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7 Facsimile: (619) 297-0808  
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FILED

MAR 09 2015

STATE BAR COURT CLERK'S OFFICE  
SAN FRANCISCO

COPY

8 STATE BAR COURT  
9 HEARING DEPARTMENT - LOS ANGELES

10 In the Matter of:

11 CARI DONAHUE,  
12 No. 273436,

13 A Member of the State Bar.  
14

Case No.: 14-O-00897

ANSWER OF RESPONDENT, CARI  
DONAHUE TO NOTICE OF  
DISCIPLINARY CHARGES

15  
16 COMES NOW Respondent, Cari Donahue (hereinafter referred to as Donahue) and  
17 answers and interposes affirmative defenses to the Notice of Disciplinary Charges brought by the  
18 State Bar of California as follows:

19 ANSWER

20 1. Donahue admits the allegations in paragraph number 1 of the Notice of  
21 Disciplinary Charges.

22 ANSWER TO COUNT ONE

23 Case No. 14-O-00897  
24 Business and Professions Code, section 6106.3  
[Violation of Civil Code, section 2944.7 (a) (1) - Illegal Advanced Fee]

25 2. Responding to Count One, Donahue is not culpable of any wrongdoing or ethical  
26 violations in this case. Donahue, admits that on or about June 19, 2012 Tony and Ghalia Karam

27 1

28 In the Matter of CARI DONAHUE; SBC Case No.: 14-O-00897; ANSWER AND  
AFFIRMATIVE DEFENSES OF RESPONDENT, CARI DONAHUE TO NOTICE OF  
DISCIPLINARY CHARGES



1 (hereinafter referred to as Karam) signed an agreement for prelitigation and litigation legal  
2 services, between June 19, 2012 and December 19, 2012 received a total of \$5,000.00 from  
3 Karam and except as specifically admitted, denies each, every and all remaining allegations  
4 contained in paragraph number 2 of Count One. Donahue specifically denies that she charged an  
5 advanced fee for a loan modification in this case on the basis that Tony Karam obtained his own  
6 loan modification from Bank of America, N.A. prior to engaging her services. A true and correct  
7 copy of the loan modification offered and accepted by Karam is attached hereto and marked  
8 Exhibit "A" and incorporated herein by this reference as fully as though set out at length.

9 ANSWER TO COUNT TWO

10 Case No. 14-O-00897  
11 Rules of Professional Conduct, rule 4-100 (A)  
12 [Failure to Deposit and Maintain Client Finds in Trust Account]

13 3. Responding to Count Two, Donahue is not culpable of any wrongdoing or ethical  
14 violations in this case. Donahue admits receiving an \$8500.00 check from Karam and except as  
15 specifically admitted, denies, every and all remaining allegations contained in paragraph number  
16 3 of Count Two. Donahue deposited said funds in a supervised segregated account.

17 ANSWER TO COUNT THREE

18 Case No. 14-O-00897  
19 Rules of Professional Conduct, rule 4-100 (B) (4)  
20 [Failure to Pay Client Funds Promptly]

21 4. Responding to Count Three, Donahue is not culpable of any wrongdoing or  
22 ethical violations in this case. Donahue asserts and admits receiving an \$8500.00 check from  
23 Karam and except as specifically admitted, denies each, every and all remaining allegations  
24 contained in paragraph 4 of Count Three. Donahue asserts that she has been prevented from  
25 inter-pleading these funds into court based upon the statements and representations of the State  
26 Bar of California. Donahue remains ready, willing and able to interplead these funds.



1 mortgage on their home. The foreclosure sale was rescinded and Donahue was prevented from  
2 resolving the second mortgage because Karam failed to cooperate with Donahue.

3 AFFIRMATIVE DEFENSE TO COUNT TWO

4 Case No. 14-O-00897  
5 Rules of Professional Conduct, rule 4-100 (A)  
6 [Failure to Deposit and Maintain Client Funds in Trust Account]

7 8. Donahue notified the State Bar of California of the intention to interplead the  
8 \$8500.00 and was told by the State Bar of California not to interplead these funds. These funds  
9 have been segregated and preserved and Donahue is ready willing and able to interplead these  
10 funds. Donahue has a Trust Account registered with the State Bar of California.

11 AFFIRMATIVE DEFENSE TO COUNT THREE

12 Case No. 14-O-00897  
13 Rules of Professional Conduct, rule 4-100 (B) (4)  
14 [Failure to Pay Client Funds Promptly]

15 9. Donahue incorporates paragraph 7 and 8 herein by this reference as fully as  
16 though set out at length. Karam never sent a request for a refund to Donahue; Karam never  
17 returned to the office for the refund; Karam refused to participate in mediation service provided  
18 by Donahue over the payment of fees and the State Bar of California told and represented to  
19 Donahue not to interplead funds in the amount of \$8500.00.

