

EXHIBIT A

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

----- X
U.S. IMMIGRATION FUND LLC, U.S. IMMIGRATION :
FUND-NY LLC, 701 TSQ 1000 FUNDING, LLC. and :
701 TSQ 1000 FUNDING GP, LLC, :

Index No. 159222/2018

Plaintiffs, :

- against - :

DOUGLAS LITOWITZ, ESQ., XUEJUN MAKHSOUS :
a/k/a MA XUEJUN a/k/a ZOE MA, and REVIV-EAST :
LEGAL CONSULTANTS (HK) LTD. a/k/a HONG KONG :
ZHENDONG LEGAL SERVICES CONSULTING CO., :
LTD., :

**AMENDED
VERIFIED
COMPLAINT**

Defendants. x

Plaintiffs U.S. Immigration Fund LLC, U.S. Immigration Fund-NY LLC, 701 TSQ 1000
Funding, LLC, 701 TSQ 1000 Funding GP, LLC, by and through their attorneys, Otterbourg
P.C., as and for their Amended Verified Complaint against defendants Douglas Litowitz, Esq.
("Litowitz"), Xuejun Makhsous, also known as Ma Xuejun, also known as Zoe Ma ("Zoe Ma")
and Reviv-East Legal Consultants (HK) Co., Ltd., also known as Hong Kong Zhendong Legal
Services Consulting Co. Ltd. ("Consultants") allege, on knowledge as to their own status and
actions and otherwise upon information and belief, as follows:

INTRODUCTION

1. This action arises from the seedy side of the legal profession. It asserts claims for
fraud and related causes of action against Litowitz, an Illinois attorney, Zoe Ma, Litowitz'
purported "Chief Investigator," and Consultants, their purported "legal consulting" business in
Hong Kong. The claims arise from a desperate, bankrupt lawyer, his willing cohort and the
business they created for the purpose of the fraud, deceptively and maliciously insinuating

themselves, in furtherance of their own adverse interests, into an ongoing, U.S. government approved EB-5 program project affording certain accredited Chinese families much coveted green cards for themselves and their children to reside in the U.S., in return for investments by these Chinese investors in certain real estate development projects in the United States that under the program are designed to create, and have in fact created, a significant number of jobs for U.S. citizens. Among other things, defendants individually and in collusion with one another, and with knowledge of their fraudulent scheme, disseminated false and defamatory statements by which they attempted to raise their own profile while damaging the reputation of plaintiffs, their affiliates and the aforementioned EB-5 capital investment projects, to the detriment of plaintiffs, so as to engage these Chinese investors in an attorney-client relationship and to induce them to withdraw their substantial investments from these EB-5 projects, so as to have them pay a portion of the returned investment to defendants as “Contingency-Based Legal Fees.” The violations of the codes and canons of legal ethics are numerous and are described here to illustrate the Defendants’ malicious course of conduct.

2. Defendants improperly approached these Chinese investors at a time when they were most vulnerable, owing to a backlog in recent years for EB-5 visas to investors from China that resulted in their investments – here, in the form of a pooled \$200,000,000 loan in the EB-5 project – being paid back in accordance with the loan’s terms and conditions but before approval of the coveted green cards. This resulted in the need to redeploy those repaid funds into another approved investment during the backlog period, or to give up on the green cards.

3. Importantly, had any of these Chinese investors properly requested from plaintiffs a withdrawal of their capital without defendants’ interference, their entire investment would have been returned in full *without any fees paid to defendants*. In addition, withdrawal from these

projects would jeopardize, if not extinguish, the investors' opportunity to obtain the green cards that they had been working towards, which is apparently of no concern to Defendants, who seek only to enrich themselves at the expense of both Plaintiffs and Defendants' own "clients." To date, approximately seventy Members have been refunded.

4. Worse still, upon information and belief, Defendants maliciously waged this campaign of fraud and defamation because of immense financial pressure upon both Litowitz and Zoe Ma arising from: *first* Litowitz's recent termination from his previous employers, Duff & Phelps, where he worked as a legal consultant, and SBI Securities (HK) Ltd., where he worked as an in-house lawyer; *second*, Litowitz filing for personal bankruptcy in January of 2018; *third*, the final and non-appealable adjudication on May 4, 2018 by the United States Bankruptcy Court in the Northern District of Illinois that a portion of Litowitz's debt was nondischargeable as it was obtained by Litowitz under "false pretenses, a false representation, or actual fraud" (see Exhibit A); and *fourth* the "financial ruin" of Zoe Ma arising from the failure of her actual business and sanctions imposed by the Wisconsin Department of Health Services in connection with her operation of two assisted living facilities in Marionette County, Wisconsin that "has cost her all of her life savings."

5. Defendants' fraudulent and otherwise wrongful conduct here has caused the Plaintiffs substantial harm for which they are entitled to relief, including punitive damages, both in an individual capacity and derivatively in their capacity as principals in Consultants.

THE PARTIES

6. Plaintiff U.S. Immigration Fund, LLC ("USIF") is a Delaware limited liability company with a registered address of 115 Front Street, Suite 300, Jupiter, FL. USIF is one of America's leading EB-5 regional centers with 25 ongoing EB-5 projects across the United States,

assisting nearly 6,000 EB-5 investor clients and their families from around the globe. The EB-5 Program is more fully described below.

7. Plaintiff U.S. Immigrations Fund-NY, LLC (the “Regional Center”) is a New York limited liability company with a registered address of 115 Front Street, Suite 300, Jupiter, FL, and is an affiliate of USIF in New York City. The Regional Center has been approved by the United States Citizenship and Immigration Services (“USCIS”) as a regional center under the EB-5 Program to undertake EB-5 capital investment projects in the New York City area, including a project at 701 Seventh Avenue, New York, New York at Times Square (the “701 Project”).

8. Plaintiff 701 TSQ 1000 Funding, LLC (the “Company”) is a Delaware limited liability company with a registered address of 115 Front Street, Suite 300, Jupiter, FL, and is sponsored by the Regional Center. The Company’s affiliation with the Regional Center allows subscribers in the Company (known as “Members”) to rely on both direct and indirect job creation for the purposes of the Members qualifying for green cards under the EB-5 Program (the primary objective of the investment).

9. Plaintiff 701 TSQ 1000 Funding GP, LLC (the “Manager”) is a Delaware limited liability company with a registered address of 115 Front Street, Suite 300, Jupiter, FL, and manages the Company.

10. Individual Defendant Litowitz is an individual believed to be resident at 413 Locust Place, Deerfield, Illinois.

11. Individual Defendant Zoe Ma is an individual believed to be resident at 340 East Randolph Street, Unit 806, Chicago, Illinois.

12. Defendant Consultants is, upon information and belief, a private company limited by shares, registered under the laws of Hong Kong, with an address at Room 1405A, Lok Centre, 165-171 Wan Chai Road, Wanchai, Hong Kong. Upon further information and belief Litowitz and Zoe Ma are principals of Consultants.

FACTUAL BACKGROUND

The EB-5 Program

13. The EB-5 program was created in 1990 by Congress to encourage the flow of capital into the U.S. economy and to promote employment in the United States. Foreign investors are offered the prospect (but not the guarantee) of lawful permanent residence in the U.S. (evidenced by an issued green card) if they invest a minimum of \$500,000 in a commercial enterprise in the U.S., and that investment results in the creation or maintenance of 10 full-time jobs in the U.S. for American citizens.

14. USCIS regulations governing the EB-5 Program require applicants' investments to be "at risk"— *i.e.*, subject to the possibility of gain or loss—at least until the applicant has completed a two-year conditional residence period (which traditionally had taken roughly 4 years from the time of the initial EB-5 application). EB-5 loans were typically structured to come due between 5 and 7 years.

The EB-5 Visa Process

15. The primary steps in the EB-5 visa process are as follows:
- The foreign investor invests in a new commercial enterprise ("NCE") (here, the 701 Project) in the U.S. The NCE may be affiliated with a regional center (here, the Regional Center), which allows it to deploy the proceeds of the EB-5 investments, as debt or equity, to one or more job creating entities (here, the

developer of the 701 Project), which will use the funds to directly or indirectly create at least ten jobs for U.S. workers per investor.

- The investor then files an I-526 petition with USCIS in order to be designated as an “alien entrepreneur” under the EB-5 program.
- Upon approval of the investor’s I-526 Petition, the investor typically files a form I-485 requesting that the investor and qualifying family members be granted “conditional permanent” residency. Upon approval of the I-485 the investor is granted an immigrant visa, and upon entering the U.S. with that visa the investor becomes a conditional permanent resident (“CPR”). CPR status is initially granted for a two-year period, during which the investor must maintain the investment in the NCE.
- Between 21 and 24 months after the date of becoming a CPR, the investor must file an I-829 petition with USCIS to remove the conditions on the investor’s residence. The approval of the I-829 petition generally requires the investor to demonstrate that the requirements under the EB-5 program have been fulfilled during the prior two-year period, including showing that the NCE has created a minimum of 10 permanent jobs as a result of the investment and that the investor’s investment in the NCE has been sustained “at risk” for the entire two year CPR period.
- If the I-829 Petition is approved, the investor and qualifying family members will be granted unconditional permanent resident status in the U.S., and they are issued green cards. They may also apply for U.S. citizenship after approximately five years of residency. If denied, the investor and family members will be placed in

removal proceedings, where they may lose their immigration status and face deportation.

Relevant USCIS Regulations

16. USCIS regulations impose specific requirements on the use of the investor’s capital during the pendency of their immigration application. In particular, an investor must sustain their investment “at risk” for the entire two-year period of conditional I-526 residency.¹ Pursuant to the “at risk” requirement, the immigrant investor must have placed the required amount of capital at risk for the purpose of generating a return, and there “must be a risk of loss and a chance for gain.” Funds held in reserve that are not actively being used by a commercial enterprise are not considered “at risk.”

17. Accordingly, EB-5 loans have typically been structured so that they remain outstanding throughout the time required for all investors to make their way through the two-year period of conditional permanent residence and through to I-829 petition approval. Hence, most loan terms have traditionally been 5 to 7 years.

18. This traditional structure has been undermined in recent years by a growing backlog in the EB-5 visa program for Chinese residents—it can now take up to **10 or more** years for Chinese EB-5 applicants to obtain permanent residence. Therefore, most EB-5 loans will be paid back -- and if not redeployed investors’ funds will not be “at risk” -- years before the investors complete the two-year CPR period.

19. Consequently, USCIS has recently introduced a “redeployment” policy, first formally stated in the EB- 5 Policy Manual in 2016 and 2017. Under this policy:

¹ The more conservative view is that it would be most prudent for capital to be sustained “at risk” through the final adjudication of the I-829 petition.

- If an NCE makes an EB-5 loan and receives repayment of the EB-5 loan before its EB-5 investors have completed the two year CPR period, as is the case here, the NCE **must** reinvest—*i.e.*, redeploy—the repaid funds in a new investment.
- The reinvestment must be in a commercial activity, “in commerce” within the corporate scope of the commercial enterprise.
- The redeployment must occur within a “commercially reasonable” period of time. The USCIS has not defined what constitutes a “commercially reasonable” period of time, but the industry understanding is between 3 to 6 months of repayment of the original investment. *See* PM Chap. 4, § C.

20. Failure to redeploy under these terms would likely result in denial or revocation of an EB-5 investor’s immigration application.

21. Moreover, a regional center or commercial enterprise **must** report any redeployment of investor capital or material change in the status of an EB-5 investor, including any change in the “at- risk” status of the investor’s capital. In addition to an annual certification requirement on Form I-924A, USCIS regulations also impose an ongoing duty to notify of any redeployment of capital or material change in investor status. Failure to comply with these reporting requirements can result in termination of regional center status.

The 701 Project Is Redeployed

22. The EB-5 project at issue here is the 701 Project, wherein the Company was formed to make a loan (the “701 Loan”) to a third-party developer -- with no affiliation to Plaintiffs -- so as to finance a mixed-use development at 701 Broadway, Times Square, New York City. The accredited Chinese Members each invested \$500,000 into the Company, which

pooled all of the investments and in turn procured the 701 Loan to the developer in the amount of \$200,000,000, payable on or before May 31, 2020.

23. But in February 2018, the developer informed the Manager that it had decided to sell the 701 Project and prepay the 701 Loan, pursuant to the rights to do so in the loan documents. Construction on the 701 Project was near completion and the developer had entered into an agreement to sell the project to a purchaser who wanted to refinance the project with long term financing.

24. To date, none of the Members have an EB-5 visa giving them the right to conditional permanent residence in the United States. As a result, the prepayment of the 701 Loan triggered a need to redeploy the repaid loan funds so the Members' capital remain "at risk" while the Members' EB-5 applications are pending. However, the Operating Agreement for the Company did not specifically provide for reinvestment of the repaid 701 Loan in any projects other than the 701 Project. Accordingly, the Manager sought and received approval from a majority of the Members to permit funds to be redeployed into a very similar project located in close proximity to the 701 Project, at 1568 Broadway, NY, NY, otherwise known as 702 Times Square (the "702 Project").

25. The 702 Project was identified by the Manager as the best option for redeployment based on an extensive exploration of available options that satisfy all of the EB-5 redeployment requirements and its due diligence of the 702 Project. This analysis was based on a variety of factors, including the Manager's business judgment regarding the experience and financial capability of the developer of the 702 Project (an entity unaffiliated with Plaintiffs), evaluation of the 702 Project's capital structure, pro forma financial projections, independent appraisals of the 702 Project on completion and stabilization, the location of the 702 Project in

the highest retail traffic area in the world, and the fact that the developer of the 702 Project has commitments in hand from construction lenders (major financial institutions) and equity investors sufficient to complete the project. The 702 Project features the construction of a 3,780 key hotel with multiple brands, 390,000 square feet of meeting and ballroom space, 170,000 square feet of retail, 200,000 square feet of food and beverage, a 115,000-square-foot pool deck, a 40,000-square-foot spa, 16,000-square-foot fitness center, and 6,200 parking spaces.

26. The majority vote was brought about by the Manager circulating to the Members a consent solicitation and a proposed amended operating agreement. A method by which the solicitation was discussed among the Members was online, in a 701 Project group chat room commonly referred to as “WeChat.”

27. The WeChat chat room, upon information and belief, is a Chinese-language social media site used by the Chinese Members to communicate and coordinate together, but it has also been used by some outside of the 701 Project to steer Members that may be getting disillusioned, because of the back-log with the EB-5 process, to become potential clients of lawyers and bring claims against Plaintiffs for the return of their investments.

28. Indeed, upon information and belief, a group of Members were persuaded in such a manner to commence an action against the Regional Center, the Company and the Manager, along with others, in the Supreme Court of the State of New York, New York County (the “NY Action”), to seek an injunction enjoining the redeployment of the investments into the 702 Project pending an arbitration of various claims that the redeployment was improper. But the NY Action has since been settled, the claims therein have been dismissed and the request for arbitration has been withdrawn.

Evolution of the Fraudulent Scheme

29. Upon information and belief, during his legal career Litowitz worked as a visiting or adjunct teacher at various law schools, but never achieved tenured status and never became a full professor. Between 2005 and 2015 Litowitz was employed by a hedge fund in Illinois as a compliance lawyer, and thereafter he moved to Hong Kong where he was employed as an in-house lawyer for a retail securities broker, known as SBI Securities (HK) Ltd. ("SBI"), from 2016 to 2017. Upon further information and belief, in 2017 SBI fired Litowitz.

30. Thereafter in 2017, upon information and belief, Litowitz was hired in Hong Kong as a compliance lawyer by a Duff & Phelps affiliate known as D&P China (HQ) Ltd. ("D&P"). Upon further information and belief, before the year was out D&P also fired Litowitz.

31. As a direct result, upon information and belief, Litowitz experienced overwhelming financial pressure. His debts went unpaid and his income ceased. Indeed, on January 8, 2018, Litowitz filed for Chapter 7 bankruptcy in the United States Bankruptcy Court for the Northern District of Illinois. Annexed hereto as Exhibit B is a copy of the Voluntary Petition for Bankruptcy.

32. At about the same time, upon information and belief, Zoe Ma was in "financial ruin" owing *first* to the failure of the business that she was actually engaged in -- apparently when not holding herself out as a "Chief Investigator" for Litowitz -- which was the operation of two assisted living facilities in Wisconsin, and *second* due to the ongoing sanctions that presently are being imposed upon her by the Wisconsin Department of Health Services ("DHS") for violations in connection with those two assisted living facilities, which DHS collects from Zoe Ma by directly "debiting [her] bank account" to the point where she claims it "has cost her all of her life savings." Annexed hereto as Exhibit C is a copy of the Decision and Order by the United

States District Court Eastern District of Wisconsin, dated August 2, 2018, dismissing Zoe Ma’s action against the Secretary of DHS, and annexed hereto as Exhibit D is a copy of the “Reply Motion for Relief from Judgment of Dismissal” filed on September 3, 2018 by “Counsel for Plaintiff,” Litowitz.

33. Unemployed, bankrupt, in financial ruin and in desperation, upon information and belief Litowitz and Zoe Ma together decided upon a different path. By virtue of relationships they each had in Hong Kong, they together came up with a plan to make money by nefarious means.

34. Upon information and belief, Litowitz and Zoe Ma, individually and in collusion with one another, and with knowledge and malice, devised a scheme to portray themselves as experts in the EB-5 Program and set about inducing the Chinese Members in the 701 Project to seek a return of their investments from Plaintiffs by engaging the Members with lies and defamatory statements about Plaintiffs, their affiliates and the project, without any regard to the truth or the damage they would cause to Plaintiffs or to the Members.

35. As part of their plan, upon information and belief, they unveiled a sham organization in Hong Kong for purposes of the fraud. Indeed, on January 30, 2018 (shortly after Litowitz’ bankruptcy filing earlier that month), they changed the name of an existing Hong Kong entity they had rights to, known as “Catrini Jewelry Co., Ltd.” – which no doubt up until then was in the jewelry business -- and renamed it “Reviv-East Legal Service Consultants (HK) Co., Limited.” Attached hereto as Exhibit E is a copy of the online corporate database demonstrating the name-change.

36. Defendants then portrayed themselves on a website for the new entity as experts in the field – he as a securities lawyer and “professor” from Illinois, and she as his “Chief

Investigator” and the person “responsible for due diligence and handling complaints from Chinese investors.” Litowitz also included on the website a section entitled “My Blog” under which was an article he wrote entitled: “The EB-5 program is legally flawed and has become a scam.” A copy of a Google-translated (from Chinese) print-out of the website (located at <https://eb5rights.com/>) is annexed hereto as Exhibit F.

37. Despite the apparent fact that in 2017 the entity was still in the jewelry business, the website stated:

[Consultants] helps investors defend their rights. **From 2017**, we will help EB-5 investors and US professional lawyers to cooperate to recover investment funds. In **December 2017**, Investor Z recovered \$500,000 in investment from the EB-5 project promoted by the Chinese intermediary company “Overseas Immigrants” in just seven days. (Emphasis Added).

38. Upon information and belief, this statement was not true. Despite touting the success story achieved for “Investor Z” in 2017, Litowitz disclosed no interest in Consultants in his bankruptcy petition dated January 8, 2018. (Exhibit B). Moreover, logic dictates that if the Investor Z story were true, income received from the alleged “big win” would have saved Litowitz from bankruptcy.

39. To the contrary, however, upon information and belief Litowitz did not even have enough money to pay off a sum of \$4,300 to his creditor First National Bank of Omaha (the “Bank”), which by March 29, 2018 had sued Litowitz in the bankruptcy court seeking an exception to discharge of that debt, which the Bank complained was incurred in November and December of 2017 when Litowitz suddenly changed his spending habits and maxed out his credit card with cash advances and charges to car services, airline tickets and hotel charges. Annexed hereto as Exhibit G is a copy of the Complaint Seeking Exception to Discharge filed on March 29, 2018.

40. Litowitz’s failure to repay the Bank that small amount resulted in an agreed upon Judgment entered by the court against Litowitz “ordering the sum of \$4,300 to be nondischargeable pursuant to 11 U.S.C Section 523(a)(2).” Attached hereto as Exhibit A is a copy of the Agreed Judgment of Nondischargeability by the court dated May, 4, 2018. Importantly, the statute (Section 523(a)(2)) by which Litowitz was adjudicated bars dischargeable debts that are “obtained by ... false pretenses, a false representation, or actual fraud...” It is hard to imagine an expert EB-5 lawyer that just had such a big win for “Investor Z” not having enough money from his fee to pay such a small sum and escape from being adjudicated a fraud -- yet that is what the United States Bankruptcy Court Judgment established.

41. Further, if at any time before Litowitz filed his bankruptcy petition on January 8, 2018, he held an interest in the Consultants entity, either before or after it left the jewelry business, then the fact that he failed to disclose that in his petition was a fraud upon the bankruptcy court.

42. As part of the scheme, Zoe Ma was able to infiltrate the WeChat group chat and started the campaign to spread lies and defamation, which is more fully described below. Upon further information and belief, Defendants’ campaign included having the Members engage Defendants with a purported contract entitled “Agreement to Provide Legal Services” (the “Agreement”). A copy of this Agreement is annexed hereto as Exhibit H. As described therein, the Agreement is dated 2018, and sets forth the “Contingency-Based Legal Fees” as follows, in pertinent part:

3. 50% of fees recovered from your immigration attorney and a portion of management fee recovered from the Fund will be retained by the Attorney along with legal fees awarded by Court as compensation for legal services provided by Attorney. 50% of fees recovered from your immigration attorney of management fee recovered from the Fund will be retained as compensation for service provided by by (sic) Reviv-East Legal Service Consultants (Reviv-East). You will agree to pay a set up fee of \$1500

refundable if capital contribution not returned in 60 days. Unless otherwise specified, no other fees will be charged to you. All prior payment is not refundable.

* **

6. Term of Agreement. This Agreement is valid for six months or until the end of legal proceedings. The attorney and Reviv-East are entitled to legal fee and consulting fee for services performed in case of recovery received if you terminate this agreement with mutual consent. Service is charged at \$400 per hour and \$200 per hour by attorney and Reviv-East respectively.

43. Upon information and belief, in 2018 none of the Defendants were licensed to practice law in Hong Kong and, accordingly, Defendants practice of law in Hong Kong violates the laws of Hong Kong. Moreover, Litowitz, is a member of the Illinois Bar, which specifically prohibits fee-splitting with non-lawyers, the formation of partnerships with non-lawyers, assisting in the unauthorized practice of law, and improper solicitation. Upon information and belief, Defendants' conduct herein violates numerous provisions of the Illinois Code of Professional Responsibility, including Rules 1.5, 5.4(a), 5.4(b), 5.5(a), 7.2 and 7.3.

44. Upon further information and belief, neither Zoe Ma nor Consultants are licensed as investment advisers, yet they have been routinely acting as investment advisers with Members concerning the 701 Project and the 702 Project. As such, they are in violation of the securities laws of Illinois, New York and the Investment Advisers Act of 1940, 15 U.S.C. 80b-1 *et seq.*

Defendants' Malicious Interference

45. By June of 2018 Plaintiffs first started to hear from Litowitz, seeking investment withdrawals on behalf of their clients. However, far from a normal course one would expect in dealing with a lawyer, Litowitz's calls to representatives of USIF were more often than not laced with profanity, often included extortionate threats to run up attorneys' fees and to disclose negative information, and constantly asserted what can only be termed as "screams" into the phone to be paid immediately.

46. Upon information and belief, the enormous financial pressure, the bankruptcy, the fraud adjudication and the financial ruin combined into Defendants' fraud scheme as a distinct malice against Plaintiffs, as demonstrated by the invective, which only increased the longer the process played out.

