

1 Harold M. Hewell (Cal. SBN: 171210)
 2 hmhewell@hewell-lawfirm.com
 3 HEWELL LAW FIRM
 4 501 W. Broadway, Suite 800
 5 San Diego, California 92101
 6 Telephone: (619) 204-0744
 7 Facsimile: (888) 298-0177
 8 *Attorney for Respondents, Kaballa Enterprises, Inc.,*
 9 *Margarita Goldberg, and Paul Goldberg*

8 **UNITED STATES BANKRUPTCY COURT**
 9 **CENTRAL DISTRICT OF CALIFORNIA**
 10 **LOS ANGELES DIVISION**

11 In re
 12 **Linda Gallardo Acosta,**
 13
 14 *Debtor.*

Case No. 2:12-bk-29679-VZ
 Chapter 13
 Hon. Vincent P. Zurzolo

16
 17 **OFFICE OF THE UNITED STATES**
 18 **TRUSTEE,**
 19 *Moving Party;*
 20
 21
 22 **KABALLA ENTERPRISES, INC.,**
 23 **MARGARITA GOLDBERG, AND**
 24 **PAUL GOLDBERG,**
 25 *Respondents.*

OBJECTION AND OPPOSITION
TO MOTION UNDER 11 U.S.C. § 110
FOR FINES AND/OR
DISGORGEMENT OF FEES
AGAINST BANKRUPTCY
PETITION PREPARER, AND
REQUEST FOR § 110(i) DAMAGES

VIA .PDF

1 as a respondent to the Motion. As Exhibits I, J and K to the Motion indicate, Paul Goldberg is a
2 California-licensed Real Estate Broker, and Mrs. Goldberg is licensed in California as a Real
3 Estate Salesperson. The Goldbergs formed Kaballa Enterprises for the purpose of engaging in
4 the business of real estate transactions, which has been the focus of Kaballa Enterprises since its
5 formation in September 2009. Goldberg Decl., ¶ 2.

6 The real estate bubble burst just before Kaballa Enterprises opened, and the Goldbergs
7 found that many people were coming to them seeking assistance in providing modifications of
8 expensive mortgages. However, the Goldbergs had neither the inclination nor the expertise to
9 seek modifications on those parties' behalf and never performed that service, individually or
10 through Kaballa Enterprises. Goldberg Decl., ¶ 3. Mrs. Goldberg had worked for Gregory
11 Glukhovsky and Norman Lewin, attorneys located in Woodland Hills, California who offered
12 loan modification services, but her duties were limited to the collection of documents and
13 information from the attorney's modification clients. She never participated in contacting and
14 negotiating the actual loan modifications with the lenders and loan servicers involved in that
15 process, and never developed any practical knowledge that would permit her to seek loan
16 modifications on her own. Goldberg Decl., ¶ 4.

17 When Roberto Acosta and Linda Gallardo [De]Acosta ("the Acostas") first contacted the
18 Goldbergs about pursuing a loan modification for them in the early part of 2011, Mrs. Goldberg
19 was no longer working for Mr. Glukhovsky and Norman Lewin, so the Goldbergs put the
20 Acostas in touch with Free and Clear Holding Company, LLC, which had led the Goldbergs to
21 believe that, working with its subcontractor, Secured Assets Group, LLC, it could provide
22 alternative financing and other services to Mr. and Mrs. Acosta. At the time, the Goldbergs
23 believed that Free and Clear Holding Company and Secured Assets Group were reputable
24 companies. Goldberg Decl., ¶ 5. The Goldbergs are not attorneys and the contract they provided
25 the Acostas for the work to be performed by Free and Clear Holding Company (Motion, Ex. E)
26 was poorly drafted, as it appears that Kaballa Enterprises was the party contracting with the
27 Acostas to perform the outlined services for them. In fact, however, the Respondents were
28 acting only as an intermediary between the Acostas and Free and Clear Holding Company, and

1 had no affiliation with either Free and Clear Holding Company or Secured Assets Group.
2 Goldberg Decl., ¶ 6.

