

FILED
U.S. DISTRICT COURT
EASTERN DISTRICT OF LA

2008 MAY -1 PM 3:27

LORETTA G. WHYTE
CLERK

UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF LOUISIANA

THE LAW OFFICES OF JOSEPH M. BRUNO, §
A.P.L.C., On Behalf of Itself §
and All Others Similarly Situated, §
SHELLY LACROIX, WALTER LACKINGS, §
and MARY DANDRIDGE, On Behalf of §
Themselves and All Others Similarly Situated §

VERSUS §

ABN AMRO MORTGAGE GROUP, INC., §
ACCREDITED HOME LENDERS, INC., §
ADVANCE MORTGAGE CORPORATION, §
AEGIS MORTGAGE CORPORATION, §
ALTEGRA CREDIT COMPANY, AMC §
MORTGAGE SERVICES, INC., §
AMERICAN ACCEPTANCE MORTGAGE, §
INC., GENERAL FINANCE, INC., §
AMERICAN HOME MORTGAGE §
CORPORATION, AMERICAN HOME §
MORTGAGE CORP. OF NEW YORK, §
AMERICAN HOME MORTGAGE §
SERVICING, INC., AMERICAN THRIFT §
& FINANCE PLAN, INC., AMERICAN §
THRIFT & FINANCE PLAN, LLC, §
AMERIQUEST MORTGAGE COMPANY, §
AMSOUTH BANK, ARGENT MORTGAGE §
COMPANY, L.L.C., ASSOCIATES §
FINANCIAL SERVICES OF AMERICA, §
INC., ASSOCIATES FINANCIAL SERVICES §
COMPANY, INC., CITIFINANCIAL §
MORTGAGE COMPANY, INC. OF NEW §
YORK, ASSURANCE, L.L.C., AURORA §
LOAN SERVICES, LLC, BANK OF §

NO: 08-

CLASS ACTION

08-2762

SECT. J MAG 4

SECTION:

MAG:

\$350.
Fee _____
✓ Process _____
x Dkt'd _____
CtRmDep _____
Doc. No. _____

AMERICA, N. A., BANK ONE §
 CORPORATION, BAYVIEW LOAN §
 SERVICING LLC., BENEFICIAL §
 MORTGAGE CORPORATION, §
 BENEFICIAL MORTGAGE CO. OF §
 LOUISIANA, CANAL MORTGAGE & §
 FINANCE CO., INC., CANAL MORTGAGE §
 & FINANCE CO. LLC., CAPITAL ONE ACP, §
 LLC. CAPITAL ONE MORTGAGE §
 SERVICES, INC., PHH MORTGAGE §
 CORPORATION, NATIONSTAR §
 MORTGAGE LLC., CHASE HOME FINANCE §
 LLC., CHASE HOME FINANCE INC. OF §
 DELAWARE, CHASE FINANCIAL §
 CORPORATION, THE CHASE §
 MANHATTAN CORPORATION, CHASE §
 MANHATTAN MORTGAGE §
 CORPORATION, CHASE MORTGAGE §
 SERVICES, INC., CHASE HOMES, INC., §
 CHARTER ONE MORTGAGE, INC., §
 CITICORP USA, INC., CITICORP HOME §
 MORTGAGE SERVICES, INC., §
 CITIMORTGAGE, INC., CITIFINANCIAL §
 MORTGAGE COMPANY OF NEW YORK, §
 CITIFINANCIAL, INC., CITY FINANCIAL §
 SERVICES, INC., CITYWIDE MORTGAGE §
 COMPANY, COLONIAL MORTGAGE & §
 LOAN CORPORATION, CORESTAR §
 FINANCIAL GROUP, LLC., COUNTRYWIDE §
 HOME LOANS, INC., DECISION ONE §
 MORTGAGE COMPANY, LLC., §
 DRYADES SAVINGS BANK, F.S.B., d/b/a §
 DRYADES MORTGAGE, EMC MORTGAGE §
 CORPORATION, EVERHOME MORTGAGE §
 COMPANY, FIDELITY HOME MORTGAGE §
 CORPORATION, FIRST BANK AND TRUST §
 COMMUNITY DEVELOPMENT §
 CORPORATION, FINANCIAL FREEDOM §
 HOME LOANS, INC., FINANCIAL §
 FREEDOM SENIOR FUNDING §
 CORPORATION, FIRST HORIZON HOME §

LOAN CORPORATION, GMAC	§
MORTGAGE CORPORATION, GMAC	§
MORTGAGE GROUP, INC., GMAC	§
MORTGAGE, LLC., GREENPOINT	§
MORTGAGE FUNDING, INC.,	§
HOMECOMINGS FINANCIAL, LLC.,	§
HOMECOMINGS, LLC., HOMEQ	§
SERVICING CORPORATION , HOMESIDE	§
LENDING, INC., HOUSEHOLD	§
MORTGAGE, INC., HSBC MORTGAGE	§
CORPORATION (USA), HSBC	§
MORTGAGE SERVICES INC., INDYMAC	§
MORTGAGE HOLDINGS, INC., INDYMAC	§
FINANCIAL SERVICES CORPORATION,	§
LITTON LOAN SERVICING LP.,	§
HOMETOWN MORTGAGE SERVICES,	§
INC., HOUSEHOLD FINANCE	§
CORPORATION, HOUSEHOLD FINANCE	§
CORPORATION II, LAKE MORTGAGE	§
INVESTORS OF MISSISSIPPI, INC. THE	§
LEADER MORTGAGE COMPANY,	§
MATRIX FINANCIAL SERVICES	§
CORPORATION, MIDLAND MORTGAGE	§
CORPORATION, NATIONAL CITY	§
MORTGAGE, INC., NATIONSTAR	§
MORTGAGE LLC., NATIONSTAR	§
MORTGAGE PROPERTIES LLC.,	§
NEIGHBORHOOD HOUSING AND	§
DEVELOPMENT, INC., NEW CENTURY	§
MORTGAGE CORPORATION,	§
NOVASTAR MORTGAGE, INC.,	§
NORWEST MORTGAGE, INC., OCWEN	§
LOAN SERVICING, LLC., OCWEN	§
MORTGAGE COMPANY, LLC ., OLD	§
CREST LENDING GROUP, LLC, d/b/a	§
OLD CREST MORTGAGE,	§
OPTION ONE MORTGAGE	§
CORPORATION, OPTION ONE	§
MORTGAGE SERVICES, INC., REGIONS	§
BANK , RURAL HOUSING SERVICES, INC.,	§
SAXON MORTGAGE, INC., SELECT	§

