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7 **STATE OF WASHINGTON**
8 **SNOHOMISH COUNTY SUPERIOR COURT**

9 STATE OF WASHINGTON,

10 Plaintiff,

11 v.

12 MASON CAPITAL GROUP, LLC, a New
13 Mexico foreign limited liability company, not
authorized to transact business in
Washington,

14 Defendant.

NO.

COMPLAINT FOR PERMANENT
INJUNCTIVE RELIEF AND
OTHER RELIEF UNDER THE
CONSUMER PROTECTION ACT

15 The Plaintiff, State of Washington, by and through its attorneys Robert M. McKenna,
16 Attorney General, and James T. Sugarman, Assistant Attorney General, brings this action
17 against the defendant named below. The State alleges the following on information and belief:

18 **I. PLAINTIFF**

19 1.1 The Plaintiff is the State of Washington.

20 1.2 The Attorney General is authorized to commence this action pursuant to
21 RCW 19.86.080, 19.86.140, 19.146.100, 19.134.070 and RCW 61.34.040.

22 **II. DEFENDANTS**

23 2.1 Defendant Mason Capital Group, LLC is a New Mexico foreign limited liability
24 company, not authorized to transact business in Washington. Defendant's principal place of
25 business is 18375 Ventura Blvd, Suite 354, Tarzana, CA 91356, or 8236 Remmet Avenue,
26 Canoga Park, CA 91304, or 4924 Balboa Boulevard, Unit 614, Encino, CA 91316.

1 **5.2** Mason Capital demands and receives fees of \$2,000-\$3,000, and in other
2 amounts, for these services.

3 **5.3** Mason Capital demands and receives those fees prior to providing its services.

4 **5.4** Mason Capital provides no or nominal services to homeowners.

5 **5.5** When homeowners request refunds or cancellation, Mason Capital either
6 refuses to refund fees or falsely promises to refund fees.

7 **5.6** Mason Capital's failure to provide services places homeowners in dire financial
8 circumstances. After dealing with Mason Capital, homeowners face a shorter deadline or miss
9 the deadline to save their home from foreclosure, the money required to bring their loan current
10 has increased due to additional fees and interest, and homeowners have paid money that could
11 have been sent to their lender to cure their arrears, instead of to Mason Capital for no or
12 nominal services.

13 **5.7** The services Mason Capital purports to provide can be done by the homeowners
14 themselves.

15 **5.8** The services Mason Capital purports to provide are widely available for free or
16 for an income-based minimal fee from properly licensed non-profit and government-sponsored
17 housing counselors.

18 **5.9** Mason Capital fails to comply with the consumer protection regimen in place
19 for persons and entities that provide loan modification services:

- 20 a. It is not licensed with the Department of Financial Institutions as required by
21 the Mortgage Broker Practices Act, RCW 19.146;
- 22 b. It does not provide any of the contracts and disclosures specifically required by
23 the Mortgage Broker Practices Act, RCW 19.146, the Distressed Property
24 Conveyance Act, RCW 61.34, and the Credit Services Organizations Act, RCW
25 19.134;
- 26

1 c. It demands and receives payment prior to the full completion of its services in
2 violation of RCW 19.134.020, and 19.146.070;

3 d. Through the acts alleged above, it fails to fulfill its fiduciary duty imposed by
4 the Distressed Property Conveyance Act, RCW 61.34.060 and the Mortgage
5 Broker Practices Act, RCW 19.146.095.

6 **5.10** Each of the allegations in this Complaint refer back to conduct that has
7 occurred. Plaintiff alleges that the described conduct is a material part of Defendant's business
8 practices and is continuing or will continue.

9 **VI. COUNT ONE**

10 **Misrepresentations**

11 **6.1** Plaintiff re-alleges the above paragraphs and incorporates them herein.

12 **6.2** In the context of conducting its business Defendant made the numerous
13 misrepresentations and failures to disclose material terms as alleged above. Such conduct
14 constitutes unfair or deceptive acts or practices in trade or commerce, and/or unfair methods of
15 competition in violation of RCW 19.86.020.

16 **VII. COUNT TWO**

17 **Unfair and Deceptive Practices**

18 **7.1** Plaintiff re-alleges the above paragraphs and incorporates them herein.

19 **7.2** In the context of conducting its business Defendant engaged in numerous unfair
20 and deceptive acts and practices as alleged above. Such conduct constitutes unfair or deceptive
21 acts or practices in trade or commerce, and/or unfair methods of competition in violation of
22 RCW 19.86.020.

23 **VIII. COUNT THREE**

24 **Violations of the Distressed Property Conveyance Act**

25 **8.1** Plaintiff re-alleges the above paragraphs and incorporates them herein.
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1 thousand dollars (\$2,000) per violation against the Defendant for each and every violation of
2 RCW 19.86.020 caused by the conduct complained of herein.

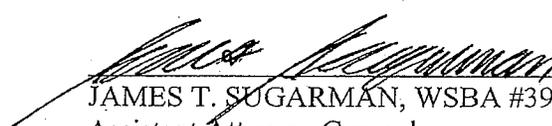
3 11.5 That the Court make such orders pursuant to RCW 19.86.080 as it deems
4 appropriate to provide for restitution to consumers of money or property acquired by the
5 Defendant as a result of the conduct complained of herein.

6 11.6 That the Court make such orders pursuant to RCW 19.86.080 to provide that the
7 plaintiff, State of Washington, have and recover from the Defendant the costs of this action,
8 including reasonable attorneys' fees.

9 For such other relief as the Court may deem just and proper.

10 DATED this 15th day of July, 2009.

11
12 ROBERT M. MCKENNA
13 Attorney General

14 
15 JAMES T. SUGARMAN, WSBA #39107
16 Assistant Attorney General
17 Attorneys for Plaintiff
18 State of Washington
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