3 As the Acostas state in their declaration attached to the Motion, they paid \$4,999.00 for
4 the services that were to be provided by Free and Clear Holding Company (\$2,000.00 on or
5 about May 8, 2011; \$500.00 on or about May 20, 2011; and \$2,499.00 on or about August 22,
6 2011). However, all of those payments were given to either directly to Free and Clear Holding
7 Company or to a person at Free and Clear Holding Company who identified himself as Franco
8 Aleman, a supervisor with Free and Clear Holding Company. The Goldbergs were told they
9 would be paid by Free and Clear Holding Company on an independent contractor basis for
10 introducing Free and Clear Holding Company to prospective clients. However, the Goldbergs
11 were never paid anything by either Free and Clear Holding Company or Secured Assets Group.
12 Goldberg Decl., ¶ 7.

13 The Goldbergs later began trying to contact Mr. Aleman and Free and Clear Holding
14 Company to follow up on the company's work for the Acostas, but were unable to reach them at
15 all. Free and Clear Holding Company never performed any of the promised services for the
16 Acostas, and the Goldbergs were unable to recover the Acostas' money or the payments that had
17 been promised them. Goldberg Decl., ¶ 8. The Goldbergs were deeply disturbed by this turn of
18 events, because they had put the Acostas, as well as others, into a relationship with Free and
19 Clear Holding Company, and those parties had not only lost the money paid to Free and Clear
20 Holding Company, but Free and Clear Holding Company had not provided any of the
21 alternative financing or other services that these people urgently needed to help them retain
22 ownership of their homes. Goldberg Decl., ¶ 9.

23 Accordingly, the Goldbergs began trying to find other parties that could help the
24 Acostas and others who had lost money with Free and Clear Holding Company and had
25 received nothing in turn. Goldberg Decl., ¶ 10. Mr. Aleman had introduced the Goldbergs to a
26 party by the name of Jenny Casco and had told them that she was a non-lawyer who prepared
27 bankruptcy petitions for homeowners who were facing foreclosure. After the Goldbergs were
28 unable to reach Free and Clear Holding Company or Mr. Aleman, Mrs. Goldberg was able to

1 track down Ms. Casco by telephone (818-437-7405), and learned that she was still engaged in
2 bankruptcy petition preparation, but was now doing this on her own. Goldberg Decl., ¶ 11.

3 On Nov 13, 2011, Mrs. Goldberg contacted the Acostas and told them she had found
4 another company, SafeCare Ltd. (which had absolutely no relationship or affiliation of any kind
5 with either Free and Clear Holding Company or Secured Assets Group), which was willing to
6 assist them in trying to keep their home. However, since Free and Clear Holding Company had
7 taken the Acostas' \$4,999.00 and the Goldbergs had not been able to recover those funds, the
8 Acostas would have to make a separate payment to SafeCare to engage its services. The Acostas
9 agreed to hire SafeCare and submitted an application. SafeCare sent them an Invoice for
10 Financial Closing Cost in the amount of \$3,768.66 which Mrs. Goldberg forwarded to the
11 Acostas. On January 12, 2012 the Acostas paid SafeCare \$2,350.00 for the first installment. On
12 April 12, 2012 Mrs. Goldberg paid a second payment of \$709.33 to SafeCare on the invoice.
13 Goldberg Decl., ¶ 12.

14 Around that time, the Acostas left for Peru. On January 13, 2012, the Goldbergs learned
15 that a Notice of Trustee's Sale had been recorded against the Acostas' property. When Mrs.
16 Goldberg informed Ms. Casco of this, Ms. Casco suggested that the Acostas file for bankruptcy
17 protection in order to give them more time to seek a solution to their situation. Goldberg Decl., ¶
18 13.

19 Ms. Goldberg contacted the Acostas and told them that a trustee's sale of their property
20 had been scheduled to take place on February 6, 2012. It was Mrs. Goldberg's understanding
21 from her contact with the Acostas that they had authorized her to do whatever was needed to
22 stop the sale, given that the Acostas were in Peru. Since the loan being foreclosed upon was in
23 Mr. Acosta's name, Ms. Casco asked Mrs. Goldberg to obtain his Social Security number and
24 Ms. Casco would prepare a bankruptcy petition for him. Mrs. Goldberg obtained the Social
25 Security number and provided it to Ms. Casco who then prepared the bankruptcy petition and
26 mailed it to Mrs. Goldberg for filing with the Court. Mrs. Goldberg did so on February 6, 2012
27 and paid the filing fee herself. Absent any knowledge of bankruptcy proceedings or law, Mrs.
28 Goldberg signed the petition for Mr. Acosta, but did so at the direction of Ms. Casco in the good

1 faith belief that this was permitted and that Mrs. Goldberg had authorization from Mr. Acosta to
2 do so. Goldberg Decl., ¶ 14.

