

Brookstone/Advantis Law Receivership
FREQUENTLY ASKED QUESTIONS (FAQs)

What is the FTC case all about?

The Federal Trade Commission (“FTC”) sued Brookstone, Advantis, its lawyers and the non-lawyer who controlled and ran the firms (Damian Kutzner) in federal court in Los Angeles. The lawsuit alleges that their solicitation of consumers to join “mass joinder” cases against mortgage lenders included deceptive sales practices and the taking of illegal advance fees. In short, the FTC alleges that the firms were illegal businesses.

The Court entered a Temporary Restraining Order (“TRO”) on June 1, 2016, which ordered Defendants to stop their illegal practices. That TRO also included an asset freeze and the appointment of a Temporary Receiver to take immediate control of the business. The Receiver took control of the offices and suspended all operations on June 2, 2016. The Temporary Receiver reviewed the business operations of Brookstone/Advantis and issued a preliminary report to the federal court. That preliminary report can be viewed from the right sidebar of the website. The Temporary Receiver’s review revealed the firms were using deceptive sales practices and taking illegal advance fees.

All Defendants stipulated to the entry of Preliminary Injunctions which made the appointment of the Receiver permanent. The court has now entered the Preliminary Injunction orders, which will remain in until there is a final resolution of the case.

What actions has the Receiver taken?

As directed by the federal court, the Receiver took control of the firms and reviewed operations. After determining that the business cannot be operated lawfully and profitably going forward, the Receiver reported to the court that operations were suspended. With the entry of Preliminary Injunctions, the operations will be terminated permanently so no more consumers can be deceived and defrauded.

As required by the federal court, the Receiver has given notice to the courts and the parties in the eight mass joinder cases being handled by Brookstone/Advantis that: (1) Brookstone/Advantis have been placed in receivership and (2) Brookstone/Advantis will be withdrawing from the cases; and (3) requesting that the courts stay the cases for at least 90 days to permit clients to protect their rights by obtaining replacement counsel or taking steps to represent themselves.

Is Brookstone/Advantis Law still in business?

No. The Receiver has terminated operations because the firms were illegal businesses. In order to assist clients to secure new counsel, the Receiver has given the notice, described above, to the courts that Brookstone/Advantis is in receivership, that Brookstone/Advantis will be withdrawing from the case, and requesting at least 90 days continuance to permit clients to protect their rights by securing new counsel or taking steps to represent themselves.

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Is Brookstone/Advantis still my lawyer?

No. Brookstone/Advantis are no longer operating. The Receiver will give notice to the courts that Brookstone/Advantis will be withdrawing from the cases as they are no longer operating as law firms.

Will the Receiver now be my lawyer?

No. The Receiver will not be providing any attorney services to clients of Brookstone/Advantis. He is prohibited from doing so by the Preliminary Injunction.

What is status of the case in which I am a plaintiff?

The Receiver has identified eight (8) mass joinder cases which appear to be active. They are: (1) *Aslami, et al. v. National Default Servicing Corp., et al.*, Orange County Superior Court, Case No. 30-2016-00844390-CU-OR-CJC; (2) *Curtis, et al. v. MTC Financial, et al.*, Orange County Superior Court, Case No. 30-2016-00841019-CU-OR-CJC; (3) *Lawley, et al. v. Bank of America, et al.*, San Diego County Superior Court, Case No. 37-2016-00011715-CU-OR-CTL; (4) *Lee v. JP Morgan Chase Bank, et al.*, U.S. District Court, Northern District of California, San Jose Division, Case No. 5:15-cv-05215-RMW; (5) *Randall, et al. v. Citigroup Inc., et al.*, Los Angeles County Superior Court, Case No. 526888; (6) *Salgado, et al. v. Western Progressive LLC, et al.*, Orange County Superior Court, Case No. 30-2016-00854281-CU-OR-CJC; (7) *Wasinack, et al. v. Quality Loan Service Corp., et al.*, Riverside County Superior Court, Case No. RIC1601230; and (8) *Wright, et al. v. Bank of America, et al.*, Orange County Superior Court, Case No. 30-2011-00449059-CU-MT-CXC.

The Receiver takes no position on whether or not these cases have merit. You must decide how to proceed either by consulting counsel or representing yourself in the cases.

How do I get a new lawyer?

The Receiver cannot give legal advice. You may consult with friends, legal directories, or local bar associations to help you locate an attorney. You may wish to consult with non-profit housing assistance advocates such as <http://keepyourhomecalifornia.org/> or <http://hopenow.com/>.

If I find a new lawyer, what are the procedures to tell the court I have a new lawyer?

Your new lawyer will assist you in this process.

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Several of us are trying to find a lawyer – can we get the contact information for the other Plaintiffs in our case, so we can join together?

For privacy reasons, we cannot circulate the contact information of the consumers who are plaintiffs in the various mass joinder cases. We can, however, post on the Receiver's website the name and email address of any client who would like to be contacted by other plaintiffs in his/her case.

What if I want to represent myself?

In California, parties may represent themselves. You will need to contact the court to find the forms necessary to make that change.

Will more money be withdrawn from my account?

No. The Receiver has terminated all automatic collection programs that were in place.

How do I get my money back?

Whether or not there will be any refunds to consumers will be up to the FTC and will depend on the amount of assets that can be recovered from the Defendants. Unfortunately, it appears at this time that the Defendants have nearly no assets remaining.

What other resources are there for clients?

You may wish to consult with non-profit housing assistance advocates such as <http://keepyourhomecalifornia.org/> or <http://hopenow.com/>.

Can I contact the court for information?

Yes, all the courts have help lines which can answer basic questions about procedures. Here are the helpline links for the courts in which the mass joinder lawsuits are pending:

Los Angeles County Superior Court for the *Randall* and *Salgado* cases:
<http://www.lacourt.org/selfhelp/selfhelp.aspx>

Orange County Superior Court for the *Aslami*, *Curtis*, and *Wright* cases:
<http://www.occourts.org/self-help/civil/>

Riverside County Superior Court for the *Wasinack* case:
<http://www.riverside.courts.ca.gov/selfhelp/self-help.shtml>

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San Diego County Superior Court for the *Lawley* case:

http://www.sdcourt.ca.gov/portal/page?_pageid=55,1665742&_dad=portal&_schema=PORTAL

U.S. District Court Northern District of California for the *Lee* case:

<http://www.cand.uscourts.gov/proselitigants>

If I have more questions, who may I contact?

We will post periodic updates on this website. In particular, we will update the Frequently Asked Questions section as new questions are presented. For further inquiries, email info@regulatoryresolutions.com. We have been receiving a high volume of inquiries – we may not, therefore, be able to provide specific answers to every question, but as noted will continually update the FAQs section on the website which will address commonly posed questions.