20 AFFIRMATIVE DEFENSE TO COUNT FOUR

21 Case No. 14-O-00897  
22 Business and Professions Code, section 6106  
23 [Moral Turpitude - Misappropriation]

24 10. Donahue incorporates paragraph numbers 7, 8 and 9 herein by this reference as  
25 fully as though set out at length. Said \$8500.00 are segregated and available and Donahue is  
26 ready willing and able to interplead these funds.  
27



1 100(B)(3)(4) fails to address the conduct as alleged in Counts 1, 2, 3, 4 and 5.

2 FOURTH AFFIRMATIVE DEFENSE TO ALL COUNTS

3 (Equal Protection/Due Process Violation Based upon Prosecutor's Unilateral Deprivation of  
4 Respondents Right to Private Disposition at an ENEC Meeting

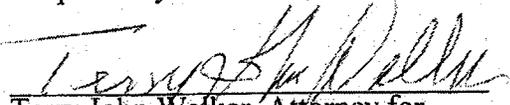
5 15. To the extent any discipline is appropriate, which Donahue disputes, the instant  
6 proceeding has violated Donahue's rights to equal protection and substantive and procedural due  
7 process. In the instant case, Donahue's counsel timely and on multiple occasions by email and  
8 by telephone requested an ENEC meeting to discuss settlement options before formal charges  
9 were filed on the basis of preexisting trial conflicts. A decision was made by the Office of Chief  
10 Trial Counsel to file public charges legally depriving the Donahue from an ENEC conference and  
11 the right to a private disposition. The laws, policies and procedures pursuant to this action do not  
12 allow the Office of the Chief Bar Counsel to deprive the Donahue of the right to a private  
13 disposition of a matter in appropriate circumstances as in the instant case.

14 PRAYER

15 Wherefore, Respondent, Donahue prays that the Court find that the Donahue did not  
16 commit acts constituting professional misconduct, and that the Notice of Disciplinary Charges be  
17 dismissed

18  
19 Dated: March 7, 2015

Respectfully submitted,

20   
21 Terry John Walker, Attorney for  
22 Respondent, Cari Donahue

23 VERIFICATION

24 I, Cari Donahue, am the respondent in this action. I have read the foregoing Answer to  
25 the Notice of Disciplinary Charges and know its contents. The matters stated are true of my own  
26 knowledge, except those stated on information and belief, and as to those matters, I believe

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them to be true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Signed this 7 day of March 2015 at OCEANSIDE, California.

Cari Donahue  
Cari Donahue

1 PROOF OF SERVICE BY MAIL

2 I am a citizen of the United States and a resident of San  
3 Diego County. I am over the age of 18 years and not a party to  
4 the within action. My business address is 2003 South El Camino  
5 Real, Suite 117, Oceanside, California 92054.

6 On March 7, 2015, I served the within ANSWER AND  
7 AFFIRMATIVE DEFENSES OF RESPONDENT, CARI DONAHUE TO NOTICE OF  
8 DISCIPLINARY CHARGES on the Court for filing and the parties in  
9 said action, by placing a true copy thereof in a sealed envelope  
10 with postage thereon fully prepaid for collection and mailing in  
11 the United States mail at San Diego, California, addressed as  
12 follows:

13 Ms. Laretta Cramer  
14 Case Administrator  
15 STATE BAR COURT OF CALIFORNIA  
16 180 Howard Street, Sixth Floor  
17 San Francisco CA 94105-1639

By FedEx Overnight

18 Ms. Diane J. Meyers, Esq,  
19 State Bar of California  
20 845 South Figueroa Street  
21 Los Angeles CA 90017-2515

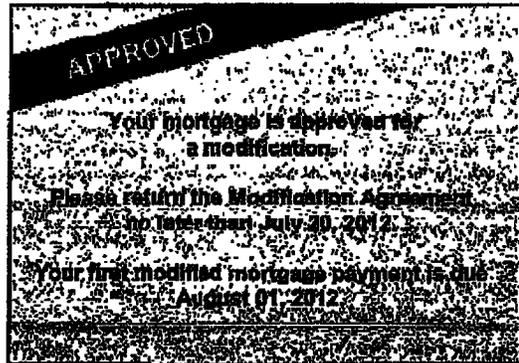
22 If an \* is placed before any name, it means personal delivery  
23 instead of mailing. If \*\* is placed before any name, it means  
24 service by fax after agreement pursuant to Code of Civil  
25 Procedure § 1013(a), California Rules of Court, rule 2.306 and  
26 Local Court Rules. Faxed From \_\_\_\_\_ to \_\_\_\_\_ on  
27 \_\_\_\_\_ at \_\_\_\_\_ . Confirmation Attached.