Defendants Employ Lies and Slander to Further the Fraud

47. Upon information and belief, in addition to the utter falsehood set forth on the Consultants' website, as described above, by mid-2018 the plan to have Zoe Ma infiltrate the WeChat group to spread lies and defame Plaintiffs went into high gear. Moreover, the goal was not just to gain clients at the expense of Plaintiffs, but also upon information and belief, at the expense of other law firms and lawyers competing for EB-5 business. The following are statements that are all false, defamatory and were intentionally misrepresented by Zoe Ma with the knowledge and collusion of all Defendants in furtherance of the fraud, which were translated from Chinese from the WeChat group chat, and were stated by Zoe Ma on the dates indicated:

- On August 23, 2018:
 - "702 project's result will be the same with Las Vegas SLS project, the project will fail and investors can't get their money and green card. 702 project needs 200 investors investment as preferred equity and 900 investors investment as mezzanine loan."
 - "The investors we represented will not invest into 702. If 702 fail like SLS, investors will lose everything. Those 2 options are not safe."
 - "For USIF, investors are the least important. So investors who chose option 1 should hire lawyers now."

- “USIF mainly earn the rebate of construction fees. Those construction fee are over high.”
- “We only represented 701 investors who want the money back. We did our best to help our investors who got rejected by USCIS to get their money back. Those R law firm [a competing law firm] really can’t compete with us.”
- “We didn’t make too much efforts on, but we got refund timely. We only represent 701 refund investors, so we focus on seeking loopholes, thus we can get refund back for the clients who got rejected. And let those lawyers in so-called high-end legal firms, like R&W [the lawyer firm for plaintiffs’ in the NY Action] and R firm, feel powerless.”
- “701 has made enough money and there is no more profits. It is also lack of ability.”
- “The starting was to misunderstand EB-5’s operation, mislead investors into municipal bonds and cheat clients.”
- “702 is the New York version of the SLS project, and the final result is ‘bloodbath’ investors.”
- “R&W and USIF join forces to push 701 to 702.”
- “702 is an abyss, very horrible.”
- “The 702 project is junk bonds and no collateral.”
- “702 is a shitty project.”
- “An anti-climax lawsuit which earned 300,000 USD legal fees led to hundred-twenty-four 701 Green Card guaranteed investors became cannon fodder, and seventeen 701 refund investors gained profit.”

- “R&W who had begun playing a good hand. However they flinched when the judge signaled sympathy for investors' demands and almost agreed to vote again. They could have revised the unequal operating agreement, given the Green Card guaranteed investors and refund investors reasonable choice and procedures. But R&W has given all these advantages to the fund company.”
- “I helped 702 investors get their refunds back last year.”
- “That lawsuit was almost for nothing. The investors who want to continue the application spend 300 thousand lawyer fee for nothing, refunded investors are the beneficiary.”
- “Participate in settlement negotiations. If you don't do this, you will lose. Redeploy can choose the project with collateral. You must ask for collaterals.”
- “There is no virtual high assessment for 701. 702 have not start the construction yet, the valuation changed from 200 million to 400 million.”
- August 24, 2018:
 - “The owner of USIF said in the newspaper that the investor could refund, and did not say that the refund must have additional conditions. Our refusal to sign a refund is in line with the process.”
- August 31, 2018:
 - “Our attorney is communicating with the court, we officially will revote for the investors who already chose option I. You can refund or you can have other options. USIF's attorney will call Doug tmr and ask for our clients' choices. In the afternoon, the judge will meet with all lawyers. we

currently have 6 investors refunded, and 5 investors want to secure their green cards.”

September 1, 2018:

- “Investors were fooled. We suggest investors we represent to choose other project options which has nearly competed as mezz loan. 702 is a shitty project.”

Defendants Breach the Attorneys’ Eyes Only Confidentiality Agreement

48. Upon learning of the commencement of the NY Action, which had been brought by the competing law firm Reid & Wise LLP (“R&W”), Litowitz tried to jump on the band wagon. Indeed, notwithstanding that he is not licensed to practice law in this State, and did not represent any named party to that action, Litowitz sent a letter to the New York State Court Judge presiding over the NY Action, Hon. Saliann Scarpulla, requesting the Court allow him to intervene in the NY Action, and attaching a draft motion to intervene. A copy of the letter, dated August 27, 2018, is attached hereto as Exhibit I. No motion to intervene was ever properly filed nor litigated in the NY Action, nor was any such order ever granted.

49. Rather, upon information and belief, the court ordered the attorneys in the NY Action to provide Litowitz with the terms of an agreed-upon settlement that the parties had just reached, which the court ordered shall be subject to an “attorneys eyes only” confidentiality agreement (the “Attorneys’ Eyes Only Confidentiality Agreement”). A copy of the Attorneys’ Eyes Only Confidentiality Agreement, which was electronically executed by Litowitz,² is annexed hereto as Exhibit J, and provides in pertinent part:

1. Any documents provided to Litowitz by Petitioners or Respondents will be treated as “Attorneys Eyes Only” material, which Litowitz may not disclose to any other person

² Litowitz sent the executed Attorneys Eyes Only Confidentiality Agreement by email in which he stated: “Ok here is the confidentiality agreement signed electronically and with my clients listed.”

or party, including the Litowitz Clients, although Litowitz is permitted to discuss the substance of information contained in "attorneys Eyes Only" material with the Litowitz Clients, subject to their written agreement not to disclose any such information to any other party or person.

- 2. Any "Attorneys' Eyes Only" material shall be utilized by Litowitz solely for purposes of determining whether the Litowitz Clients will join the agreed-upon settlement between Petitioners and Respondents, and for no other purposes.

- 5. This Confidentiality Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York without regard to any conflict of law provisions thereof that would cause the application of the laws of any jurisdiction other than the state of New York. **The Parties hereby irrevocably: (a) submit to the jurisdiction of any court of the State of New York or any federal court sitting in the State of York for the purposes of any suit, action or other proceeding arising out of this Confidentiality Agreement which is brought by or against either Party; (b) agree that all claims in respect of any suit, action or proceeding may be heard and determined in any such court; and (c) to the extent that any Party has acquired, or hereafter may acquire, any immunity from jurisdiction of any such court or from any legal process therein, such Party hereby waives, to the fullest extent permitted by law, such immunity. The Parties hereby waive, and the Parties agree not to assert in any such suit, action or proceeding, in each case, to the fullest extent permitted by applicable law, any claim that: (i) it is not personally subject to the jurisdiction of any such court; (ii) it is immune from any legal process (whether through service or notice, attachment prior to judgment, attachment in the aid of execution, execution or otherwise) with respect to it or its property; (iii) any such suit, action or proceeding is brought in an inconvenient forum; (iv) the venue of any such suit, action or proceeding is improper; or (v) this Confidentiality Agreement may not be enforced in or by any such court.**

See Exhibit J (emphasis added).

50. As demonstrated by the highlighted language, it is unmistakably clear that Litowitz agreed to submit himself to this Court's jurisdiction for any action arising from the Attorneys' Eyes Only Confidentiality Agreement, and that this Court may hear and determine all claims asserted in the instant action.

51. Litowitz has further waived any arguments disputing personal jurisdiction, claiming inconvenient forum or challenging venue.

52. Notwithstanding this court ordered Attorneys' Eyes Only Confidentiality Agreement, upon information and belief, Litowitz shared the document and its substance with Zoe Ma, who is not covered by the Agreement, and who thereafter disclosed the substance to other Chinese Members in the WeChat chat room and elsewhere. As such, upon information and belief, Litowitz breached the terms of the Attorneys' Eyes Only Confidentiality Agreement and violated Illinois' Code of Professional Conduct Rule 3.4.

53. The unlawful disclosures by Zoe Ma in the WeChat chat room include the following:

September 1, 2018:

- "Today, the judge agreed us to join the negotiation between USIF and Reid & Wise, the investors who want the refund can collect your fund. For those investors who chose option 1 and now want refund can ask through us for a direct refund. All option 1 investors will sign the refund contract by next Friday. For 701 investors who want to change your vote on Jul.5th, the judge has authorized us to assist those investors. Today, the judge had a meeting with three lawyers, discussed the investors who chose option 1 represented by attorney Douglas, the judge is on our side."
- "We are now setting up the 701 group who refuse to redeploy and want to keep the green cards, this is the 2nd option that investors who want to keep their green card but refuse to invest into 702. We are now [challenging] the settlement between R&W and USIF. Last night, USIF sent us the confidentiality agreement, wouldn't allow us show our investors the detailed settlement, it is 'attorney eye only.' We answered

that we can keep the confidentiality. However, R&W has to provide the due diligence report from the US registered investor advisor. Otherwise, investors can get the investment option material, and require 3rd party consultant to do a feasibility analysis. We are SEC lawyers, we don't do any investment advises. The lawyers are forcing clients to make investment choices, it violate the attorney's duty."

- "We are now setting up the 701 group who refuse to redeploy and want to keep the green cards, this is the 2nd option that investors who want to keep their green card but refuse to invest into 702. USCIS didn't require investors to make risky investment before they got their green cards. The investors has the risk that the regional center can be closed, the best way to keep your green card safe is to put your fund in the company account. After you have land in the US before I-829 application, then you do the risky investment, that satisfy USCIS' requirement."
- "All of our refund, and keep green card however refuse redeployment is under the supervisor of the judge. This is the proof that our clients received the refund. All of our refund, and keep green card however refuse redeployment is under the supervisor of the judge. Now the judge is on our side, the female judge doesn't want to deal with two law suits, feel our investors has the rights to choose."

- September 2, 2018:
 - “R&W has not basic knowledge of real estate development, but force investor to choose 701 mezz and file the lawsuit without thinking is actually doing harm to investors.”
 - “R&W force investors to choose 702 mezz through the working group (organized by investors). There are investors who have ended the contact with them.”
 - “Lawyer Ye is promoting 702, which means he is sacrificing the investors’ who want green card benefits to protect the investors’ benefits who want refunds.”

- September 7, 2018:
 - “The settlement plans for 701 is top secret. to request counselor? No. Anyway, our clients are mainly refunds, only one customer goes to 7611, and it’s not in Yeh and USIF that we settle. Judging from the situation of some of Ye’s rebellious clients, their reconciliation is not very popular. It is important that: a deal to keep us company Confidentiality, also state that the settlement agreement is confidential for 188 card investors, and these options Choice of opportunity We only get refunds within 30 days on behalf of a few Strengths of the Division settlement.”
 - “The two sides reached an agreement and Ye dropped the lawsuit.”
 - “701 and 702 mezzanine loans.”
 - “701 Equal status if investors and 702 investors.”

54. Upon further information and belief, both Litowitz and Zoe Ma proceeded to represent Litowitz's clients' interests in the NY Action, despite never having any motion to intervene granted, and further claimed, in writing, that the "female judge" (presumably Justice Scarpulla) had effectively prejudged the case and was predisposed to rule in favor of Defendants' clients, even though none of them were ever parties to the case. As such, upon information and belief, Litowitz and Zoe Ma violated New York's statutes and the Code of Professional Responsibility prohibiting the unauthorized practice of law.

Defendants Breach the Withdrawal Agreement

55. In its dealings with Defendants separate and apart from the NY Action, notwithstanding the malicious conduct from Defendants, USIF stood by the terms of the agreements with the Members and upon proper documentation and proceedings it processed the return of withdrawals to some of the Members that engaged Defendants. In doing so, each such Member signed documents that included a release and a confidentiality agreement that was binding upon the Member and their "legal representatives." A copy of one these agreements (the "Withdrawal Agreements") with one such Member, named Song Qimin, is in the same form as all other such agreements, and is attached hereto with its accompanying email from Zoe Ma/Consultant dated August 6, 2018, as Exhibit K.

56. The clause in the Withdrawal Agreements entitled Entire Agreement provides on page 2: "This Agreement shall be binding upon . . . the Parties hereto, **and their respective . . . legal representatives . . .**"

57. The clause entitled Governing Law; Jurisdiction provides:

This Agreement shall be interpreted construed, enforced and administered in accordance with the laws of the State of New York. **Each of the Parties consents to the jurisdiction of any court in New York, New York for any action arising out of matters related to this Agreement.** Each of the Parties

hereby waives the right to commence an action in connection with this agreement in any court outside of New York County, New York.

See Exhibit K (emphasis added).

58. Accordingly, as with the Attorneys' Eyes Only Confidentiality Agreement, by these provisions Litowitz is bound by the Withdrawal Agreements and is subject to this Court's jurisdiction as to the claims in the instant action.

59. The clause entitled Confidentiality; Non-disparagement provides:

The terms and conditions of this agreement are absolutely confidential between the parties and shall not be disclosed to anyone else, except as shall be necessary to effectuate its terms. **Any disclosure in violation of this section shall be deemed a material breach of this agreement.** The investor further agrees he/she will not disparage the Releasees or otherwise take any action which could reasonably be expected to adversely affect the personal or professional reputation of the Releasees. Please be advised that the information contained in the documents previously provided to you is confidential and such documents should be destroyed immediately or returned to the Company. Effective as of the date of the Company's countersignature, the Investor shall cease to be a Member of the Company.

See Exhibit K (emphasis added).

60. Upon information and belief, Members represented by Defendants breached the terms of the Withdrawal Agreements, to the detriment of Plaintiffs, by making statements on the WeChat group chat that disclosed terms and conditions of the agreement and disparaged Plaintiffs. Upon further information and belief, such members did so at the behest and with the assistance of Defendants. Moreover, Zoe Ma also upon information and belief, disclosed terms and conditions of the Withdrawal Agreements and disparaged Plaintiffs.

61. The following are statements that upon information and belief violate these confidentiality and non-disparagement provisions, are defamatory and were intentionally stated at the behest and with the assistance of Zoe Ma or by Zoe Ma individually, with the knowledge

and collusion of all Defendants in furtherance of the fraud, which were translated from Chinese from the WeChat group chat, and were stated on the dates indicated:

- August 18, 2018:
 - [From an investor Member]: “All the investors who didn’t choose option 1, and option 2: I have a great news to announce. Under the help of “wechat ID: 笑口常开 (Zoe Ma)”, I have received the refund from USIF without choosing option 2. Here, I have to say special thanks to everyone who didn’t choose option 1 or option 2, its our power that making our component cannot fool us anymore. Also, because of this, the investor who wanted refund got the money back. I sincerely thank everyone. We still have a lot of investors who want their green cards in this group (wechat group), even though it will not be an easy task, however, I’m sure the justice will serve the evil. Lets work together and keep on fighting. I’m sure we will have a good result. All the best.”

- August 18, 2018:
 - [From Zoe Ma]: “Zoe Ma @ everyone, I’m so happy for Lynn. \$500,000 in the account released the anxiety we have had in the past few months. During this refund process, every day is a struggle, agent and regional center is forcing the investors, investors are fighting with each other, lawyers working together to betray on investors. It’s a like a Hollywood movie, without involved in, you will not feel 701 investors’ suffer. Although, we only represented few investors, however, those are the strongest investors, they are not fear of the

agent or the regional center, never compromised, also didn't choose a faster path in order to get their refund. They found that SEC attorney is working together with the regional center in the back, stopped working with the lawyers, fight until the end. The success of those few investors proved that the investors can hold the justice. Even though we are fragile, however, the US legal system supported us. Those few investors didn't support me, but supported the US legal system. Facing the law, regional center has to surrender and refund and give the investor his justice.

- August 23, 2018:
 - [From Zoe Ma]: "The dilemma of 701 voting and law suit is because both parties didn't evaluate each other correctly. Therefore, they missed so much time in rational negotiation and have to use lots of legal tools to solve unnecessary dispute. Currently, the situation does nothing good to the investors who want to keep their green cards, also hurt this other 701 refund investors. Our attorney helped investors who refused to vote and get the 500,000 refund, and proved that it is a win-win situation."
- August 24th, 2018:
 - [From Zoe Ma]: "There is a traitor for USIF in this group, who sent my comments to USIF. USIF sent me a gag order. Im not scared, I will expose Qiaowai and USIF threatening investors with their fake promotion and horrible behavior. If they really got

something, sue me in the court. The boss of USIF said that the investors can get refund, didn't say there is condition to get refund in the newspaper. We refuse to refund is completely legal on the procedure."

- August 26th, 2018:
 - [From Zoe Ma]: "Big news, big news. A few days ago, I have received the gag order from USIF lawyer, prohibiting me promoting my successful case of helping 701 denied investors to get the \$500,000 back. I am very touched after received this notice from USIF, and feel I'm famous now. I'm recognized by the famous Qiaowai and USIF, wasting their time to send me the legal letter, its already not any no name from Qiaowai any more. Im here to send this notice to celebrate."
- September 1st, 2018
 - [From Zoe Ma]: "Our first group of investors who refused to vote, but got their refund. There are 3 in total, each of them got their refund on Aug.3rd, Aug.17th and Aug.20th."

62. These statements, upon information and belief, breached the confidentiality and non-disparagement provisions of the Withdrawal Agreements, defamed Plaintiffs and furthered the fraud to the detriment and damage of Plaintiffs.

Demonstrable Malice

63. On August 23, 2018, the Company sent Consultants and Zoe Ma a cease and desist letter, attaching some of the statements from the WeChat group chat set forth above, and

demanding the cessation of this improper conduct. A copy of this letter, dated August 23, 2018, is attached hereto as Exhibit L.

64. After receiving this letter, upon information and belief Zoe Ma forwarded it to Litowitz. Litowitz in response directed Zoe Ma as follows:

Write him back and say: I don't know how I can hurt USIF's reputation because it is lower than whale shit... You should worry about ripping off Chinese investors instead of your firm's reputation, which is about the same as a whore in church. Good luck suing me for defamation... I'm in Chicago. Come sue me here if you have the balls. Otherwise shut up.

65. Upon information and belief, this together with the intolerable invective and conduct describe *supra*, demonstrates the malice Litowitz, and by extension Zoe Ma and Consultants have employed in the misconduct set forth herein.

66. In short, Defendants' have undertaken fraudulent and otherwise wrongful conduct by among other things, misrepresenting facts, defaming the reputation of Plaintiffs, breaching the Withdrawal Agreements and otherwise without just cause or excuse willfully and intentionally causing injury to Plaintiffs, thereby entitling the Plaintiffs to relief.

AS AND FOR A FIRST CAUSE OF ACTION
(Fraud)

67. Plaintiffs repeat and reallege the allegations contained in the paragraphs above as if fully set forth herein.

68. Defendants, individually and in collusion with one another, and with knowledge of their fraudulent scheme by engaging in the conduct described above, directly or indirectly, in connection with the EB-5 investments made by Members, by the use of the means or instruments of communication on the internet: (a) with scienter, employed devises, schemes or artifices to defraud, (b) obtained money or property by means of untrue statements of material facts or omissions to state material facts necessary in order to make the statements made, in light of the

statements made, in the light of the circumstances under which they were made, not misleading, or (c) engaged in transactions, practices or course of business which would operate as a fraud or deceit upon the entities associated with the EB-5 investments, including Plaintiffs.

69. Defendants individually and in collusion with one another, and with knowledge of their fraudulent scheme created, or caused to be created, Consultant for their own purposes and to perpetrate a fraud upon the Plaintiffs. Litowitz and Ma set forth false statements on the website for Consultant that were materially false. Each of these representations was materially false when made.

70. Defendants individually and in collusion with one another, and with knowledge of their fraudulent scheme set about making material misrepresentations on the internet with the purpose of inducing Members in the Company to seek withdrawal from Plaintiffs' substantial investments, to Plaintiffs detriment, for Defendants' own unlawful purposes.

71. Defendants individually and in collusion with one another, and with knowledge of their fraudulent scheme breached the terms of the aforementioned Withdrawal Agreements with certain Members they represented by disclosing confidential information, disparaging Defendants and by causing and or assisting those other certain Members to disclose confidential information and disparage Defendants.

72. Upon information and belief, the Individual Defendants knew that the representations were materially false when made.

73. To deter the Individual Defendants from engaging in the future in such wonton fraudulent conduct as described herein, the Plaintiffs should be awarded punitive damages.

74. By reason of the foregoing, Defendants are individually or collectively liable to the Plaintiffs, directly and derivatively, in an amount to be determined at trial, but in no event

less than \$6 million, together with punitive damages to be determined at trial, but in no event less than \$10 million.

AS AND FOR A SECOND CAUSE OF ACTION
(Defamation)

75. Plaintiffs repeat and reallege the allegations contained in the paragraphs above as if fully set forth herein.

76. Defendants, individually and in collusion with one another, and with knowledge, by engaging in the conduct described above, directly or indirectly, published false statements to a third party.

77. Defendants, individually and in collusion with one another, and with knowledge, by engaging in the conduct described above, directly or indirectly, published the aforesaid false statements without authorization or privilege.

78. Defendants, individually and in collusion with one another, and with knowledge, by engaging in the conduct described above, directly or indirectly, published the aforesaid false statements negligently, recklessly, and intentionally with malice.

79. Defendants aforesaid conduct, which included false statements that impugned the basic integrity, creditworthiness and competence in Plaintiffs' business, caused significant harm to Plaintiffs' reputation in its trade, occupation and business.

80. To deter the Individual Defendants from engaging in the future in such wonton fraudulent conduct as described herein, the Plaintiffs should be awarded punitive damages.

81. By reason of the foregoing, Defendants are individually or collectively liable to the Plaintiffs, directly and derivatively, in an amount to be determined at trial, but in no event less than \$6 million, together with punitive damages to be determined at trial, but in no event less than \$10 million.

AS AND FOR A THIRD CAUSE OF ACTION
(Breach of Contract)

82. Plaintiffs repeat and reallege the allegations contained in the paragraphs above as if fully set forth herein.

83. At all relevant times, Litowitz, as a signatory to the Attorneys' Eyes Only Confidentiality Agreement, has been bound by the terms of that agreement.

84. Upon information and belief, Litowitz disclosed the Attorneys' Eyes Only Confidentiality Agreement to Zoe Ma, who is not an attorney.

85. Upon information and belief, Litowitz disclosed the substance of the information contained in the Attorneys' Eyes Only Confidentiality Agreement, to Zoe Ma, who is not an attorney.

86. Upon information and belief, Zoe Ma, with the collusion of Litowitz and Consultants, disclosed the Attorneys' Eyes Only Confidentiality Agreement to third parties.

87. Upon information and belief, Zoe Ma, with the collusion of Litowitz and Consultants, disclosed the substance of the information contained in the Attorneys' Eyes Only Confidentiality Agreement to third parties.

88. By reason of such conduct, Defendants have breached their obligations under the Attorneys' Eyes Only Confidentiality Agreement.

89. Defendants' breaches of the Attorneys' Eyes Only Confidentiality Agreement are material and have resulted in significant damage to Defendants in an amount to be proven at trial.

AS AND FOR A FOURTH CAUSE OF ACTION
(Breach of Contract)

90. Plaintiffs repeat and reallege the allegations contained in the paragraphs above as if fully set forth herein.

91. At all relevant times, Litowitz, Zoe Ma and Consultants, as the legal representatives of their client Members that withdrew from the Company and executed the Withdrawal Agreements, have been bound by the terms of the Withdrawal Agreements, including the provision entitled Confidentiality/Non-disparagement.

92. In direct contravention of these provisions, Zoe Ma, with the collusion of Litowitz and Consultants, disclosed confidential information protected under the Confidentiality/Non-disparagement, disparaged Plaintiffs, and assisted or caused their client Members to disclose confidential information protected under the Confidentiality/Non-disparagement and disparaged Plaintiffs.

93. Defendants' multiple breaches of the Withdrawal Agreements are material and have resulted in Defendants losing the funds held by the Company for the EB-5 Projects.

