendants, when: 1. the defendant . . . is a foreign corporation not qualified to do business in the state." C.P.L.R. § 6201(1). Section 6212(a) requires that a party moving for an order of attachment show the

existence of a cause of action, a likelihood of probable success on the merits, and that the amount demanded from the defendant exceeds all counterclaims known to the plaintiff. C.P.L.R. § 6212(a); *Ford Motor Credit Co. v. Hickey Ford Sales, Inc.*, 62 N.Y.2d 291, 301 (1984). Plaintiffs in this case demand a money judgment. Compl. ¶ 14.

20. Under C.P.L.R. § 6201(1), a court may order the attachment of a defendant's property where the defendant is a foreign corporation and is not qualified to do business in the state. *Credit Agricole Indosuez v. Rossiyskiy Kredit Bank*, 697 N.Y.S.2d 273, 274 (App. Div. 1st Dep't 1999) (granting attachment against foreign corporation not qualified to do business in state), *rev'd on other grounds*, 94 N.Y.2d 541 (2000); *Considar, Inc. v. Redi Corp. Establishment*, 655 N.Y.S.2d 40, 40 (App. Div. 1st Dep't 1997) (same). Obtaining security for a potential judgment is a valid purpose for attaching assets pursuant to C.P.L.R. § 6201(1). *See Elton Leather Corporation v. First Gen. Res. Co.*, 529 N.Y.S.2d 769, 771-72 (App. Div. 1st Dep't 1988).[1]

[1] Some federal courts have held that, where attachment under § 6201(1) serves only a security function, a plaintiff must make an additional showing of circumstances that warrant attachment. *See, e.g., In re Amaranth Natural Gas Commodities Litig.*, 711 F. Supp. 2d 301, 306 & n.27 (S.D.N.Y. 2010); *Ames v. Clifford*, 863 F. Supp. 175, 177 (S.D.N.Y. 1994). New York State courts have not required any additional showing. *See Credit Agricole Indosuez*, 697 N.Y.S.2d at 274. Even if some additional showing were necessary, Plaintiffs have established grounds for an attachment. Additional circumstances that have been found sufficient to merit an attachment pursuant to 6201(1) are present in the facts in this case. In *ITC Entertainment, Ltd. v. Nelson Film Partners*, 714 F.2d 217, 219 (2d Cir. 1983), the fact that a non-resident defendant conducted business "in a less than exemplary manner," including the defendant's misrepresentation of himself as an attorney, weighed in favor of an attachment for security purposes. *Id.* & n.1. Here, Defendants' businesses were based on false advertisements, deceptive business practices, and fraud, including misrepresenting themselves as duly-licensed attorneys and/or law firms. The fact that Defendants appear to have ceased doing business in the state and that Consumer First Law Group may have been sold to a new owner could make recovery by the plaintiffs more difficult, which makes attachment appropriate even under the federal court standard.

Defendants are Foreign Unqualified Corporations.

21. The Attachment Defendants are all foreign corporations. No business entity with the name Consumer First Law Group LLC, Blackwell's Attorney's LLC, or United Solutions Law Firm LLC appears in the records of the Secretary of State's Office as having registered as a foreign corporation in order to become qualified to do business in the state.[2] *See* Stillman Aff. Exhibits 3, 6, 8. Therefore, grounds for attachment of the assets of all three entities exist under C.P.L.R. § 6201(1).

22. The previous operations of the Attachment Defendants in New York do not make them domestic corporations for the purposes of C.P.L.R. § 6201. *See Coastal States Trading, Inc. v. Zenith Navigation S.A.*, 446 F. Supp. 330, 342 (S.D.N.Y. 1977).

Plaintiffs Have Causes of Action and Are Likely to Succeed on the Merits

23. Plaintiffs have several causes of action, including claims for false advertising, deceptive practices, and fraud. Plaintiffs are likely to succeed on the merits of their claims, particularly on their claims for deceptive practices and false advertising.