3 Ms. Casco told Mrs. Goldberg that she needed to prepare a “reverse trustee” document,
4 and required \$850.00 to start work on it. Ms. Casco’s total charge for the reverse trustee
5 document was \$2350.00. On April 10, 2012, the Acostas sent a payment of \$1,418.66 from
6 Peru. Half of that payment (\$709.33) was forwarded to SafeCare and the remaining \$709.33 was
7 paid to Ms. Casco for the reverse trustee document preparation. That left a balance of \$140.67
8 owed to Ms. Casco for the initial payment to start the reverse trustee document preparation, so
9 Mrs. Goldberg paid that amount to Ms. Casco out of her own funds. Goldberg Decl., ¶ 15.

10 Shortly thereafter, the Acostas returned to Lancaster, California. Mrs. Goldberg had
11 informed Mr. Acosta Goldberg that their home had been sold on April 20, 2012. The Acostas
12 came to Mrs. Goldberg’s office with documents that they have received while in Peru and
13 questioned her about the condition of the property, which Mrs. Goldberg had already explained
14 to them by email and by telephone. SafeCare had been hired too late in the foreclosure process
15 to stop the trustee’s sale, and that sale did take place on or about April 20, 2012. Attached to the
16 Goldberg Declaration as Exhibit A and incorporate herein by reference is a true and correct
17 copy of an email dated May 03, 2012 that Mrs. Goldberg received from Mr. Acosta regarding
18 these matters. As the email is in Spanish, a translation of that email into English that initially
19 was created through Microsoft software, and then edited for clarity by Mrs. Goldberg is attached
20 to her declaration as Exhibit B. Goldberg Decl., ¶ 16.

21 At that point, the Acostas were facing eviction through an Unlawful Detainer action. Ms.
22 Casco recommended that another bankruptcy be filed to stay that process in order to pursue the
23 Reverse Trustee. Since Mr. Acosta had filed the first bankruptcy, it was too soon for him to file
24 another bankruptcy (his original petition had been dismissed on March 9, 2012 because his
25 presence in Peru prevented the filing of mandatory documents with the Court). Goldberg Decl.,
26 ¶ 17. Ms. Casco said that Mrs. Acosta could file for the bankruptcy, so Mrs. Goldberg
27 approached her about it. Ms. Acosta agreed to the filing of the bankruptcy, and Ms. Casco then
28 prepared the bankruptcy petition and forwarded it to Mrs. Goldberg for filing. Again, Ms. Casco

1 signed the petition for Mrs. Acosta, but did so at the direction of Ms. Casco in the good faith
2 belief that she was authorized by Mrs. Acosta to do so and that this was permitted. Mrs.
3 Goldberg paid for the filing of the petition but was never repaid for this. Goldberg Decl., ¶ 18.

4 On May 31, 2012, the Acostas paid \$1,500.00 for the balance due on the Reverse
5 Trustee document. Mrs. Goldberg forwarded this payment to Ms. Casco. In the meanwhile, an
6 attorney had been located to represent the Acostas in the Unlawful Detainer action filed to evict
7 them from their home. The attorney agreed to handle it for a flat fee of \$900.00, and asked that
8 the money be deposited in his wife's bank account (hence the bank account with under the
9 business name of Hair Boutique Chanel). However, the Acostas would not pay for the attorney's
10 services, and were ultimately evicted from the property. Goldberg Decl., ¶ 19.

11 SafeCare offered to refund money to the Acostas or help them finance the purchase of a
12 new home. However, upon information and belief, it is Mrs. Goldberg's understanding that the
13 Acostas never responded to the offer. Goldberg Decl., ¶ 20. Instead, on September 12, 2012, the
14 Acostas filed a Small Claims case against the Goldbergs, obtaining a judgment against them on
15 or about November 27, 2012 in the total amount of \$5,345.00. Goldberg Decl., ¶ 21.