94. By reason of Defendants' multiple, material breaches of the Withdrawal Agreements, Defendants are liable to Plaintiffs in an amount to be determined at trial, but in no event less than \$1 million.

AS AND FOR A FOURTH CAUSE OF ACTION
(Tortious Interference with a Business Relationship)

95. Plaintiffs repeat and reallege the allegations contained in the paragraphs above as if fully set forth herein.

96. Plaintiffs had a business relationship with the Chinese Members.

97. Defendants knew of that relationship and Defendants, individually and in collusion with one another, and with knowledge, by engaging in the conduct described above, directly or indirectly, interfered with that relationship.

98. Defendants, individually and in collusion with one another, and with knowledge, by engaging in the conduct described above, directly or indirectly, acted solely out of malice and/or used improper means that amounted to a crime or independent tort.

99. Defendants' interference caused injury to the relationship with those Members.

100. By reason of Defendants' misconduct Defendants are liable to Plaintiffs in an amount to be determined at trial, but in no event less than \$1 million.

AS AND FOR A FIFTH CAUSE OF ACTION
(Prima Facie Tort)

101. Plaintiffs repeat and reallege the allegations contained in the paragraphs above as if fully set forth herein.

102. Defendants, individually and in collusion with one another, and with knowledge, by engaging in the conduct described above, directly or indirectly, acted solely out of malice in the intentional infliction of harm to Plaintiffs.

103. Defendants aforesaid conduct, which included false statements that impugned the basic integrity, creditworthiness and competence in Plaintiffs' business, caused significant harm to Plaintiffs' reputation in its trade, occupation and business.

104. Defendants aforesaid misconduct was undertaken without any excuse or justification.

105. Defendants aforesaid acts or series of acts of participating in the WeChat group chat, but for the wrong, would otherwise be lawful.

106. By reason of Defendants' misconduct Defendants are liable to Plaintiffs in an amount to be determined at trial, but in no event less than \$1 million.

WHEREFORE, the Plaintiffs, individually and/or derivatively, as appropriate, seek the entry of judgment against the Individual Defendants, individually or collectively, as follows:

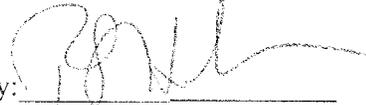
(A) on each of the First and Second Causes of Action, in favor of the Plaintiffs, individually and derivatively, compensatory damages in an amount to be determined at trial, but in no event less than \$6 million, together with punitive damages to be determined at trial, but in no event less than \$10 million;

(B) on each of the Third, Fourth and Fifth Causes of Action, in favor of Plaintiffs, compensatory damages in an amount to be determined at trial, but in no event less than \$1 million; and

(C) awarding any such further relief as is just and proper.

Dated: October 24, 2018

OTTERBOURG P.C.

By: 

Richard G. Haddad
William M. Moran

230 Park Avenue
New York, New York 10169
(212) 661-9100

Attorneys for Plaintiffs

FILED: NEW YORK COUNTY CLERK 11/02/2018 07:08 PM

INDEX NO. 159222/2018

FILED: NEW YORK COUNTY CLERK 10/25/2018 04:06 PM

RECEIVED NYSCEF 11/02/2018

NYSCEF DOC. NO. 28

RECEIVED NYSCEF: 10/25/2018

EXHIBIT "A"

NYSCEF DOC. NO. 28

RECEIVED NYSCEF: 10/25/2018

Case 18-00114 Doc 5 Filed 05/04/18 Entered 05/08/18 10:43:56 Desc Main Document Page 1 of 1

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
(Chicago)

IN RE: DOUGLAS E. LITOWITZ, Case No. 18-00515
Debtor. Chapter 7

FIRST NATIONAL BANK OF OMAHA,
Plaintiff,

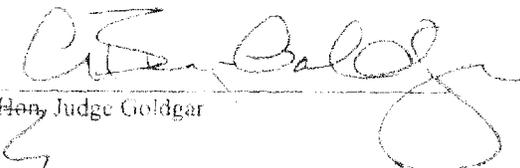
v.

DOUGLAS E. LITOWITZ, A.P. No. 18-00114
Defendant. Hon. Judge Goldgar

~~ORDER AND JUDGMENT OF NONDISCHARGEABILITY~~

The Court has considered ~~the pleadings and~~ the Stipulation for Judgment executed by the parties. ~~Final judgment~~ ^{Judgment} is hereby entered ordering the sum of \$4,300.00 to be nondischargeable pursuant to 11 U.S.C. Section 523(a)(2) as against Debtor, Douglas E. Litowitz, and in favor of First National Bank of Omaha. ~~The terms of the Stipulation for Judgment executed by the parties are incorporated herein by reference.~~

Date: MAY 04 2018


Hon. Judge Goldgar

FILED: NEW YORK COUNTY CLERK 11/02/2018 07:08 PM

NYSCEF DOC. NO. 45

FILED: NEW YORK COUNTY CLERK 10/25/2018 04:06 PM

NYSCEF DOC. NO. 29

INDEX NO. 159222/2018

RECEIVED NYSCEF: 11/02/2018

INDEX NO. 159222/2018

RECEIVED NYSCEF: 10/25/2018

EXHIBIT "B"

Fill in this information to identify your case:

United States Bankruptcy Court for the:

Northern District of: Illinois
(State)

Case number (if known) _____ Chapter you are filing under:

Chapter 7
 Chapter 11
 Chapter 12
 Chapter 13

Check if this is an amended filing

Official Form 101

Voluntary Petition for Individuals Filing for Bankruptcy

12/17

The bankruptcy forms use *you* and *Debtor 1* to refer to a debtor filing alone. A married couple may file a bankruptcy case together—called a *joint case*—and in joint cases, these forms use *you* to ask for information from both debtors. For example, if a form asks, "Do you own a car," the answer would be *yes* if either debtor owns a car. When information is needed about the spouses separately, the form uses *Debtor 1* and *Debtor 2* to distinguish between them. In joint cases, one of the spouses must report information as *Debtor 1* and the other as *Debtor 2*. The same person must be *Debtor 1* in all of the forms.

Be as complete and accurate as possible. If two married people are filing together, both are equally responsible for supplying correct information. If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write your name and case number (if known). Answer every question.

Part 1: Identify Yourself

	About Debtor 1:	About Debtor 2 (Spouse Only in a Joint Case):
1. Your full name	<u>Douglas</u> First name	_____ First name
Write the name that is on your government-issued picture identification (for example, your driver's license or passport)	<u>E.</u> Middle name	_____ Middle name
Bring your picture identification to your meeting with the trustee	<u>Litowitz</u> Last name	_____ Last name
	_____ Suffix (Sr., Jr., II, III)	_____ Suffix (Sr., Jr., II, III)
2. All other names you have used in the last 8 years	_____ First name	_____ First name
Include your married or maiden names	_____ Middle name	_____ Middle name
	_____ Last name	_____ Last name
	_____ First name	_____ First name
	_____ Middle name	_____ Middle name
	_____ Last name	_____ Last name
3. Only the last 4 digits of your Social Security number or federal Individual Taxpayer Identification number (ITIN)	XXX - XX- <u>8378</u> OR 9 XX - XX- _____	XXX - XX- _____ OR 9 XX - XX- _____

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 2 of 66

Debtor 1 Douglas E. Litowitz Case number (if known)

About Debtor 1:

About Debtor 2 (Spouse Only in a Joint Case):

4. Any business names and Employer Identification Numbers (EIN) you have used in the last 8 years

I have not used any business names or EINs.

I have not used any business names or EINs.

Business name

Business name

Business name

Business name

EIN

EIN

EIN

EIN

5. Where you live

413 Locust Pl Number Street

Number Street

Deerfield Illinois 60015 City State Zip Code

City State Zip Code

Lake County

County

If your mailing address is different from the one above, fill it in here. Note that the court will send any notices to you at this mailing address.

If Debtor 2's mailing address is different from yours, fill it in here. Note that the court will send any notices to this mailing address.

Number Street

Number Street

City State Zip Code

City State Zip Code

6. Why you are choosing this district to file for bankruptcy

Check one:

Check one:

I have lived in this district longer than in any other district

I have lived in this district longer than in any other district.

I have another reason. Explain. (See 28 U.S.C. §§ 1408.)

I have another reason. Explain. (See 28 U.S.C. §§ 1408.)

Debtor 1 Douglas E. Litowitz Case number (if known)

Part 2: Tell the Court About Your Bankruptcy Case

7. The chapter of the Bankruptcy Code you are choosing to file under

Check one. (For a brief description of each, see Notice Required by 11 U.S.C. § 342(b) for Individuals Filing for Bankruptcy (Form B2010)). Also, go to the top of page 1 and check the appropriate box.

- Chapter 7
Chapter 11
Chapter 12
Chapter 13

8. How you will pay the fee

- I will pay the entire fee when I file my petition.
I need to pay the fee in installments.
I request that my fee be waived

9. Have you filed for bankruptcy within the last 8 years?

- No.
Yes. District When Case number

10. Are any bankruptcy cases pending or being filed by a spouse who is not filing this case with you, or by a business partner, or by an affiliate?

- No.
Yes. Debtor Relationship to you
District When Case number, if known

11. Do you rent your residence?

- No. Go to line 12.
Yes. Has your landlord obtained an eviction judgment against you?
No. Go to line 12.
Yes. Fill out Initial Statement About an Eviction Judgment Against You (Form 101A) and file it with this bankruptcy petition.

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 4 of 66

Debtor 1 Douglas E. Litowitz Case number (if known)
First Name Middle Name Last Name

Part 3: Report About Any Businesses You Own as a Sole Proprietor

- 12. Are you a sole proprietor of any full- or part-time business?
[checked] No. Go to Part 4.
[] Yes. Name and location of business

A sole proprietorship is a business you operate as an individual, and is not a separate legal entity such as a corporation, partnership, or LLC.

If you have more than one sole proprietorship, use a separate sheet and attach it to this petition.

Name of business, if any
Number Street
City State Zip Code

Check the appropriate box to describe your business:

- [] Health Care Business (as defined in 11 U.S.C. § 101(27A))
[] Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
[] Stockbroker (as defined in 11 U.S.C. § 101(53A))
[] Commodity Broker (as defined in 11 U.S.C. § 101(6))
[] None of the above

- 13. Are you filing under Chapter 11 of the Bankruptcy Code and are you a small business debtor?

If you are filing under Chapter 11, the court must know whether you are a small business debtor so that it can set appropriate deadlines. If you indicate that you are a small business debtor, you must attach your most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if any of these documents do not exist, follow the procedure in 11 U.S.C. § 11 16(1)(B).

For a definition of small business debtor, see 11 U.S.C. § 101(51D).

- [checked] No. I am not filing under Chapter 11.
[] No. I am filing under Chapter 11, but I am NOT a small business debtor according to the definition in the Bankruptcy Code.
[] Yes. I am filing under Chapter 11 and I am a small business debtor according to the definition in the Bankruptcy Code.

Part 4: Report if You Own or Have Any Hazardous Property or Any Property That Needs Immediate Attention

- 14. Do you own or have any property that poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety? Or do you own any property that needs immediate attention?
[checked] No.
[] Yes. What is the hazard?

If immediate attention is needed, why is it needed?

Where is the property?

Number Street
City State Zip Code

For example, do you own perishable goods, or livestock that must be fed, or a building that needs urgent repairs?

Debtor 1 Douglas E. Litowitz Case number (if known)

Part 5: Explain Your Efforts to Receive a Briefing About Credit Counseling

About Debtor 1:

About Debtor 2 (Spouse Only in a Joint Case):

15. Tell the court whether you have received briefing about credit counseling.

You must check one: [X] I received a briefing from an approved credit counseling agency within the 180 days before I filed this bankruptcy petition, and I received a certificate of completion.

You must check one: [] I received a briefing from an approved credit counseling agency within the 180 days before I filed this bankruptcy petition, and I received a certificate of completion.

The law requires that you receive a briefing about credit counseling before you file for bankruptcy. You must truthfully check one of the following choices. If you cannot do so, you are not eligible to file.

Attach a copy of the certificate and the payment plan, if any, that you developed with the agency. [] I received a briefing from an approved credit counseling agency within the 180 days before I filed this bankruptcy petition, but I do not have a certificate of completion.

Attach a copy of the certificate and the payment plan, if any, that you developed with the agency. [] I received a briefing from an approved credit counseling agency within the 180 days before I filed this bankruptcy petition, but I do not have a certificate of completion.

If you file anyway, the court can dismiss your case, you will lose whatever filing fee you paid, and your creditors can begin collection activities again.

Within 14 days after you file this bankruptcy petition, you MUST file a copy of the certificate and payment plan, if any. [] I certify that I asked for credit counseling services from an approved agency, but was unable to obtain those services during the 7 days after I made my request, and exigent circumstances merit a 30-day temporary waiver of the requirement.

Within 14 days after you file this bankruptcy petition, you MUST file a copy of the certificate and payment plan, if any. [] I certify that I asked for credit counseling services from an approved agency, but was unable to obtain those services during the 7 days after I made my request, and exigent circumstances merit a 30-day temporary waiver of the requirement.

To ask for a 30-day temporary waiver of the requirement, attach a separate sheet explaining what efforts you made to obtain the briefing, why you were unable to obtain it before you filed for bankruptcy, and what exigent circumstances required you to file this case. Your case may be dismissed if the court is dissatisfied with your reasons for not receiving a briefing before you filed for bankruptcy. If the court is satisfied with your reasons, you must still receive a briefing within 30 days after you file. You must file a certificate from the approved agency, along with a copy of the payment plan you developed, if any. If you do not do so, your case may be dismissed.

To ask for a 30-day temporary waiver of the requirement, attach a separate sheet explaining what efforts you made to obtain the briefing, why you were unable to obtain it before you filed for bankruptcy, and what exigent circumstances required you to file this case. Your case may be dismissed if the court is dissatisfied with your reasons for not receiving a briefing before you filed for bankruptcy. If the court is satisfied with your reasons, you must still receive a briefing within 30 days after you file. You must file a certificate from the approved agency, along with a copy of the payment plan you developed, if any. If you do not do so, your case may be dismissed.

Any extension of the 30-day deadline is granted only for cause and is limited to a maximum of 15 days.

Any extension of the 30-day deadline is granted only for cause and is limited to a maximum of 15 days.

[] I am not required to receive a briefing about credit counseling because of:

[] I am not required to receive a briefing about credit counseling because of:

[] Incapacity. I have a mental illness or a mental deficiency that makes me incapable of realizing or making rational decisions about finances.

[] Incapacity. I have a mental illness or a mental deficiency that makes me incapable of realizing or making rational decisions about finances.

[] Disability. My physical disability causes me to be unable to participate in a briefing in person, by phone, or through the internet, even after I reasonably tried to do so.

[] Disability. My physical disability causes me to be unable to participate in a briefing in person, by phone, or through the internet, even after I reasonably tried to do so.

[] Active duty. I am currently on active military duty in a military combat zone.

[] Active duty. I am currently on active military duty in a military combat zone.

If you believe you are not required to receive a briefing about credit counseling, you must file a motion for waiver of credit counseling with the court.

If you believe you are not required to receive a briefing about credit counseling, you must file a motion for waiver of credit counseling with the court.

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 6 of 66

Debtor 1 Douglas E. Litowitz Case number (if known)

Part 6: Answer These Questions for Reporting Purposes

- 16. What kind of debts do you have?
16a. Are your debts primarily consumer debts?
16b. Are your debts primarily business debts?
16c. State the type of debts you owe that are not consumer debts or business debts.
17. Are you filing under Chapter 7?
18. How many creditors do you estimate that you owe?
19. How much do you estimate your assets to be worth?
20. How much do you estimate your liabilities to be?

Part 7: Sign Below

For you I have examined this petition, and I declare under penalty of perjury that the information provided is true and correct.
If I have chosen to file under Chapter 7, I am aware that I may proceed, if eligible, under Chapter 7, 11, 12, or 13 of title 11, United States Code.
If no attorney represents me and I did not pay or agree to pay someone who is not an attorney to help me fill out this document, I have obtained and read the notice required by 11 U.S.C. § 342(b).
I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.
I understand making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$250,000, or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.
X /s/ Douglas Litowitz Signature of Debtor 1 Executed on 1/8/2018 MM / DD / YYYY
X Signature of Debtor 2 Executed on MM / DD / YYYY

NYSCEF DOC. NO. 29

RECEIVED NYSCEF: 10/25/2018

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 7 of 66

Debtor 1 Douglas E. Litowitz Case number (if known)

For your attorney, if you are represented by one If you are not represented by an attorney, you do not need to file this page.

I, the attorney for the debtor(s) named in this petition, declare that I have informed the debtor(s) about eligibility to proceed under Chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each chapter for which the person is eligible. I also certify that I have delivered to the debtor(s) the notice required by 11 U.S.C. § 342(b) and, in a case in which § 707(b)(4)(D) applies, certify that I have no knowledge after an inquiry that the information in the schedules filed with the petition is incorrect.

/s/ Nathan Delman Date 1/8/2018 Signature of Attorney for Debtor MM / DD / YYYY

Nathan Delman Printed name

Semrad Law Firm Firm name

5101 Washington Street Street

Unit 29

Gurnee Illinois 60031 City State Zip Code

Contact phone 3124473700 Email address ndelman@semradlaw.com

6296205 Illinois Bar number State

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 8 of 66

Fill in this information to identify your case:

Debtor 1	Douglas	E	Litowitz
	First Name	Middle Name	Last Name
Debtor 2 (Spouse, if filing)			
	First Name	Middle Name	Last Name
United States Bankruptcy Court for the:	Northern	District of	Illinois
			(State)
Case number (if known)			

Check if this is an amended filing

Official Form 106Sum

Summary of Your Assets and Liabilities and Certain Statistical Information 12/15

Be as complete and accurate as possible. If two married people are filing together, both are equally responsible for supplying correct information. Fill out all of your schedules first; then complete the information on this form. If you are filing amended schedules after you file your original forms, you must fill out a new Summary and check the box at the top of this page.

Part 1: Summarize Your Assets

	Your assets Value of what you own
1. Schedule A/B: Property (Official Form 106A/B)	
1a. Copy line 55, Total real estate, from <i>Schedule A/B</i>	\$0.00
1b. Copy line 62, Total personal property, from <i>Schedule A/B</i>	\$18,513.00
1c. Copy line 63, Total of all property on <i>Schedule A/B</i>	\$18,513.00

Part 2: Summarize Your Liabilities

	Your liabilities Amount you owe
2. Schedule D: Creditors Who Have Claims Secured by Property (Official Form 106D)	
2a. Copy the total you listed in Column A, Amount of claim, at the bottom of the last page of Part 1 of <i>Schedule D</i>	\$0.00
3. Schedule E/F: Creditors Who Have Unsecured Claims (Official Form 106E/F)	
3a. Copy the total claims from Part 1 (priority unsecured claims) from line 6e of <i>Schedule E/F</i>	\$8,480.00
3b. Copy the total claims from Part 2 (nonpriority unsecured claims) from line 6j of <i>Schedule E/F</i>	\$88,929.00
Your total liabilities	\$97,409.00

Part 3: Summarize Your Income and Expenses

4. Schedule I: Your Income (Official Form 106I)	
Copy your combined monthly income from line 12 of <i>Schedule I</i>	\$2,300.00
5. Schedule J: Your Expenses (Official Form 106J)	
Copy your monthly expenses from line 22, Column A, of <i>Schedule J</i>	\$4,686.00

Debtor 1 Douglas E. Litowitz Case number (if known)

Part 4: Answer These Questions for Administrative and Statistical Records

6. Are you filing for bankruptcy under Chapters 7, 11, or 13?

- No. You have nothing to report on this part of the form. Check this box and submit this form to the court with your other schedules.
Yes.

7. What kind of debt do you have?

- Your debts are primarily consumer debts. Consumer debts are those incurred by an individual primarily for a personal, family, or household purpose.
Your debts are not primarily consumer debts. You have nothing to report on this part of the form. Check this box and submit this form to the court with your other schedules.

8. From the Statement of Your Current Monthly Income: Copy your total current monthly income from Official Form 122A-1 Line 11; OR, Form 122B Line 11; OR, Form 122C-1 Line 14.

\$2,961.67

9. Copy the following special categories of claims from Part 4, line 6 of Schedule E/F:

From Part 4 on Schedule E/F, copy the following:

Table with 2 columns: Description of claim (9a-9f) and Total claim amount. Total for 9g is \$8,480.00.

Fill in this information to identify your case:

Debtor 1	Douglas	E.	Litowitz
	First Name	Middle Name	Last Name
Debtor 2 (Spouse, if filing)			
	First Name	Middle Name	Last Name
United States Bankruptcy Court for the:	Northern		District of Illinois
			(State)
Case number (if known)			

Check if this is an amended filing

Official Form 106A/B

Schedule A/B: Property

12/15

In each category, separately list and describe items. List an asset only once. If an asset fits in more than one category, list the asset in the category where you think it fits best. Be as complete and accurate as possible. If two married people are filing together, both are equally responsible for supplying correct information. If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write your name and case number (if known). Answer every question.

Part 1: Describe Each Residence, Building, Land, or Other Real Estate You Own or Have an Interest In

1. Do you own or have any legal or equitable interest in any residence, building, land, or similar property?

- No. Go to Part 2
- Yes. Where is the property?

1.1

Street address, if available, or other description

Number Street

City State Zip Code

What is the property? Check all that apply.

- Single-family home
- Duplex or multi-unit building
- Condominium or cooperative
- Manufactured or mobile home
- Land
- Investment property
- Timeshare
- Other _____

Do not deduct secured claims or exemptions. Put the amount of any secured claims on *Schedule D: Creditors Who Have Claims Secured by Property*.

Current value of the entire property? _____ Current value of the portion you own? _____

Describe the nature of your ownership interest (such as fee simple, tenancy by the entireties, or a life estate), if known.

Check if this is community property (see instructions)

Who has an interest in the property? Check one.

- Debtor 1 only
- Debtor 2 only
- Debtor 1 and Debtor 2 only
- At least one of the debtors and another

Other information you wish to add about this item, such as local property identification number: _____

If you own or have more than one, list here:

1.2

Street address, if available, or other description

Number Street

City State Zip Code

What is the property? Check all that apply.

- Single-family home
- Duplex or multi-unit building
- Condominium or cooperative
- Manufactured or mobile home
- Land
- Investment property
- Timeshare
- Other _____

Do not deduct secured claims or exemptions. Put the amount of any secured claims on *Schedule D: Creditors Who Have Claims Secured by Property*.

Current value of the entire property? _____ Current value of the portion you own? _____

Describe the nature of your ownership interest (such as fee simple, tenancy by the entireties, or a life estate), if known.

Check if this is community property (see instructions)

Who has an interest in the property? Check one.

- Debtor 1 only
- Debtor 2 only
- Debtor 1 and Debtor 2 only
- At least one of the debtors and another

Other information you wish to add about this item, such as local property identification number: _____

NYSCEF DOC. NO. 29

RECEIVED NYSCEF: 10/25/2018

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 11 of 66

Debtor 1 Douglas E. Litowitz Case number (if known)

1.3 Street address, if available, or other description
Number Street
City State Zip Code

- What is the property? Check all that apply.
Single-family home
Duplex or multi-unit building
Condominium or cooperative
Manufactured or mobile home
Land
Investment property
Timeshare
Other

Do not deduct secured claims or exemptions. Put the amount of any secured claims on Schedule D: Creditors Who Have Claims Secured by Property.

Current value of the entire property? Current value of the portion you own?

Describe the nature of your ownership interest (such as fee simple, tenancy by the entireties, or a life estate), if known.