28 I am informed and believe that there is regular mail  
delivery between the place of mailing and the addressee. I placed  
each envelope for collection and mailing following ordinary  
business practices. I am readily familiar with this Firm's  
practice collection and processing of documents for mailing.  
Under that practice, the documents would be deposited with the  
United States Postal Service on that same day,

I declare under penalty of perjury of the laws of the State  
of California that the foregoing is true and correct. Executed  
March 7, 2015 at San Diego, California.

  
\_\_\_\_\_  
Rey Mendez

**EXHIBIT "A"**



July 10, 2012

TONY KARAM  
13023 ABING AVENUE  
SAN DIEGO, CA 92129

Loan Number: 171283905

Dear TONY KARAM:

Thank you for applying for a loan modification. We are pleased to inform you that you have been approved for a principal reduction loan modification under the U.S. Department of Justice and State Attorneys General global settlement agreement. If you accept the modification, your mortgage will soon be permanently modified with a more affordable monthly payment.

The enclosed Modification Agreement includes the new terms of your modified mortgage that will go into effect after we receive your completed documents. Please also carefully read the enclosed Clarity Commitment, which explains many of your new loan terms. If you have questions, please call me at 1.800.669.6650.

**How to accept this offer**

Enclosed are three copies of the permanent modification offer. To accept this modification offer, you must sign two copies of the Modification Agreement and then return both signed copies to us by July 29, 2012. Please use the enclosed pre-paid envelope to mail your documents to: Home Retention Group, Inc., Modifications Department, 9700 Blossom Street, Suite 1500, Houston, TX 77066. Please keep the other copy for your records.

We appreciate your cooperation and look forward to taking the final steps to providing you with affordable mortgage payments.

THERESA HERNANDEZ  
Home Loan Team  
Bank of America, N.A.

**P.S.** For your convenience, we invite you to enroll in our PayPlan services program. Your monthly mortgage payment can be automatically debited from your designated checking or savings account. To learn how to sign up, please review the attached PayPlan Enrollment Form.

**Enclosures:** (1) Clarity Commitment (2) Modification Agreement (3) Important Disclosures (4) PayPlan Enrollment Form & Electronic Payment Service Agreement (5) Pre-Paid Return Envelope

Bank of America, N.A. is required by law to inform you that this communication is from a debt collector. However, the purpose of this communication is to offer you a permanent loan modification that may help you bring or keep your loan current through affordable payments.

If you are currently in a bankruptcy proceeding, or have previously obtained a discharge of this debt under applicable bankruptcy law, this notice is for information only and is not an attempt to collect the debt, a demand for payment, or an attempt to impose personal liability for that debt. You are not obligated to discuss your home loan with us or enter into a loan modification or other loan completion program. You should consult with your bankruptcy attorney or other advisor about your legal rights and options.

Mortgages funded and administered by an Equal Housing Lender.   
 © Protect your personal information before recycling this document.



This document was prepared by  
Home Retention Services, Inc.,  
Modifications Department  
9700 Bissonnet Street  
Suite 1500  
Houston, TX 77036  
1.877.422.1761

SPACE ABOVE THIS LINE FOR RECORDER'S USE

### LOAN MODIFICATION AGREEMENT

This Loan Modification Agreement ("Agreement"), effective on the date set forth below, between TONY KARAM, (the "Borrower(s)") and Bank of America, N.A. ("Lender") amends and supplements (1) the Mortgage, Deed of Trust, or Deed to Secure Debt (the "Security Instrument"), dated the 19 day of April, 2007 and in the amount of \$482,000.00, and (2) the Note bearing the same date as, and secured by, the Security Instrument (the "Note") which covers the real and personal property described in the Security Instrument and defined therein as in the "Property", located at 13023 ABING AVENUE, SAN DIEGO, CA 92129.

If my representations in Section 1 below continue to be true in all material respects, then this Modification Agreement ("Agreement") will, as set forth in Section 3 below, amend and supplement (1) Security Instrument on the Property and (2) the Note secured by the Security Instrument, and any previous modifications to the Security Instrument and/or Note. The Security Instrument and Note together, as they may previously have been amended, are referred to as the "Loan Documents". Capitalized terms used in this Agreement and not defined here have the meaning given to them in the Loan Documents.