PORTFOLIO SERVICING, INC.,	§
STANDARD MORTGAGE CORPORATION,	§
MORTGAGE, STANDARD MORTGAGE	§
CORPORATION OF BATON ROUGE,	§
STATE-FARM ACCEPTANCE	§
CORPORATION, STATE-FARM	§
ACCEPTANCE CORPORATION OF	§
LOUISIANA, INC., SUN FINANCE	§
COMPANY, INC., WASHINGTON MUTUAL	§
HOME LOANS, INC., WAMU INSURANCE	§
SERVICES, INC., WASHINGTON MUTUAL	§
FINANCE, INC.,WELLS FARGO BANK,	§
NATIONAL ASSOCIATION ,	§
WELLS FARGO HOME MORTGAGE, INC.,	§
WILSHIRE CREDIT CORPORATION,	§
NEW ORLEANS MORTGAGE LENDING	§
CORPORATION, NEW ORLEANS HOME	§
MORTGAGE AUTHORITY, WILMINGTON	§
FINANCE, INC., THE LENDERS' GROUP,	§
L.L.C. , on Behalf of Themselves and All	§
Others Similarly Situated; The State of	§
Louisiana, Division of Administration, Office	§
of Community Development, and its Executive	§
Director, SUZIE ELKINS.	§
	§
	§
	§
	§

CLASS ACTION COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF

NOW INTO COURT, through undersigned counsel comes Complainants **THE LAW OFFICES OF JOSEPH M. BRUNO, APLC**, on behalf of itself and all others similarly situated, and **SHELLY LACROIX , WALTER LACKINGS**, and **MARY DANDRIDGE**, on behalf of themselves and all others similarly situated, and for their Complaint with respect state:

I.

PRELIMINARY STATEMENT

1. On August 29, 2005, Hurricane Katrina struck south Louisiana. In the wake of this devastating storm, thousands of New Orleans area homeowners made claims with their homeowners' insurers to begin the process of repairing and rebuilding their damaged homes. Many of these homeowners had mortgages which were secured by the property under mortgage contracts designating the mortgagee as an additional loss payee under the property owners' homeowner's insurance policy. Also, some of the New Orleans area homeowners were eligible to apply for grant money from the Louisiana Road Home Program to assist them in rebuilding their damaged property.

2. Many homeowners who made insurance claims as referenced above; were dissatisfied with the amount of money being offered by the insurer; and as a result, sought assistance from attorneys under contingency fee contracts. Pursuant to these contracts; the attorneys would be paid on a percentage of recovery basis out of the amount the insurance companies paid over and above the initial offer.

3. The necessity for this declaratory action arises as a result of disputes between the various parties as to the ranking of their various alleged interests in the loss settlement proceeds. The Lenders/Mortgagees and the Road Home¹ both claim ownership of the insurance loss payments, each claiming that their entitlement trumps the other. Further, declaratory relief is necessitated by

¹ At various times throughout this Complaint the State of Louisiana, Division of Administration, Office of Community Development, and its Executive Director, Suzie Elkins is referred to as "the Road Home."

the Lender/Mortgage Companies' refusal to recognize the privilege granted to the homeowners' attorneys for the payment of their contingency fee which by statute and jurisprudence ranks first and is superior to all other liens and privileges.

4. **The LENDER/MORTGAGEE DISPUTE.** The lenders/mortgagees refuse to endorse the insurance settlement checks, claiming that as the mortgagee and under the mortgage contract they are an additional loss payee, and as a result they allege that they have ownership of the insurance settlement money. The mortgage companies position is that the legal fee charged by the homeowners' attorneys cannot be paid from the insurance proceeds, but should instead be borne solely by the homeowner from their separate funds. In addition, the mortgage companies refuse to endorse the checks because the Road Home program also claims entitlement to the insurance proceeds. The mortgage companies take the position that if the Road Home is entitled to a return of its grant money, that grant money should be paid by the homeowners themselves and not from insurance proceeds to which the mortgage companies claim a contractual right.

5. **ROAD HOME DISPUTE.** The Road Home contends that it has a right to recover Road Home grant money paid to the homeowner, and takes the position that its claim to the insurance settlement proceeds arises under Federal Law, pursuant to the Stafford Act, 42 U.S.C. §5121, *et seq.*, and The Housing and Community Development Act of 1974, 42. U.S.C. §5301, *et seq.*, and as such, the Road Home takes the position that its claim to the insurance settlement proceeds trumps the claim of the Lender/Mortgage Companies. The Road Home does, however, recognize the homeowners' attorneys' right to be paid its legal fee out of the insurance proceeds, thus claiming only to be entitled to return of the Road Home grant money up to the amount of the grant,

less the attorney's fees of the homeowners' attorneys.

6. Thus, the Lenders/Mortgage Companies take the position that its entitlement to the insurance money arises contractually, through the mortgage contract, and The Road Home takes the position that its entitlement to the insurance money arises pursuant to federal law under the Stafford Act, 42 U.S.C. §5121, *et seq.*, and The Housing and Community Development Act of 1974, 42 U.S.C. §5301, *et seq.* The result of this dispute is that despite the successful efforts of the plaintiffs' attorneys to obtain additional insurance settlement proceeds, no insurance settlement proceeds for damages to the housing structure is being disbursed to the homeowner, nor are the earned fees being paid to the plaintiffs' attorneys. The unfortunate result is that the homeowners are unable to repair their property, and in some cases they are unable to meet their financial obligations often resulting in foreclosure.

7. Neither the Road Home nor the Lenders/Mortgagors have assisted the homeowners or their attorneys in any way in their efforts to increase the insurance payments, and all insurance claim settlements exceeding the amount offered prior to the involvement of the homeowners' attorneys are solely as a result of the efforts of the homeowners' attorneys.

8. Plaintiffs seek a declaration by this Court as to whether the Stafford Act, 42 U.S.C. §5121, *et seq.*, and/or The Housing and Community Development Act of 1974, 42 U.S.C. §5301, *et seq.* entitles the Road Home to recovery of the Insurance proceeds up to the amount of the Road Home Grant to the homeowner, and if so, whether the Road Home's entitlement trumps the claimed entitlement to the insurance proceeds as made by the lenders/mortgagees companies.

9. Plaintiffs further seek a declaration by this Court that neither the Stafford Act, the

Housing and Community Development Act of 1974, nor the mortgage contracts abridge the plaintiffs' attorneys right to attorneys fees which is a property right that is first and superior to all other liens and privileges pursuant to Louisiana statutes, and the holding of the Louisiana Fourth Circuit Court of Appeal in *Irons v. U.S. Bank* 966 So.2d 646, (LA. App. 4 Cir., 2007).²

10. Plaintiffs seek to enjoin the Lender/Mortgagee defendants from instituting or proceeding with foreclosure proceedings against any member of the homeowner class plaintiffs whose claims against their homeowner's insurers have been settled but which settlement funds have not yet been disbursed because of the disputes between the Lender/Mortgagee defendants and the Road Home, and/or the dispute between the Lender/Mortgagee defendants and the plaintiff attorneys until the thirty (30) days after entry of a final judgment declaring the rights and duties of the parties to this declaratory action.

