

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

NATIONAL HOMETEAM SOLUTIONS, LLC, et al.,

Defendants.

Case No. 4:08-cv-067

**PLAINTIFF’S CONSOLIDATED REPLY TO ELIAS TAYLOR’S RESPONSE TO WHY
ELIAS TAYLOR SHOULD NOT BE HELD IN CONTEMPT AND RESPONSE TO
ELIAS TAYLOR’S MOTION FOR DISMISSAL**

Plaintiff Federal Trade Commission submits this reply in response to Elias Taylor’s¹
“Motion for Dismissal, Response to Why Elias Taylor should not be held in Contempt”
 (“Resp

¹ Because Contempt Defendants share the same last name, for clarity, Plaintiff will refer to them by their first name.

² Elias’s Response is docketed both at Docket Nos. 80 and 81, presumably because it combines a “Motion to Dismiss,” *see* Doc. 80, with a “Response in Plaintiff’s Opposition to Defendant’s Motion for Dismissal” [Doc. 78]. The use of two docket numbers to

Dismiss” to attack the Court’s “Amended Show Cause Order” [Doc. 78] is improper. *See infra* § III.

³ “Contempt Defendants” are Elias Taylor, Everard Taylor, Ebony Taylor, and National Financial Assistance, LLC.

⁴ See “Stipulated Permanent Injunction and Final Order as to Defendants Evalan Services, LLC, and Everard Taylor” [Doc. 52] and its “Stipulated Permanent Injunction and Final Or

limited; and (3) that the statements of Plaintiff's declarants do not support the Commission's contentions. Elias' arguments are insufficient to

It is uncertain whether Elias means to refer to “NauatNa uatNa

was closed on September 10, 2009.⁷ In his Response, Elias claims that because of a “lack of use” of the telephone number, he was not billed and therefore unaware of its continued existence until nearly a year after the Permanent Injunctions.⁸ However, the evidence shows that after September 8, 2008, approximately 749 telephone calls were made to toll-free number (877) 570-5494, and these calls, in turn, were routed to Elias’ cell phone.⁹ While the bulk of these calls occurred in 2008, calls were made at least once in each of the months of January, February, March, April, June, and August 2009.¹⁰ This demonstrates a significant and continuous use of the telephone number following entry of the Permanent Injunctions, contradicting Elias’ claims.

In his Response, Elias admits that he participated as an “independent contractor” for Nationwide Financial Aid.¹¹ Both of Contempt Defendant National Financial Assistance’s bank accounts show payments made to Elias.¹² In his Response, Elias claimed that one of the payments referenced in the FTC’s Motion for Contempt was for actions taken prior to the PI being entered.¹³ However, Elias provides no evidence to show that this payment was made for

⁷ App. 860-913 (uReach Technologies records showing calls made to (877) 570-5494 were routed to telephone number (972) 955-0526); *see* App. 917-22 (Verizon Wireless business records showing Elias Taylor owned telephone number (972) 955-0526); *see also* Gosha, App. 1935 ¶ 20 (discussing the business records associated with toll free telephone number (877) 570-5494, and telephone number (972) 955-0526).

⁸ *See* Response at pp.2-3 § III.

⁹ App. 899-913.

¹⁰ App. 913.

¹¹ Response at p.1 § II.

¹² App. 1306 (Wachovia bank records showing payment of \$1280.00 to Elias Taylor on June 16, 2008); App. 949 (WAMU bank records showing payment of \$1230.00 to Elias Taylor that was posted on March 10, 2008).

¹³ Response at p.3 ¶ 1.

services rendered prior to the entry of the PI. In addition, Elias does not address the second, later payment that was referenced in the Motion for Contempt.