I have received three copies of this Agreement. After I sign and return two copies of this Agreement to Lender, I will retain the other copy for my records. This Agreement will not take effect unless the preconditions set forth in Section 2 below have been satisfied.

- 1. **My Representations and Covenants.** I certify, represent to Lender, covenant and agree:

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BAC MODIFICATION AGREEMENT -- Single Family/DOJ with Forgiveness  
(CS-3477 rev. 4/12) Bank of America, N.A.

(Page 2 of 10 pages)



CS\_3477

I am experiencing a financial hardship, and as a result, (1) I am in default under the Loan Documents or my default is imminent, and (2) I do not have sufficient income or access to sufficient liquid assets to make the monthly mortgage payments now or in the near future.

- A. The property is currently occupied and there has been no impermissible change in the ownership of the Property since I signed the Loan Documents. A permissible change would be any transfer that the lender is required by law to allow.
- B. I have provided documentation for all income that I receive that I am required to disclose, and I understand that I am not required to disclose child support or alimony unless I choose to rely on such income when requesting to qualify for this Loan Modification ("Modification").
- C. Under penalty of perjury, all documents and information that I (or any third party on my behalf) have provided to Lender in connection with this Agreement, including the documents and information regarding my eligibility for the Modification, are true and correct to the best of my information and belief.
- D. I have made all payments required under a trial period plan or loan workout plan.

2. **Acknowledgements and Preconditions to Modification.** I understand and acknowledge that:

- A. If prior to the Modification Effective Date as set forth in Section 3 below, Lender determines that any of my representations in Section 1 above are no longer true and correct, the Loan Documents will not be modified and this Agreement will terminate. In that event, Lender will have all of the rights and remedies provided by the Loan Documents; and
- B. I understand that the Loan Documents will not be modified unless and until (1) I return a signed and notarized (if required) copy of this Agreement to Lender, (2) the Lender accepts this Agreement by signing it, and (3) the Modification Effective Date (as defined in Section 3 below) has occurred.

3. **The Modification.** If all of my representations in Section 1 continue to be true in all material respects and all preconditions to the modification set forth in Section 2 above have been met, the Loan Documents will automatically become modified on August 01, 2012 (the "Modification Effective Date").



- A. As part of this Modification, I agree that all amounts and arrearages that are or will be past due as of the Modification Effective Date, including unpaid and deferred interest, fees, charges, escrow advances, and other costs, but excluding unpaid late charges, (collectively "Unpaid Amounts") less any amounts paid to Lender but not previously credited to my Loan, will be added to the current principal balance of the Note. This combined principal balance will be \$570,347.30 (the "Combined Principal Balance"). I understand that by agreeing to add the Unpaid Amounts to the outstanding principal balance, the added Unpaid Amounts accrue interest based on the interest rate in effect under this Agreement unless those amounts are either deferred as non-interest bearing or forgiven as specified in this Agreement.
- B. \$105,347.30 of the Combined Principal Balance is hereby permanently forgiven, and I understand that I will no longer be responsible for repayment of such amount to Lender. I further acknowledge that Lender may be required to report the amount of principal forgiveness to the IRS and that any tax liability arising out of that forgiveness shall be my responsibility. I further acknowledge that Lender has recommended that I consult my own tax advisor to determine how this forgiveness impacts my personal situation.
- 
- C. As of the Modification Effective Date the principal balance of the loan that remains due and payable is \$465,000.00 (the "New Principal Balance").
- D. Interest at the rate of 4.375% will begin to accrue on the New Principal Balance as of July 01, 2012 and the first new monthly payment on the New Principal Balance will be due on August 01, 2012. My payment schedule for the modified Loan is as follows:



Months	Interest Rate	Type of Payment	Monthly Principal and Interest Payment Amount	Estimated Monthly Escrow Payment Amount*	Total Monthly Payment*	Payment Begins On
288	4.375%	Principal and Interest	\$2,551.10	\$571.02 May adjust periodically	\$3,122.21 May adjust periodically	08/01/2012

\* If escrow payments are collected by Lender, Lender may adjust such payments periodically in accordance with applicable law. Therefore, my total monthly payment may change accordingly.

The terms in this Section 3.D. supersede any provisions to the contrary in the Loan Documents, and previous loan modifications including (but not limited to) provisions for an adjustable or interest-only rate.