11. Plaintiffs suggest that this matter should proceed with two types of classes—a plaintiff class and a defendant class. The proposed plaintiff class should be divided into subclasses of (1) plaintiff attorneys similarly situated, and (2) homeowners similarly situated. The proposed defendant class consists all Mortgage Companies and/or other lending institutions (Mortgagees) that held mortgages on properties in the Katrina damaged area in Louisiana as of August 29, 2005 and/or Loan Servicing companies for mortgagees that held mortgages on properties in the Katrina damaged area in Louisiana as of August 29, 2005 .

²The Road Home does not take the position that the plaintiffs' attorneys are not entitled to their fees.

II.

JURISDICTION AND VENUE

12. Jurisdiction is proper pursuant to 28 U.S.C. §1331, Federal Question Jurisdiction, as the declaratory judgment sought by plaintiffs requires this Court to interpret the defendant State of Louisiana's rights and duties under the Louisiana Road Home Program, a housing recovery program that was created pursuant to the Stafford Act, 42 U.S.C. §5121, *et seq.*, and The Housing and Community Development Act of 1974, 42 U.S.C. §5301, *et seq.* by the Governor of Louisiana, working with the Department of Housing and Urban Development. The Road Home takes the position that its right to recovery of the insurance proceeds arises pursuant to the Stafford Act, and the Housing and Community Development Act of 1974.

13. Jurisdiction is also proper pursuant to 28 U.S.C. §1332(d)(2)(A) as the amount in controversy exceeds the sum of \$5,000,000, and at least one member of the plaintiff class is a citizen of a state different from at least one defendant.

14. Jurisdiction is also proper pursuant to 28 U.S.C. §1367—Supplemental Jurisdiction because this Court has original federal question jurisdiction to interpret the defendant State of Louisiana's rights and duties under the Louisiana Road Home Program which takes the position that its right to recovery of the insurance proceeds arises pursuant to the Stafford Act, and the Housing and Community Development Act of 1974, and the Lender/Mortgagee defendants allege their entitlement to the insurance proceeds regardless of the Stafford Act or the Housing and Community Development Act of 1974, and the plaintiffs' attorneys allege an entitlement to their fee which ranks first and is superior to all other claims, and that as such all of the claims are so related that they form

a part of the same case or controversy under Article III of the United States Constitution.

15. Further, declaratory relief is authorized by 28 U.S.C. § 2201, and 28 U.S.C. § 2202, as there is an actual controversy within the jurisdiction of this Court, and with the filing of this pleading the Court is authorized to declare the rights and other legal relations of the parties. Further, pursuant to Rule 57 of the Federal Rules of Civil Procedure, the existence of another adequate remedy, if any, does not preclude a declaratory judgment that is otherwise appropriate. Injunctive relief is authorized by the United States Code and Rule 65 of the Federal Rules of Civil Procedure.

16. Venue is proper in this district pursuant to 28 U.S.C. §1391(b)(2) because this is the district in which all or a substantial part of the events or emissions giving rise to the claim occurred, and it is in this district where all or a substantial amount of the property that is the subject of the action is situated.

III.

PARTIES

17. Plaintiff, The Law Offices of Joseph M. Bruno, A.P.L.C., (hereafter “Bruno” or “Joseph M. Bruno” or “Attorney”) is a professional law corporation domiciled in the Parish of Orleans, State of Louisiana, and representing homeowners in claims against their homeowner’s insurance companies for recovery of damages to their mortgaged property, which damages were caused by Hurricane Katrina.

18. Plaintiffs Shelly Lacroix , Walter Lackings, and Mary Dandridge, are persons of the age of majority and domiciled within the Jurisdiction of this Court in the State of Louisiana, and are homeowners whose property was damaged as a result of Hurricane Katrina, and whose damaged

property is security for a mortgage held by a Lender/Mortgagee class member, and who have hired Bruno to institute insurance claims to recover insurance loss payments in excess of the amount originally offered by the homeowners' insurance companies, and who further have applied for and have been deemed eligible for or have already closed on a Road Home grant.

19. Made Defendant is the State of Louisiana, Division of Administration, Office of Community Development (Hereafter referred to as the "Louisiana Road Home Program," or "Road Home," and Suzie Elkins in her official capacity as the Executive Director of the Office of Community Development who has been granted by the State of Louisiana the power and authority to make decisions regarding the operations, policies, and procedures of the Louisiana Road Home Program.

Lender/Mortgagee Defendants are:

20. Also made defendant is ABN AMRO MORTGAGE GROUP, INC., a foreign corporation organized under the laws of the State of Delaware with its principal office in the State of Michigan, and at all times relevant hereto doing business in the State of Louisiana;

21. Also made defendant is ACCREDITED HOME LENDERS, INC., a foreign corporation organized under the laws of the State of California with its principal office in the State of California, and at all times relevant hereto doing business in the State of Louisiana;

22. Also made defendant is ADVANCE MORTGAGE CORPORATION, a foreign corporation organized under the laws of the State of Delaware with its principal office in the State of Texas and at all times relevant hereto doing business in the State of Louisiana;

23. Also made defendant is AEGIS MORTGAGE CORPORATION, a foreign

corporation organized under the laws of the State of Delaware with its principal office in the State of Texas and at all times relevant hereto doing business in the State of Louisiana;

24. Also made defendant is ALTEGRA CREDIT COMPANY, a foreign corporation organized under the laws of the State of Florida with its principal office in the State of Pennsylvania and at all times relevant hereto doing business in the State of Louisiana;

25. Also made defendant is AMC MORTGAGE SERVICES, INC., a foreign corporation organized under the laws of the State of Delaware with its principal office in the State of California and at all times relevant hereto doing business in the State of Louisiana;

26. Also made defendant is AMERICAN ACCEPTANCE MORTGAGE, INC., a Louisiana corporation and at all times relevant hereto doing business in the State of Louisiana;

27. Also made defendant is AMERICAN GENERAL FINANCE, INC., a foreign corporation organized under the laws of the State of California with its principal office in the State of Indiana and at all times relevant hereto doing business in the State of Louisiana;

28. Also made defendant is AMERICAN HOME MORTGAGE CORPORATION, a Louisiana corporation and at all times relevant hereto doing business in the State of Louisiana;

