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CLERK OF THE COURT

DISTRICT COURT

CLARK COUNTY, NEVADA

ANA VILLAFUERTE, individually and
HILPOLITO VILLAFUERTE, individually; all
appearing on behalf of the Class of Customers of
the US JUSTICE FOUNDATION; and DOE
Customers 1-2000,

Plaintiffs,

v.

US JUSTICE FOUNDATION, a Nevada
corporation; JACK FERM an individual; and
ROES 1-100,

Defendants.

Case No.

A 585023

Dept. No.

IX

ARBITRATION EXEMPT

**(Extraordinary Relief; Significant
Issues of Public Policy; and Damages in
Excess of \$50,000.00)**

**COMPLAINT FOR MONEY DAMAGES FOR FRAUD; BREACH OF CONTRACT;
NEGLIGENCE AND NEGLIGENCE PER SE**

COME NOW, Plaintiffs ANA and HILPOLITO VILLAFUERTE, husband and wife; all
appearing on behalf of the Class of customers of Defendant, the US JUSTICE
FOUNDATION; and DOE customers 1-2000, and hereby complain, plead and allege as
follows:

JURISDICTION

1. Plaintiffs, ANA VILLAFUENTES and HILPOLITO VILLAFUENTES bring this
action on behalf of themselves as individuals and husband and wife, and on behalf of the class

1 of customers of the US JUSTICE FOUNDATION located in Las Vegas, Nevada.

2 2. Plaintiffs, ANA VILLAFUENTES and HILPOLITO VILLAFUENTES (hereinafter
3 referred to as "Class Representatives"), were customers of the US JUSTICE FOUNDATION
4 located in Las Vegas, Nevada.

5 3. The Class Representatives bring this action on behalf of themselves and the other
6 customers of the US JUSTICE FOUNDATION who as to date are not represented by other
7 counsel.

8 4. The Class Representatives are informed and believe that the class is so numerous that
9 joinder of all members in a class is to the benefit of all parties and this Court.

10 5. The Class Representatives are informed and believe and thereon allege, that this action
11 involves questions of law and fact common to each member of the class in that all members of
12 the class have suffered injuries due to either payment of money for services rendered negligently
13 and fraudulently, and the payment not refunded in whole or in part; unauthorized rendering of
14 legal services proximately causing each class member to suffer harm to include the loss of their
15 homes to foreclosure, and other financial loss proximately caused by the Defendants' failure to
16 competently render services to the Plaintiffs.

17 6. The Class Representatives are informed and believe and thereon allege that they can
18 fairly and adequately protect the interests of all members of the class.

19 7. The Class Representatives are informed and believe thereon allege that the claims of
20 the Class Representatives and relief herein sought are typical of the claims and relief which
21 could be prayed for as to each member of the class generally.

22 8. The Class Representatives are informed and believe and thereon allege that questions
23 of law and fact common to the class predominate over questions affecting the individual class
24 members, and the interests of justice and judicial efficiency will best be served by bringing this
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1 action as a class action.

2 9. The Class Representatives are informed and believe and thereon allege that the
3 interests of justice and efficiency will be best served by allowing Class Representatives, after
4 determining liability to claim damages relating to services rendered by the Defendants on behalf
5 of all members suffering from the same damages.

6 10. The proposed Class Members were customers of the Defendants in the County of
7 Clark, State of Nevada.

8 11. Plaintiffs DOE CUSTOMERS 1-2000 are individual customers of the US JUSTICE
9 FOUNDATION. If it is subsequently determined that this action should have been properly
10 brought in the name of each individual Plaintiff, Plaintiffs will seek leave to amend this
11 Complaint to include the individual customers.

12 12. Plaintiffs are informed and believe and thereon allege, that at all relevant times
13 hereto, Defendant, the US JUSTICE FOUNDATION is a Nevada corporation duly registered
14 with the Department of Corporations and has a business license as a document preparation firm.

15 13. Plaintiffs are informed and believe and thereon allege, that Defendant, JACK FERM,
16 an individual, at all time relevant was a resident of Nevada and had a business in Las Vegas
17 known as US JUSTICE FOUNDATION, this business is operating under the laws of the state of
18 Nevada. JACK FERM acted to the detriment of Plaintiffs in his individual capacity and as an
19 agent of the US JUSTICE FOUNDATION. Both the US JUSTICE FOUNDATION, and JACK
20 FERM were markedly noncompliant in their business and corporate dealings, and holding only
21 the US JUSTICE FOUNDATION liable would be singularly unfair to the Plaintiffs. JACK
22 FERM was acting within the scope of his duties as a corporate officer for part of the time. JACK
23 FERM also acted outside the scope of his corporate function because his actions were illegal and
24 would not be protected under a corporate shield in Nevada.
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1 14. The identities of ROES 1 through 100, inclusive, are currently unknown to Plaintiffs
2 who therefore sue said Defendants by said fictitious names. Plaintiffs believe that each of the
3 Defendants designated as a ROE Defendant is responsible in some manner for the events and
4 happenings described in the Complaint which proximately caused or contributed to the damages
5 to Plaintiffs as alleged herein. Plaintiffs will seek leave of Court to amend the Complaint to
6 insert the true names and capacities of the ROE Defendants and state appropriate charging
7 allegations at such time that the true identities of these Defendants becomes known or
8 ascertained.
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10 GENERAL ALLEGATIONS

11 15. Plaintiffs are informed and believe that the US JUSTICE FOUNDATION consists of
12 a Nevada corporation owned and operated by JACK FERM [hereinafter Defendants, US
13 JUSTICE FOUNDATION and JACK FERM are collectively referred to as "Defendants"].