24. Section 349 of the G.B.L. makes it unlawful to engage in "[d]eceptive acts or practices in the conduct of any business, trade or commerce or in the furnishing of any service in [New York]." N.Y. G.B.L. § 349(a). To prove a cause of action under § 349, an aggrieved consumer must show that (1) the act or practice was "consumer-oriented," (2) the act or practice was misleading in a material way, and (3) the consumer suffered an injury as a result of the deceptive act. *See Stutman v. Chem. Bank*, 95 N.Y.2d 24, 29 (2000). "The standard for recovery under [N.Y. G.B.L. § 350], while specific to false advertising, is otherwise identical to [N.Y.

[2] A foreign corporation can only become qualified to do business in the state by filing the appropriate form with the office of the Secretary of State pursuant to New York Business Corporation Law § 1304.

G.B.L. § 349]." *Goshen v. Mut. Life Ins. Co.*, 98 N.Y.2d 314, 324 n.1 (2002). Plaintiffs' claims easily satisfy all three elements.

25. First, Defendants' advertisements and practices were consumer-oriented. Consumer-oriented practices and advertising "have a broader impact on consumers at large" and are "directed to consumers." *Oswego Laborers' Local 214 Pension Fund v. Marine Midland Bank*, 85 N.Y.2d 20, 25 (1995). A deceptive practice or false advertisement is consumer-oriented if it is a defendant's standard practice toward members of the public. *See, e.g.*, *Exxonmobil Inter-Am. v. Advanced Info. Eng'g Servs., Inc.*, 328 F. Supp. 2d 443, 449 (S.D.N.Y. 2004).

26. In this case, Defendants have continued the same sales tactics and gross misrepresentations that worked to deceive the customers of Homesafe, this time with the additional deceptive and false representations that Defendants worked for a "law firm" and would provide legal services to the Plaintiffs. Compl. ¶¶ 111, 128. For example, Defendants' websites represented that the company is a New York-based law firm that had been in business since 1993 (Compl. ¶ 111), that the company had fifty years of experience (Compl. ¶ 116), and that the company's services were associated with the Obama Administration and funded by federal tax dollars (Compl. ¶ 131), among other things. Defendants also made standardized oral representations to customers by telephone, including that a duly-licensed attorney would work on their mortgage modification application (*e.g.*, Compl. ¶¶ 171, 292, 472, 559), that customers were guaranteed to receive a modification (*e.g.*, Compl. ¶¶ 170, 269, 342), and that the company offered a money-back guarantee in the event a modification could not be accomplished (*e.g.*, Compl ¶¶ 342, 588, 534). Finally, Defendants' written materials reiterated several of these false

and deceptive statements, and made additional misrepresentations, such as that the company is "federally and state compliant." Compl. ¶ 136.

27. Second, these practices and advertisements were materially misleading. A practice is "misleading" for purposes of G.B.L. §§ 349 and 350 if it is "'likely to mislead a reasonable consumer acting reasonably under the circumstances.'" *Cohen v. JP Morgan Chase & Co.*, 498 F.3d 111, 126 (2d Cir. 2007) (quoting *Oswego*, 85 N.Y.2d at 26). "The courts have traditionally taken an expansive view of what constitutes 'false advertising.'" *Beslity v. Manhattan Honda*, 467 N.Y.S.2d 471, 474 (Sup. Ct. App. Term 1st Dep't 1983).

28. Defendants' collection of up-front fees for mortgage modification services from New York Plaintiffs is a deceptive practice because it violates Section 265-b. "New York courts have held that collecting fees in violation of other federal or state laws may satisfy the misleading element of § 349." *Cohen*, 498 F.3d at 126 (citing *Lum v. New Century Mortg. Corp.*, 19 A.D.3d 558, 559 (App. Div. 2d Dep't 2005)). Defendants in this case demanded up-front payments from New York homeowners prior to completing the services, in violation of Section 265-b. *See, e.g.*, Compl. ¶ 234 (after Plaintiff Scott Farley paid United Solutions Law Firm half of the total $1,995 cost, Defendant Andre Day told him the company would begin working on his modification); ¶ 295 (Defendant Kevin Quinn stated to Plaintiff Darlene Henson that Consumer First Law Group's services would cost a one-time up-front payment of $2,595.).