29. Also made defendant is AMERICAN HOME MORTGAGE CORP. OF NEW YORK, a foreign corporation organized under the laws of the State of New York with its principal office in the State of New York and at all times relevant hereto doing business in the State of Louisiana;

30. Also made defendant is AMERICAN HOME MORTGAGE SERVICING, INC., a foreign corporation organized under the laws of the State of Maryland with its principal office in

the State of Texas and at all times relevant hereto doing business in the State of Louisiana;

31. Also made defendant is AMERICAN THRIFT & FINANCE PLAN, INC., a Louisiana corporation and at all times relevant hereto doing business in the State of Louisiana;

32. Also made defendant is AMERICAN THRIFT & FINANCE PLAN, LLC., a Louisiana Limited Liability Company and at all times relevant hereto doing business in the State of Louisiana;

33. Also made defendant is AMERIQUEST MORTGAGE COMPANY, a foreign corporation organized under the laws of the State of Delaware with its principal office in the State of California and at all times relevant hereto doing business in the State of Louisiana;

34. Also made defendant is AMSOUTH BANK, a foreign corporation organized under the laws of the State of Alabama with its principal office in the State of Alabama and at all times relevant hereto doing business in the State of Louisiana;

35. Also made defendant is ARGENT MORTGAGE COMPANY, L.L.C., a foreign Limited Liability Company organized under the laws of the State of Delaware with its principal office in the State of California and at all times relevant hereto doing business in the State of Louisiana;

36. Also made defendant is ASSOCIATES FINANCIAL SERVICES OF AMERICA, INC., a Louisiana corporation and at all times relevant hereto doing business in the State of Louisiana;

37. Also made defendant is ASSOCIATES FINANCIAL SERVICES COMPANY, INC., a foreign corporation organized under the laws of the State of Delaware with its principal office in

the State of Texas and at all times relevant hereto doing business in the State of Louisiana;

38. Also made defendant is CITIFINANCIAL MORTGAGE COMPANY, INC. OF NEW YORK, a foreign corporation organized under the laws of the State of New York with its principal office in the State of Texas and at all times relevant hereto doing business in the State of Louisiana;

39. Also made defendant is ASSURANCE, L.L.C., a Louisiana Limited Liability Company and at all times relevant hereto doing business in the State of Louisiana;

40. Also made defendant is AURORA LOAN SERVICES, LLC, a foreign Limited Liability Company organized under the laws of the State of Delaware with its principal office in the State of Colorado and at all times relevant hereto doing business in the State of Louisiana;

41. Also made defendant is BANK OF AMERICA, N. A., a National Association with its principal office in the State of North Carolina and at all times relevant hereto doing business in the State of Louisiana;

42. Also made defendant is BANK ONE CORPORATION, a foreign corporation organized under the laws of the State of Delaware with its principal office in the State of Illinois and at all times relevant hereto doing business in the State of Louisiana;

43. Also made defendant is BAYVIEW LOAN SERVICING LLC., a foreign Limited Liability Company organized under the laws of the State of Delaware with its principal office in the State of Florida and at all times relevant hereto doing business in the State of Louisiana;

44. Also made defendant is BENEFICIAL MORTGAGE CORPORATION, a foreign corporation organized under the laws of the State of Delaware with its principal office in the State of Illinois and at all times relevant hereto doing business in the State of Louisiana;

45. Also made defendant is BENEFICIAL MORTGAGE CO. OF LOUISIANA, a foreign corporation organized under the laws of the State of Delaware with its principal office in the State of Illinois and at all times relevant hereto doing business in the State of Louisiana;

46. Also made defendant is CANAL MORTGAGE & FINANCE CO., INC., a Louisiana corporation and at all times relevant hereto doing business in the State of Louisiana;

47. Also made defendant is CANAL MORTGAGE & FINANCE CO. LLC., a Louisiana Limited Liability Company and at all times relevant hereto doing business in the State of Louisiana;

48. Also made defendant is CAPITAL ONE ACP, LLC. a Louisiana Limited Liability Company and at all times relevant hereto doing business in the State of Louisiana;

49. Also made defendant is CAPITAL ONE MORTGAGE SERVICES, INC., a foreign corporation organized under the laws of the State of Florida with its principal office in the State of Florida and at all times relevant hereto doing business in the State of Louisiana;

50. Also made defendant is PHH MORTGAGE CORPORATION, a foreign corporation organized under the laws of the State of New Jersey with its principal office in the State of New Jersey and at all times relevant hereto doing business in the State of Louisiana;

51. Also made defendant is NATIONSTAR MORTGAGE LLC., a foreign Limited Liability Company organized under the laws of the State of Delaware with its principal office in the State of Texas and at all times relevant hereto doing business in the State of Louisiana;

52. Also made defendant is CHASE HOME FINANCE LLC., a foreign Limited Liability Company organized under the laws of the State of Delaware with its principal office in the State of New Jersey and at all times relevant hereto doing business in the State of Louisiana;

53. Also made defendant is CHASE HOME FINANCE INC. OF DELAWARE, a foreign corporation organized under the laws of the State of Delaware with its principal office in the State of New Jersey and at all times relevant hereto doing business in the State of Louisiana;

54. Also made defendant is CHASE FINANCIAL CORPORATION, a foreign corporation organized under the laws of the State of Ohio with its principal office in the State of Ohio and at all times relevant hereto doing business in the State of Louisiana;

55. Also made defendant is THE CHASE MANHATTAN CORPORATION, a foreign corporation organized under the laws of the State of Delaware with its principal office in the State of New York and at all times relevant hereto doing business in the State of Louisiana;

56. Also made defendant is CHASE MANHATTAN MORTGAGE CORPORATION, a foreign corporation organized under the laws of the State of New Jersey with its principal office in the State of New Jersey and at all times relevant hereto doing business in the State of Louisiana;

57. Also made defendant is CHASE MORTGAGE SERVICES, INC., a foreign corporation organized under the laws of the State of Delaware with its principal office in the State of New York and at all times relevant hereto doing business in the State of Louisiana;

58. Also made defendant is CHASE HOMES, INC., a Louisiana corporation and at all times relevant hereto doing business in the State of Louisiana;

59. Also made defendant is CHARTER ONE MORTGAGE, INC., a Louisiana corporation and at all times relevant hereto doing business in the State of Louisiana;

60. Also made defendant is CITICORP USA, INC., a foreign corporation organized under the laws of the State of Delaware with its principal office in the State of New York and at all times

relevant hereto doing business in the State of Louisiana;

61. Also made defendant is CITICORP HOME MORTGAGE SERVICES, INC., a foreign corporation organized under the laws of the State of North Carolina with its principal office in the State of Maryland and at all times relevant hereto doing business in the State of Louisiana;