E. I will be in default if I do not comply with the terms of the Loan Documents, as modified by this Agreement.

4. Additional Agreements. Lender and I agree to the following:

- A. All persons, or their authorized representative(s), who signed the Loan Documents have signed this Agreement, unless (1) a borrower or co-borrower is deceased; (2) the borrower and co-borrower are divorced and the property has been transferred to one spouse in the divorce decree, meaning that the spouse who no longer has an interest in the property need not sign this Agreement (although the non-signing spouse may continue to be held liable for the obligation under the Loan Documents); or (3) Lender has waived this requirement in writing. This Agreement may be executed in separate counterparts, each of which shall be deemed an original.
- B. This Agreement supersedes the terms of any modification, forbearance, trial period plan, or loan workout plan that I previously entered into with Lender.

BAC MODIFICATION AGREEMENT - Single Family/DOJ with Forgiveness  
 (CR\_3477) (w/ 472) EARL ST. ANNE'S, N.J.

(Page 5 of 10) (2/2/12)



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- C. I will comply, except to the extent that they are modified by this Agreement, with all covenants, agreements, and requirements of the Loan Documents, including my agreement to make all payments of taxes, insurance premiums, assessments, escrow items, impounds, and all other payments, the amount of which may periodically change over the term of my Loan.
- D. The Loan Documents are composed of duly valid, binding agreements, enforceable in accordance with their terms and are hereby reaffirmed.
- E. All terms and provisions of the Loan Documents, except as expressly modified by this Agreement, remain in full force and effect. Nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the obligations contained in the Loan Documents. Except as otherwise specifically provided in, and as expressly modified by, this Agreement, Lender and I will be bound by, and will comply with, all of the terms and conditions of the Loan Documents.

- F. I will pay to Lender on the day payments are due under the Loan Documents as amended by this Agreement, until the Loan is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over the Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under the Loan Documents; (d) mortgage insurance premiums, if any, or any sums payable to Lender in lieu of the payment of mortgage insurance premiums in accordance with the Loan Documents; and (e) any community association dues, fees, and assessments that Lender requires to be escrowed. These items are called "Escrow Items". I shall promptly furnish to Lender all notices of amounts to be paid under this Section 4.F. I shall pay Lender the Funds for Escrow Items unless Lender waives my obligation to pay the Funds for any or all Escrow Items. Lender may waive my obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, I shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. My obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in the Loan Documents, as the phrase "covenant and agreement" is used in the Loan Documents. If I am obligated to pay Escrow Items directly, pursuant to a waiver, and I fail to pay the amount due for an Escrow Item, Lender may exercise the rights under the Loan Documents and Life Agreement and pay said



amount and I shall then be obligated to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with the Loan Documents, and, upon such revocation, I shall pay to Lender all Funds, and in such amounts, that are then required under this Section 4.F.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under the Real Estate Settlement Procedures Act ("RESPA"), and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with applicable law.

- G. On and after the Modification Effective Date, and notwithstanding any other provision of the Loan Documents, if all or any part of the Property or any interest in it is sold or transferred without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by the Security Instrument. However, Lender shall not exercise this option if state or federal law, rules, or regulations prohibit the exercise of such option as of the date of such sale or transfer. If Lender exercises this option, Lender shall give me notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which I must pay all sums secured by the Security Instrument. If I fail to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by the Security Instrument without further notice or demand.
- H. On and after the Modification Effective Date, Lender will allow the transfer and assumption of the Loan, including this Agreement, only to a transferee of my property as permitted under the Garn-St Germain Act, 12 U.S.C. Section 1701j-3. A buyer or transferee of the Property will not be permitted, under any other circumstance, to assume the Loan. Except as noted herein, this Agreement may not be assigned to, or assumed by, a buyer or transferee of the Property.
- I. On and after the Modification Effective Date, any provision in the Note (or in any addendum or amendment to the Note) that allowed for the assessment of a penalty for full or partial prepayment of the Note, is null and void.
- J. I will cooperate fully with Lender in obtaining any title encroachment(s), or similar title



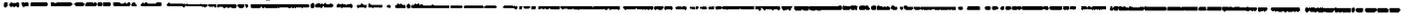
insurance product(s), and/or subordination agreement(s) that are necessary or required by Lender's procedures to ensure that the modified mortgage loan is in first-lien position and/or is fully enforceable upon modification. Under any circumstance and not withstanding anything else to the contrary in this Agreement, if Lender does not receive such title endorsement(s), title insurance product(s), and/or subordination agreement(s), the terms of this Agreement will not become effective on the Modification Effective Date and the Agreement will be null and void. I will allow Lender to attach an Exhibit to this Loan Modification that will include a Legal Description, recording information of the original security instrument, and any other relevant information required by a County Clerk's Office to allow for recording if and when recording becomes necessary for Lender.