16 Although Mrs. Goldberg regrets that the Acostas lost their home, she directed them to
17 every possible option she was told could help them, and as shown above, not one of the
18 Respondents to the Motion received any payment whatsoever for their efforts: Mr. Goldberg
19 received nothing, Kaballa Enterprises, Inc. received nothing, and Mrs. Goldberg received
20 nothing. In fact, Mrs. Goldberg lost approximately \$1,600.00 as the result of the various
21 payments she had made from her own funds to ensure that the services the Respondents sought
22 for the Acostas were provided in as timely a manner as possible. Goldberg Decl., ¶ 22.

23 Additionally, neither of the Goldbergs, nor anyone employed by or working on behalf of
24 Kaballa Enterprises, Inc. engaged in or participated in the preparation of any Bankruptcy
25 petitions whatsoever, for the Acostas or anyone else. As stated above, Ms. Casco prepared both
26 Bankruptcy petitions for the Acostas. Goldberg Decl., ¶ 23.

27 III. ARGUMENT

28 The Office of the United States Trustee contends that Respondents have violated the

1 following requirements of 11 U.S.C. § 110:

- 2 a. Respondents failed to sign the petition, as required by 11 U.S.C. § 110(b)(1). One
3 violation.
- 4 b. Respondents failed to timely file the written Notice to Debtor by Non-Attorney
5 Bankruptcy Petition Preparer (Form 19) in violation of 11 U.S.C. § 110(b)(2). As
6 set forth in 11 U.S.C. § 110(b)(2), such notice form was to be signed by the debtor
7 and the preparer, and be filed with the Court at the time the prepared documents
8 were filed with the Court. One violation.
- 9 c. Respondents failed to place on the petition an identifying number that identifies
10 those who prepared the document, as mandated by 11 U.S.C. § 110(c)(i). Page 11.
11 One violation.
- 12 d. Respondents failed to timely file a declaration under penalty of perjury that timely
13 and accurately disclosed the fee he, she or it received on behalf of the debtor as
14 dictated by 11 U.S.C. § 110(h)(2). One violation.
- 15 e. Respondents collected or received a payment from the debtor for the court filing
16 fees in connection with the filing of the petition in violation of 11 U.S.C. § 110(g).
17 One violation.
- 18 f. Respondents failed to furnish a copy of the petition and schedules to the debtor, at
19 the time they were presented for the debtor's signature as directed by 11 U.S.C. §
20 110(d). No schedules were filed and the case was dismissed. One violation.
- 21 g. Respondents executed a document on behalf of the debtor as prohibited by 11
22 U.S.C. § 110(e)(i). One violation.

23 Given that the Bankruptcy petitions were prepared by Ms. Casco, and none of the
24 Respondents were involved in the preparation of the petitions, Respondents contend that they
25 have no liability for the allegations by the Office of the United States Trustee listed as "a"
26 through "f" above.

27 Additionally, in light of the fact that none of the Respondents were paid for any act
28 performed by any party on behalf of the Acostas, including the preparation of the Bankruptcy

1 petitions, they contend there is nothing to disgorge and that they should not be required to
2 refund to the Acostas money that was paid to third parties with whom the Goldbergs had no
3 affiliation.

4 As for Mrs. Goldberg's signing of the two petitions, she did so at the direction of Ms.
5 Casco and believed that she had the Acostas' authorization to execute the respective petitions.
6 She did so in the good faith belief that this was a legitimate practice and she did not intend to
7 violate 11 U.S.C. § 110(e)(i) or any other statute, code, rule or common law.

8 Accordingly, Respondents contend that they have not acted in violation of the provisions
9 cited in allegations a through f as listed above, and that there is no basis for disgorgement. They
10 also contend that Mrs. Goldberg should not be fined for execution of the petitions, as she did so
11 at the direction of Ms. Casco, someone she trusted and believed was directing her to act in
12 accordance with Bankruptcy law and procedure. Additionally, she believed she had been
13 authorized by the Acosta's to execute the respective petitions.