29. The narrow exception to Section 265-b which allows "an attorney *admitted to practice in the state of New York*" to collect an up-front fee "when the attorney is *directly* providing consulting services to a homeowner *in the course of his or her regular legal practice*" has no bearing on this case. N.Y. R.P.L. § 265-b(1)(e)(i) (emphases added). Blackwell is facially ineligible for this exception because he is not admitted to practice in New York; and

even if he were properly admitted, Defendants' activities were not carried out in the course of any regular legal practice.

30. In addition, Defendants' practices and advertisements were materially misleading because the unauthorized practice of law is a *per se* deceptive practice. *Sussman v. Grado*, 746 N.Y.S.2d 548, 553 (Dist. Ct. Nassau Cnty. 2002); *see also People v. Amerimod Inc.*, 2010 N.Y. Slip Op. 31360U, at *9 (Sup. Ct. N.Y. Cnty. Apr. 7, 2010) (mortgage modification company's claim that it was affiliated with legal experts is a basis for a false advertising claim). Plaintiffs' allegations establish that Blackwell's conduct amounts to the unauthorized practice of law. *E.g.*, Compl. ¶¶ 47, 74, 142, 145, 150-159, 303 (Defendant Blackwell called New York resident Plaintiff Darlene Henson and told her that he was the attorney who would work on her application), 594 (Defendant Blackwell called Maryland resident Plaintiff Levi Gales and told him that he would be representing him as his attorney). Therefore, Blackwell's business practices in connection with his "law firms" and the advertisements related to his purported legal services are materially misleading as a matter of law.

31. Even as a factual matter, Defendants' advertisements are materially misleading to the average consumer. Defendants' websites, for example, represent that the companies are "law firms" based in New York. Compl. ¶¶ 111, 128. The definition of "false advertising" includes advertising that is materially misleading because it "fails to reveal facts material in the light of" representations that are made. N.Y. G.B.L. §350-a(1); *see McDonald v. N. Shore Yacht Sales, Inc.*, 513 N.Y.S.2d 590, 594-95 (Sup. Ct. Nassau Cnty. 1987) (holding that an advertisement was materially misleading in part due to its failure to disclose that certain advertised yacht specifications were only preliminary). Defendants' advertisements were, *inter alia*, materially misleading in that they failed to disclose that the companies' principal attorney (and in the case

of Consumer First Law Group LLC, its *only* attorney) was not authorized to practice law in New York.

32. Third, these consumer-oriented materially misleading practices and advertisements caused injury to Plaintiffs. For a deceptive act or false advertising claim to be actionable, the injury suffered must be a loss independent of the initial deceptive act; monetary loss is sufficient to state an injury under § 349 of the GBL. *See, e.g., Spagnola v. Chubb Corp.*, 574 F.3d 64, 74 (2d Cir. 2009). The loss required to sustain a § 350 claim is *de minimis*. *See Beslity*, 467 N.Y.S.2d 471, 475 ("Inasmuch as the plaintiff travelled to defendant's showroom on the basis of a misleading and deceptive ad, plaintiff suffered injury and is entitled to recover damages").

33. Plaintiffs' losses in this case go beyond the money they paid to the defendants. For example, Plaintiffs have accumulated additional debt as a result of hiring the company. *E.g.*, Compl. ¶¶ 453, 611. Plaintiffs who relied on Defendants' direction to stop making mortgage payments found their mortgages in default, often subject to "acceleration" clauses that cause the entire principal amount to come immediately due. *E.g.*, Compl. ¶¶ 229. Finally, each of the Plaintiffs certainly suffered the *de minimis* injury required to state a false advertising claim, by virtue of the fact that several Plaintiffs traveled to Defendants' offices (Compl. ¶¶ 236, 595, 614) and otherwise spent anxious and frustrating hours attempting to contact Defendants. Compl. ¶¶ 443-54.

Plaintiffs' Demand Exceeds All Known Counterclaims

34. Plaintiffs demand $157,655 in actual and consequential damages, an amount which exceeds any and all known counterclaims against Plaintiffs.