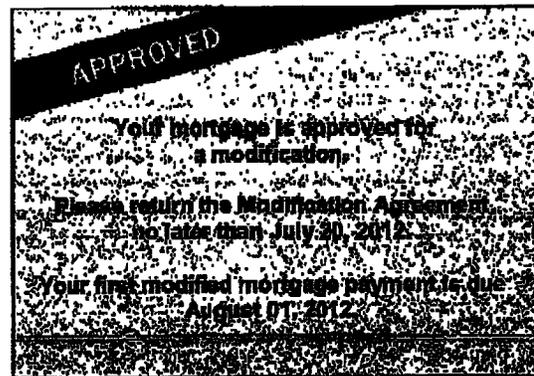
K. I will execute such other documents as may be reasonably necessary either to (1) consummate the terms and conditions of this Agreement; or (2) correct the terms and conditions of this Agreement if an error is detected after execution of this Agreement. If I elect not to sign any such correction documents, the terms of the original Loan Documents, or the most recent modified terms currently in effect, shall, at Lender's sole option, continue in full force, and the terms of the original Loan Documents, or the most recent modified terms currently in effect, will not be modified by this Agreement.

L. Any optional product(s) I may have purchased after the closing of my Loan, the cost for which I agreed to have added to my Total Monthly Payment, will (1) remain in force as long as I add the amount due and owing to my Total Monthly Payment each month and (2) continue to be governed by the terms of the documents the provider of the optional product delivered to me ("Governing Documents"), unless I (a) notify the provider of the optional product of my request to cancel; or (b) fail to pay any and all amounts payable when due, at which time the optional product may terminate as provided under the Governing Documents. If I have questions about any optional product(s) I may have purchased, I should contact Bank of America, N.A.

M. I agree and consent to the disclosure of my personal information and the terms of this Modification Agreement by Lender or its agents to (a) governmental authorities, including the U.S. Department of the Treasury and Department of Justice, and their agents, (b) any investor, insurer, guarantor or servicer that owns, insures, guarantees or services this Loan or any subordinate lien on the Property; (c) companies that perform support services in conjunction with this Modification and (d) any HUD-certified housing counselor.







July 10, 2012

TONY KARAM  
13023 ABING AVENUE  
SAN DIEGO, CA 92129

Loan Number: 174283985

Dear TONY KARAM:

Thank you for applying for a loan modification. We are pleased to inform you that you have been approved for a principal reduction loan modification under the U.S. Department of Justice and State Attorneys General global settlement agreement. If you accept the modification, your mortgage will soon be permanently modified with a more affordable monthly payment.

The enclosed Modification Agreement includes the new terms of your modified mortgage that will go into effect after we receive your completed documents. Please also carefully read the enclosed Clarity Commitment, which explains many of your new loan terms. If you have questions, please call me at 1.800.869.8850.

**How to accept this offer**

Enclosed are three copies of the permanent modification offer. To accept this modification offer, you must sign two copies of the Modification Agreement and then return both signed copies to us by July 20, 2012. Please use the enclosed pre-paid envelope to mail your documents to: Home Retention Group, Inc., Modifications Department, 9700 Bissonnet Street, Suite 1500, Houston, TX 77036. Please keep the other copy for your records.

We appreciate your cooperation and look forward to taking the final steps to providing you with affordable mortgage payments.

THERESA HERNANDEZ  
Home Loan Team  
Bank of America, N.A.

**P.S.** For your convenience, we invite you to enroll in our PayPlan services program. Your monthly mortgage payment can be automatically debited from your designated checking or savings account. To learn how to sign up, please review the attached PayPlan Enrollment Form.

Enclosures: (1) Clarity Commitment (2) Modification Agreement (3) Important Disclosures (4) PayPlan Enrollment Form & Electronic Payment Service Agreement (5) Pre-Paid Return Envelope

Bank of America, N.A. is required by law to inform you that this communication is from a debt collector. However, the purpose of this communication is to offer you a permanent loan modification that may help you bring or keep your loan current through affordable payments.

If you are currently in a bankruptcy proceeding, or have previously obtained a discharge of this debt under applicable bankruptcy law, this notice is for information only and is not an attempt to collect the debt, a demand for payment, or an attempt to impose personal liability for that debt. You are not obligated to discuss your home loan with us or enter into a loan modification or other loan assistance program. You should consult with your bankruptcy attorney or other advisor about your legal rights and options.

Mortgages funded and administered by an Equal Housing Lender. & Protect your personal information before recycling this document.