Check if this is community property (see instructions)

- Who has an interest in the property? Check one.
Debtor 1 only
Debtor 2 only
Debtor 1 and Debtor 2 only
At least one of the debtors and another

Other information you wish to add about this item, such as local property identification number:

2. Add the dollar value of the portion you own for all of your entries from Part 1, including any entries for pages you have attached for Part 1. Write that number here.

Empty box for value entry

Part 2: Describe Your Vehicles

Do you own, lease, or have legal or equitable interest in any vehicles, whether they are registered or not? Include any vehicles you own that someone else drives. If you lease a vehicle, also report it on Schedule G: Executory Contracts and Unexpired Leases.

3. Cars, vans, trucks, tractors, sport utility vehicles, motorcycles

- No
Yes

3.1 Make Acura
Model TSX
Year 2009
Approximate mileage: 86000
Other information:

- Who has an interest in the property? Check one.
Debtor 1 only
Debtor 2 only
Debtor 1 and Debtor 2 only
At least one of the debtors and another
Check if this is community property (see instructions)

Do not deduct secured claims or exemptions. Put the amount of any secured claims on Schedule D: Creditors Who Have Claims Secured by Property.

Current value of the entire property? Current value of the portion you own?
\$8000.00 \$8000.00

3.2 Make
Model
Year
Approximate mileage:
Other information:

- Who has an interest in the property? Check one.
Debtor 1 only
Debtor 2 only
Debtor 1 and Debtor 2 only
At least one of the debtors and another
Check if this is community property (see instructions)

Do not deduct secured claims or exemptions. Put the amount of any secured claims on Schedule D: Creditors Who Have Claims Secured by Property.

Current value of the entire property? Current value of the portion you own?

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 12 of 66

Debtor 1 Douglas E. Litowitz Case number (if known)

3.3 Make
Model:
Year:
Approximate mileage:
Other information:

Who has an interest in the property? Check one.
Debtor 1 only
Debtor 2 only
Debtor 1 and Debtor 2 only
At least one of the debtors and another
Check if this is community property (see instructions)

Do not deduct secured claims or exemptions. Put the amount of any secured claims on Schedule D: Creditors Who Have Claims Secured by Property.

Current value of the entire property?
Current value of the portion you own?

3.4 Make
Model:
Year:
Approximate mileage:
Other information:

Who has an interest in the property? Check one.
Debtor 1 only
Debtor 2 only
Debtor 1 and Debtor 2 only
At least one of the debtors and another
Check if this is community property (see instructions)

Do not deduct secured claims or exemptions. Put the amount of any secured claims on Schedule D: Creditors Who Have Claims Secured by Property.

Current value of the entire property?
Current value of the portion you own?

4 Watercraft, aircraft, motor homes, ATVs and other recreational vehicles, other vehicles, and accessories

No
Yes

4.1 Make
Model:
Year:
Approximate mileage:
Other information:

Who has an interest in the property? Check one.
Debtor 1 only
Debtor 2 only
Debtor 1 and Debtor 2 only
At least one of the debtors and another
Check if this is community property (see instructions)

Do not deduct secured claims or exemptions. Put the amount of any secured claims on Schedule D: Creditors Who Have Claims Secured by Property.

Current value of the entire property?
Current value of the portion you own?

4.2 Make
Model:
Year:
Approximate mileage:
Other information:

Who has an interest in the property? Check one.
Debtor 1 only
Debtor 2 only
Debtor 1 and Debtor 2 only
At least one of the debtors and another
Check if this is community property (see instructions)

Do not deduct secured claims or exemptions. Put the amount of any secured claims on Schedule D: Creditors Who Have Claims Secured by Property.

Current value of the entire property?
Current value of the portion you own?

5. Add the dollar value of the portion you own for all of your entries from Part 2, including any entries for pages you have attached for Part 2. Write that number here

\$8000.00

NYSCEF DOC. NO. 29

RECEIVED NYSCEF: 10/25/2018

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 13 of 66

Debtor 1 Douglas E. Litowitz Case number (if known)

Part 3: Describe Your Personal and Household Items

Current value of the portion you own?

Do not deduct secured claims or exemptions.

Do you own or have any legal or equitable interest in any of the following items?

6. Household goods and furnishings

Examples: Major appliances, furniture, linens, china, kitchenware

No
Yes. Describe... Used Furniture \$500.00

7. Electronics

Examples: Televisions and radios; audio, video, stereo, and digital equipment; computers, printers, scanners; music

No
Yes. Describe... Television, iphones \$250.00

8. Collectibles of value

Examples: Antiques and figurines; paintings, prints, or other artwork; books, pictures, or other art objects; stamp, coin, or baseball card collections; other collections, memorabilia, collectibles

No
Yes. Describe...

9. Equipment for sports and hobbies

Examples: Sports, photographic, exercise, and other hobby equipment; bicycles, pool tables, golf clubs, skis; canoes and kayaks; carpentry tools; musical instruments

No
Yes. Describe... Fender Telecaster \$500.00

10. Firearms

Examples: Pistols, rifles, shotguns, ammunition, and related equipment

No
Yes. Describe...

11. Clothes

Examples: Everyday clothes, furs, leather coats, designer wear, shoes, accessories

No
Yes. Describe... Used Clothing \$1200.00

12. Jewelry

Examples: Everyday jewelry, costume jewelry, engagement rings, wedding rings, heirloom jewelry, watches, gems, gold, silver

No
Yes. Describe...

13. Non-farm animals

Examples: Dogs, cats, birds, horses

No
Yes. Describe...

14. Any other personal and household items you did not already list, including any health aids you did not list

No
Yes. Describe...

15. Add the dollar value of all of your entries from Part 3, including any entries for pages you have attached for Part 3. Write that number here

\$2450.00

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 14 of 66

Debtor 1 Douglas E Litowitz Case number (if known)

Part 4: Describe Your Financial Assets

Do you own or have any legal or equitable interest in any of the following?

Current value of the portion you own? Do not deduct secured claims or exemptions.

16. Cash

Examples: Money you have in your wallet, in your home, in a safe deposit box, and on hand when you file your petition

- No Yes

Cash:

17. Deposits of money

Examples: Checking, savings, or other financial accounts, certificates of deposit, shares in credit unions, brokerage houses, and other similar institutions. If you have multiple accounts with the same institution, list each.

- No Yes

Institution name:

Table with 3 columns: Account type, Institution name, Current value. Includes entries for Chase (\$0.00) and Bank of America (\$63.00).

18. Bonds, mutual funds, or publicly traded stocks

Examples: Bond funds, investment accounts with brokerage firms, money market accounts

- No Yes

Institution or issuer name:

19. Non-publicly traded stock and interests in incorporated and unincorporated businesses, including an interest in an LLC, partnership, and joint venture

- No Yes. Give specific information about them

Table with 3 columns: Name of entity, % of ownership, Current value.

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 15 of 66

Debtor 1 Douglas E. Litowitz Case number (if known)

20. Government and corporate bonds and other negotiable and non-negotiable instruments

Negotiable instruments include personal checks, cashiers' checks, promissory notes, and money orders. Non-negotiable instruments are those you cannot transfer to someone by signing or delivering them.

- No
Yes. Give specific information about them..... Issuer name:

21. Retirement or pension accounts

Examples: Interests in IRA, ERISA, Keogh, 401(k), 403(b), thrift savings accounts, or other pension or profit-sharing plans

- No
Yes. List each account separately. Type of account: Institution name:
401(k) or similar plan:
Pension plan:
IRA:
Retirement account:
Keogh:
Additional account:
Additional account:

22. Security deposits and prepayments

Your share of all unused deposits you have made so that you may continue service or use from a company. Examples: Agreements with landlords, prepaid rent, public utilities (electric, gas, water), telecommunications companies, or others

- No
Yes.... Institution name:
Electric:
Gas:
Heating oil:
Security deposit on rental unit:
Prepaid rent:
Telephone:
Water:
Rented furniture:
Other:

23. Annuities (A contract for a periodic payment of money to you, either for life or for a number of years)

- No
Yes.... Issuer name and description:

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 16 of 66

Debtor 1 Douglas E. Litowitz Case number (if known)

24. Interests in an education IRA, in an account in a qualified ABL program, or under a qualified state tuition program. 26 U.S.C. §§ 530(b)(1), 529A(b), and 529(b)(1).

[X] No Institution name and description. Separately file the records of any interests. 11 U.S.C. § 521(c):

Blank lines for describing interests in education IRAs.

25. Trusts, equitable or future interests in property (other than anything listed in line 1), and rights or powers exercisable for your benefit

[X] No [] Yes. Describe...

26. Patents, copyrights, trademarks, trade secrets, and other intellectual property Examples: Internet domain names, websites, proceeds from royalties and licensing agreements

[X] No [] Yes. Describe...

27. Licenses, franchises, and other general intangibles Examples: Building permits, exclusive licenses, cooperative association holdings, liquor licenses, professional licenses

[X] No [] Yes. Describe...

Money or property owed to you?

Current value of the portion you own? Do not deduct secured claims or exemptions.

28. Tax refunds owed to you

[X] No [] Yes. Give specific information about them, including whether you already filed the returns and the tax years.....

Table with 2 columns: Category (Federal, State, Local) and Value (\$0.00).

29. Family support Examples: Past due or lump sum alimony, spousal support, child support, maintenance, divorce settlement, property settlement

[X] No [] Yes. Give specific information.....

Table with 2 columns: Category (Alimony, Maintenance, Support, Divorce settlement, Property settlement) and Value (\$0.00).

30. Other amounts someone owes you Examples: Unpaid wages, disability insurance payments, disability benefits, sick pay, vacation pay, workers' compensation, Social Security benefits: unpaid loans you made to someone else

[X] No [] Yes. Describe...

Debtor 1 Douglas E Litowitz Case number (if known)

First Name Middle Name Last Name

31. Interests in insurance policies

Examples: Health, disability, or life insurance; health savings account (HSA); credit, homeowner's, or renter's insurance

Form for insurance policies with checkboxes for 'No' and 'Yes' and fields for company name, beneficiary, and surrender value.

32. Any interest in property that is due you from someone who has died

If you are the beneficiary of a living trust, expect proceeds from a life insurance policy, or are currently entitled to receive property because someone has died.

Form for property interest with checkboxes for 'No' and 'Yes'.

33. Claims against third parties, whether or not you have filed a lawsuit or made a demand for payment

Examples: Accidents, employment disputes, insurance claims, or rights to sue

Form for claims against third parties with checkboxes and a text field for description and amount.

34. Other contingent and unliquidated claims of every nature, including counterclaims of the debtor and rights to set off claims

Form for other contingent claims with checkboxes for 'No' and 'Yes'.

35. Any financial assets you did not already list

Form for financial assets with checkboxes for 'No' and 'Yes'.

36. Add the dollar value of all of your entries from Part 4, including any entries for pages you have attached for Part 4. Write that number here

Box containing the value \$8063.00

Part 5: Describe Any Business-Related Property You Own or Have an Interest In. List any real estate in Part 1.

37. Do you own or have any legal or equitable interest in any business-related property?

Form for business-related property with checkboxes for 'No' and 'Yes'.

Current value of the portion you own? Do not deduct secured claims or exemptions

38. Accounts receivable or commissions you already earned

Form for accounts receivable with checkboxes for 'No' and 'Yes'.

39. Office equipment, furnishings, and supplies

Examples: Business-related computers, software, modems, printers, copiers, fax machines, rugs, telephones, desks, chairs, electronic devices

Form for office equipment with checkboxes for 'No' and 'Yes'.

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 18 of 66

Debtor 1 Douglas E Litowitz Case number (if known)

40. Machinery, fixtures, equipment, supplies you use in business, and tools of your trade

- No
Yes. Describe...

41. Inventory

- No
Yes. Describe...

42. Interests in partnerships or joint ventures

- No
Yes. Give specific information about them

Table with 2 columns: Name of entity, % of ownership

43. Customer lists, mailing lists, or other compilations

- No
Yes. Do your lists include personally identifiable information (as defined in 11 U.S.C. § 101(41A))?
No
Yes. Describe.....

44. Any business-related property you did not already list

- No
Yes. Give specific information

45. Add the dollar value of all of your entries from Part 5, including any entries for pages you have attached for Part 5. Write that number here

Empty box for value entry

Part 6: Describe Any Farm- and Commercial Fishing-Related Property You Own or Have an Interest In.

46. Do you own or have any legal or equitable interest in any farm- or commercial fishing-related property?

- No. Go to Part 7.
Yes. Go to line 47.

Current value of the portion you own? Do not deduct secured claims or exemptions

47. Farm animals

Examples: Livestock, poultry, farm-raised fish

- No
Yes. Describe..

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 19 of 66

Debtor 1 Douglas E. Litowitz Case number (if known)

48. Crops-either growing or harvested

- No Yes. Describe...

49. Farm and fishing equipment, implements, machinery, fixtures, and tools of trade

- No Yes. Describe...

50. Farm and fishing supplies, chemicals, and feed

- No Yes. Describe...

51. Any farm- and commercial fishing-related property you did not already list

- No Yes. Describe...

52. Add the dollar value of all of your entries from Part 6, including any entries for pages you have attached for Part 6. Write that number here

Empty box for value

Part 7: Describe All Property You Own or Have an Interest in That You Did Not List Above

53. Do you have other property of any kind you did not already list? Examples: Season tickets, country club membership

- No Yes. Give specific information

Three horizontal lines for description

54. Add the dollar value of all of your entries from Part 7. Write that number here

Empty box for value

Part 8: List the Totals of Each Part of this Form

Table with 2 columns: Description and Amount. Rows include Part 1 (Real estate), Part 2 (Vehicles), Part 3 (Personal and household items), Part 4 (Financial assets), Part 5 (Business-related property), Part 6 (Farm- and fishing-related property), Part 7 (Other property not listed), and Total personal property (\$18513.00).

63. Total of all property on Schedule A/B. Add line 55 -- line 62

Box containing \$18513.00

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 20 of 66

Debtor 1 Douglas E. Litowitz Case number (if known)

Schedule A/B: Property. Additional page

Part 4: Describe Your Financial Assets

Do you own or have any legal or equitable interest in any of the following items? Current value of the portion you own? Do not deduct secured claims or exemptions.

33.2. Claims against third parties, whether or not you have filed a lawsuit or made a demand for payment

No
Yes. Describe... Potential wrongful termination against SBI Securities (HK) Ltd., no attorney retained \$4000.00

Fill in this information to identify your case:

Debtor 1	Douglas	E.	Litowitz
	First Name	Middle Name	Last Name
Debtor 2 (Spouse, if filing)			
	First Name	Middle Name	Last Name
United States Bankruptcy Court for the:	Northern		District of Illinois
			(State)
Case number (if known)			

Check if this is an amended filing

Official Form 106C

Schedule C: The Property You Claim as Exempt

04/16

Be as complete and accurate as possible. If two married people are filing together, both are equally responsible for supplying correct information. Using the property you listed on *Schedule A/B: Property* (Official Form 106A/B) as your source, list the property that you claim as exempt. If more space is needed, fill out and attach to this page as many copies of *Part 2: Additional Page* as necessary. On the top of any additional pages, write your name and case number (if known).

For each item of property you claim as exempt, you must specify the amount of the exemption you claim. One way of doing so is to state a specific dollar amount as exempt. Alternatively, you may claim the full fair market value of the property being exempted up to the amount of any applicable statutory limit. Some exemptions—such as those for health aids, rights to receive certain benefits, and tax-exempt retirement funds—may be unlimited in dollar amount. However, if you claim an exemption of 100% of fair market value under a law that limits the exemption to a particular dollar amount and the value of the property is determined to exceed that amount, your exemption would be limited to the applicable statutory amount.

Part 1: Identify the Property You Claim as Exempt

- Which set of exemptions are you claiming? *Check one only, even if your spouse is filing with you.*
 - You are claiming state and federal nonbankruptcy exemptions. 11 U.S.C. § 522(b)(3)
 - You are claiming federal exemptions. 11 U.S.C. § 522(b)(2)
- For any property you list on *Schedule A/B* that you claim as exempt, fill in the information below.

Brief description of the property and line on <i>Schedule A/B</i> that lists this property	Current value of the portion you own Copy the value from <i>Schedule A/B</i>	Amount of the exemption you claim <i>Check only one box for each exemption</i>	Specific laws that allow exemption
Brief description: <u>Acura TSX, 2009</u> Line from <i>Schedule A/B</i> : <u>03</u>	<u>\$8,000.00</u>	<input checked="" type="checkbox"/> \$2,400.00; \$2,687.00 <input type="checkbox"/> 100% of fair market value, up to any applicable statutory limit	<u>735 ILCS 5/12-1001(c); 735 ILCS 5/12-1001(b)</u>
Brief description: <u>Checking account, Chase</u> Line from <i>Schedule A/B</i> : <u>17</u>	<u>\$0.00</u>	<input checked="" type="checkbox"/> \$0 <input type="checkbox"/> 100% of fair market value, up to any applicable statutory limit	<u>735 ILCS 5/12-1001(b)</u>

- Are you claiming a homestead exemption of more than \$160,375?
(Subject to adjustment on 4/01/19 and every 3 years after that for cases filed on or after the date of adjustment.)
 - No
 - Yes. Did you acquire the property covered by the exemption within 1,215 days before you filed this case?
 - No
 - Yes

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 22 of 66

Debtor 1 Douglas E Litowitz Case number (if known)

Part 2: Additional Page

Table with 4 columns: Brief description of the property and line on Schedule A/B that lists this property, Current value of the portion you own, Amount of the exemption you claim, and Specific laws that allow exemption. Includes entries for Checking account, Bank of America; Fender Telecaster; Used Furniture; Television, iphones; Used Clothing; and Potential wrongful termination against D&P China (HK) Ltd., no attorney retained.

Fill in this information to identify your case:

Debtor 1	Douglas	E.	Litowitz
	First Name	Middle Name	Last Name
Debtor 2 (Spouse, if filing)			
	First Name	Middle Name	Last Name
United States Bankruptcy Court for the:	Northern	District of Illinois	
		(State)	
Case number (if known)			

Check if this is an amended filing

Official Form 106D

Schedule D: Creditors Who Have Claims Secured by Property

12/15

Be as complete and accurate as possible. If two married people are filing together, both are equally responsible for supplying correct information. If more space is needed, copy the Additional Page, fill it out, number the entries, and attach it to this form. On the top of any additional pages, write your name and case number (if known).

1. Do any creditors have claims secured by your property?

- No. Check this box and submit this form to the court with your other schedules. You have nothing else to report on this form.
- Yes. Fill in all of the information below.

Part 1: List All Secured Claims

2. List all secured claims. If a creditor has more than one secured claim, list the creditor separately for each claim. If more than one creditor has a particular claim, list the other creditors in Part 2. As much as possible, list the claims in alphabetical order according to the creditor's name.

Column A	Column B	Column C
Amount of claim Do not deduct the value of collateral.	Value of collateral that supports this claim	Unsecured portion if any

Fill in this information to identify your case:

Debtor 1 Douglas E Litowitz
 First Name Middle Name Last Name

Debtor 2 (Spouse, if filing) _____
 First Name Middle Name Last Name

United States Bankruptcy Court for the: Northern District of Illinois
 (State)

Case number _____
 (If known)

Check if this is an amended filing

Official Form 106E/F

Schedule E/F: Creditors Who Have Unsecured Claims

12/15

Be as complete and accurate as possible. Use Part 1 for creditors with PRIORITY claims and Part 2 for creditors with NONPRIORITY claims. List the other party to any executory contracts or unexpired leases that could result in a claim. Also list executory contracts on Schedule A/B: Property (Official Form 106A/B) and on Schedule G: Executory Contracts and Unexpired Leases (Official Form 106G). Do not include any creditors with partially secured claims that are listed in Schedule D: Creditors Who Hold Claims Secured by Property. If more space is needed, copy the Part you need, fill it out, number the entries in the boxes on the left. Attach the Continuation Page to this page. On the top of any additional pages, write your name and case number (if known).

Part 1: List All of Your PRIORITY Unsecured Claims

1. Do any creditors have priority unsecured claims against you?
- No. Go to Part 2.
- Yes.

2. List all of your priority unsecured claims. If a creditor has more than one priority unsecured claim, list the creditor separately for each claim. For each claim listed, identify what type of claim it is. If a claim has both priority and nonpriority amounts, list that claim here and show both priority and nonpriority amounts. As much as possible, list the claims in alphabetical order according to the creditor's name. If you have more than two priority unsecured claims, fill out the Continuation Page of Part 1. If more than one creditor holds a particular claim, list the other creditors in Part 3. (For an explanation of each type of claim, see the instructions for this form in the instruction booklet.)

	Total claim	Priority amount	Nonpriority amount
<p>2.1 Abetova, Camellia Priority Creditor's Name 1914 Farnsworth Number Street Apt 314 Arlington Illinois 60006 City State Zip Code Who incurred the debt? Check one. <input checked="" type="checkbox"/> Debtor 1 only <input type="checkbox"/> Debtor 2 only <input type="checkbox"/> Debtor 1 and Debtor 2 only <input type="checkbox"/> At least one of the debtors and another <input type="checkbox"/> Check if this claim relates to a community debt Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes</p>	\$8,480.00	\$8,480.00	\$0.00
<p>2.2 ILDHFS Priority Creditor's Name 509 S 6th st. Number Street Springfield Illinois 62701 City State Zip Code Who incurred the debt? Check one. <input checked="" type="checkbox"/> Debtor 1 only <input type="checkbox"/> Debtor 2 only <input type="checkbox"/> Debtor 1 and Debtor 2 only <input type="checkbox"/> At least one of the debtors and another <input type="checkbox"/> Check if this claim relates to a community debt Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes</p>	\$0.00	\$0.00	\$0.00

Debtor 1 Douglas E. Litowitz Case number *if known*

Part 2: List All of Your NONPRIORITY Unsecured Claims

- 3. Do any creditors have nonpriority unsecured claims against you?
No. You have nothing to report in this part. Submit this form to the court with your other schedules.
Yes.

4. List all of your nonpriority unsecured claims in the alphabetical order of the creditor who holds each claim. If a creditor has more than one priority unsecured claim, list the creditor separately for each claim. For each claim listed, identify what type of claim it is. Do not list claims already included in Part 1. If more than one creditor holds a particular claim, list the other creditors in Part 3. If you have more than four priority unsecured claims fill out the Continuation Page of Part 2.

Total claim

4.1 BK OF AMER
Nonpriority Creditor's Name
C/O ACS 501 BLEECKER STREE
Number Street

Last 4 digits of account number 7640
When was the debt incurred? 6/2005

\$17,590.00

UTICA New York 13501
City State Zip Code

Who incurred the debt? Check one.

- Debtor 1 only
Debtor 2 only
Debtor 1 and Debtor 2 only
At least one of the debtors and another
Check if this claim relates to a community debt

Is the claim subject to offset?

- No
Yes

As of the date you file, the claim is: Check all that apply.

- Contingent
Unliquidated
Disputed

Type of NONPRIORITY unsecured claim:

- Student loans
Obligations arising out of a separation agreement or divorce that you did not report as priority claims
Debts to pension or profit-sharing plans, and other similar debts
Other. Specify CreditCard

4.2 CHASE CARD
Nonpriority Creditor's Name
BANK ONE CARD SERV 2500 WESTFIELD DRI
Number Street

Last 4 digits of account number 6834
When was the debt incurred? 1/2014

\$18,076.00

ELGIN Illinois 60124
City State Zip Code

Who incurred the debt? Check one.

- Debtor 1 only
Debtor 2 only
Debtor 1 and Debtor 2 only
At least one of the debtors and another
Check if this claim relates to a community debt

Is the claim subject to offset?