14 Furthermore, neither Mrs. Goldberg nor the other Respondents received any
15 compensation for their actions on behalf of the Acostas. Respondents' actions were predicated
16 on the belief that they were acting in the best interests of the Acostas, and they had no intent to
17 deceive or commit any act in violation of 11 U.S.C. § 110(e)(i) or any other statute, code, rule or
18 common law.

19 IV. CONCLUSION

20 In light of the foregoing, Respondents respectfully request that the Court deny the
21 Motion in its entirety.

22 HEWELL LAW FIRM

23  (VIA .PDF)

24 Dated: December 12, 2012.

25 By: /s/ Harold M. Hewell
26 Harold M. Hewell
27 Attorney for Respondents,
28 Kaballa Enterprises, Inc.,
Margarita Goldberg, and
Paul Goldberg

1 Harold M. Hewell (Cal. SBN: 171210)

2 hmhewell@hewell-lawfirm.com

3 HEWELL LAW FIRM

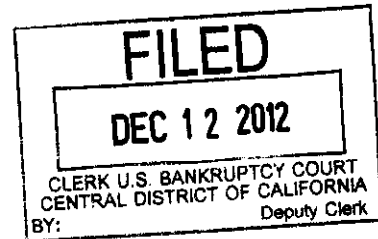
4 501 W. Broadway, Suite 800

5 San Diego, California 92101

6 Telephone: (619) 204-0744

7 Facsimile: (888) 298-0177

8 *Attorney for Respondents, Kaballa Enterprises, Inc.,*
9 *Margarita Goldberg, and Paul Goldberg*



10 **UNITED STATES BANKRUPTCY COURT**
11 **CENTRAL DISTRICT OF CALIFORNIA**
12 **LOS ANGELES DIVISION**

13 In re

14 **Linda Gallardo Acosta,**

15 *Debtor.*

16 Case No. 2:12-bk-29679-VZ

17 Chapter 13

18 Hon. Vincent P. Zurzolo

19 **OFFICE OF THE UNITED STATES**
20 **TRUSTEE,**

21 *Moving Party;*

22 **KABALLA ENTERPRISES, INC.,**
23 **MARGARITA GOLDBERG, AND**
24 **PAUL GOLDBERG,**

25 *Respondents.*

26 **DECLARATION OF MARGARITA**
27 **GOLDBERG IN SUPPORT OF**
28 **OPPOSITION TO MOTION**
UNDER 11 U.S.C. § 110 FOR
FINES AND/OR DISGORGEMENT
OF FEES AGAINST BANKRUPTCY
PETITION PREPARER, AND
REQUEST FOR § 110(i) DAMAGES

1 I, Margarita Goldberg, hereby declare:

2 1. I am one of the Respondents to the Motion Under 11 U.S.C. § 110 for Fines
3 and/or Disgorgement of Fees Against Bankruptcy Petition Preparer; Request for § 110(i)
4 Damages ("Motion"), filed in the above-captioned matter by the Office of the United States
5 Trustee. The statements set forth in this declaration are true based on my own personal
6 knowledge, except for those stated on information and belief, and as for those, I believe them to
7 be true. If called upon to do so, I could competently testify to the matters set forth herein.

8 2. Respondent Paul Goldberg is my husband; he and I own and operate Kaballa
9 Enterprises, Inc., which also has been named as a respondent to the Motion. As Exhibits I, J and
10 K to the Motion indicate, Paul Goldberg is a California-licensed Real Estate Broker, and I am
11 licensed in California as a Real Estate Salesperson. We formed Kaballa Enterprises for the
12 purpose of engaging in the business of real estate transactions, which has been the focus of
13 Kaballa Enterprises since its formation in September 2009.

14 3. The real estate bubble burst just before Kaballa Enterprises opened, and we
15 found that many people were coming to us seeking assistance in providing modifications of
16 expensive mortgages. However, Mr. Goldberg and I had neither the inclination nor the expertise
17 to seek modifications on their behalf and never performed that service ourselves, individually or
18 through Kaballa Enterprises.