62. Also made defendant is CITIMORTGAGE, INC., a foreign corporation organized under the laws of the State of Delaware with its principal office in the State of Missouri and at all times relevant hereto doing business in the State of Louisiana;

63. Also made defendant is CITIFINANCIAL, INC., a foreign corporation organized under the laws of the State of Maryland with its principal office in the State of Maryland and at all times relevant hereto doing business in the State of Louisiana;

64. Also made defendant is CITIFINANCIAL MORTGAGE COMPANY OF NEW YORK, a foreign corporation organized under the laws of the State of New York with its principal office in the State of Texas and at all times relevant hereto doing business in the State of Louisiana;

65. Also made defendant is CITY FINANCIAL SERVICES, INC., a Louisiana corporation and at all times relevant hereto doing business in the State of Louisiana;

66. Also made defendant is CITYWIDE MORTGAGE COMPANY, a Louisiana corporation and at all times relevant hereto doing business in the State of Louisiana;

67. Also made defendant is COLONIAL MORTGAGE & LOAN CORPORATION, a Louisiana corporation and at all times relevant hereto doing business in the State of Louisiana;

68. Also made defendant is CORESTAR FINANCIAL GROUP, LLC., a foreign Limited Liability Company organized under the laws of the State of Maryland with its principal office in the

State of Maryland and at all times relevant hereto doing business in the State of Louisiana;

69. Also made defendant is COUNTRYWIDE HOME LOANS, INC., a foreign corporation organized under the laws of the State of New York with its principal office in the State of California and at all times relevant hereto doing business in the State of Louisiana;

70. Also made defendant is DECISION ONE MORTGAGE COMPANY, LLC., a foreign Limited Liability Company organized under the laws of the State of North Carolina with its principal office in the State of South Carolina and at all times relevant hereto doing business in the State of Louisiana;

71. DRYADES SAVINGS BANK, F.S.B., d/b/a DRYADES MORTGAGE, a Louisiana corporation and at all times relevant hereto doing business in the State of Louisiana;

72. Also made defendant is EMC MORTGAGE CORPORATION, a foreign corporation organized under the laws of the State of Delaware with its principal office in the State of Texas and at all times relevant hereto doing business in the State of Louisiana;

73. Also made defendant is EVERHOME MORTGAGE COMPANY, a foreign corporation organized under the laws of the State of Florida with its principal office in the State of California and at all times relevant hereto doing business in the State of Florida;

74. Also made defendant is FIDELITY HOME MORTGAGE CORPORATION, a foreign corporation organized under the laws of the State of Maryland with its principal office in the State of Maryland and at all times relevant hereto doing business in the State of Louisiana;

75. Also made defendant is FIRST BANK AND TRUST COMMUNITY DEVELOPMENT CORPORATION, a Louisiana corporation and at all times relevant hereto doing

business in the State of Louisiana;

76. Also made defendant is FINANCIAL FREEDOM HOME LOANS, INC., a foreign corporation organized under the laws of the State of California with its principal office in the State of California and at all times relevant hereto doing business in the State of Louisiana;

77. Also made defendant is FINANCIAL FREEDOM SENIOR FUNDING CORPORATION, a foreign corporation organized under the laws of the State of Delaware with its principal office in the State of New Jersey and at all times relevant hereto doing business in the State of Louisiana;

78. Also made defendant is FIRST HORIZON HOME LOAN CORPORATION, a foreign corporation organized under the laws of the State of Kansas with its principal office in the State of Texas and at all times relevant hereto doing business in the State of Louisiana;

79. Also made defendant is GMAC MORTGAGE CORPORATION, a foreign corporation organized under the laws of the State of Pennsylvania with its principal office in the State of Pennsylvania and at all times relevant hereto doing business in the State of Louisiana;

80. Also made defendant is GMAC MORTGAGE GROUP, INC., a foreign corporation organized under the laws of the State of Michigan with its principal office in the State of Michigan and at all times relevant hereto doing business in the State of Louisiana;

81. Also made defendant is GMAC MORTGAGE, LLC., a foreign Limited Liability Company organized under the laws of the State of Delaware with its principal office in the State of Pennsylvania and at all times relevant hereto doing business in the State of Louisiana;

82. Also made defendant is GREENPOINT MORTGAGE FUNDING, INC., a foreign

corporation organized under the laws of the State of New York with its principal office in the State of California and at all times relevant hereto doing business in the State of Louisiana;

83. Also made defendant is HOMECOMINGS FINANCIAL, LLC., a foreign Limited Liability Company organized under the laws of the State of Delaware with its principal office in the State of Minnesota and at all times relevant hereto doing business in the State of Louisiana;

84. Also made defendant is HOMECOMINGS, LLC., a foreign Limited Liability Company organized under the laws of the State of Virginia with its principal office in the State of Virginia and at all times relevant hereto doing business in the State of Louisiana;

85. Also made defendant is HOMEQ SERVICING CORPORATION, a foreign corporation organized under the laws of the State of New Jersey with its principal office in the State of Delaware and at all times relevant hereto doing business in the State of Louisiana;

86. Also made defendant is HOMESIDE LENDING, INC., a foreign corporation organized under the laws of the State of Florida with its principal office in the State of Florida and at all times relevant hereto doing business in the State of Louisiana;

87. Also made defendant is HOUSEHOLD MORTGAGE, INC., a Louisiana corporation at all times relevant hereto doing business in the State of Louisiana;

88. Also made defendant is HSBC MORTGAGE CORPORATION (USA), a foreign corporation organized under the laws of the State of Delaware with its principal office in the State of New York and at all times relevant hereto doing business in the State of Louisiana;

89. Also made defendant is HSBC MORTGAGE SERVICES INC., a foreign corporation organized under the laws of the State of Delaware with its principal office in the State of Illinois and

at all times relevant hereto doing business in the State of Louisiana;

90. Also made defendant is INDYMAC MORTGAGE HOLDINGS, INC., a foreign corporation organized under the laws of the State of Delaware with its principal office in the State of California and at all times relevant hereto doing business in the State of Louisiana;

91. Also made defendant is INDYMAC FINANCIAL SERVICES CORPORATION, a foreign corporation organized under the laws of the State of California with its principal office in the State of California and at all times relevant hereto doing business in the State of Louisiana;

92. Also made defendant is LITTON LOAN SERVICING LP., a foreign company organized under the laws of the State of Delaware with its principal office in the State of Louisiana and at all times relevant hereto doing business in the State of Louisiana;

93. Also made defendant is HOMETOWN MORTGAGE SERVICES, INC., a foreign corporation organized under the laws of the State of Alabama with its principal office in the State of Alabama and at all times relevant hereto doing business in the State of Louisiana;