- No
Yes

As of the date you file, the claim is: Check all that apply.

- Contingent
Unliquidated
Disputed

Type of NONPRIORITY unsecured claim:

- Student loans
Obligations arising out of a separation agreement or divorce that you did not report as priority claims
Debts to pension or profit-sharing plans, and other similar debts
Other. Specify CreditCard

4.3 CHASE CARD
Nonpriority Creditor's Name
BANK ONE CARD SERV 2500 WESTFIELD DRI
Number Street

Last 4 digits of account number 9191
When was the debt incurred? 1/2014

\$14,155.00

ELGIN Illinois 60124
City State Zip Code

Who incurred the debt? Check one.

- Debtor 1 only
Debtor 2 only
Debtor 1 and Debtor 2 only
At least one of the debtors and another
Check if this claim relates to a community debt

Is the claim subject to offset?

- No
Yes

As of the date you file, the claim is: Check all that apply.

- Contingent
Unliquidated
Disputed

Type of NONPRIORITY unsecured claim:

- Student loans
Obligations arising out of a separation agreement or divorce that you did not report as priority claims
Debts to pension or profit-sharing plans, and other similar debts
Other. Specify CreditCard

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 26 of 66

Debtor 1 Douglas E Litowitz Case number (if known)

Part 2: Your NONPRIORITY Unsecured Claims - Continuation Page

After listing any entries on this page, number them beginning with 4.5, followed by 4.6, and so forth.

Total claim

4.4 CHASE CARD \$12,768.00
4.5 CITI \$16,576.00
4.6 FNB OMAHA \$9,764.00
Includes creditor names, account numbers, debt incurred dates, and checkboxes for claim types and offsets.

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 27 of 66

Debtor 1 Douglas E. Litowitz Case number (if known)

Part 4: Add the Amounts for Each Type of Unsecured Claim

6. Total the amounts of certain types of unsecured claims. This information is for statistical reporting purposes only. 28 U.S.C. §159. Add the amounts for each type of unsecured claim.

Table with 2 columns: Description and Total claims. Rows include 6a. Domestic support obligations (\$8,480.00), 6b. Taxes and certain other debts you owe the government (\$0.00), 6c. Claims for death or personal injury while you were intoxicated (\$0.00), 6d. Other. Add all other priority unsecured claims. Write that amount here. (\$0.00), 6e. Total. Add lines 6a through 6d. (\$8,480.00)

Table with 2 columns: Description and Total claims. Rows include 6f. Student loans (\$0.00), 6g. Obligations arising out of a separation agreement or divorce that you did not report as priority claims (\$0.00), 6h. Debts to pension or profit-sharing plans, and other similar debts (\$0.00), 6i. Other. Add all other nonpriority unsecured claims. Write that amount here. (\$88,929.00), 6j. Total. Add lines 6f through 6i. (\$88,929.00)

Fill in this information to identify your case:

Debtor 1	Douglas	E.	Litowitz
	First Name	Middle Name	Last Name
Debtor 2 (Spouse, if filing)			
	First Name	Middle Name	Last Name
United States Bankruptcy Court for the:	Northern	District of	Illinois
			(State)
Case number (if known)			

Check if this is an amended filing

Official Form 106G

Schedule G: Executory Contracts and Unexpired Leases

12/15

Be as complete and accurate as possible. If two married people are filing together, both are equally responsible for supplying correct information. If more space is needed, copy the additional page, fill it out, number the entries, and attach it to this page. On the top of any additional pages, write your name and case number (if known).

1. Do you have any executory contracts or unexpired leases?

- No. Check this box and file this form with the court with your other schedules. You have nothing else to report on this form.
- Yes. Fill in all of the information below even if the contracts or leases are listed on *Schedule A/B: Property* (Official Form 106A/B).

2. List separately each person or company with whom you have the contract or lease. Then state what each contract or lease is for (for example, rent, vehicle lease, cell phone). See the instructions for this form in the instruction booklet for more examples of executory contracts and unexpired leases.

Person or company with whom you have the contract or lease

State what the contract or lease is for

Fill in this information to identify your case:

Debtor 1	Douglas	E	Litowitz
	First Name	Middle Name	Last Name
Debtor 2 (Spouse, if filing)			
	First Name	Middle Name	Last Name
United States Bankruptcy Court for the:	Northern	District of Illinois	
		(State)	
Case number (if known)			

Check if this is an amended filing

Official Form 106H

Schedule H: Your Codebtors

12/15

Codebtors are people or entities who are also liable for any debts you may have. Be as complete and accurate as possible. If two married people are filing together, both are equally responsible for supplying correct information. If more space is needed, copy the Additional Page, fill it out, and number the entries in the boxes on the left. Attach the Additional Page to this page. On the top of any Additional Pages, write your name and case number (if known). Answer every question.

- Do you have any codebtors? (If you are filing a joint case, do not list either spouse as a codebtor.)
 - No
 - Yes
- Within the last 8 years, have you lived in a community property state or territory? (Community property states and territories include Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, and Wisconsin.)
 - No. Go to line 3.
 - Yes. Did your spouse, former spouse, or legal equivalent live with you at the time?
 - No
 - Yes. In which community state or territory did you live? _____ Fill in the name and current address of that person.

Name of your spouse, former spouse, or legal equivalent

Number Street

City State Zip Code

3. In Column 1, list all of your codebtors. Do not include your spouse as a codebtor if your spouse is filing with you. List the person shown in line 2 again as a codebtor only if that person is a guarantor or cosigner. Make sure you have listed the creditor on Schedule D (Official Form 106D), Schedule E/F (Official Form 106E/F), or Schedule G (Official Form 106G). Use Schedule D, Schedule E/F, or Schedule G to fill out Column 2.

Column 1: Your codebtor

Column 2: The creditor to whom you owe the debt

Check all schedules that apply:

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 31 of 66

Debtor 1 Douglas E. Litowitz Case number (if known)

Copy line 4 here 4. For Debtor 1 \$0.00 For Debtor 2 or non-filing spouse \$1,000.00

5. List all payroll deductions:

Table with 3 columns: Deduction type (5a-5h), Amount for Debtor 1, Amount for Debtor 2 or non-filing spouse. Rows include Tax, Medicare, Social Security, retirement plans, insurance, etc.

6. Add the payroll deductions. Add lines 5a + 5b + 5c + 5d + 5e + 5f + 5g + 5h. 6. \$0.00 \$0.00

7. Calculate total monthly take-home pay. Subtract line 6 from line 4. 7. \$0.00 \$1,000.00

8. List all other income regularly received:

Table with 3 columns: Income type (8a-8f), Amount for Debtor 1, Amount for Debtor 2 or non-filing spouse. Rows include rental property, interest, family support, unemployment, social security, other government assistance.

9. Add all other income Add lines 8a + 8b + 8c + 8d + 8e + 8f + 8g + 8h. 9. \$600.00 \$700.00

10. Calculate monthly income. Add line 7 + line 9. Add the entries in line 10 for Debtor 1 and Debtor 2 or non-filing spouse. 10. \$600.00 + \$1,700.00 = \$2,300.00

11. State all other regular contributions to the expenses that you list in Schedule J.

Include contributions from an unmarried partner, members of your household, your dependents, your roommates, and other friends or relatives. Do not include any amounts already included in lines 2-10 or amounts that are not available to pay expenses listed in Schedule J. Specify 11. \$0.00

12. Add the amount in the last column of line 10 to the amount in line 11. The result is the combined monthly income. Write that amount on the Summary of Schedules and Statistical Summary of Certain Liabilities and Related Data, if it applies. 12. \$2,300.00

Combined monthly income

13. Do you expect an increase or decrease within the year after you file this form?

[X] No

[] Yes. Explain: [Empty box]

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 32 of 66

Debtor 1 Douglas E. Litowitz Case number (if known)

Part 1: Describe Employment

	Debtor 1	Debtor 2
Employment status	<input type="checkbox"/> Employed <input type="checkbox"/> Not Employed	<input checked="" type="checkbox"/> Employed <input type="checkbox"/> Not Employed
Occupation		Driver
Employer's name		Kiddos Catering
Employer's address		2453 Waterbury Ln
	Number Street	Number Street
	City State Zip Code	Buffalo Grove Illinois 60089 City State Zip Code
How long employed there?		

NYSCEF DOC. NO. 29

RECEIVED NYSCEF: 10/25/2018

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main

Document Page 33 of 66

Debtor 1 Douglas E. Litowitz Case number (if known)

Part 2: Give Details About Monthly Income

Official Form 106I. Additional page.

8h. Other monthly income. Specify:

- 1. Kiddos Catering

Table with 2 columns: For Debtor 1, For Debtor 2 or non-filing spouse. Row 1: \$0.00, \$700.00

Fill in this information to identify your case:

Debtor 1	Douglas	E.	Litowitz
	First Name	Middle Name	Last Name
Debtor 2 (Spouse, if filing)			
	First Name	Middle Name	Last Name
United States Bankruptcy Court for the:	Northern	District of	Illinois
		(State)	
Case number (if known)			

Check if this is:

An amended filing

A supplement showing post-petition chapter 13 expenses as of the following date:

MM / DD / YYYY

Official Form 106J

Schedule J: Your Expenses

12/15

Be as complete and accurate as possible. If two married people are filing together, both are equally responsible for supplying correct information. If more space is needed, attach another sheet to this form. On the top of any additional pages, write your name and case number (if known). Answer every question.

Part 1: Describe Your Household

1. Is this a joint case?

No. Go to line 2

Yes. Does Debtor 2 live in a separate household?

No

Yes. Debtor 2 must file Official Forms 106J-2, *Expenses for Separate Household of Debtor 2*.

2. Do you have dependents? No

Do not list Debtor 1 and Debtor 2. Yes. Fill out this information for each dependent

Dependent's relationship to Debtor 1 or Debtor 2	Dependent's age	Does dependent live with you?
Child	10 years	<input type="checkbox"/> No. <input checked="" type="checkbox"/> Yes.
Child	8 years	<input type="checkbox"/> No. <input checked="" type="checkbox"/> Yes.

3. Do your expenses include expenses of people other than yourself and your dependents? No Yes

Part 2: Estimate Your Ongoing Monthly Expenses

Estimate your expenses as of your bankruptcy filing date unless you are using this form as a supplement in a Chapter 13 case to report expenses as of a date after the bankruptcy is filed. If this is a supplemental Schedule J, check the box at the top of the form and fill in the applicable date.

Include expenses paid for with non-cash government assistance if you know the value of such assistance and have included it on *Schedule I: Your Income* (Official Form B 106I.)

	Your expenses
4. The rental or home ownership expenses for your residence. Include first mortgage payments and any rent for the ground or lot. 4.	\$1,150.00
If not included in line 4:	
4a. Real estate taxes	\$0.00
4b. Property, homeowner's, or renter's insurance	\$0.00
4c. Home maintenance, repair, and upkeep expenses	\$0.00
4d. Homeowner's association or condominium dues	\$0.00

Debtor 1 Douglas E. Litowitz Case number (if known)

Table with 3 columns: Expense Description, Line Number, and Amount. Includes categories like Utilities, Food, Insurance, and Real Estate.

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 36 of 66

Debtor 1 Douglas E Litowitz Case number (if known)

21. Other. Specify:	21	\$0.00
22. Calculate your monthly expenses.		\$4,686.00
22a. Add lines 4 through 21.		\$0.00
22b. Copy line 22 (monthly expenses for Debtor 2), if any, from Official Form 106J-2		\$4,686.00
22c. Add line 22a and 22b. The result is your monthly expenses.	22.	
23. Calculate your monthly net income.		
23a. Copy line 12 (your combined monthly income) from Schedule I.	23a	\$2,300.00
23b. Copy your monthly expenses from line 22 above.	23b	\$4,686.00
23c. Subtract your monthly expenses from your monthly income. The result is your monthly net income.	23c	(\$2,386.00)

24. Do you expect an increase or decrease in your expenses within the year after you file this form?

For example, do you expect to finish paying for your car loan within the year or do you expect your mortgage payment to increase or decrease because of a modification to the terms of your mortgage?

- No
- Yes

Explain here:

NYSCEF DOC. NO. 29

RECEIVED NYSCEF: 10/25/2018

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 37 of 66

Fill in this information to identify your case:

Debtor 1	Douglas	E.	Litowitz
	First Name	Middle Name	Last Name
Debtor 2 (Spouse, if filing)			
	First Name	Middle Name	Last Name
United States Bankruptcy Court for the:	Northern		District of Illinois
			(State)
Case number (if known)			

Check if this is an amended filing

Official Form 106Dec

Declaration About an Individual Debtor's Schedules

12/15

If two married people are filing together, both are equally responsible for supplying correct information.

You must file this form whenever you file bankruptcy schedules or amended schedules. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$250,000, or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

Part 1: Sign Below

Did you pay or agree to pay someone who is NOT an attorney to help you fill out bankruptcy forms?

- No
- Yes. Name of person _____ Attach Bankruptcy Petition Preparer's Notice, Declaration, and Signature (Official Form 119)

Under penalty of perjury, I declare that I have read the summary and schedules filed with this declaration and that they are true and correct.

X /s/ Douglas Litowitz
Signature of Debtor 1

X _____
Signature of Debtor 2

Date 1/8/2018
MM/DD/YYYY

Date _____
MM/DD/YYYY

Fill in this information to identify your case:

Debtor 1	Douglas	E.	Litowitz
	First Name	Middle Name	Last Name
Debtor 2 (Spouse, if filing)			
	First Name	Middle Name	Last Name
United States Bankruptcy Court for the:	Northern	District of Illinois	
		(State)	
Case number (if known)			

Check if this is an amended filing

Official Form 107

Statement of Financial Affairs for Individuals Filing for Bankruptcy

04/16

Be as complete and accurate as possible. If two married people are filing together, both are equally responsible for supplying correct information. If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write your name and case number (if known). Answer every question.

Part 1: Give Details About Your Marital Status and Where You Lived Before

1. What is your current marital status?

- Married
- Not married

2. During the last 3 years, have you lived anywhere other than where you live now?

- No
- Yes. List all of the places you lived in the last 3 years. Do not include where you live now.

Debtor 1:	Dates Debtor 1 lived there	Debtor 2:	Dates Debtor 2 lived there
625 Deerfield Rd Number Street Apt 210 Deerfield Illinois 60015 City State Zip Code	From 05/2014 To 05/2016	<input type="checkbox"/> Same as Debtor 1 Number Street City State Zip Code	<input type="checkbox"/> Same as Debtor 1 From To
Number Street City State Zip Code	From To	<input type="checkbox"/> Same as Debtor 1 Number Street City State Zip Code	<input type="checkbox"/> Same as Debtor 1 From To

3. Within the last 8 years, did you ever live with a spouse or legal equivalent in a community property state or territory? (Community property states and territories include Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, and Wisconsin.)

- No
- Yes. Make sure you fill out Schedule H: Your Codebtors (Official Form 106H).

Debtor 1 Douglas E. Litowitz Case number (if known)

Part 2: Explain the Sources of Your Income

4. Did you have any income from employment or from operating a business during this year or the two previous calendar years?

Fill in the total amount of income you received from all jobs and all businesses, including part-time activities. If you are filing a joint case and you have income that you receive together, list it only once under Debtor 1.

- No
Yes. Fill in the details.

Table with 4 columns: Debtor 1 Sources of income, Debtor 1 Gross income, Debtor 2 Sources of income, Debtor 2 Gross income. Rows for current year, last calendar year, and calendar year before that.

5. Did you receive any other income during this year or the two previous calendar years?

Include income regardless of whether that income is taxable. Examples of other income are alimony; child support; Social Security; unemployment; and other public benefit payments; pensions; rental income; interest; dividends; money collected from lawsuits; royalties; and gambling and lottery winnings. If you are filing a joint case and you have income that you received together, list it only once under Debtor 1.

List each source and the gross income from each source separately. Do not include income that you listed in line 4.

- No
Yes. Fill in the details.

Table with 4 columns: Debtor 1 Sources of income, Debtor 1 Gross income from each source, Debtor 2 Sources of income, Debtor 2 Gross income from each source. Rows for current year, last calendar year, and calendar year before that.

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 40 of 66

Debtor 1 Douglas E Litowitz Case number (if known)

Part 3: List Certain Payments You Made Before You Filed for Bankruptcy

6. Are either Debtor 1's or Debtor 2's debts primarily consumer debts?

No. Neither Debtor 1 nor Debtor 2 has primarily consumer debts. Consumer debts are defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose."

During the 90 days before you filed for bankruptcy, did you pay any creditor a total of \$6,425* or more?

No. Go to line 7.

Yes. List below each creditor to whom you paid a total of \$6,425* or more in one or more payments and the total amount you paid that creditor. Do not include payments for domestic support obligations, such as child support and alimony. Also, do not include payments to an attorney for this bankruptcy case.

* Subject to adjustment on 4/01/19 and every 3 years after that for cases filed on or after the date of adjustment.

Yes. Debtor 1 or Debtor 2 or both have primarily consumer debts.

During the 90 days before you filed for bankruptcy, did you pay any creditor a total of \$600 or more?

No. Go to line 7.

Yes. List below each creditor to whom you paid a total of \$600 or more and the total amount you paid that creditor. Do not include payments for domestic support obligations, such as child support and alimony. Also, do not include payments to an attorney for this bankruptcy case.

Table with 4 columns: Creditor's Name, Dates of payment, Total amount paid, Amount you still owe, and Was this payment for... (Mortgage, Car, Credit card, Loan repayment, Suppliers or vendors, Other)

Debtor 1 Douglas E. Litowitz Case number (if known) _____
First Name Middle Name Last Name

7. Within 1 year before you filed for bankruptcy, did you make a payment on a debt you owed anyone who was an insider?
Insiders include your relatives; any general partners; relatives of any general partners; partnerships of which you are a general partner; corporations of which you are an officer, director, person in control, or owner of 20% or more of their voting securities; and any managing agent, including one for a business you operate as a sole proprietor. 11 U.S.C. § 101. Include payments for domestic support obligations, such as child support and alimony.

- No
- Yes. List all payments to an insider.

Insider's Name	Dates of payment	Total amount paid	Amount you still owe	Reason for this payment
Insider's Name Number Street City State Zip Code				
Insider's Name Number Street City State Zip Code				

8. Within 1 year before you filed for bankruptcy, did you make any payments or transfer any property on account of a debt that benefited an insider?
Include payments on debts guaranteed or cosigned by an insider.

- No
- Yes. List all payments that benefited an insider.

Insider's Name	Dates of payment	Total amount paid	Amount you still owe	Reason for this payment <i>Include creditor's name</i>
Insider's Name Number Street City State Zip Code				
Insider's Name Number Street City State Zip Code				

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 42 of 66

Debtor 1 Douglas E. Litowitz Case number (if known)

Part 4: Identify Legal Actions, Repossessions, and Foreclosures

9. Within 1 year before you filed for bankruptcy, were you a party in any lawsuit, court action, or administrative proceeding? List all such matters, including personal injury cases, small claims actions, divorces, collection suits, paternity actions, support or custody modifications, and contract disputes.

- No
Yes. Fill in the details.

Table with 4 columns: Case title, Nature of the case, Court or agency, Status of the case. Includes details for Litowitz v. Abetova and another case.

10. Within 1 year before you filed for bankruptcy, was any of your property repossessed, foreclosed, garnished, attached, seized, or levied? Check all that apply and fill in the details below.

- No. Go to line 11.
Yes. Fill in the information below.

Table for property repossessions with columns: Describe the property, Date, Value of the property. Includes sections for creditor name, street address, and explanation of what happened.

Debtor 1 Douglas E. Litowitz Case number (if known)

11. Within 90 days before you filed for bankruptcy, did any creditor, including a bank or financial institution, set off any amounts from your accounts or refuse to make a payment because you owed a debt?

- No
Yes. Fill in the details.

Describe the action the creditor took, Date action was taken, Amount. Includes fields for Creditor's Name, Number Street, City State Zip Code, and Last 4 digits of account number: XXXX-

12. Within 1 year before you filed for bankruptcy, was any of your property in the possession of an assignee for the benefit of creditors, a court-appointed receiver, a custodian, or another official?

- No
Yes

Part 5: List Certain Gifts and Contributions

13. Within 2 years before you filed for bankruptcy, did you give any gifts with a total value of more than \$600 per person?

- No
Yes. Fill in the details for each gift.

Table with columns: Gifts with a total value of more than \$600 per person, Describe the gifts, Dates you gave the gifts, Value. Includes fields for Person to Whom You Gave the Gift, Number Street, City State Zip Code, and Person's relationship to you.

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 44 of 66

Debtor 1 Douglas E Litowitz Case number (if known)

14. Within 2 years before you filed for bankruptcy, did you give any gifts or contributions with a total value of more than \$600 to any charity?

- No
Yes. Fill in the details for each gift or contribution.

Table with 4 columns: Gifts or contributions to charities that total more than \$600, Describe what you contributed, Date you contributed, Value

Part 6: List Certain Losses

15. Within 1 year before you filed for bankruptcy or since you filed for bankruptcy, did you lose anything because of theft, fire, other disaster, or gambling?

- No
Yes. Fill in the details.

Table with 4 columns: Describe the property you lost and how the loss occurred, Describe any insurance coverage for the loss, Date of your loss, Value of property lost

Part 7: List Certain Payments or Transfers

16. Within 1 year before you filed for bankruptcy, did you or anyone else acting on your behalf pay or transfer any property to anyone you consulted about seeking bankruptcy or preparing a bankruptcy petition?

- No
Yes. Fill in the details.

Table with 4 columns: Description and value of any property transferred, Date payment or transfer was made, Amount of payment

Debtor 1 Douglas E. Litowitz Case number (if known)

17. Within 1 year before you filed for bankruptcy, did you or anyone else acting on your behalf pay or transfer any property to anyone who promised to help you deal with your creditors or to make payments to your creditors? Do not include any payment or transfer that you listed on line 16.

- No
Yes. Fill in the details.

Table with 3 columns: Description and value of any property transferred, Date payment or transfer was made, Amount of payment. Includes fields for Person Who Was Paid, Number Street, City, State, Zip Code.

18. Within 2 years before you filed for bankruptcy, did you sell, trade, or otherwise transfer any property to anyone, other than property transferred in the ordinary course of your business or financial affairs? Include both outright transfers and transfers made as security (such as the granting of a security interest or mortgage on your property). Do not include gifts and transfers that you have already listed on this statement.

- No
Yes. Fill in the details.

Table with 3 columns: Description and value of property transferred, Describe any property or payments received or debts paid in exchange, Date transfer was made. Includes fields for Person Who Received Transfer, Number Street, City, State, Zip Code, Person's relationship to you.

19. Within 10 years before you filed for bankruptcy, did you transfer any property to a self-settled trust or similar device of which you are a beneficiary? (These are often called asset-protection devices.)

- No
Yes. Fill in the details.

Table with 2 columns: Description and value of the property transferred, Date transfer was made. Includes field for Name of trust.

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 46 of 66

Debtor 1 Douglas E Litowitz Case number (if known)

Part 8: List Certain Financial Accounts, Instruments, Safe Deposit Boxes, and Storage Units

20. Within 1 year before you filed for bankruptcy, were any financial accounts or instruments held in your name, or for your benefit, closed, sold, moved, or transferred? Include checking, savings, money market, or other financial accounts; certificates of deposit; shares in banks, credit unions, brokerage houses, pension funds, cooperatives, associations, and other financial institutions.

- No
Yes. Fill in the details.

Table with 5 columns: Last 4 digits of account number, Type of account or instrument, Date account was closed, sold, moved, or transferred, Last balance before closing or transfer. Includes rows for Person Who Was Paid with address and account type options.