14 16. Plaintiffs are informed and believe the Defendants provided certain legal services to
15 the Plaintiffs.
16

17 17. Plaintiffs are informed and believe the Defendants advertised and represented to the
18 Plaintiffs that they would assist them with their trust deeds or mortgages for their homes for
19 which Plaintiffs were facing or in foreclosure, or who had issues with their trust deeds or
20 mortgages. Plaintiffs were seeking foreclosure help and/or loan modification help.

21 18. Plaintiffs are informed and believe the Defendants communicated to the Plaintiffs
22 representations and promises that Defendants would "prepare litigation" and represented to the
23 Plaintiffs that the Defendants had "counsel in your area as needed to represent you".
24

25 19. Plaintiffs are informed and believe in exchange for, and in reliance on these and other
26 promises and representations, the Plaintiffs enlisted the services of the Defendants to assist the
27 Plaintiffs with their home foreclosure, mortgage and/or trust deed problems.
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20. Plaintiffs paid money to Defendants in various amounts for approximately an average range \$2,000 - \$4,000 which was received and kept by the Defendants as consideration for services promised to be rendered by the Defendants to the Plaintiffs. Defendants also entered into "Retainer Agreements" with Plaintiffs wherein Plaintiffs would pay an upfront retainer and make monthly installments to Defendants.

21. Plaintiffs duly carried out their obligations and performed all terms and conditions pursuant to the agreement between Plaintiffs and Defendants.

22. Plaintiffs are informed and believe that JACK FERM communicated to Plaintiffs that he was affiliated with Defendant, US JUSTICE FOUNDATION, including advising Plaintiffs he was the president, CEO and owner of Defendant, US JUSTICE FOUNDATION.

23. Plaintiffs are informed and believe that Defendant, JACK FIRM on behalf of the US JUSTICE FOUNDATION engaged in the unauthorized practice of law in violation of NRS 7.285.

FIRST CAUSE OF ACTION
(Fraud)

24. Plaintiffs repeat and reallege and incorporate by reference, the foregoing paragraphs of this Complaint as though fully set forth at length herein.

25. Based upon the foregoing conduct by Defendants and each of them, Defendants have engaged in a pattern of fraudulent and oppressive conduct toward Plaintiffs, including but not limited to misrepresentations regarding Defendants' intentions to fulfill the terms of the agreement in good faith, misrepresentations regarding the services that Defendants had performed and intended to perform. Defendants' efforts were designed to benefit Defendants for pecuniary gain at Plaintiffs' expense.

26. Plaintiffs are informed and believe that the Defendants promised and represented to the Plaintiffs that they would prepare pleadings and instructions on litigating, including filing a

1 lawsuit and lis pendens against the mortgage company, holder of the mortgage note or trust deed,
2 servicer of the mortgage or other potentially responsible entities to stop the foreclosure process
3 and/or modify Plaintiffs' home loan.

4 27. Plaintiffs are informed and believe that Defendants promised Plaintiffs that they
5 would prepare legal documents and file them with the court and/or Clark County Recorder's
6 Office; and that "all Pleadings are prepared by Attorneys Licensed to Practice in the Practice
7 area, or Paralegals under their supervision".

8 28. Plaintiffs are informed and believe that Defendants, on behalf of Plaintiffs made the
9 following oral and written, specific and particular promises at Defendants place of business in
10 Las Vegas, Nevada between August 1, 2008 and March 1, 2009:

- 11
- 12 a. Promised to draft legal documents including Complaints, Lis Pendens,
13 Application for Temporary Restraining Order and Preliminary Injunctions;
 - 14 b. Oppose all motions from your adversary;
 - 15 c. Prepare all discovery necessary to establish your claims; and
 - 16 d. To prepare "if necessary" answers and motions in an Unlawful Detainer; and to
17 prepare Motions as necessary to Compel discovery and for Summary Judgment or
18 any other motion required by or for the case.
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20 29. Plaintiffs are informed and believe that Defendants verbally communicated and thus,
21 promised directly to Plaintiffs, that Defendants would provide counsel at court hearings; but
22 Defendants would fail to provide counsel, and as a result, either no one would show up for the
23 hearing, or the Plaintiffs would attend in pro per, all to the detriment of Plaintiffs.