19 4. I had worked for Gregory Glukhovsky and Norman Lewin, attorneys located in
20 Woodland Hills, California who offered loan modification services, but my duties were limited
21 to the collection of documents and information from the attorney's modification clients; I never
22 participated in contacting and negotiating the actual loan modifications with the lenders and
23 loan servicers involved in that process, and never developed any practical knowledge that would
24 permit me to seek loan modifications on my own.

25 5. When Roberto Acosta and Linda Gallardo [De]Acosta ("the Acostas") first
26 contacted us about pursuing a loan modification for them in the early part of 2011, I was no
27 longer working for Mr. Glukhovsky and Norman Lewin, so we put the Acostas in touch with
28 Free and Clear Holding Company, LLC, which had led us to believe that, working with its

1 subcontractor, Secured Assets Group, LLC, it could provide alternative financing and other
2 services to Mr. and Mrs. Acosta. At the time, we believed that Free and Clear Holding Company
3 and Secured Assets Group were reputable companies.

4 6. Mr. Goldberg and I are not attorneys and the contract we provided the Acostas
5 for the work to be performed by Free and Clear Holding Company (Motion, Ex. E) was poorly
6 drafted, as it appears that Kaballa Enterprises was the party contracting with the Acostas to
7 perform the outlined services for them. In fact, however, Mr. Goldberg, Kaballa Enterprises and
8 I were acting only as an intermediary between the Acostas and Free and Clear Holding
9 Company, and had no affiliation with either Free and Clear Holding Company or Secured
10 Assets Group.

11 7. As the Acostas state in their declaration attached to the Motion, they paid
12 \$4,999.00 for the services that were to be provided by Free and Clear Holding Company
13 (\$2,000.00 on or about May 8, 2011; \$500.00 on or about May 20, 2011; and \$2,499.00 on or
14 about August 22, 2011). However, all of those payments were given to either directly to Free
15 and Clear Holding Company or to a person at Free and Clear Holding Company who identified
16 himself as Franco Aleman, a supervisor with Free and Clear Holding Company. Mr. Goldberg
17 and I were told we would be paid by Free and Clear Holding Company on an independent
18 contractor basis for introducing them to prospective clients. However, we were never paid
19 anything by either Free and Clear Holding Company or Secured Assets Group.

20 8. We later began trying to contact Mr. Aleman and Free and Clear Holding
21 Company to follow up on the company's work for the Acostas, but were unable to reach them at
22 all. Free and Clear Holding Company never performed any of the promised services for the
23 Acostas, and we were unable to recover the Acostas' money or the payments that had been
24 promised us.

25 9. Mr. Goldberg and I were deeply disturbed by this turn of events, because we had
26 put the Acostas, as well as others, into a relationship with Free and Clear Holding Company,
27 and they had not only lost the money paid to Free and Clear Holding Company, but Free and
28 Clear Holding Company had not provided any of the alternative financing or other services that

1 these people urgently needed to help them retain ownership of their homes.

2 10. Accordingly, we began trying to find other parties that could help the
3 Acostas and others who had lost money with Free and Clear Holding Company and had
4 received nothing in turn.

5 11. Mr. Aleman had introduced us to Jenny Casco and had told us that she was a
6 non-lawyer who prepared bankruptcy petitions for homeowners who were facing foreclosure.
7 After we were unable to reach Free and Clear Holding Company or Mr. Aleman, I was able to
8 track down Ms. Casco by telephone (818-437-7405), and learned that she was still engaged in
9 bankruptcy petition preparation, but was now doing this on her own.

10 12. On Nov 13, 2011, I contacted the Acostas and told them I had found another
11 company, SafeCare Ltd. (which had absolutely no relationship or affiliation of any kind with
12 either Free and Clear Holding Company or Secured Assets Group), and was willing to assist
13 them in trying to keep their home. However, since Free and Clear Holding Company had taken
14 the Acostas' \$4,999.00 and we had not been able to recover the funds, they would have to make
15 a separate payment to SafeCare to engage its services. They agreed to hire SafeCare and
16 submitted an application. SafeCare sent them an Invoice for Financial Closing Cost in the
17 amount of \$3,768.66 which I forwarded to the Acostas. On January 12, 2012 the Acostas paid
18 SafeCare \$2,350.00 for the first installment. On April 12, 2012 I paid a second payment of
19 \$709.33 to SafeCare on the invoice.