21. Do you now have, or did you have within 1 year before you filed for bankruptcy, any safe deposit box or other depository for securities, cash, or other valuables?

- No
Yes. Fill in the details.

Table with 4 columns: Who else had access to it?, Describe the contents, Do you still have it?. Includes rows for Name of Financial Institution with address and access details.

22. Have you stored property in a storage unit or place other than your home within 1 year before you filed for bankruptcy?

- No
Yes. Fill in the details.

Table with 4 columns: Who else had access to it?, Describe the contents, Do you still have it?. Includes rows for Name of Storage Facility with address and access details.

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 47 of 66

Debtor 1 Douglas E Litowitz Case number (if known)

Part 9: Identify Property You Hold or Control for Someone Else

23. Do you hold or control any property that someone else owns? Include any property you borrowed from, are storing for, or hold in trust for someone.

- No
Yes. Fill in the details.

Table with columns: Where is the property?, Describe the contents, Value. Includes fields for Owner's Name, Number Street, City, State, Zip Code.

Part 10: Give Details About Environmental Information

For the purpose of Part 10, the following definitions apply:

- Environmental law means any federal, state, or local statute or regulation concerning pollution, contamination, releases of hazardous or toxic substances, wastes, or material into the air, land, soil, surface water, groundwater, or other medium, including statutes or regulations controlling the cleanup of these substances, wastes, or material.
Site means any location, facility, or property as defined under any environmental law, whether you now own, operate, or utilize it or used to own, operate, or utilize it, including disposal sites.
Hazardous material means anything an environmental law defines as a hazardous waste, hazardous substance, toxic substance, hazardous material, pollutant, contaminant, or similar term.

Report all notices, releases, and proceedings that you know about, regardless of when they occurred.

24. Has any governmental unit notified you that you may be liable or potentially liable under or in violation of an environmental law?

- No
Yes. Fill in the details.

Table with columns: Governmental unit, Environmental law, if you know it, Date of notice. Includes fields for Name of site, Number Street, City, State, Zip Code.

25. Have you notified any governmental unit of any release of hazardous material?

- No
Yes. Fill in the details.

Table with columns: Governmental unit, Environmental law, if you know it, Date of notice. Includes fields for Name of site, Number Street, City, State, Zip Code.

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 48 of 66

Debtor 1 Douglas E Litowitz Case number (if known)

26. Have you been a party in any judicial or administrative proceeding under any environmental law? Include settlements and orders.

- No
Yes. Fill in the details.

Form with fields for Case title, Court or agency, Nature of the case, Status of the case, Case number, Court Name, Number Street, City, State, Zip Code.

Part 11: Give Details About Your Business or Connections to Any Business

27. Within 4 years before you filed for bankruptcy, did you own a business or have any of the following connections to any business?

- A sole proprietor or self-employed in a trade, profession, or other activity, either full-time or part-time
A member of a limited liability company (LLC) or limited liability partnership (LLP)
A partner in a partnership
An officer, director, or managing executive of a corporation
An owner of at least 5% of the voting or equity securities of a corporation

- No. None of the above applies. Go to Part 12.
Yes. Check all that apply above and fill in the details below for each business.

Form for business details including Business Name, Number Street, City, State, Zip Code, Describe the nature of the business, Employer Identification number, Dates business existed.

Form for business details including Business Name, Number Street, City, State, Zip Code, Describe the nature of the business, Employer Identification number, Dates business existed.

Form for business details including Business Name, Number Street, City, State, Zip Code, Describe the nature of the business, Employer Identification number, Dates business existed.

NYSCEF DOC. NO. 29

RECEIVED NYSCEF: 10/25/2018

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 49 of 66

Debtor 1 Douglas E. Litowitz Case number (if known)

28. Within 2 years before you filed for bankruptcy, did you give a financial statement to anyone about your business? Include all financial institutions, creditors, or other parties.

- No
Yes. Fill in the details below.

Date issued
Name
Number Street
City State Zip Code

Part 12: Sign Below

I have read the answers on this Statement of Financial Affairs and any attachments, and I declare under penalty of perjury that the answers are true and correct. I understand that making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$250,000, or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

X /s/ Douglas Litowitz
Signature of Debtor 1
Date 1/8/2018

X
Signature of Debtor 2
Date 1/8/2018

Did you attach additional pages to Your Statement of Financial Affairs for Individuals Filing for Bankruptcy (Official Form 107)?

- No
Yes

Did you pay or agree to pay someone who is not an attorney to help you fill out bankruptcy forms?

- No
Yes Name of person

Attach the Bankruptcy Petition Preparer's Notice, Declaration, and Signature (Official Form 119).

Fill in this information to identify your case:

Debtor 1	Douglas	E.	Litowitz
	First Name	Middle Name	Last Name
Debtor 2 (Spouse, if filing)			
	First Name	Middle Name	Last Name
United States Bankruptcy Court for the:	Northern	District of	Illinois
			(State)
Case number (if known)			

Check if this is an amended filing

Official Form 108

Statement of Intention for Individuals Filing Under Chapter 7

12/15

If you are an individual filing under chapter 7, you must fill out this form if:

- creditors have claims secured by your property, or
- you have leased personal property and the lease has not expired.

You must file this form with the court within 30 days after you file your bankruptcy petition or by the date set for the meeting of creditors, whichever is earlier, unless the court extends the time for cause. You must also send copies to the creditors and lessors you list on the form.

If two married people are filing together in a joint case, both are equally responsible for supplying correct information. Both debtors must sign and date the form.

Be as complete and accurate as possible. If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write your name and case number (if known).

Part 1: List Your Creditors Who Have Secured Claims

1. For any creditors that you listed in Part 1 of Schedule D: Creditors Who Have Claims Secured by Property (Official Form 106D), fill in the information below.

Identify the creditor and the property that is collateral

What do you intend to do with the property that secures a debt?

Did you claim the property as exempt on Schedule C?

Creditor's name:
Description of property securing debt:

- Surrender the property.
- Retain the property and redeem it.
- Retain the property and enter into a *Reaffirmation Agreement*.
- Retain the property and [explain]: _____

- No.
- Yes.

Creditor's name:
Description of property securing debt:

- Surrender the property.
- Retain the property and redeem it.
- Retain the property and enter into a *Reaffirmation Agreement*.
- Retain the property and [explain]: _____

- No.
- Yes.

Creditor's name:
Description of property securing debt:

- Surrender the property.
- Retain the property and redeem it.
- Retain the property and enter into a *Reaffirmation Agreement*.
- Retain the property and [explain]: _____

- No.
- Yes.

Creditor's name:
Description of property securing debt:

- Surrender the property.
- Retain the property and redeem it.
- Retain the property and enter into a *Reaffirmation Agreement*.
- Retain the property and [explain]: _____

- No.
- Yes.

Debtor Douglas E. Litowitz Case number (if known)
1 First Name Middle Name Last Name

Part 2: List Your Unexpired Personal Property Leases

For any unexpired personal property lease that you listed in Schedule G: Executory Contracts and Unexpired Leases (Official Form 106G), fill in the information below. Do not list real estate leases. Unexpired leases are leases that are still in effect; the lease period has not yet ended. You may assume an unexpired personal property lease if the trustee does not assume it. 11 U.S.C. § 365(p)(2).

Describe your unexpired personal property leases

Will the lease be assumed?

Lessor's name: [] No [] Yes

Description of leased property:

Lessor's name: [] No [] Yes

Description of leased property:

Lessor's name: [] No [] Yes

Description of leased property:

Lessor's name: [] No [] Yes

Description of leased property:

Lessor's name: [] No [] Yes

Description of leased property:

Lessor's name: [] No [] Yes

Description of leased property:

Lessor's name: [] No [] Yes

Description of leased property:

Part 3: Sign Below

Under penalty of perjury, I declare that I have indicated my intention about any property of my estate that secures a debt and any personal property that is subject to an unexpired lease.

X /s/ Douglas Litowitz Signature of Debtor 1

X Signature of Debtor 2

Date 1/8/2018 MM/DD/YYYY

Date 1/8/2018 MM/DD/YYYY

B2030 (Form 2030) (12/15)

UNITED STATES BANKRUPTCY COURT

Northern District of Illinois

In re Douglas E. Litowitz Debtor

Case No. (If known)

Chapter Chapter 7

DISCLOSURE OF COMPENSATION OF ATTORNEY FOR DEBTOR

1. Pursuant to 11 U.S.C. § 329(a) and Fed. Bankr. P. 2016(b), I certify that I am the attorney for the abovenamed debtor(s) and that compensation paid to me within one year before the filing of the petition in bankruptcy, or agreed to be paid to me, for services rendered or to be rendered on behalf of the debtor(s) in contemplation of or in connection with the bankruptcy case is as follows:

Table with 2 columns: Description of compensation and Amount. Rows include: For legal services, I have agreed to accept (\$1,698.00); Prior to the filing of this statement I have received (\$113.00); Balance Due (\$1,585.00).

2. The source of the compensation paid to me was: [X] Debtor [] Other (specify)

3. The source of the compensation paid to me is: [X] Debtor [] Other (specify)

4. [X] I have not agreed to share the above-disclosed compensation with any other person unless they are members and associates of my law firm. [] I have agreed to share the above-disclosed compensation with a other person or persons who are not members or associates of my law firm. A copy of the agreement, together with a list of the names of the people sharing in the compensation, is attached.

5. In return for the above-disclosed fee, I have agreed to render legal service for all aspects of the bankruptcy case, including: a. Analysis of the debtor's financial situation, and rendering advice to the debtor in determining whether to file a petition in bankruptcy; b. Preparation and filing of any petition, schedules, statements of affairs and plan which may be required; c. Representation of the debtor at the meeting of creditors and confirmation hearing, and any adjourned hearings thereof;

6. By agreement with the debtor(s), the above-disclosed fee does not include the following services:

CERTIFICATION

I certify that the foregoing is a complete statement of any agreement or arrangement for payment to me for representation of the debtor(s) in this bankruptcy proceedings.

1/8/2018 Date

/s/ Nathan Delman Signature of Attorney

Semrad Law Firm Name of law firm

CONTRACT FOR LEGAL SERVICES FOR REPRESENTATION IN A CHAPTER 7 BANKRUPTCY CASE

I do hereby retain the law firm of The Semrad Law Firm, LLC, to represent my legal interests solely in a Bankruptcy case filed under Chapter 7 of the United States Bankruptcy Code. I further understand that this representation DOES NOT INCLUDE defending my interests in any adversary proceeding filed against me nor does this representation cover state court proceedings or criminal litigation.

I agree to pay The Semrad Law Firm, LLC \$1698.00 in attorney fees plus costs in the amount of \$387.00 to represent my interests in the preparation and filing of my Chapter 7 Petition and Schedules; preparation and attendance of the Section 341 Meeting of Creditors; review of any redemption agreements; review of any reaffirmation agreements; and case administration and monitoring. I further understand and agree that additional professional legal services will result in fees that are due The Semrad Law Firm, LLC. Some of the additional services and fees are as follows:

Representing Client in Adversary Proceeding.	\$300.00/hr.
Adding additional bills	\$31.00
Motion to Reopen and Avoid Lien	\$1000.00
Motion to Reopen	\$350.00 + court costs

I understand that these fees must be paid before such work will be completed. I acknowledge and agree that as the above additional fees constitute post-petition services, they are not dischargeable in my Chapter 7 case.

I also understand that, unless otherwise agreed, my Chapter 7 bankruptcy case will not be filed until I pay the attorney fees in full. As The Semrad Law Firm, LLC will begin to work on my file immediately after entering into this contract; I understand that any and all funds paid are not refundable.

I understand that once my bankruptcy is filed, **I will not be legally obligated to pay the balance of any unpaid fees to The Semrad Law Firm, LLC**. Any fees owing to The Semrad Law Firm, LLC and not paid as of the filing of the bankruptcy may be discharged in the bankruptcy and may not be collected by The Semrad Law Firm, LLC or its assignees. After my bankruptcy is filed, I may sign a second retainer agreement promising to pay unpaid fees for the remainder of my representation in consideration of services to be performed by The Semrad Law Firm, LLC after the filing of my bankruptcy. I understand that I will be under no obligation to do so and can refuse to sign such an agreement. However, The Semrad Law Firm, LLC reserves the right to withdraw representation in the event that I do not sign a second retainer after filing my case promising to pay said fees or in the event that I do not pay said fees.

I understand that any funds that I am tendering to The Semrad Law Firm, LLC, as part of this **advance payment retainer** shall immediately become the property of The Semrad Law Firm, LLC, in exchange for a commitment by The Semrad Law Firm, LLC, to provide the legal services described above. Said funds will be deposited into the main bank account owned by The Semrad Law Firm, LLC, and will be used for general expenses of the firm. I further understand that it is ordinarily my option to deposit funds with an attorney that shall remain my property as security for future services. However, The Semrad Law Firm, LLC, does not

Douglas Litowitz
Matter Number 534905-001

Initial: DL

represent clients under such a security retainer because the preparation of a bankruptcy case requires many disparate tasks and functions for the attorney and support staff; some of which require legal expertise while others may be only ministerial in nature. I further understand that the benefit that I am receiving under this fee arrangement is the commitment of The Semrad Law Firm, LLC, to perform any and all work reasonably necessary to file my case absent any extraordinary circumstances.

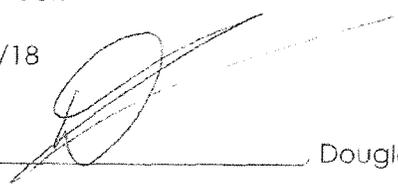
As The Semrad Law Firm, LLC, has duties to me as its client, I likewise have responsibilities. I agree to fully cooperate with The Semrad Law Firm, LLC. This includes, but is not limited to, providing The Semrad Law Firm, LLC with all information necessary and related to my bankruptcy case. In addition, I must attend all scheduled Court hearings and meetings.

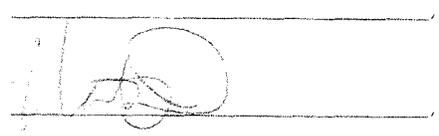
I understand that I am to notify my creditors of my bankruptcy case once my Chapter 7 case is filed. I understand that The Semrad Law Firm, LLC is not liable or responsible for any illegal collection actions taken by my creditors once my case is filed.*

I also understand that, if I am refiling a case with The Semrad Law Firm, LLC, and an audit of the previous case(s) indicate that remaining attorney fees are owed; any initial funds I pay to refile will first be applied to the balance owed on the previous case(s). If client breaches this agreement, client will be responsible for all costs associated with enforcing the terms of this contract including but not limited to court costs and attorney fees.

I also understand that, if I am filing a joint case, the use of the personal pronouns "I", "me" or "my" are binding upon each signatory individually. I also understand that the laws of the State of Illinois are applicable to enforcement of this contract. Moreover, any change in this Contract is null and void unless it is in writing and signed by The Semrad Law Firm, LLC, or an agent thereof.

Date: 1/8/18


_____, Douglas Litowitz


_____, Attorney

***DISCLAIMER**

The creditors listed in your bankruptcy petition will receive notice of your bankruptcy filing from the Clerk of the United States Bankruptcy Court. Please be advised that it will be several days before these creditors receive the notice. Therefore, if you are concerned about a particular creditor taking immediate action against you, contact this creditor directly and provide the creditor with a copy of your Notice of Bankruptcy Filing. This is especially important if you are at risk of having you vehicle repossessed, real estate foreclosed, or wages garnished.

Douglas Litowitz
Matter Number 534905-001

Initial:  _____

Notice Required by 11 U.S.C. § 342(b) for Individuals Filing for Bankruptcy (Form 2010)

This notice is for you if:

- **You are an individual filing for bankruptcy,**
and
- **Your debts are primarily consumer debts.**
Consumer debts are defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose."

The types of bankruptcy that are available to individuals

Individuals who meet the qualifications may file under one of four different chapters of the Bankruptcy Code:

- Chapter 7 — Liquidation
- Chapter 11 — Reorganization
- Chapter 12 — Voluntary repayment plan for family farmers or fishermen
- Chapter 13 — Voluntary repayment plan for individuals with regular income

You should have an attorney review your decision to file for bankruptcy and the choice of chapter.

Chapter 7: Liquidation

	\$245	filing fee
	\$75	administrative fee
+	\$15	trustee surcharge
	<hr/>	
	\$335	total fee

Chapter 7 is for individuals who have financial difficulty preventing them from paying their debts and who are willing to allow their nonexempt property to be used to pay their creditors. The primary purpose of filing under chapter 7 is to have your debts discharged. The bankruptcy discharge relieves you after bankruptcy from having to pay many of your pre-bankruptcy debts. Exceptions exist for particular debts, and liens on property may still be enforced after discharge. For example, a creditor may have the right to foreclose a home mortgage or repossess an automobile.

However, if the court finds that you have committed certain kinds of improper conduct described in the Bankruptcy Code, the court may deny your discharge.

You should know that even if you file chapter 7 and you receive a discharge, some debts are not discharged under the law. Therefore, you may still be responsible to pay:

- most taxes;
- most student loans;
- domestic support and property settlement obligations;

- most fines, penalties, forfeitures, and criminal restitution obligations; and
- certain debts that are not listed in your bankruptcy papers.

You may also be required to pay debts arising from:

- fraud or theft;
- fraud or defalcation while acting in breach of fiduciary capacity;
- intentional injuries that you inflicted; and
- death or personal injury caused by operating a motor vehicle, vessel, or aircraft while intoxicated from alcohol or drugs.

If your debts are primarily consumer debts, the court can dismiss your chapter 7 case if it finds that you have enough income to repay creditors a certain amount. You must file *Chapter 7 Statement of Your Current Monthly Income* (Official Form 122A-1) if you are an individual filing for bankruptcy under chapter 7. This form will determine your current monthly income and compare whether your income is more than the median income that applies in your state.

If your income is not above the median for your state, you will not have to complete the other chapter 7 form, the *Chapter 7 Means Test Calculation* (Official Form 122A-2).

If your income is above the median for your state, you must file a second form - the *Chapter 7 Means Test Calculation* (Official Form 122A-2). The calculations on the form - sometimes called the *Means Test* - deduct from your income living expenses and payments on certain debts to determine any amount available to pay unsecured creditors. If

your income is more than the median income for your state of residence and family size, depending on the results of the *Means Test*, the U.S. trustee, bankruptcy administrator, or creditors can file a motion to dismiss your case under § 707(b) of the Bankruptcy Code. If a motion is filed, the court will decide if your case should be dismissed. To avoid dismissal, you may choose to proceed under another chapter of the Bankruptcy Code.

If you are an individual filing for chapter 7 bankruptcy, the trustee may sell your property to pay your debts, subject to your right to exempt the property or a portion of the proceeds from the sale of the property. The property, and the proceeds from property that your bankruptcy trustee sells or liquidates that you are entitled to, is called *exempt property*. Exemptions may enable you to keep your home, a car, clothing, and household items or to receive some of the proceeds if the property is sold.

Exemptions are not automatic. To exempt property, you must list it on *Schedule C: The Property You Claim as Exempt* (Official Form 106C). If you do not list the property, the trustee may sell it and pay all of the proceeds to your creditors.

Chapter 11: Reorganization

	\$1,167	filing fee
+	\$550	administrative fee
	<hr/>	
	\$1,717	total fee

Chapter 11 is often used for reorganizing a business, but is also available to individuals. The provisions of chapter 11 are too complicated to summarize briefly.

Read These Important Warnings

Because bankruptcy can have serious long-term financial and legal consequences, including loss of your property, you should hire an attorney and carefully consider all of your options before you file. Only an attorney can give you legal advice about what can happen as a result of filing for bankruptcy and what your options are. If you do file for bankruptcy, an attorney can help you fill out the forms properly and protect you, your family, your home, and your possessions.

Although the law allows you to represent yourself in bankruptcy court, you should understand that many people find it difficult to represent themselves successfully. The rules are technical, and a mistake or inaction may harm you. If you file without an attorney, you are still responsible for knowing and following all of the legal requirements.

You should not file for bankruptcy if you are not eligible to file or if you do not intend to file the necessary documents.

Bankruptcy fraud is a serious crime; you could be fined and imprisoned if you commit fraud in your bankruptcy case. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$250,000, or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

Chapter 12: Repayment plan for family farmers or fishermen

\$200	filing fee
+	\$75 administrative fee
<hr/>	
\$275	total fee

Similar to chapter 13, chapter 12 permits family farmers and fishermen to repay their debts over a period of time using future earnings and to discharge some debts that are not paid.

Chapter 13: Repayment plan for individuals with regular income

\$235	filing fee
+	\$75 administrative fee
<hr/>	
\$310	total fee

Chapter 13 is for individuals who have regular income and would like to pay all or part of their debts in installments over a period of time and to discharge some debts that are not paid. You are eligible for chapter 13 only if your debts are not more than certain dollar amounts set forth in 11 U.S.C. § 109.

Under chapter 13, you must file with the court a plan to repay your creditors all or part of the money that you owe them, usually using your future earnings. If the court approves your plan, the court will allow you to repay your debts, as adjusted by the plan, within 3 years or 5 years, depending on your income and other factors.

After you make all the payments under your plan, many of your debts are discharged. The debts that are not discharged and that you may still be responsible to pay include:

- domestic support obligations,
- most student loans,
- certain taxes,
- debts for fraud or theft,
- debts for fraud or defalcation while acting in a fiduciary capacity,
- most criminal fines and restitution obligations,
- certain debts that are not listed in your bankruptcy papers,
- certain debts for acts that caused death or personal injury, and
- certain long-term secured debts.

Warning: File Your Forms on Time

Section 521(a)(1) of the Bankruptcy Code requires that you promptly file detailed information about your creditors, assets, liabilities, income, expenses and general financial condition. The court may dismiss your bankruptcy case if you do not file this information within the deadlines set by the Bankruptcy Code, the Bankruptcy Rules, and the local rules of the court

For more information about the documents and their deadlines, go to:

http://www.uscourts.gov/bkforms/bankruptcy_forms.html#procedure.

Bankruptcy crimes have serious consequences

- If you knowingly and fraudulently conceal assets or make a false oath or statement under penalty of perjury - either orally or in writing - in connection with a bankruptcy case, you may be fined, imprisoned, or both.
- All information you supply in connection with a bankruptcy case is subject to examination by the Attorney General acting through the Office of the U.S. Trustee, the Office of the U.S. Attorney, and other offices and employees of the U.S. Department of Justice.

Make sure the court has your mailing address

The bankruptcy court sends notices to the mailing address you list on *Voluntary Petition for Individuals Filing for Bankruptcy* (Official Form 101). To ensure that you receive information about your case, Bankruptcy Rule 4002 requires that you notify the court of any changes in your address.

A married couple may file a bankruptcy case together - called a *joint case*. If you file a joint case and each spouse lists the same mailing address on the bankruptcy petition, the bankruptcy court generally will mail you and your spouse one copy of each notice, unless you file a statement with the court asking that each spouse receive separate copies.

Understand which services you could receive from credit counseling agencies

The law generally requires that you receive a credit counseling briefing from an approved credit counseling agency. 11 U.S.C. § 109(h). If you are filing a joint case, both spouses must receive the briefing. With limited exceptions, you must receive it within the 180 days **before** you file your bankruptcy petition. This briefing is usually conducted by telephone or on the Internet.

In addition, after filing a bankruptcy case, you generally must complete a financial management instructional course before you can receive a discharge. If you are filing a joint case, both spouses must complete the course.