Elias' Response addresses two consumer declarations that reference services provided by "Specialist White," which Elias admits was him. In the case of Alonzoe Fuller, Elias claims that Nationwide Financial Aid was able to assist Mr. Fuller to stop his foreclosure.¹⁴ Elias does not contest the fact that "Specialist White" contacted Ms. Fuller and told her that Nationwide Financial Aid could not stop her family's foreclosure. Elias attempts to show that in the case of Mr. Fuller, Nationwide Financial Aid did what it promised; however, as the evidence shows, Mr. Fuller was required to pay close to half of his past due mortgage debt.¹⁵ Elias' Response fails to mention that Nationwide Financial Aid promised Mr. Fuller to stop his foreclosure by taking his lender to court, which it did not do.¹⁶ In addition, Nationwide Financial Aid guaranteed to move all of Mr. Fuller's defaulted mortgage debt to the end of his loan, which it also did not do.¹⁷

In the case of George Willis, Elias claims that Nationwide Financial Aid did what it promised by postponing an August 5, 2008 foreclosure sale date; however, as Mr. Willis' declaration shows, he was told that Nationwide Financial Aid would stop his foreclosure by filing an injunction.¹⁸ Moreover, Mr. Willis was promised that he would get a better interest rate and that he would not have to make a mortgage payment for three months while the injunction

¹⁴ Response at p.3 ¶ 2.

¹⁵ Fuller Dec., App. 130 ¶ 10.

¹⁶ Fuller Dec., App. 128 ¶ 2.

¹⁷ *Id.*

¹⁸ Willis Dec., App. 141 ¶ 3.

proceeded through the court system.¹⁹ Mr. Willis was told by Nationwide Financial Aid that it could not stop his foreclosure.²⁰ Elias also claims that contrary to Mr. Willis' declaration, he never performed any collection services for Nationwide Financial Aid; however, Elias offers no evidence substantiating this other than his unsworn statement in the Response.²¹

Elias admits that he had interaction with lenders as well as borrowers who were relying on him to negotiate home foreclosure modification or rescue services. *See* Response at p.1 § II. The Commission strongly disagrees with Elias' limited characterization of his work for "Nationwide Financial Assistance" and has presented evidence of his role. Nevertheless, Elias admits that he was directly engaged in the sale of home foreclosure prevention services by communicating with consumers concerning their home foreclosure rescue efforts. He assisted the Contempt Defendants in the sale of these home foreclosure rescue services by performing tasks such as communicating with lenders and borrowers concerning the success or, rather, the failure of mortgage foreclosure services, in violation of the PI and Permanent Injunctions. Not only was he, through his actions, directly involved in the sale of these services, but his actions were also taken "in connection with" both his and his relatives' promotion, offering for sale, and sale of foreclosure prevention services in violation of the PI and Permanent Injunctions.

Moreover, Elias' claim that he is not "privileged to know or have access to the marketing, promoting, structures, guarantees, and other aspects or details" of Nationwide Financial Aid's operations is absurd. His work with Contempt Defendants is not remotely comparable to work for a large corporation like Fannie Mae or Saxon, of which he would be but a cog in the giant

¹⁹ *Id.*

²⁰ Willis Dec., App. 143 ¶ 10.

²¹ Response at p.3 ¶ 3.

corporate wheel. Rather, he worked with his *brother* Everard and his *sister-in-law* Ebony in a

within its right to strike the “Motion to Dismiss” and consider only the document as a “Response” or to deny the Motion outright. Regardless, Elias’s involvement with Contempt Defendants in violation of this Court’s PI and Permanent Injunctions is sufficient to subject him to civil contempt sanctions, and his “Motion to Dismiss” should be denied.

IV. Conclusion

For the foregoing reasons, as well as those set forth in the Motion for Contempt, Elias Taylor is in contempt of the PI and the Permanent Injunctions and is jointly and severally liable with Everard, Ebony, and National Financial Assistance for compensation to consumers for their losses that are tied to Contempt Defendants’ contumacious activities.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I certify that Plaintiff Federal Trade Commission has sent a true and correct copy of the