Bank of America Home Loans

Notice Date: 07/10/2012  
Loan No.: 17128905

TONY KARAM  
13023 ABING AVENUE  
SAN DIEGO, CA 92129

Loan Modification  
CLARITY COMMITMENT

Thank you for making your trial period payments. This Clarity Commitment<sup>®</sup> is intended to be a clear and simple summary of the final loan modification that we are pleased to offer you under the U.S. Department of Justice and State Attorneys General global settlement. The loan modification will help put you in a better position to meet your loan obligation. When you sign and return the enclosed loan modification agreement you are agreeing to a new and permanent loan modification. Please thoroughly review all of the enclosed documents to ensure that you understand the details of your loan modification agreement.

Summary of Your Modified Loan

Your new loan balance is \$468,004.00. To calculate this new loan balance, we added post due interest in the amount of \$70,498.22, and eligible servicing expenses of \$1,495.00, and taxes and insurance of \$18,181.88 totaling \$90,175.10 to your principal balance. Unpaid late fees are not included in this amount and will be waived when your loan modification is finalized.

The current interest rate of 7.625% is changing to 4.375% for the life of your modified loan.

We have forgiven \$105,347.30 of the outstanding principal on your loan, which means it will be completely removed from your loan balance and you will no longer owe this amount. This amount will be reported to the Internal Revenue Service. Please consult a tax advisor to determine how this forgiveness impacts your situation.

Your final payment date, which is your existing maturity date, is 05/01/2037.

Your New Mortgage Payments

Your new total modified monthly mortgage payments of \$3,132.21 are made up of principal and interest of \$2,561.19 and an initial escrow amount of \$571.02. Escrow payments are collected for payment of items such as property taxes and insurance and may change. We will notify you of any adjustments to the total monthly payment.

Your total monthly payments will be due on the 1st of the month starting the 1st of August, 2012.

If you have questions regarding the modification agreement or the steps you must take to complete this process, please call us at 1.800.666.6660.



17128905+BACBSMPMD\_07062012\_C

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**Modification Agreement  
(Customer Copy)**

**Bank of America Home Bank**

**RECORDING REQUESTED BY:  
Bank of America, N.A.  
Attn Home Retention Division: CAB-919-02-46  
400 NATIONAL WAY  
Simi Valley, CA 93065**

**Loan #: 347717128390592129**

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**BAC MODIFICATION AGREEMENT - Single Family/DOJ with Forgiveness  
(C3\_3477 rev. 4/12) Bank of America, N.A.**

**(Page 1 of 10 pages)**



**171283908-BACBSMPMD\_07062012\_C**

**C3\_3477**

**EXHIBIT "B"**



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October 2, 2013

Westside Law APC  
Ms. Cari Donahue Esq.  
2541 State Street, Suite 120  
Carlsbad, CA 92008

RE: mediation request with Tony and Ghalia Karam

Dear Ms. Donahue:

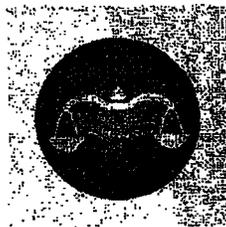
Thank you for your interest in utilizing the non-adversarial dispute resolution services provided by the **San Diego Mediation Center**, a Division of the National Conflict Resolution Center. I would like to inform you that Tony and Ghalia Karam have declined to mediate with you the case involving the non payment of legal fees. This case is now closed; I will contact you should anything change.

Please call me at (619) 593-4530, should you need further assistance with this matter.

Sincerely,

Veronica Mikho

Mediator and Alternative Dispute Resolution Specialist



## Westside Law APC

2541 State Street Suite 120 Carlsbad, California 92008  
(760) 687-9807 FAX (760) 688-3768

[westsidelawgroup@ymail.com](mailto:westsidelawgroup@ymail.com)

August 15, 2013

Sent via Certified Mail and Hand Delivered

Tony and Ghalia Karam  
13023 Abing Avenue  
San Diego, California 92129

Re: Termination of Legal Services

Dear Tony and Ghalia:

This letter is in accordance to paragraph 7 of our fee agreement dated June 19, 2012 that reads in pertinent part:

*"I may, at my option withdraw from a matter at any time that financial obligations are not met or a client either misrepresents or fails to disclose material facts to me, or fails to provide documents in a timely fashion".*

According to our records, we have not received legal fees on your cases since December 15, 2012 contrary to paragraph 2 of your fee agreement.

Based on our records, your untimely and contentious responses to our multiple requests for documentation in accordance with paragraph 4 of the fee agreement have further necessitated this termination letter.

Currently you have a balance due of \$4500.00 in accordance to paragraph 2 of the fee agreement.

Please contact my office manager, Rey at (760) 521-3233 so that you can make arrangements to pickup at our office a comprehensive copy of your file and refund check.

If driving to Carlsbad is inconvenient, we will deliver the above items to the above address.