20 13. Around that time, the Acostas left for Peru. On January 13, 2012, we learned that
21 a Notice of Trustee's Sale had been recorded against the Acostas' property. When I informed
22 Ms. Casco of this, she suggested that the Acostas file for bankruptcy protection in order to give
23 them more time to seek a solution to their situation.

24 14. I contacted the Acostas and told them that a trustee's sale of their property had
25 been scheduled to take place in February 06, 2012. They authorized me to do whatever we
26 needed to do to stop the sale since they were in Peru. Since the loan being foreclosed upon was
27 in Mr. Acosta's name, Ms. Casco asked me to obtain his Social Security number and she would
28 prepare a bankruptcy petition for him. I obtained the Social Security number and provided it to

1 Ms. Casco who then prepared the bankruptcy petition and mailed it to me for filing with the
2 Court. I did so on February 6, 2012 and paid the filing fee myself. Absent any knowledge of
3 bankruptcy proceedings or law, I did sign the petition for Mr. Acosta, but did so at the direction
4 of Ms. Casco in the good faith belief that this was permitted and that I had authorization from
5 Mr. Acosta to do so.

6 15. Ms. Casco told me she needed to prepare a "reverse trustee" document, and
7 required \$850.00 to start work on it. Her total charge for the reverse trustee document was
8 \$2350.00. On April 10, 2012, the Acostas sent a payment of \$1,418.66 from Peru. Half of that
9 payment (\$709.33) was forwarded to SafeCare, and the \$709.33 was paid to Ms. Casco for the
10 reverse trustee document preparation. That left a balance of \$140.67 owed to Ms. Casco for the
11 initial payment to start the reverse trustee document preparation, so I paid that amount to Ms.
12 Casco out of my own funds.

13 16. Shortly thereafter, the Acostas returned to Lancaster. I had informed Mr.
14 Goldberg that their home had been sold on April 20, 2012. They came to my office with
15 documents that they have received while been in Peru and question me about the real condition
16 of their property, which I had already explained to them by email and by telephone. SafeCare
17 had been hired too late in the foreclosure process to stop the trustee's sale, and it had taken place
18 on or about that date. I have attached here as Exhibit A and incorporate herein by reference a
19 true and correct copy of an email dated May 03, 2012 that I received from Mr. Acosta regarding
20 these matters. As the email is in Spanish, I have attached here as Exhibit B a translation of that
21 email into English that initially was created through Microsoft software, and then edited for
22 clarity by me.

23 17. At that point, the Acostas were facing eviction through an Unlawful Detainer
24 action. Ms. Casco recommended that another bankruptcy be filed to stay that process in order to
25 give Ms. Casco time since she was in the negotiations of the Reverse Trustee. Since Mr. Acosta
26 had filed the first bankruptcy, it was too soon for him to file another bankruptcy (his original
27 petition had been dismissed on March 9, 2012 because his presence in Peru prevented the filing
28 of mandatory documents with the Court).

1 18. Ms. Casco said that Mrs. Acosta could file for the bankruptcy, so I approached
2 her about it. Ms. Acosta agreed to the filing of the bankruptcy, and Ms. Casco then prepared the
3 bankruptcy petition and forwarded it to me for filing. I signed the petition for Mrs. Acosta, but
4 did so at the direction of Ms. Casco in the good faith belief I was authorized by Mrs. Acosta to
5 do so and that this was permitted. I paid for the filing of the petition but was never repaid for
6 this.

7 19. On May 31, 2012, the Acostas paid \$1,500.00 for the balance due on the Reverse
8 Trustee filing. I forwarded this payment to Ms. Casco. In the meanwhile, an attorney had been
9 located to represent them in the Unlawful Detainer action filed to evict them from their home.
10 He agreed to handle it for a flat fee of \$900.00, and asked that the money be deposited in his
11 wife's bank account (hence the bank account with under the business name of Hair Boutique
12 Chanel). However, the Acostas would not pay for the attorney's services, and were ultimately
13 evicted from the property.

14 20. SafeCare offered to refund money to the Acostas or help them finance the
15 purchase of a new home. However, upon information and belief, it is my understanding that the
16 Acostas never responded to the offer.

