

ENTERED

TAWANA C. MARSHALL, CLERK
THE DATE OF ENTRY IS
ON THE COURT'S DOCKET



The following constitutes the ruling of the court and has the force and effect therein described.

Tawana C. Marshall

United States Bankruptcy Judge

Signed March 23, 2008

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

IN RE:

MICHAEL WHITE and BRENDA JOYCE
WHITE fka BRENDA J. MCCUIN,

DEBTORS.

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§

CASE NO. 06-32324
CHAPTER 13

AGREED JUDGMENT AND PERMANENT INJUNCTION AGAINST JIREH CAPITAL
SERVICES, LLC AND ITS MEMBERS INDIVIDUALLY

On this date, came on for hearing the final evidentiary hearing on the Court's Order Directing
North American Foreclosure, LLP, David Curtis and Jireh Capital Services, LLC to appear and show

cause whether, *inter alia*, they have committed actions in violation of the automatic stay and should therefore pay damages pursuant to Section 362(k). The STATE OF TEXAS, acting by and through Attorney General GREG ABBOTT, and appearing through counsel of record and DAVID CURTIS¹ (“Curtis”), appearing *pro se* in his individual capacity and as a member, president and registered agent of JIREH CAPITAL SERVICES, LLC (“Jireh”) (collectively, “the parties”), wish to stipulate as follows and agree to the entry of this Agreed Final Judgment and Permanent Injunction.

Background

1. On December 7, 2007, the Court entered its Memorandum Opinion and Order which ordered, *inter alia*, that David Curtis and Jireh Capital Services, LLC appear and show cause why their actions did not violate 11 U.S.C. § 362 and why they were not potentially liable for damages pursuant to Section 362(k). The Court transmitted a copy of its Order to the Office of the Texas Attorney General (Texas Attorney General) so that its office could consider whether further investigations on its part were warranted. (Order at Docket No. 81, p.21).

2. Thereafter, the Texas Attorney General commenced discovery regarding the actions of Curtis/Jireh as described in the Court’s Order insofar as they appeared to violate, *inter alia*, the Texas Deceptive Trade Practices–Consumer Protection Act, TEX. BUS. & COM. CODE § 17.41 *et seq.*, (“DTPA”), as well as constitute the unauthorized practice of law.²

¹Mr. Curtis is also known as Edward David Curtis, Edward D. Curtis and E. David Curtis. Curtis previously filed a Chapter 13 bankruptcy case in this district under case no. 07-31675. The bankruptcy was dismissed with prejudice on April 10, 2007.

²As documented in the Court’s Order entered January 14, 2008, at the January 9, 2008 hearing, the Court orally ordered that the Attorney General was allowed to serve discovery upon

3. The Texas Attorney General has reviewed thousands of pages of documents produced by Curtis/Jireh, albeit untimely produced, in response to its original and amended subpoenas dated January 9 and 17, 2008, respectively, and on February 26, 2008, the Texas Attorney General conducted a Rule 2004 Examination of Curtis/Jireh at the Dallas offices of the Texas Attorney General.

Stipulations

4. The parties stipulate that JIREH CAPITAL SERVICES, LLC was organized on April 20, 2005 with two members: Edward D. Curtis and Shanna R. Curtis. Edward D. Curtis is the President and Registered Agent for Service and Shanna R. Curtis is the Secretary. The parties stipulate that Edward D. Curtis and Shanna R. Curtis have at all times been the sole members of JIREH CAPITAL SERVICES, LLC.

5. Curtis/Jireh acknowledge that they held themselves out as representatives of North American Foreclosure, LLP and as foreclosure specialists who could assist homeowners in delaying foreclosure on their home by transferring a fractional interest in their home to a third party who would then file bankruptcy.

6. Curtis/Jireh acknowledge their participation the mortgage scheme described in the Court's Show Cause Order of December 7, 2007. Specifically Curtis/Jireh admit to meeting with the Debtors, Michael and Brenda White, and providing them with both a Client Agreement and a form of Warranty Deed transferring a 1% interest in the White's Homestead to one Chaka Casey, a pro

Curtis.

se debtor in a bankruptcy case pending in California.

7. Curtis/Jireh acknowledge that they prepared or assisted in the preparation/filing of similar Warranty Deeds for other homeowners facing foreclosure. The parties stipulate that Curtis/Jireh prepared or assisted in the preparation of in excess of two dozen such Warranty Deeds.

8. The parties have consented to the entry of this Agreed Final Judgment and Permanent Injunction in an effort to avoid the expense, burden, and uncertainty of litigation.

9. Nothing in this Agreed Final Judgment and Permanent Injunction shall be construed as a waiver of any private rights, causes of action, or remedies of any person against Curtis/Jireh with respect to the practices described herein nor shall it preclude any criminal prosecution.