94. Also made defendant is HOUSEHOLD FINANCE CORPORATION, a foreign corporation organized under the laws of the State of Delaware with its principal office in the State of Illinois and at all times relevant hereto doing business in the State of Louisiana;

95. Also made defendant is HOUSEHOLD FINANCE CORPORATION II, a foreign corporation organized under the laws of the State of Delaware with its principal office in the State of Illinois and at all times relevant hereto doing business in the State of Louisiana;

96. Also made defendant is LAKE MORTGAGE INVESTORS OF MISSISSIPPI, INC., a foreign corporation organized under the laws of the State of Mississippi with its principal office

in the State of Mississippi and at all times relevant hereto doing business in the State of Louisiana;

97. Also made defendant is THE LEADER MORTGAGE COMPANY, a foreign corporation organized under the laws of the State of Ohio with its principal office in the State of Ohio and at all times relevant hereto doing business in the State of Louisiana;

98. Also made defendant is MATRIX FINANCIAL SERVICES CORPORATION, a foreign corporation organized under the laws of the State of Arizona with its principal office in the State of Colorado and at all times relevant hereto doing business in the State of Louisiana;

99. Also made defendant is MIDLAND MORTGAGE CORPORATION, a Louisiana corporation and at all times relevant hereto doing business in the State of Louisiana;

100. Also made defendant is NATIONAL CITY MORTGAGE, INC., a foreign corporation organized under the laws of the State of Ohio with its principal office in the State of Ohio and at all times relevant hereto doing business in the State of Louisiana;

101. Also made defendant is NATIONSTAR MORTGAGE LLC., a foreign Limited Liability Company organized under the laws of the State of Delaware with its principal office in the State of Texas and at all times relevant hereto doing business in the State of Louisiana;

102. Also made defendant is NATIONSTAR MORTGAGE PROPERTIES LLC., a foreign Limited Liability Company organized under the laws of the State of Delaware with its principal office in the State of Texas and at all times relevant hereto doing business in the State of Louisiana;

103. Also made defendant is NEIGHBORHOOD HOUSING AND DEVELOPMENT, INC., a Louisiana corporation and at all times relevant hereto doing business in the State of Louisiana;

104. Also made defendant is NEW CENTURY MORTGAGE CORPORATION, a foreign corporation organized under the laws of the State of California with its principal office in the State of California and at all times relevant hereto doing business in the State of Louisiana;

105. Also made defendant is NOVASTAR MORTGAGE, INC., a foreign corporation organized under the laws of the State of Virginia with its principal office in the State of Missouri and at all times relevant hereto doing business in the State of Louisiana;

106. Also made defendant is NORWEST MORTGAGE, INC., a foreign corporation organized under the laws of the State of Minnesota with its principal office in the State of Iowa and at all times relevant hereto doing business in the State of Louisiana;

107. Also made defendant is OCWEN LOAN SERVICING, LLC., a foreign Limited Liability Company organized under the laws of the State of Delaware with its principal office in the State of Florida and at all times relevant hereto doing business in the State of Louisiana;

108. Also made defendant is OCWEN MORTGAGE COMPANY, LLC., a foreign Limited Liability Company organized under the laws of the State of Delaware with its principal office in the State of Florida and at all times relevant hereto doing business in the State of Louisiana;

109. OLD CREST LENDING GROUP, LLC, A Louisiana Limited Liability Company d/b/a OLD CREST MORTGAGE, and at all times relevant hereto doing business in the State of Louisiana;

110. Also made defendant is OPTION ONE MORTGAGE CORPORATION, a foreign corporation organized under the laws of the State of California with its principal office in the State of California and at all times relevant hereto doing business in the State of Louisiana;

111. Also made defendant is OPTION ONE MORTGAGE SERVICES, INC., a foreign corporation organized under the laws of the State of Massachusetts with its principal office in the State of Massachusetts and at all times relevant hereto doing business in the State of Louisiana;

112. Also made defendant is REGIONS BANK , a foreign corporation organized under the laws of the State of Alabama with its principal office in the State of Alabama and at all times relevant hereto doing business in the State of Louisiana;

113. Also made defendant is RURAL HOUSING SERVICES, INC., a foreign corporation organized under the laws of the State of Delaware with its principal office in the Washington, D.C., and at all times relevant hereto doing business in the State of Louisiana;

114. Also made defendant is SAXON MORTGAGE, INC., a foreign corporation organized under the laws of the State of Virginia with its principal office in the State of Virginia and at all times relevant hereto doing business in the State of Louisiana;

115. Also made defendant is SELECT PORTFOLIO SERVICING, INC., a foreign corporation organized under the laws of the State of Utah with its principal office in the State of Utah and at all times relevant hereto doing business in the State of Louisiana;

116. Also made defendant is STANDARD MORTGAGE CORPORATION, a Louisiana corporation and at all times relevant hereto doing business in the State of Louisiana;

117. Also made defendant is STANDARD MORTGAGE CORPORATION OF BATON ROUGE, a Louisiana corporation and at all times relevant hereto doing business in the State of Louisiana;

118. Also made defendant is STATE-FARM ACCEPTANCE CORPORATION, a

Louisiana corporation and at all times relevant hereto doing business in the State of Louisiana;

119. Also made defendant is STATE-FARM ACCEPTANCE CORPORATION OF LOUISIANA, INC., a Louisiana corporation and at all times relevant hereto doing business in the State of Louisiana;

120. Also made defendant is SUN FINANCE COMPANY, INC., a Louisiana corporation and at all times relevant hereto doing business in the State of Louisiana;

121. Also made defendant is WASHINGTON MUTUAL HOME LOANS, INC., a foreign corporation organized under the laws of the State of Ohio with its principal office in the State of Washington and at all times relevant hereto doing business in the State of Louisiana;

122. Also made defendant is WAMU INSURANCE SERVICES, INC., a foreign corporation organized under the laws of the State of California with its principal office in the State of Washington and at all times relevant hereto doing business in the State of Louisiana;

123. Also made defendant is WASHINGTON MUTUAL FINANCE, INC., a Louisiana corporation and at all times relevant hereto doing business in the State of Louisiana;

124. Also made defendant is WELLS FARGO BANK, NATIONAL ASSOCIATION, a foreign corporation organized under the laws of the State of South Dakota with its principal office in the State of South Dakota and at all times relevant hereto doing business in the State of Louisiana;

125. Also made defendant is WELLS FARGO HOME MORTGAGE, INC., a foreign corporation organized under the laws of the State of California with its principal office in the State of Iowa and at all times relevant hereto doing business in the State of Louisiana;