17 21. Instead, on September 12, 2012, the Acostas filed a Small Claims case against
18 Mr. Goldberg and me, obtaining a judgment against us on or about November 27, 2012 in the
19 total amount of \$5,345.00.

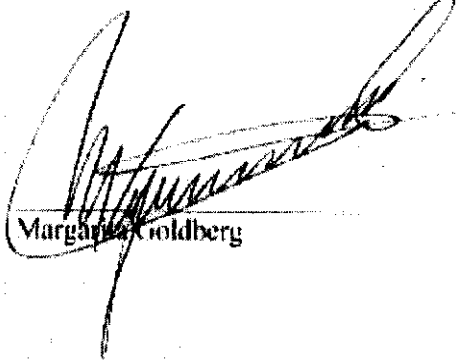
20 22. Although I regret that the Acostas lost their home, I directed them to every
21 possible option I was told could help them, and as shown above, not one of the Respondents to
22 this motion received any payment whatsoever for their efforts: Mr. Goldberg received nothing,
23 Kaballa Enterprises, Inc. received nothing, and I received nothing. In fact, I lost approximately
24 \$1,600.00 for the various payments I made to ensure that the services we sought to provide the
25 Acostas were provided in as timely a manner as possible.

26 23. Additionally, neither Mr. Goldberg nor I, nor anyone employed by or working on
27 behalf of Kaballa Enterprises, Inc. engaged in or participated in the preparation of any
28 Bankruptcy petitions whatsoever, for the Acostas or anyone else. As stated above, Ms. Casco

1 prepared both Bankruptcy petitions for the Acostas.

2 I declare, under penalty of perjury under the laws of the United States and the State of
3 California, that the foregoing contents of this declaration are truthful and accurate.

4 Executed this 12th day of December 2012 in the City of Stevenson
5 Ranch, _____, California.

6
7
8 
9 Margarita Goldberg

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

From: ROBERTO MARTHA ACOSTA <romashi@hotmail.com>
Sent: Thursday, May 03, 2012 10:41 PM
To: Margarita Goldberg

Margarita y Paul,
los saludamos atentamente y a la vez agradecemos el trabajo que estan haciendo por nuestra propiedad. Como nosotros ya sabemos de su eficacia confiamos en Uds. mas aun cuando nos dijeron que este tramite no llevaria mucho tiempo mas alla de 6 meses, pero ya casi cumple un ano de inicio del tramite sin que pueda finiquitarse y desgraciadamente los problemas de salud se presentan impensadamente. Nuestra estadia no ha sido vacacionar y se ha dilatado por razones ajenas a nuestra voluntad, en ningun momento pensamos demorar tanto ya que como a uds. les consta teniamos el pendiente de la casa. Solo esperamos que nos comprendan y que no es ningun tema de irresponsabilidad o falta de interes. Tambien estamos conscientes de su dedicacion, trabajo y los gastos generados, cosa que vamos a solucionar apenas regresemos. Les prometemos que inmediatamente lleguemos los visitamos o llamamos. Si algun documento enviado por el banco les interesa, podriamos decirle al vecino que nos esta recogiendo la correspondencia que se lo haga llegar a su direccion, pero si no es muy urgente esperennos que en unos 15 dias estamos regresando de todas maneras. Mantengamonos en contacto y muchas gracias por su comprension y trabajo. Les deseamos muchas bendiciones.

Margaret and Paul,

We warmly greet you and at the same time appreciate the work that you are doing for our property. As we already knew of your effectiveness we trust you more even though we were told that this procedure not lead long time beyond 6 months, but already it meets almost one year of the home process unless you can finalize and unfortunately health problems occur inadvertently. Our stay has not been vacationing and has stretched for reasons beyond our control, at any time think delay so much since as you know we had the consists earring of the House. We only hope that you understand and that is not any issue of irresponsibility or lack of interest. We are also aware of your dedication, work and generated expenses, thing that we are going to solve just we get back. I promise that we will immediately visit or call you as soon as we get back. If any document sent by the Bank interested you, we could tell the neighbor that is collecting the correspondence to send it over to your address, but it is not very urgent wait for us that in 15 days we are returning anyway. Let's keep in touch and thank you for your understanding and work. We wish you many blessings.