Emergency Grounds for Attachment

35. Upon information and belief, the Attachment Defendants maintained and may still maintain bank accounts in the State of New York, including, but not limited to, the following accounts:

a. JP Morgan Chase Bank New York Account 906593389 for "Consumer First Law Group." Stillman Aff. Exhibit 13.
b. Bank Account 962140281 for "Consumer First Law Group." Stillman Aff. Exhibit 12.
c. JP Morgan Chase Bank New York Account 893178640 for "Blackwell Law Group Trust." Stillman Aff. Exhibit 14.

36. By virtue of being foreign unregistered corporations, the Attachment Defendants are uniquely able to transfer assets out of the jurisdiction to limit this court's reach over them and to put in jeopardy any judgment ultimately won by Plaintiffs against them.

37. While Plaintiffs' experiences indicate that Consumer First Law Group LLC stopped communicating with most customers in July or August 2011, that has not uniformly been the case. In September 2011, a woman named Juliana Builes ("Builes") called Plaintiff Phillip Stanford and claimed that Defendant Blackwell had sold Consumer First Law Group LLC to her to continue the company's mortgage modification work. Compl. ¶¶ 522. While Mr. Stanford told her he wanted his money back and declined to have anything further to do with Builes, there is no reason to believe that Builes has not contacted other of Consumer First Law Group's customers and attempted to extend the scam. It is unknown whether Builes actually purchased the company or any of its assets from Defendant Blackwell, or if Defendant Blackwell still retains some interest or involvement with the company. It is unknown if Builes or others have access to funds paid by Plaintiffs to Consumer First Law Group. Due to the uncertainty of the ownership of the company and the potential for misappropriation of funds paid by Plaintiffs, Defendants' assets in New York are in danger of disappearing.

38. Defendant Blackwell also has established a pattern of incorporating Nevada LLCs under deceptive names in order to evade New York law and to hide from consumer complaints. His willingness to transfer business between entities may also extend to a willingness to transfer funds. As recently as July 21, 2011, Blackwell incorporated a new Nevada LLC called American Freedom Law Group LLC, which is not registered to do business in New York. Stillman Aff. Exhibits 9, 10. In his deposition testimony in *Mook v. Homesafe,* Defendant Blackwell testified that this new LLC would focus on predatory lending and claims against banks for various violations of the Fair Housing Act, but that to the extent that it was necessary to provide loan modification services in connection with those services, he would continue to do mortgage modification work. Compl. ¶ 104.

39. Finally, in February 2012, Defendant Blackwell was suspended from the only bar of which he was an active member. Compl. ¶ 47. Blackwell's activities are no longer under the direct supervision of any state's bar association, which provides a check (however remote in practice) on the mislaying of funds paid pursuant to retainer agreements. The assets in the Attachment Defendants' accounts represent such funds paid pursuant to retainer agreements.

Immediate Irreparable Injury Will Result in the Absence of a Temporary Restraining Order Attaching the Attachment Defendants' Funds

40. Plaintiffs seek a temporary restraining order pending this Court's ruling on Plaintiffs' motion for an order of attachment in order to prevent the removal of the Attachment Defendants' assets from the State.

41. If the Attachment Defendants' assets remain unrestrained pending the hearing of Plaintiffs' motion for an attachment, Defendants will have the opportunity to transfer or dissipate assets. Once put on notice of this lawsuit, Attachment Defendants will have added incentives to

ensure that no creditors—including Plaintiffs—are ever able to collect against the Attachment Defendants.

42. Absent an immediate order attaching the Attachment Defendants' funds in the amount described in the Order to Show Cause, Plaintiffs may suffer an irreparable injury because they will have lost the ability to ensure satisfaction of any judgment ultimately to be entered against Defendants in this action.

43. There has been no prior application for the relief sought herein, nor has any prior application been made for any provisional remedy.

DATED: March 19, 2012
New York, NY

_____
DANIEL F. KOLB

Sworn to before me this
19 day of March, 2012

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Notary Public