24 30. Defendants represented to Plaintiffs that Defendants have an 80% success rate for
25 helping their customers.
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27 31. Defendants had the intent and knowledge that their acts, omissions and
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1 representations are and were false, fraudulent and intended to and did in fact, induce reliance by
2 Plaintiffs, at the time of making the aforementioned representations and promises had no
3 intention to carry out those promises.

4 32. Plaintiffs were severely damaged by Defendants' fraudulent acts, including loosing
5 their homes to foreclosure. The conduct of Defendants is so egregious as to warrant punitive and
6 exemplary damages to notify and set an example to other similarly situated loan modification or
7 foreclosure assistance companies of the dire consequences of their failure to carry out their
8 services legally and with due care.

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10 33. Plaintiff has been required to retain the services of an attorney in order to prosecute
11 this action and therefore is entitled to reasonable attorney's fees and costs.

12 **SECOND CAUSE OF ACTION**
13 **(Breach of Contract)**

14 34. Plaintiffs repeat and reallege and incorporate by reference, the foregoing paragraphs
15 of this Complaint as though fully set forth at length herein.

16 35. There existed a contractual relationship between each Plaintiff and Defendants
17 wherein Defendants agreed to provide legal services to Plaintiffs from the beginning to the end
18 of each Plaintiff's case, as evidenced by the agreements between each Plaintiff and Defendants.

19 36. Plaintiffs duly, faithfully and in reliance upon all representations made by
20 Defendants performed all conditions precedent to Defendants' performance and fulfilled the
21 obligations on Plaintiffs under the contract between each Plaintiff and Defendants.

22 37. Defendants completely, intentionally, fraudulently and maliciously breached its
23 obligations under the contract(s) between the parties and has refused to provide the promised
24 services.

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26 38. As a direct and proximate cause of the breach and/or repudiation of the agreement,
27 Plaintiffs have been damaged in an amount in excess of \$50,000.00, subject to proof at trial.
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1 39. Plaintiffs have been required to retain the services of an attorney in order to
2 prosecute this action and therefore are entitled to reasonable attorneys fees and costs.

3 **THIRD CAUSE OF ACTION**
4 (Negligence)

5 40. Plaintiffs repeat and reallege and incorporate by reference the foregoing
6 Paragraphs of this Complaint as though fully set forth at length herein.

7 41. Defendants owed a duty of due care to Plaintiffs and had a legal obligation to act
8 in a prudent manner under the circumstances so as not to cause an undue risk of harm or actual
9 harm to Plaintiffs.

10 42. Defendants, through their negligence and/or lack of due care, negligently made a
11 series of misrepresentations and untruths to Plaintiffs, and acted in a negligent, reckless and
12 unsafe matter, and thereby breached their duties to Plaintiffs, including but not limited to
13 misrepresentations regarding Defendants' intentions to fulfill the terms of the aforementioned
14 agreements in good faith, to properly prepare and file legal pleadings, to appear for court
15 appearances, to properly modify the Plaintiffs' loans, and exercise the skill, experience and
16 wherewithal to fulfill the terms of the agreements.

17 43. Defendants' breach of their duty of care proximately and legally caused damages to
18 Plaintiffs in excess of \$50,0000.
19

20 44. Plaintiffs have been required to retain the services of an attorney in order to
21 prosecute this action and therefore are entitled to reasonable attorneys fees and costs.
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23 **FOURTH CAUSE OF ACTION**
24 (Negligence Per Se)

25 45. Plaintiffs repeat and reallege and incorporate by reference the foregoing Paragraphs
26 of this Complaint as though fully set forth at length herein.

27 46. Defendants violated NRS 7.285 and in so doing, pre se breached their duty of care to
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1 of due care to Plaintiffs.

2 47. Defendants' breach of their duty resulting from violations of NRS 7.285 proximately
3 and legally and actually caused damages to Plaintiffs and each of them in excess of \$50,000.

4 48. Plaintiffs have been required to retain the services of an attorney in order to
5 prosecute this action and therefore are entitled to reasonable attorney's fees and costs.

6 WHEREFORE, Plaintiffs ANA VILLAFUERTE, HILPOLITO VILLAFUERTE, and the
7 Class of Customers of the US JUSTICE FOUNDATION, pray for relief and damages as follows:

- 8 1. For general, special, punitive and compensatory damages;
9 2. For interest accruing at the lawful rate on the total of any and all unpaid monetary
10 sums owed to Plaintiffs;
11 3. For attorney's fees and costs of suit;
12 4. For economic losses associated with the loss of the Plaintiffs' homes;
13 5. For such relief as is necessary, including punitive damages, to satisfy and punish
14 Defendants' violations of NRS 7.285 et seq., including equitable and monetary
15 relief; and
16 6. For any and all such other and further relief as the Court may deem just and
17 proper.
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19 DATED this 12 day of March, 2008.

20
21 STOUT LAW FIRM

22 By: 

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