126. Also made defendant is WILSHIRE CREDIT CORPORATION, a foreign

corporation organized under the laws of the State of Nevada with its principal office in the State of Oregon and at all times relevant hereto doing business in the State of Louisiana;

127. Also made defendant is NEW ORLEANS MORTGAGE LENDING CORPORATION, a Louisiana corporation and at all times relevant hereto doing business in the State of Louisiana;

128. NEW ORLEANS HOME MORTGAGE AUTHORITY, a public trust in the State of Louisiana doing business as a mortgage lender, and at all times relevant hereto doing business in the State of Louisiana;

129. Also made defendant is WILMINGTON FINANCE, INC., a foreign corporation organized under the laws of the State of Delaware with its principal office in the State of Pennsylvania and at all times relevant hereto doing business in the State of Louisiana;

130. Also made defendant is THE LENDERS' GROUP, L.L.C. , a Louisiana Limited Liability Company and at all times relevant hereto doing business in the State of Louisiana;

All of the above being Mortgage Companies and/or other lending institutions (Mortgagees) and/or Loan Servicing companies are or were at all times relevant, holders or Loan Servicing companies servicing mortgages on property situated in Louisiana, which property was damaged by the effects of Hurricane Katrina,

IV.

FACTUAL ALLEGATIONS

131. As a result of Hurricane Katrina, many thousands of homeowners in the New Orleans area suffered property damage and, therefore, made claims with their homeowners insurers.

132. In many cases, the amount offered by the homeowners insurers was less than the amount sought by the homeowners, thus the homeowners sought legal assistance from members of the plaintiffs' bar, including attorneys such as Joseph M. Bruno. These plaintiffs' attorneys were retained by the homeowners under contingency fee contracts which allowed that the attorneys were to receive a certain percentage of any amounts recovered from the homeowner's insurers that exceeded the amount originally offered by the insurance companies.

133. Plaintiffs' attorneys, including Joseph M. Bruno, have been successful in obtaining for the homeowners additional insurance payments on thousands of claims, totaling millions of dollars.

134. In many instances, the homeowners' properties are security for mortgages held by the lender/mortgage company defendants, thus the insurance loss payment drafts in such cases include the lender/mortgage company defendants as loss payees, in addition to the homeowner, and the plaintiff's attorney.

135. Also, in many instances, the homeowners have received Louisiana Road Home grants to rebuild their properties, said grants resulting from the Louisiana Road Home Program, a housing recovery program that was created pursuant to the Stafford Act, and the Housing and Community Development Act of 1974 by Governor Kathleen Blanco working with the United States Department of Housing and Urban Development ("HUD"), and implemented through the State of Louisiana, Office of Community Development. In these cases, Louisiana Road Home is also included as a loss payee in addition to the mortgage company, the homeowner, and the plaintiff's attorney.

136. The plaintiff attorneys, upon receipt of the loss drafts from the insurance companies,

have requested that the checks be endorsed by the mortgage companies, and by the Road Home so that the checks could be deposited into the attorney's trust accounts, the attorney's fee paid, and the balance then disbursed to the lender/mortgage companies, Road Home, and the homeowners.

137. When requesting the endorsement of the Lender/Mortgage companies and the Road Home, the plaintiff attorneys have informed them of the contingency fee contract between the attorneys and the homeowners, the amount of the attorney fee, and the statutory and jurisprudential authority found in LSA-R.S. 9:5001, and LSA-R.S. 37:218, and *Irons v U.S. Bank*, 966 So.2d 646, (LA. App. 4 Cir., 2007) that the plaintiff attorney fee ranks first and is superior to all other liens and privileges.

138. The Lenders/Mortgagees argue that despite LSA-R.S. 9:5001, and LSA-R.S. 37:218, and *Irons v U.S. Bank*, 966 So.2d 646, (LA. App. 4 Cir., 2007) their interest in the settlement funds, as a loss payee under the mortgage contract is superior to the attorney fee lien, thus they have refused to endorse the settlement checks. The Lenders/Mortgagees further argue that despite the Stafford Act, and the Housing and Community Development Act of 1974, their interest in the settlement funds, as a loss payee under the mortgage contract is superior to the claims of the Road Home; thus, they have refused to endorse the settlement checks.

139. The Road Home claims to be entitled, pursuant to the Stafford Act, and the Housing and Community Development Act of 1974, to full recovery of the insurance proceeds up to the amount of the Road Home grant to the homeowner; thus, the Road Home argues that its subrogation interest is superior to the interest the Lenders/Mortgagees interest that arises pursuant to the mortgage contract.

140. Because of the positions taken by the Road Home and the Lenders/Mortgagees, the plaintiff attorneys are unable to disburse any of the settlement funds to the homeowners, thus causing the homeowners to pay for repair of insured losses out of their own pockets, or in many cases preventing the homeowners from making the necessary repairs due to lack of funds.

141. In addition, because of the positions taken by the Road Home and the Lenders/Mortgagees to endorse the settlement checks, the plaintiffs' attorneys have been deprived of compensation for the legal services that they have rendered and which services have resulted in increased property damage payments on the homeowners' claims.

142. In addition, because of the positions taken by the Road Home and Lender/Mortgagees to endorse the settlement checks, the plaintiffs' attorneys are unable to deposit the checks into their trust accounts or into the registry of the Court, and are therefore literally holding millions of dollars in settlement checks in their office files or desk drawers. In addition, due to the positions taken by the Lenders/Mortgagees and/or Road Home to endorse the loss payment checks and the relatively short "shelf life" of these checks (some checks are good for between 60 and 90 days), many checks are now becoming invalid and must be reissued by the insurer. This creates an increased burden on plaintiff attorneys and also an increased burden onto the client's insurers.

143. In some instances, the Road Home's and Lenders/Mortgagees position with regard to the settlement proceeds has left the homeowner with insufficient funds to repair their property or has caused the homeowners to utilize their own money to effect the repairs leaving them without sufficient funds to meet their financial obligations, resulting in damaged or ruined credit, repossession of personal property, and in some cases foreclosure on their homes by the very

Lenders/Mortgagees that are depriving them of the insurance proceeds.

144. The Lenders/Mortgagees are required by the mortgage contracts to distribute the insurance proceeds to the homeowners to pay for the repairs, thus the mortgage companies refusal to endorse the checks is a breach of the mortgage contract by the mortgage company.

V.

CLASS ACTION ALLEGATIONS

145. This action is appropriate for determination through the Federal Class Action Procedure (Fed. R. Civ. P. 23, *et seq.*) and the proposed Plaintiff proposes three plaintiffs classes and a Mortgage Company Defendant Class as follows:

a. THE PLAINTIFF CLASSES

1. **Mortgagor Plaintiff Attorney Class.** Represented by Plaintiff The Law Offices of Joseph M. Bruno, APLC.