You can obtain the list of agencies approved to provide both the briefing and the instructional course from: http://www.justice.gov/ust/eo/11apcpa/code/cc_approved.html

In Alabama and North Carolina, go to:

<http://www.uscourts.gov/FederalCourts/Bankruptcy/BankruptcyResources/ApprovedCreditCounselingAndDebtCounselors.aspx>

If you do not have access to a computer, the clerk of the bankruptcy court may be able to help you obtain the list.

NYSCEF DOC. NO. 29

RECEIVED NYSCEF: 10/25/2018

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 59 of 66

UNITED STATES BANKRUPTCY COURT
Northern District of Illinois

In re: Litowitz, Douglas E.
Debtor(s)

Case No. _____

Chapter: Chapter 7

VERIFICATION OF CREDITOR MATRIX

The above named Debtors hereby verify that the attached list of creditors is true and correct to the best of their knowledge.

Date: 1/8/2018

/s/ Litowitz, Douglas E.
Litowitz, Douglas E.
Signature of Debtor

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main
Document Page 60 of 66

ILDHFS
509 S 6th st.
Springfield, IL, 62701

Abetova, Camellia
1914 Farnsworth
Apt 314
Arlington Heights, IL, 60006

CHASE CARD
BANK ONE CARD SERV 2500 WESTFIELD DRI
ELGIN, IL, 60124

BK OF AMER
C/O ACS 501 BLEECKER STREE
UTICA, NY, 13501

CITI
P.O. BOX 9001037
Louisville, KY, 40290

FNB OMAHA
PO BOX 3412
OMAHA, NE, 68197

Debtor 1 Douglas E. Litowitz Case number (if known)

Part 6: Answer These Questions for Reporting Purposes

- 16. What kind of debts do you have?
16a. Are your debts primarily consumer debts?
16b. Are your debts primarily business debts?
16c. State the type of debts you owe that are not consumer debts or business debts.
17. Are you filing under Chapter 7?
18. How many creditors do you estimate that you owe?
19. How much do you estimate your assets to be worth?
20. How much do you estimate your liabilities to be?

Part 7: Sign Below

For you I have examined this petition, and I declare under penalty of perjury that the information provided is true and correct.
If I have chosen to file under Chapter 7, I am aware that I may proceed, if eligible, under Chapter 7, 11, 12, or 13 of title 11, United States Code.
If no attorney represents me and I did not pay or agree to pay someone who is not an attorney to help me fill out this document, I have obtained and read the notice required by 11 U.S.C. § 342(b).
I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.
I understand making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$250,000, or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.
Signature of Debtor 1: /s/ Douglas Litowitz
Executed on 1/8/2018

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 62 of 66

Fill in this information to identify your case:

Debtor 1	Douglas	E.	Litowitz
	First Name	Middle Name	Last Name
Debtor 2 (Spouse, if filing)			
	First Name	Middle Name	Last Name
United States Bankruptcy Court for the:	Northern		District of Illinois
			(State)
Case number (if known)			

Check if this is an amended filing

Official Form 106Dec

Declaration About an Individual Debtor's Schedules

12/15

If two married people are filing together, both are equally responsible for supplying correct information.

You must file this form whenever you file bankruptcy schedules or amended schedules. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$250,000, or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

Part 1: Sign Below

Did you pay or agree to pay someone who is NOT an attorney to help you fill out bankruptcy forms?

- No
- Yes. Name of person _____

Attach Bankruptcy Petition Preparer's Notice, Declaration, and Signature (Official Form 119).

Under penalty of perjury, I declare that I have read the summary and schedules filed with this declaration and that they are true and correct.

X /s/ Douglas Litowitz _____
Signature of Debtor 1

X _____
Signature of Debtor 2

Date 1/8/2018
MM/DD/YYYY

Date _____
MM/DD/YYYY

NYSCEF DOC. NO. 29

RECEIVED NYSCEF: 10/25/2018

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 63 of 66

Debtor 1 Douglas E Litowitz Case number (if known)

28. Within 2 years before you filed for bankruptcy, did you give a financial statement to anyone about your business? Include all financial institutions, creditors, or other parties.

- No
Yes. Fill in the details below.

Name, Date issued, Number Street, City State Zip Code

Part 12: Sign Below

I have read the answers on this Statement of Financial Affairs and any attachments, and I declare under penalty of perjury that the answers are true and correct.

/s/ Douglas Litowitz
Signature of Debtor 1

Signature of Debtor 2

Date 1/8/2018

Date 1/8/2018

Did you attach additional pages to Your Statement of Financial Affairs for Individuals Filing for Bankruptcy (Official Form 107)?

- No
Yes

Did you pay or agree to pay someone who is not an attorney to help you fill out bankruptcy forms?

- No
Yes. Name of person

Attach the Bankruptcy Petition Preparer's Notice, Declaration, and Signature (Official Form 119).

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 64 of 66

Debtor Douglas E. Litowitz Case number (if known)
1 First Name Middle Name Last Name

Part 2: List Your Unexpired Personal Property Leases

For any unexpired personal property lease that you listed in Schedule G: Executory Contracts and Unexpired Leases (Official Form 106G), fill in the information below. Do not list real estate leases. Unexpired leases are leases that are still in effect; the lease period has not yet ended. You may assume an unexpired personal property lease if the trustee does not assume it. 11 U.S.C. § 365(p)(2).

Describe your unexpired personal property leases

Will the lease be assumed?

Lessor's name:

No Yes

Description of leased property:

Part 3: Sign Below

Under penalty of perjury, I declare that I have indicated my intention about any property of my estate that secures a debt and any personal property that is subject to an unexpired lease.

X /s/ Douglas Litowitz Signature of Debtor 1

[Handwritten signature]

X Signature of Debtor 2

Date 1/8/2018 MM/DD/YYYY

Date 1/8/2018 MM/DD/YYYY

NYSCEF DOC. NO. 29

RECEIVED NYSCEF: 10/25/2018

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 65 of 66

UNITED STATES BANKRUPTCY COURT
Northern District of Illinois

In re: Litowitz, Douglas E.
Debtor(s)

Case No. _____

Chapter. Chapter 7

VERIFICATION OF CREDITOR MATRIX

The above named Debtors hereby verify that the attached list of creditors is true and correct to the best of their knowledge.

Date: 1/8/2018


/s/ Litowitz, Douglas E.
Litowitz, Douglas E.
Signature of Debtor

Case 18-00515 Doc 1 Filed 01/08/18 Entered 01/08/18 17:27:03 Desc Main Document Page 66 of 66

Debtor 1 Douglas E. Litowitz Case number (if known)

8. Unemployment compensation
9. Pension or retirement income
10. Income from all other sources not listed above
11. Calculate your total current monthly income

Part 2: Determine Whether the Means Test Applies to You

12. Calculate your current monthly income for the year.
12a. Copy your total current monthly income from line 11.
12b. The result is your annual income for this part of the form.
13. Calculate the median family income that applies to you.
14. How do the lines compare?

Part 3: Sign Below

By signing here, I declare under penalty of perjury that the information on this statement and in any attachments is true and correct.

/s/ Douglas Litowitz
Signature of Debtor 1
Date 1/8/2018

Signature of Debtor 2
Date 1/8/2018

If you checked line 14a, do NOT fill out or file Form 122A-2.
If you checked line 14b, fill out Form 122A-2 and file it with this form.

FILED: NEW YORK COUNTY CLERK 11/02/2018 07:08 PM

INDEX NO. 159222/2018

FILED: NEW YORK COUNTY CLERK 10/25/2018 04:06 PM

RECEIVED NYSCEF 11/02/2018

NYSCEF DOC. NO. 30

RECEIVED NYSCEF: 10/25/2018

EXHIBIT "C"

casetext Search millions of legal authorities... Sign in

Read Print Download Share

Makhsous v. Seemeyer

UNITED STATES DISTRICT COURT EASTERN DISTRICT OF WISCONSIN Aug 2, 2018 Full title

Case No. 18-C-587 (E.D. Wis. Aug. 2, 2018) Copy Citation

William C. Griesbach, Chief Judge United States District Court

DECISION AND ORDER GRANTING DEFENDANT'S MOTION TO DISMISS

Plaintiff Xuejun Makhsous, who is currently representing herself, filed this action against Defendant Linda Seemeyer, in her official capacity as the Secretary of the Wisconsin Department of Health Services (DHS), alleging violations of the Fourteenth Amendment. Defendant filed a motion to dismiss this action on June 29, 2018. For the following reasons, the motion to dismiss will be granted and the case dismissed.

BACKGROUND

Plaintiff is a Chinese national who operates two assisted living facilities in Marinette County, Wisconsin. She asserts that DHS carried out unnecessary inspections of her facility and cited her for "petty violations." As a result of receiving the citations, she was not allowed to admit new patients in the facilities, driving her to financial ruin. Plaintiff asserts that she did not receive due process when DHS deprived her of her property and that she was subject to oppressive scrutiny that destroyed her business due to her race.

Find in document 0/0 Plaintiff claims DHS has deprived her and New Life of Grivitz LP of their property interests by subjecting them to a constant and arbitrary stream of investigations without due process rights. ECF No. 26, ¶ 22. As to her equal protection claim, Plaintiff alleges DHS and its agents have run her out of Wisconsin by subjecting her to a level of scrutiny that far exceeds anything that it imposed on Caucasian-owned facilities. *Id.*, ¶ 39. Plaintiff requests that the court issue a declaration that DHS has unconstitutionally deprived her of property without affording her due process and that DHS has unconstitutionally discriminated against her on the basis of her race; award damages for the economic loss she suffered; enter judgment for reasonable attorney's fees and costs

United States District Court

Make your practice more effective and efficient with Casertext's legal research suite.

Request a demo

Pricing
Features

About us
Jobs
Blog
Podcast
Students
News

Help and FAQs
Contact us
Recommend
Privacy
Terms

© 2018 Casertext Inc.
Casertext, Inc. and Casertext are not attorneys or a law firm and do not provide legal advice.

FILED: NEW YORK COUNTY CLERK 11/02/2018 07:08 PM

FILED: NEW YORK COUNTY CLERK 10/25/2018 04:06 PM

RECEIVED NYSCEF 11/02/2018

NYSCEF DOC. NO. 31

RECEIVED NYSCEF: 10/25/2018

EXHIBIT "D"

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF WISCONSIN
GREEN BAY DIVISION

XUEJUN MAKHSOUS, individually and)	
for New Life of Crivitz LP,)	
)	No.: 18-cv-587
Plaintiff,)	
)	
v.)	
)	
LINDA SEEMEYER, in his official capacity)	Judge: Griesbach
as Secretary of the Wisconsin Department of)	
Health Services,)	
Defendant.)	

REPLY MOTION FOR RELIEF FROM JUDGMENT OF DISMISSAL

Plaintiff Xuejun Makhsous ("Zoe"), by the undersigned attorney, respectfully submits this Reply to the Defendant's Brief in Opposition to Motion for Relief from Judgment, and states as follows:

1. In their Brief, the DHS asserts that the case must be dismissed for failure to satisfy the *Ex Parte Young* requirement that there be an ongoing constitutional harm in order to state a claim for injunctive relief. However, the pleadings and submissions to this Court make clear that Zoe is suffering prospective constitutional injuries that are not one-time but ongoing.

2. The DHS is still prospectively debiting Zoe's bank account based on sanctions they imposed *instanter* without due process, and the DHS is requiring Zoe to disclose on applications for new facilities in Elkhorn and Crivitz that she was denied a license in the past, which the DHS can use as negative evidence against her.

3. Zoe is not asking for money damages – she is asking for the DHS to end its unconstitutional treatment of her. She asks that they stop taking her money and that they not draw any negative inferences against her in the future, because their previous sanctioning process against her was constitutionally infirm and discriminatory. To use common parlance, Zoe is not saying “Here is what happened in the past and I want money damages.” Rather, she is saying, “What happened in the past was unconstitutional and has prospective effects, so I want to cut off those effects in the future.”

4. The DHS is correct that the Eleventh Amendment bars an action for damages against the State, and bars a claim grounded in a one-time constitutional violation. But this Court has held that allegations with respect to *ongoing payments* are sufficient to state a claim for prospective relief. In the case of *Ceria M. Travis Academy v. Evers*, 2018 WL 4098587 *5 (E.D. Wis. July 28, 2016), this court explained that a complaint failed to state a claim under *Ex Parte Young* because it dealt only with a one time claim against the State for money (an alleged reimbursement owed by the State to the school) versus a series of ongoing future payments: “Ceria makes no allegations with respect to any future payments, and as such the allegations here cannot properly be described as ongoing.” In the case at bar, Zoe has made allegations about the ongoing future, and furthermore, she is not even asking (as in *Ceria*) for the State to pay her money, but rather asking for the State to stop taking her money. She is not asking for a penny from the State: her claim is for injunctive and declaratory relief only.

5. The DHS wrongly assumes that any mention of past wrongs will run afoul of *Ex Parte Young* and vitiate Plaintiff's claim for prospective relief. But we are not living in a science-fiction movie where the past stays the past and never affects the present. For example, if a person's bank account was debited every month for 36 months because he gave an unpopular speech in the public square in front of the Capital, the imposition of the fine would be an unconstitutional state action for events in the past, so while the incident would be in the past, it would still give rise to standing to sue long after the fine was first imposed. There is no way to avoid talking about the past, but that does not make every lawsuit moot. The test is whether the plaintiff is seeking prospective relief, and that is precisely what Zoe is asking.

The pleading standard here is minimal. The Western District recently said, quoting *Ex Parte Young*: "The requirement, however, is not that exacting. Instead, all that is required is that the state officer by virtue of his office has some connection with the enforcement of the action." *Boyden v. Conlin*, 2018 WL 2191733 *7 (W.D. Wis. May 11, 2018). "Some connection" is a low threshold. Here, Zoe merely had to assert that the state actor (in this case Ms. Seemeyer as head of DHS) has some connection to the enforcement of the relief sought. Well, that is easily done. Seemeyer is the head of the department, and they are imposing a fine on Zoe after denying her due process and discriminating against her, and they stand ready to use this constitutionally infirm punishment as grounds to reject Zoe's further applications. That satisfies "some connection" to the DHS.

6. DHS should not be allowed to say out of the left side of their mouth that this matter deals purely with past harms, while the right side of their mouth takes money from Zoe's bank account and uses their fines-without-due-process as evidence that could affect her future business ventures.

7. All that DHS has to do is put their money where their mouth is, so to speak. If they agree to stop debiting Zoe's bank account and stop using her past license removal in weighing whether she can get a license in the future, then Zoe will walk away. True, DHS has cost her all of her life savings, but she will still walk away and rebuild her life. However, if they insist on digging up the past and bringing it forward into the future, then the harm must be *prospective*, and she has a case against them.

8. Plaintiff Zoe invites this Court to order a settlement agreement between the parties that ends any prospective sanctions or adverse consequences against Zoe. If the DHS refuses such an agreement, that will just go to prove that they want to continue with prospective harm, in which case the lawsuit must go forward.

Respectfully submitted,

/s/ Doug Litowitz

Counsel for Plaintiff

Douglas Eliot Litowitz
413 Locust Place
Deerfield, IL 60015
(312) 622-2848

Certificate of Service

I certify that on the 3rd day of September, I electronically filed this Motion for Relief from Judgment of Dismissal with the Clerk of the Court using the CM/ECF system.

Christopher Blythe, Wisconsin Dept. of Justice
PO Box 7857, Madison, WI 53707-7857
(608) 266-0180, blythecj@doj.state.wi.us

/s/ Doug Litowitz

FILED: NEW YORK COUNTY CLERK 11/02/2018 07:08 PM

INDEX NO. 159222/2018

NYSCEF DOC. NO. 45

FILED: NEW YORK COUNTY CLERK 10/25/2018 04:06 PM

RECEIVED NYSCEF 11/02/2018

NYSCEF DOC. NO. 32

RECEIVED NYSCEF: 10/25/2018

EXHIBIT "E"

Webb-site Who's Who

Database
Search

Reviv-East Legal Service Consultants (HK) Co., Limited 振東法律服務諮詢(香港)有限公司

Key Data

FAQ

Domicile: Hong Kong
 Type: Private, ltd by shares
 Formed: 2017-07-06
 Status: Active
 Incorporation number: [2552768](#)
 Last check on registry: 2018-09-11

Webb-site Governance Rating

Log in to add your anonymous rating. Webb-site users rate this organisation as follows:

Users Average (0-5)	
0	N/A

Name history

Old English name	Old Chinese name	Until
Catrini Jewelry Co., Limited		2018-01-30

Sign up for our **free** newsletter

Recommend *Webb-site* to a friend

Copyright & disclaimer, Privacy policy

Back to top

FILED: NEW YORK COUNTY CLERK 11/02/2018 07:08 PM

FILED: NEW YORK COUNTY CLERK 10/25/2018 04:06 PM

RECEIVED NYSCEF 10/25/2018

NYSCEF DOC. NO. 33

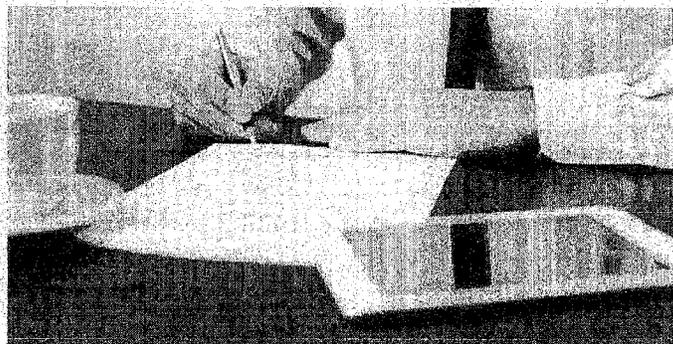
RECEIVED NYSCEF: 10/25/2018

EXHIBIT "F"

Revis-East Legal Service Consultants (Hong Kong) Hong Kong Zhendong Legal Services Consulting Company

*Welcome to Revis-East Legal Service Consultants Hong Kong
Zhendong Legal Services Consulting Co., Ltd*

about us



US law defends the legitimate rights of EB-5 investors

The US EB-5 investment immigration process is complicated. Investors in mainland China face more than 10 years of scheduling, causing their children to overage, leading to the loss of meaning for American immigrants. However, the risk of the project has made the investment unrecoverable. So what rights do these investors have?

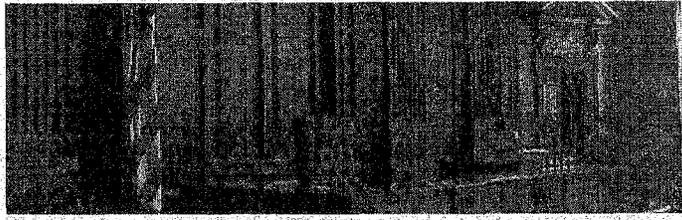


Hong Kong Zhendong Legal Services Consulting Co., Ltd. helps investors defend their rights

From 2017, we will help EB-5 investors and US professional lawyers to cooperate to recover investment funds.

In December 2017, Investor Z recovered \$500,000 in investment from the EB-5 project promoted by the Chinese intermediary company "Overseas Immigrants" in just seven days.





Let our expertise lead you to success.

My Blog

← ALL POSTS

The EB-5 program is legally flawed and has become a scam

August 8, 2018

May 18, 2018 Douglas Lawyer

The EB-5 investment plan created by Congress and managed by the Immigration Department is deceiving thousands of Chinese investors. Chinese investors are caught in the predicament of US merchants' violations of federal securities and violations of state laws.

For those who don't know what EB-5 is (or just vaguely see it as a dark plan involving President Trump's son-in-law), the word "EB-5" is just a visa name to enter the US – like "H1 -B". Under the EB-5 program, foreigners can create a green card and access to citizenship by investing in new US businesses to create a certain amount of employment. Each major city in the United States has one or more "regional centers" that are sponsors of the EB-5 program.

Once upon a time, very few US companies used EB-5. When the program was created, USCIS limits the number of permanent residency approvals each year. This numerical limit is not a problem, as EB-5 is primarily used to invest in a small group of investors in small-scale businesses. No one dreams of using it to build large projects.

But then there was a financial crisis.

The loan has dried up. The developers started panicking. They are fighting for money. If they want to build a hotel or a mall, they won't be able to get secondary financing. Of course, they can get a senior loan from Bank of America, and perhaps a second-tier loan, but these banks insist on a full-value guarantee of real estate and fixed equipment. But where do the sub-funds they need come from? If the project requires \$500 million, but the value of land and fixtures is only \$300 million, who will provide the remaining \$200 million in risk financing? No American bank wants to borrow this money because it basically has no guarantees because the ranking is very low.

Decommissioning the small EB-5 fund into a large Delaware company with hundreds of Chinese investors has become a solution. These huge EB-5 funds hold hundreds of millions of dollars and are then loaned to developers looking for risk financing. In a shameless interest transaction, the developer itself often sets up and fully controls the EB-5 fund, full of funds from China, and then lends the money to his other company as risky fourth and fifth. Loan loan. In this way, most EB-5 funds are only toys for US developers and their promoters; once funds are entered, Americans will reject Chinese participation or disclosure.

EB-5 funds are sold in China through "intermediaries" (ie, unlicensed brokers) who use luxury sweepstakes and free buffets to promote luxury campaigns and false guarantees of American dreams and profits from Chinese investors. Americans associated with the project usually come to China to promote the project, and marketing is effective (this is why Trump's son-in-law is in trouble). Although the Chinese almost could not read the contents of the document, the Chinese still registered thousands of people. They didn't even know what they signed, they were just told that at the end of the rainbow was a gold rush with profits and citizenship, so they signed everything in front of them, even if they couldn't read English. They trust the American system. They cannot imagine that American law would make them bankrupt without any remedy or citizenship.

Let us compare the EB-5 theory with the reality of EB-5.

In theory, EB-5 works as follows: (1) Chinese investors each invest \$550,000 for projects sponsored by regional centers and temporarily approved by USCIS - usually resorts, hotels, shopping centers or apartments; (2) Investors' funds are divided into "administrative expenses" of US\$50,000 and "investment funds" of US\$500,000, and investors receive Delaware limited partnership rights; (3) Delaware Limited Partnership finally recruits Hundreds of Chinese investors hold hundreds of millions of dollars and call themselves "EB-5 funds"; (4) This huge pool of funds is hosted and then loaned to the development company under the loan agreement, which makes EB-5 The fund becomes the lowest-end lender of the project; (5) After the project is completed, it is expected to generate sufficient returns to repay the loan; (6) After the loan is repaid, the EB-5 fund will refund the interest to the Chinese investor and then dissolve it; In the above circumstances, investors have been working with immigration attorneys of the project. They have now successfully applied for permanent residency to USCIS. The reason for the final approval is that the project has produced enough work. Then the investor becomes a US citizen.

In theory, everyone is successful. A city has a new hotel or hospital or mall. Americans have found a good job. The developer receives sub-financing to complete the construction project. Immigration lawyers got a group of customers. Chinese investors have legal rights to live in the United States.