Please contact me if you have any questions relative to the foregoing.

Very truly

*Cari Donahue*

Cari Donahue Esq.  
Westside Law APC

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$ 10.75
Certified Fee	\$8.10
Return Receipt Fee (Endorsement Required)	\$0.00
Restricted Delivery Fee (Endorsement Required)	\$0.00
<b>Total Postage &amp; Fees</b>	<b>\$ 18.85</b>



Sent to **Tony Keller / GALLIA KERN**  
 Street, Apt. No. or PO Box No. **13023 Abing Ave**  
 City, State, ZIP+4 **San Diego, CA 92129**

920089998  
 0567760008 -0094  
 18/21/2013 (800)275-8777 09:50:31 PM

Product Description	Sale Qty	Unit Price	Final Price
San Diego CA 92129 Zone-1 First-Class Mail Letter 0.50 oz. Scheduled Delivery Day: Thu 08/22/13 Certified			\$0.46
Label #:	70121010000138862769		\$3.10
Issue PVI:			\$3.56
<b>Total:</b>			<b>\$3.56</b>

Paid by:  
 debit Card  
 Account #: XXXX00000000000540  
 Approval #: 085018  
 Transaction #: 386  
 23 903490563  
 Receipt#: 002690

For tracking or inquiries go to [USPS.com](http://USPS.com) or call 1-800-222-1811.  
 \*\*\*\*\*  
 BRIGHTEN SOMEONE'S MAILBOX. Greeting cards available for purchase at select Post Offices.  
 \*\*\*\*\*

In a hurry? Self-service kiosks offer quick and easy check-out. Any Retail Associate can show you how.

Order stamps at [usps.com/shop](http://usps.com/shop) or call 1-800-Stamp24. Go to [usps.com/clicknship](http://usps.com/clicknship) to print shipping labels with postage. For other information call 1-800-ASK-USPS.  
 \*\*\*\*\*  
 Get your mail when and where you want it with a secure Post Office Box. Sign up for a box online at [usps.com/poboxes](http://usps.com/poboxes).  
 \*\*\*\*\*

Bill#: 1000604395074  
 Clerk: 05

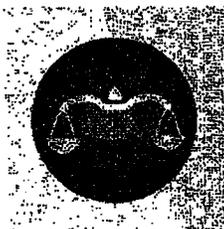
All sales final on stamps and postage  
 Refunds for guaranteed services only  
 Thank you for your business  
 \*\*\*\*\*  
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TELL US ABOUT YOUR RECENT  
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YOUR OPINION COUNTS  
 \*\*\*\*\*

Customer Copy



## Westside Law APC

2541 State Street Suite 120 Carlsbad, California 92008  
(760) 687-9807 FAX (760) 688-3768

[westsidelawgroup@ymail.com](mailto:westsidelawgroup@ymail.com)

September 3, 2013

Sent via Certified Mail

Tony and Ghalia Karam  
13023 Abing Avenue  
San Diego, California 92129

Re: Second Notice of Termination of Legal Services

Dear Tony and Ghalia:

This letter is in accordance to paragraph 7 of our fee agreement dated June 19, 2012 that reads in pertinent part:

*"I may, at my option withdraw from a matter at any time that financial obligations are not met or a client either misrepresents or fails to disclose material facts to me, or fails to provide documents in a timely fashion".*

According to our records, we have not received legal fees on your cases since December 15, 2012 contrary to paragraph 2 of your fee agreement.

Based on our records, your untimely and contentious responses to our multiple requests for documentation in accordance with paragraph 4 of the fee agreement have further necessitated this termination letter.

Currently you have a balance due of \$4500.00 in accordance to paragraph 2 of the fee agreement.

Please contact my office manager, Rey at (760) 521-3233 so that you can make arrangements to pickup at our office a comprehensive copy of your file and refund check.

If driving to Carlsbad is inconvenient, we will deliver the above items to the above address.

Please contact me if you have any questions relative to the foregoing as this is your second letter.

Very truly

*Cari Donahue*

Cari Donahue Esq.  
Westside Law APC

U.S. Postal Service  
**CERTIFIED MAIL - RECEIPT**  
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$0.46
Certified Fee	\$3.10
Return Receipt Fee (Endorsement Required)	\$0.00
Restricted Delivery Fee (Endorsement Required)	\$0.00
<b>Total Postage &amp; Fees</b>	<b>\$3.56</b>



Sent to  
**TONY AND GHALIA KARAM**  
 Street, Apt. No.  
 or PO Box No. **13023 ABING AVE**  
 City, State, ZIP+4  
**SAN DIEGO, CA 92129**

2522 9996 1000 0101 2104