All attorneys who represent Louisiana clients under contingency fee contracts in claims against their homeowners' insurers for damages arising from Hurricane Katrina, where the damaged property is security for a mortgage and the mortgagee is a loss payee under the homeowner's insurance policy.

2. **Mortgagor/Road Home Plaintiff Attorney Class.** Represented by Plaintiff The Law Offices of Joseph M. Bruno, APLC.

All attorneys who represent Louisiana clients under contingency fee contracts in claims against their homeowners' insurers for damages arising from Hurricane Katrina, where the homeowner has been

determined eligible for and/or has closed on a Road Home grant, and where the damaged property is security for a mortgage and the mortgagee is a loss payee under the homeowner's insurance policy.

3. **Homeowner Class.** Represented by Plaintiffs Shelly Lacroix, Walter Lackings, and Mary Dandridge.

All homeowners who have retained Attorneys to pursue claims against their homeowner's insurers for damages arising from Hurricane Katrina and who's property is security for a mortgage, and who have closed on or are eligible to receive a Road Home Grant.

b. **THE DEFENDANT CLASS**

Lender/Mortgage Company Defendant Class. All Mortgage Companies and/or other lending institutions (Mortgagees) that held mortgages on properties in the Katrina damaged area in Louisiana as of August 29, 2005 and/or Loan Servicing companies for mortgagees that held mortgages on properties in the Katrina damaged area in Louisiana as of August 29, 2005 .

146. The claims asserted in the Complaint are certifiable under the provisions of Federal Rule 23(a)(1)–(4) for the plaintiff classes as well as the defendant class, as the requirements of numerosity, commonality, typicality, and adequacy of representation are present, and 23(b)(2) as the Road Home and the Defendant Class have acted or refused to act on grounds that apply generally to each other and to the plaintiff classes so that final injunctive relief or corresponding declaratory relief is appropriate respecting all parties and classes.

147. The prosecution of separate actions by hundred of individual plaintiff attorney class members, and by tens or even hundreds of thousands of individual homeowner plaintiff Class Members against individual members of the Lenders/Mortgagee class and/or the Road Home would create a risk of inconsistent or varying adjudications with respect to individual plaintiffs Class Members, and individual Lender/Mortgagee Class members, thus establishing incompatible standards of conduct for Defendants;

148. The prosecution of separate actions by individual plaintiff attorney class members, and by tens or even hundreds of thousands of individual homeowner plaintiff Class Members against individual members of the Lenders/Mortgagee class and/or the Road Home would also create the risk of varying adjudications with respect to themselves that would, as a practical matter, be dispositive of the interests of the other Class Members who are not parties to such adjudications and would substantially impair or impede their ability to protect their interests; and

149. The Lender/Mortgagee Defendant Class, and the Road Home have acted or refused to act on grounds generally applicable to the Plaintiff Classes in refusing or otherwise indicating they will refuse to endorse insurance settlement checks unless their interests trump the interests of the other.

150. In addition, the Lender/Mortgagee Defendant Class has acted or refused to act on grounds generally applicable to the Plaintiff Classes in refusing or otherwise indicating they will refuse to endorse insurance settlement checks unless their interests trump the interests of the Homeowners and of the Plaintiff Attorneys Class.

151. The questions of law and fact common to the members of the classes, and to the Road Home predominate over any questions affecting only individuals, and prosecution of this matter is superior to other available methods to fairly and efficiently adjudicate the controversy. Such questions include whether the Stafford Act, and/or the Housing and Community Development Act of 1974 provides the Road Home statutory right and/or a lien and privilege over insurance proceeds that is superior to the Lender/Mortgagee's claimed interest in the insurance proceeds, and whether the mortgages held by the Lenders/Mortgagees grants the Lenders/Mortgagees an interest in the insurance proceeds that is superior to the property interest of the plaintiff attorney class, and to the rights afforded to the Road Home pursuant to the Stafford Act, and the Housing and Community Development Act of 1974.

WHEREFORE, Plaintiffs pray that after due proceedings had that there be a judgement herein in favor of the Attorney Plaintiff The Law Offices of Joseph M. Bruno individually and on behalf of all those similarly situated, and on behalf of Homeowner Plaintiffs Shelly Lacroix , Walter Lackings, and Mary Dandridge, individually and on behalf of all those similarly situated, and against Suzie Elkins, in her official capacity as Executive Director of the OCD (The Road Home), and against the Lender/Mortgagee Defendants as to themselves individually and as representatives of all others similarly situated, as follows:

1. In certifying this matter as a class action of plaintiffs classes and a defendant class and designating Joseph M. Bruno, APLC as representative of the Plaintiffs Attorney's classes, and Shelly Lacroix , Walter Lackings, and Mary Dandridge as representatives of the Plaintiff

Homeowner's Class, and all named Lender./Mortgagees as Representatives of the Defendant Lender/Mortgagee class;

2. In declaring that neither the Stafford Act, the Housing and Community Development Act of 1974, nor the mortgage contracts abridge the plaintiffs' attorneys right to attorneys fees which is a property right that is first in rank and superior to all other liens and privileges pursuant to Louisiana statutes, and the holding of the Louisiana Fourth Circuit Court of Appeal in *Irons v. U.S. Bank* 966 So.2d 646, (LA. App. 4 Cir., 2007);

3. In declaring the rights and duties of the Road Home *vis a vis* the Lender/Mortgagees, and the Homeowner Plaintiffs pursuant to the Stafford Act and the Housing and Community Development Act of 1974 ;

4. In declaring the rights and duties of the Lender/Mortgagees *vis a vis* the Road Home, the Homeowner Plaintiffs, and the Attorney Plaintiffs;

5. In enjoining the Lender Mortgagee defendants from instituting or proceeding with foreclosures against any member of the homeowner class plaintiffs whose claims against their homeowner's insurers have been settled but which settlement funds have not yet been disbursed because of the disputes between the Lender/Mortgagee defendants and the Road Home, and/or the dispute between the Lender/Mortgagee defendants and the plaintiff attorneys;

6. In ordering the defendants to pay the plaintiffs' attorneys' fees, court costs, and expenses in this matter pursuant to Federal Rule of Civil Procedure 23(h);

7. For any other relief in law or equity that the Court finds reasonable in the premises.

RESPECTFULLY SUBMITTED

THE LAW OFFICES OF JOSEPH M. BRUNO

JOSEPH M. BRUNO (3604)

DAVID S. SCALIA (21369)

L. SCOTT JOANEN (21431)

855 Baronne Street

New Orleans, Louisiana 70113

PH: (504) 525-1335

FX: (504) 581-1493