INJUNCTION

10. IT IS THEREFORE ORDERED that DAVID CURTIS (also known as Edward David Curtis, E. David Curtis and Edward D. Curtis) individually and his agents, servants, relatives, employees and any other persons in active concert or participation with them who receive actual notice of this order by personal service or otherwise, whether acting directly or through any trust, corporation, subsidiary, division, or other devise, and JIREH CAPITAL SERVICES, LLC, and its members and employees (including Edward D. Curtis and Shanna R. Curtis) who receive actual notice of this order by personal service or otherwise, whether acting directly or through any trust, corporation, subsidiary, division, or other devise shall be restrained from engaging in the following acts or practices:

- a. Giving, providing, or offering advice and counsel to any person regarding the transfer of a fractional interest in property to a third party who is in

bankruptcy or who intends to file bankruptcy with the intention of delaying the foreclosure process, the eviction process or the forcible entry and detainer process;

- b. Soliciting, collecting or accepting fees or compensation of any type for providing any type of services to any person in connection with the transfer of a fractional interest in property to a third party who is in bankruptcy or who intends to file bankruptcy with the intention of delaying the foreclosure process, the eviction process or the forcible entry and detainer process;
- c. Preparing or filing real property deeds on behalf of any other person or entity;
- d. Soliciting, collecting or accepting fees or compensation of any type for preparing or filing real property deeds for any person or entity;
- e. Stating or implying that they are attorneys licensed to practice law in this State;
- f. Stating or implying in any advertising materials that they have multiple “business offices” if in fact they have just multiple post office box addresses;
- g. Stating or implying in advertising materials that they are experts or specialists in the areas of foreclosure; that they buy “residential and commercial multi units” unless/until they have bought not less than 3 residential and commercial multi units;
- h. Giving, providing, or offering advice and counsel to any person regarding their eligibility to file bankruptcy or the consequences to them of filing bankruptcy;
- I. Causing confusion or misunderstanding as to the source, sponsorship, approval or certification of goods or services in violation of § 17.46(b)(2) of the Texas DTPA, by representing that Curtis or Jireh possess the qualifications necessary to counsel persons regarding their rights under the United States Bankruptcy Code; and
- j. Offering or contracting to buy property in foreclosure from a bank or other commercial lending institution for less than the debt owed, unless at the time of the offer or contract Curtis/Jireh have a written commitment from a lender or secondary contract to finance the purchase.

11. In the event that Curtis or Jireh file a voluntary petition in bankruptcy, or if an involuntary petition in bankruptcy is filed against any/all of them, Curtis shall within 48 hours of the commencement of the case notify this court and the Texas Attorney General's Office of the filing. (Notice to the Texas Attorney General's Office shall be sent to the attention of Hal F. Morris, Managing Attorney-Bankruptcy Regulatory Section, Bankruptcy & Collections Division, P.O. Box 12548, MC 008, Austin, Texas 78711).

12. Curtis shall disclose the existence of this judgment to the Texas Real Estate Commission in the event that he applies for a license to become a real estate salesperson or broker.

CIVIL PENALTIES, ATTORNEYS FEES AND COSTS OF COURT

13. IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the STATE OF TEXAS have and recover of and from CURTIS and JIREH, jointly and severally, the sum of forty-eight thousand dollars (\$48,000) in civil penalties as provided by the Texas Deceptive Trade Practices-Consumer Protection Act, TEX. BUS. & COM. CODE ANN. §17.47. The civil penalties are payable to or for the benefit of the STATE OF TEXAS, a governmental unit, and are not compensation for any actual or pecuniary loss.

14. IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the STATE OF TEXAS have and recover of and from CURTIS and JIREH, jointly and severally, the sum of ten thousand dollars (\$10,000), the same being the STATE OF TEXAS's reasonable and necessary attorney's and investigative fees through this date.

[SEE NEXT PAGE]

AGREED AS TO FORM AND SUBSTANCE:

/s/Edward David Curtis - (original signature & notary on file)

EDWARD DAVID CURTIS, individually and
as a member of JIREH CAPITAL SERVICES, LLC

SUBSCRIBED AND SWORN TO BEFORE ME on the _____ day of _____, 2008, to certify
which witness my hand and official seal.

Notary Public In and for The State of Texas

Stamped or Printed Name of Notary Public

My commission expires: _____

/s/Shanna R. Curtis - (original signature & notary on file)

SHANNA R. CURTIS, as a member of
JIREH CAPITAL SERVICES, LLC

SUBSCRIBED AND SWORN TO BEFORE ME on the _____ day of _____, 2008, to
certify which witness my hand and official seal.

Notary Public In and for The State of Texas

Stamped or Printed Name of Notary Public

My commission expires: _____

HAL F. MORRIS
Assistant Attorney General
Managing Attorney, Bankruptcy Regulatory Section
Bankruptcy & Collections Division
Texas Attorney General's Office
P. O. Box 12548, MC-008
Austin, Texas 78711-2548

/s/Andrew Leonie - (original signature on file)
ANDREW LEONIE
Assistant Attorney General
Managing Attorney, Dallas Regional Office
Texas Attorney General's Office
Consumer Protection & Public Health Division
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Dallas, Texas 75202

End of Order###