实际上, 参与这个项目的每个美国人都小心翼翼地避免直接告诉中国人, 并指出由于中国投资者激增的增加不能被每年的10,000 EB-5签证配额所吸收, 我写这篇文章时, 我在北京。我刚刚遇到投资者, 他们指指天, 并告诉我他们的家庭的钱, 绿卡和梦想在天空中 - 也就是说, 无处可去。他们不知道什感到无路可走, 他们找到我们。数百名中国投资者联系了我们的团队, 请求帮助他们从困境中解脱出来。他们身后有数千人。他们只想要退钱, 他们自觉美国证券交易委员会应该检查这一切。但事实上, 他们只针对明显的欺诈案件采取行动。在芝加哥, 一个EB-5基金是Potemkin村的发展标志, 开发商设贪婪是一种强大的动力。如果开发商获得数亿美元的外国资金, 这些外国资金来自无法监控投资的无名和无面的个人, 并且开发商知道这些资金十年或更

- (1) 洗钱和转移限额。 EB-5投资者通常需要支付550,000美元才能投资EB-5基金。这本身违反了中国的法律, 中国规定每人每年只能将5万美元的资金转
 - (2) 无牌经纪人。中国的“中介”和美国基金(以及他们的律师)在中国销售美元计价的证券, 但他们在美国经常没有执牌经纪人, 并且在中国也没有获
 - (3) 非认可投资者。每个项目的文件都要求中国投资者证明他是“经认可的投资者”, 以便基金有资格作为规则D下的私募, 却不被视为公开发售, 但事实
 - (4) 未注册投资公司。 EB-5基金通常拥有超过100人, 这触发了要求注册为投资公司的要求, 并且它触发了要求注册投资顾问建议基金的要求。但EB-5
 - (5) 10b-5证券欺诈。 EB-5基金进行了诱饵和转换, 他们来到中国并在路演期间亲自作出承诺, 后来在发行备忘录中被否定。例如, 他们经常向中国人
 - (6) 滥用规则S。一些开发商试图隐藏在规则S背后, 规则S涵盖了向非居民离岸出售的证券。但EB-5投资的全部意义在于将投资者带到美国, 这与S规则
 - (7) 违反信托义务。下一点会令人震惊。在许多情况下, 也许大多数情况下, EB-5基金都是由向其提供贷款的开发商控制的。我会再说一遍, 让你印象
 - (8) 不可豁免的利益冲突。在大多数EB-5结构中, 中国人的EB-5基金是开发项目的贷款方, 但中国人没有独立的律师, 没有独立的评估师, 没有权力进
 - (9) 将权益投资误认为价值担保的债务。大多数EB-5基金都是开发项目的贷方, 但它们需要与高级贷方达成一项Intercreditor协议, 这些高级贷方通
 - (10) 法律失职和未能警告客户。移民律师并没有向中国投资者透露赤裸裸的真相。他们应该在每封文件上用普通话写一些巨大的黑色字母, 告知中国
- 如果你是美国人读这篇文章, 请尝试让自己置身于中国EB-5投资者的角度。您投资给向开发商提供大量贷款的特拉华州LP或LLC, 但即使您是贷方, 您也这些人显然是欺诈的受害者, 但是我们是否真的想告诉他们, 由于他们不是一丝不苟的英文读者, 这一切来说都是他们自己的错, 美国法律是一个买主自
- 总之

EB-5项目不是由证券法律专家建立的。相反, 这些项目是由移民律师和房地产律师建立的 - 这些人对美国证券交易委员会对证券注册的要求知之甚少, 这些项目只是将EB-5投资 从5人授权交易 以机械式“扩大”到500人贷款基金。他们没有意识到这引发了许多证券法和公司信托义务。

EB-5计划不会善始善终的。它不能被“修复”。已经四处穿透欺诈行为。

诚实的做法是让美国证券交易委员会承认该计划已经脱变成了骗局, 即使“正常”项目也是如此。中国人的钱应归还给所有希望退回的投资者。

Douglas Litowitz Douglas is a law professor and securities attorney in Chicago who has lived and worked in Asia. He can be contacted by Doug and Zoe Ma at Litowitz@gmail.com, who is responsible for due diligence and handling complaints from Chinese investors. She can be reached at zoexma@yahoo.com.

My Blog

← ALL POSTS

The EB-5 program is legally flawed and has become a scam

August 8, 2018

May 18, 2018 Douglas Lawyer

The EB-5 investment plan created by Congress and managed by the Immigration Department is deceiving thousands of Chinese investors. Chinese investors are caught in the predicament of US merchants' violations of federal securities and violations of state laws.

For those who don't know what EB-5 is (or just vaguely see it as a dark plan involving President Trump's son-in-law), the word "EB-5" is just a visa name to enter the US – like "H1-B". Under the EB-5 program, foreigners can create a green card and access to citizenship by investing in new US businesses to create a certain amount of employment. Each major city in the United States has one or more "regional centers" that are sponsors of the EB-5 program.

Once upon a time, very few US companies used EB-5. When the program was created, USCIS limits the number of permanent residency approvals each year. This numerical limit is not a problem, as EB-5 is primarily used to invest in a small group of investors in small-scale businesses. No one dreams of using it to build large projects.

But then there was a financial crisis.

The loan has dried up. The developers started panicking. They are fighting for money. If they want to build a hotel or a mall, they won't be able to get secondary financing. Of course, they can get a senior loan from Bank of America, and perhaps a second-tier loan, but these banks insist on a full-value guarantee of real estate and fixed equipment. But where do the sub-funds they need come from? If the project requires \$500 million, but the value of land and fixtures is only \$300 million, who will provide the remaining \$200 million in risk financing? No American bank wants to borrow this money because it basically has no guarantees because the ranking is very low.

Decommissioning the small EB-5 fund into a large Delaware company with hundreds of Chinese investors has become a solution. These huge EB-5 funds hold hundreds of millions of dollars and are then loaned to developers looking for risk financing. In a shameless interest transaction, the developer itself often sets up and fully controls the EB-5 fund, full of funds from China, and then lends the money to his other company as risky fourth and fifth. Loan loan. In this way, most EB-5 funds are only toys for US developers and their promoters; once funds are entered, Americans will reject Chinese participation or disclosure.

EB-5 funds are sold in China through "intermediaries" (ie, unlicensed brokers) who use luxury sweepstakes and free buffets to promote luxury campaigns and false guarantees of American dreams and profits from Chinese investors. Americans associated with the project usually come to China to promote the project, and marketing is effective (this is why Trump's son-in-law is in trouble). Although the Chinese almost could not read the contents of the document, the Chinese still registered thousands of people. They didn't even know what they signed, they were just told that at the end of the rainbow was a gold rush with profits and citizenship, so they signed everything in front of them, even if they couldn't read English. They trust the American system. They cannot imagine that American law would make them bankrupt without any remedy or citizenship.

Let us compare the EB-5 theory with the reality of EB-5.

In theory, EB-5 works as follows: (1) Chinese investors each invest \$550,000 for projects sponsored by regional centers and temporarily approved by USCIS - usually resorts, hotels, shopping centers or apartments; (2) Investors' funds are divided into "administrative expenses" of US\$50,000 and "investment funds" of US\$500,000, and investors receive Delaware limited partnership rights; (3) Delaware Limited Partnership finally recruits Hundreds of Chinese investors hold hundreds of millions of dollars and call themselves "EB-5 funds"; (4) This huge pool of funds is hosted and then loaned to the development company under the loan agreement, which makes EB-5 The fund becomes the lowest-end lender of the project; (5) After the project is completed, it is expected to generate sufficient returns to repay the loan; (6) After the loan is repaid, the EB-5 fund will refund the interest to the Chinese investor and then dissolve it. In the above circumstances, investors have been working with

immigration attorneys of the project. They have now successfully applied for permanent residency to USCIS. The reason for the final approval is that the project has produced enough work. Then the investor becomes a US citizen.

In theory, everyone is successful. A city has a new hotel or hospital or mall. Americans have found a good job. The developer receives sub-financing to complete the construction project. Immigration lawyers got a group of customers. Chinese investors have legal rights to live in the United States.

实际上，参与这个项目的每个美国人都小心翼翼地避免直接告诉中国人，并指出由于中国投资者数量的增加不能被每年的10,000 EB-5签证配额所吸收：

我写这篇文章时，我在北京。我刚刚遇到投资者，他们指拍天，并告诉我他们的家庭的钱，绿卡和梦想在天空中 - 也就是说，无处可去。他们不知道什感到无路可走，他们找到我们。数百名中国投资者联系了我们的团队，请求帮助他们从困境中解脱出来。他们身后有数千人。他们只想要退钱。他们自觉美国证券交易委员会应该检查这一切。但事实上，他们只针对明显的欺诈案件采取行动。在芝加哥，一个EB-5基金是Potemkin村的发展标志，开发商没贪婪是一种强大的动力。如果开发商获得数亿美元的外国资金，这些外国资金来自无法监控投资的无名和无面的个人，并且开发商知道这些资金十年或更

- (1) 洗钱和转移限额。 EB-5投资者通常需要支付550,000美元才能投资EB-5基金。这本身违反了中国的法律，中国规定每人每年只能将5万美元的资金转
- (2) 无牌经纪人。中国的“中介”和美国基金（以及他们的律师）在中国销售美元计价的证券，但他们在美国经常没有执牌经纪人，并且在中国也没有获
- (3) 非认可投资者。每个项目的文件都要求中国投资者证明他是“经认可的投资者”，以便基金有资格作为规则D下的私募，却不被视为公开发行。但事实
- (4) 未注册投资公司。 EB-5基金通常拥有超过100人，这触发了要求注册为投资公司的要求，并且它触发了要求注册投资顾问建议基金的要求。但EB-
- (5) 10b-5证券欺诈。 EB-5基金进行了诱饵和转换，他们来到中国并在路演期间亲自作出承诺，后来在发行备忘录中被否定。例如，他们经常向中国人
- (6) 滥用规则S。一些开发商试图隐藏在规则S背后，规则S涵盖了向非居民离岸出售的证券。但EB-5投资的全部意义在于将投资者带到美国，这与S规则
- (7) 违反信托义务。下一点会令人震惊。在许多情况下，也许大多数情况下，EB-5基金都是由向其提供贷款的开发商控制的。我会再说一遍，让你印象
- (8) 不可豁免的利益冲突。在大多数EB-5结构中，中国人的EB-5基金是开发项目的贷款方，但中国人没有独立的律师，没有独立的评估师，没有权力进
- (9) 将权益投资误认为价值担保的债务。大多数EB-5基金都是开发项目的贷方，但它们需要与高级贷方达成一项Intercreditor协议，这些高级贷方通
- (10) 法律失职和未能警告客户。移民律师并没有向中国投资者透露赤裸裸的真相。他们应该在每封文件上用普通话写一些巨大的黑色字母，告知中国

如果你是美国人读这篇文章，请尝试让自己置身于中国EB-5投资者的角度。您投资给向开发商提供大量贷款的特拉华州LP或LLC。但即使您是贷方，您也这些人显然是欺诈的受害者，但是我们是否真的想告诉他们，由于他们不是一丝不苟的英文读者，这一切来说都是他们自己的错，美国法律是一个买主自

总之
EB-5项目不是由证券法律专家建立的。相反，这些项目是由移民律师和房地产律师建立的 - 这些人对美国证券交易委员会对证券注册的要求知之甚少，这些项目只是将EB-5投资从5人股权交易以机械式“扩大”到500人贷款基金。他们没有意识到这引发了许多证券法和公司信托义务。

EB-5计划不会善始善终的。它不能被“修复”。已经到处都是欺诈行为。

诚实的做法是让美国证券交易委员会承认该计划已经脱变成了骗局，即使“正常”项目也是如此。中国人的钱应归还给所有希望退出的投资者。

Douglas Litowitz Douglas is a law professor and securities attorney in Chicago who has lived and worked in Asia. He can be contacted by Doug and Zoe Ma at Litowitz@gmail.com, who is responsible for due diligence and handling complaints from Chinese investors. She can be reached at zoexma@yahoo.com.

contact us

Leave WeChat, you can receive the good news of the success of our EB5 investors' rights protection!

Email Address

SIGN UP

contact us

Hong Kong Zhendong Legal Services Consulting Company

Room 1405A, Lok Centre, 165-171 Wan Chai Road, Wanchai, Hong Kong

Micro signal EB5rights

SEND EMAIL

Copyright © 2018 Reviv-East Legal Service Consultants (Hong Kong) Hong Kong Zhendong Legal Services Consulting Co., Ltd. All Rights Reserved

Powered by GoDaddy GoCentral Website Builder

FILED: NEW YORK COUNTY CLERK 11/02/2018 07:08 PM

INDEX NO. 159222/2018

NYSCEF DOC. NO. 45

FILED: NEW YORK COUNTY CLERK 10/25/2018 04:06 PM

RECEIVED NYSCEF: 11/02/2018
INDEX NO. 159222/2018

NYSCEF DOC. NO. 34

RECEIVED NYSCEF: 10/25/2018

EXHIBIT "G"

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
(Chicago)

IN RE: DOUGLAS E. LITOWITZ. Case No. 18-00515
Debtor. Chapter 7

FIRST NATIONAL BANK OF OMAHA, Plaintiff,
v. **COMPLAINT SEEKING
EXCEPTION TO DISCHARGE
PURSUANT TO 11 U.S.C.
§523 (a) (2) (C) AND/OR
§523 (a) (2) (A)**

DOUGLAS E. LITOWITZ, A.P. No. 18-ap-_____
Defendant. Hon. Judge Goldgar

The Plaintiff, First National Bank of Omaha, by and through its attorney, and for its Complaint against the Defendant, avers and alleges as follows:

I. Parties and Jurisdiction

- 1. This Court has jurisdiction over this proceeding pursuant to 28 U.S.C. §1334 and §157.
- 2. This matter is a core proceeding pursuant to 28 U.S.C. §157.
- 3. The Defendant filed a Petition, and an Order for Relief was entered under 11 U.S.C Chapter 7 on January 8, 2018.
- 4. The Plaintiff is a named creditor in the above referenced bankruptcy proceeding and is objecting to the discharge of debts in this bankruptcy.

II. Facts and Background

- 5. The Defendant, Douglas E. Litowitz, was issued a credit card account by First National Bank of Omaha, number xxxx-xxxx-xxxx-3263, which account was opened on January 27, 2015.
- 6. On November 7, 2017, the Defendant was not using the Account that often and the Account was in good standing with a balance on the account was \$6,295.03.
- 7. Between November 7, 2017 and December 17, 2017, the Defendant made charges on the Account totaling \$3,960.01.

8. The Defendant's charges during this period, included, but were not limited to:

- a) Cash Advances in the amounts of \$1,500.00 and \$600.00;
- b) A charge to BLS in the amount of \$314.10;
- c) A charge to Hotwire Sales in the amount of \$371.65; and
- d) A charge to American Airlines in the amount of \$253.74.

See Copies of the Account Statements attached hereto as Exhibit A.

9. Prior to the above charging the Defendant went several months rarely using the Account.

10. Given the Defendant's monthly income, monthly living expenses, and circumstances as set forth in his sworn Schedules and sworn Statement of Financial Affairs, at the time the Defendant incurred the abovementioned \$3,960.01 in charges, the Defendant's monthly disposable income was not sufficient to pay for these transactions pursuant to the terms and conditions associated with the account.

III. First Cause of Action

11. Paragraphs 1 through 10 are hereby repeated and incorporated as if fully set forth herein.

12. The Defendant made approximately \$3,960.01 in purchases on the abovementioned account within 90 days of filing bankruptcy.

13. To the extent that the Defendant incurred luxury good purchases or services aggregating more than \$675.00 within ninety days of filing this Chapter 7 bankruptcy, said luxury good purchases or services are presumed nondischargeable pursuant to 11 U.S.C. §523 (a) (2) (C)(i).

14. Based on the location, frequency, and change in spending, the charges made during the 90-day period appear to be for luxury and/or non-necessity type goods or services.

15. Upon information and belief, the \$3,960.01 in charges made during the 90-day period were for luxury and/or non-necessity type goods or services and should not be discharged.

16. Cash Advances in excess of \$925.00 within 90 days of filing bankruptcy are also presumed to be nondischargeable.

17. Based on the foregoing, the charges incurred for luxury goods or services over \$675.00 and Cash Advances in excess of \$925.00 are non-dischargeable pursuant to 11 U.S.C. §523 (a) (2) (C).

IV. Second Cause of Action

18. Paragraphs 1 through 17 are hereby repeated and incorporated as if fully set forth herein.

19. Pursuant to the account agreement, the Defendant agreed to repay Plaintiff for the charges on the account by using the card and represented that he had the ability to repay for the charges.
20. When the Defendant made the \$3,960.01 in charges on these account, the Defendant represented that he had the intention to repay said debt to the Plaintiff pursuant to the terms of the account agreement and by use of the card.
21. The account statements are marked Exhibit A and attached hereto.
22. The Plaintiff relied upon the Defendant's representations of intent to repay the Plaintiff pursuant to the terms of the account agreement and representations of agreement to abide by the terms of the account agreement in allowing the Defendant to use the account and incur the \$4,236.06 in charges on the Account, as set forth in Exhibit A, attached hereto.
23. Although the Defendant knew or should have known that he would not be able to repay Plaintiff for these charges, the Defendant maxed out the credit card in less than two weeks and never made a valid payment on the Account.
24. The Defendant made large, unnecessary transactions in a short amount of time and never made a single payment on the Account while it was opened.
25. The Defendant charged excessively during a short period of time just prior to filing bankruptcy.
26. The Defendant either deliberately intended to deceive Plaintiff or acted recklessly with regard to his ability to pay Plaintiff for the \$3,960.01 in transactions.
27. The Plaintiff monitored the Defendant's card activity and credit worthiness on a monthly basis and there were no indications and/or "red flags" indicating that Defendant would not repay Plaintiff for these charges.
28. The Plaintiff was justified in its reliance upon the Defendant's representations of intent to repay the Plaintiff pursuant to the terms of the account agreement and representations of agreement to abide by the terms of the account agreement.
29. The Defendant incurred the abovementioned \$3,960.01 in charges on the Plaintiff's accounts at a time when the Defendant was unable to meet his existing financial obligations as they became due.
30. Based upon the above, at the time the Defendant incurred the abovementioned \$3,960.01 in charges, the Defendant intended to deceive the Plaintiff in that he either had no intention to repay said debt to the Plaintiff pursuant to the terms of the account agreement or the Defendants knew or should have known that he had no ability to repay said debt to the Plaintiff.

- 31. Based upon the above, at the time the Defendant incurred the abovementioned \$3,960.01 in charges, the Defendant deceived the Plaintiff in that he made such representations of intent to repay the Plaintiff pursuant to the terms of the account agreement and representations of agreement with knowledge that the Defendant was unable to repay Plaintiff or to abide by the terms of the account agreement with a reckless disregard as to the truthfulness of said representations.
- 32. Therefore, the Defendant obtained said money from the Plaintiff by false pretenses, false representation, or actual fraud, and at the time of filing, the debt owed to the plaintiff was in the amount of \$3,960.01 and for the above reasons, this indebtedness to Plaintiff, First National Bank of Omaha, is nondischargeable in bankruptcy pursuant to 11 U.S.C. §523 (a) (2) (A).

VI. Prayer for Relief

WHEREFORE, Plaintiff, First National Bank of Omaha, respectfully prays that this Court:

- A. Determine that the Defendant's indebtedness to the Plaintiff is an exception to discharge pursuant to 11 U.S.C. §523 (a) (2) (C) and/or §523 (a) (2) (A).
- B. Grant judgment to the Plaintiff, First National Bank of Omaha, against the Defendant, Douglas Litowitz, the amount of \$3,960.01 plus the \$350.00 Adversary Proceeding filing fee, for a total of \$4,310.01, plus the Plaintiff's other costs and disbursements incurred for the collection of this debt and of this action as permitted by applicable law, and
- C. Grant the Plaintiff such other and further relief as to this Court seems just and proper.

Dated:

FIRST NATIONAL BANK OF OMAHA

/s/Amy A. Aronson

Amy A. Aronson
Aronson & Walsh, PC
PO Box 5907
Vernon Hills, IL 60061
phone: 847-247-1810
amaronson@comast.net

FILED: NEW YORK COUNTY CLERK 11/02/2018 07:08 PM

INDEX NO. 159222/2018

~~NYSCEF DOC. NO. 45~~

FILED: NEW YORK COUNTY CLERK 10/25/2018 04:06 PM

RECEIVED NYSCEF: 11/02/2018
~~INDEX NO. 159222/2018~~

NYSCEF DOC. NO. 34

RECEIVED NYSCEF: 10/25/2018

Case 18-00114 Doc 1 Filed 03/29/18 Entered 03/29/18 17:14:07 Desc Main
Document Page 5 of 5

Attorneys for Plaintiff

FILED: NEW YORK COUNTY CLERK 11/02/2018 07:08 PM

INDEX NO. 159222/2018

NYSCEF DOC. NO. 45

FILED: NEW YORK COUNTY CLERK 10/25/2018 04:06 PM

RECEIVED NYSCEF: 11/02/2018
INDEX NO. 159222/2018

NYSCEF DOC. NO. 35

RECEIVED NYSCEF: 10/25/2018

EXHIBIT "H"

AGREEMENT TO PROVIDE LEGAL SERVICES

This Agreement dated _____, 2018 is made between _____ (“Client”) and Mr. Douglas Litowitz, attorney at law in the State and Federal Courts of Illinois (hereinafter referred to as “Attorney”). Mr. Douglas Litowitz, whose address is 413 Locust Place, Deerfield, IL 60015, is securities counsel of Reviv-East Legal Consultants (Hong Kong).

此协议由----- (客户) 和 Douglas Litowitz 先生 (律师) 签署，并于 2018 年 8 月 5 日生效。Douglas Litowitz 先生是一位伊利诺伊州的联邦和州级法庭的执照律师，地址是 413 Locust Place, Deerfield, IL 60015. Douglas Litowitz 先生是振东法律服务咨询公司的证券法顾问。

1. Legal Services to be provided. You agree that Attorney will represent your interests in the following matter:

1) Sending demand letter or filing complaints or lawsuits to obtain the refund of legal fees in the amount of US\$15,000 from your immigration attorney _____ and the return of investment in 701 TSO 1000 Funding LLC (“Fund”) in the amount of US\$500,000.

服务内容：您同意本律师在如下案件中作为您的代表律师：通过发律师函，投诉，或法庭起诉，向您的移民律师_____要求返还\$15,000美元的律师费,以及向 701 TSO 1000 Funding LLC (“基金公司”) 要求返还 \$500,000 美元的投资款。

2) Filing immigration petitions or communications with USCIS as requested. 根据您的要求，递交移民申请，与移民局沟通。

2. Additional Legal Services. If you need any other legal services that may not be related to the above matter, you and Attorney may make a new agreement to provide for such services. Without such agreements, Attorney is not required to provide any additional services.

如果您需要其他律师服务，您和本律师需要签订写的协议。律师在没有新协议的情况下没有义务为您提供其它法律服务。

3. Contingency-Based Legal Fees. 50% of the fees recovered from your immigration attorney and a portion of management fee recovered from the Fund will be retained by the Attorney along with legal fees awarded by Court as compensation for legal service provided by Attorney. 50% of fees recovered from your immigration attorney or a portion of management fee recovered from the Fund will be retained as compensation for service provided by Reviv-East Legal Service Consultants (Reviv-East). You will agree to pay a setup fee of \$1500 refundable if capital contribution not returned in 60 days. Unless otherwise specified, no other fees will be charged to you. All prior payment is not refundable.

风险律师费：移民律师费的 50%退款和基金管理费退款的一部分，以及法庭判决的律师费会做为律师的服务费。移民律师费的 50%退款和基金管理费退款的一部分将作为振东法律服务咨询(香港)公司的服务费。您同意预付 1500 美金的立案费，如果 60 天没有收回投资退款，立案费退回。除非另外声明，您不要求支付额外费用。以前支付的费用不会退还。

4. Your Responsibility. You must fully cooperate with Attorney and provide all information relevant to the issues involved in this matter. If you do not comply with these requirements, Attorney may ask to withdraw from representing you. Attorney will also withdraw at your request while entitled to compensation for service provided.

您的义务：您有义务全力配合律师并提供与案件相关的所以信息。如果您不能配合律师，本律师有权不再给您提供法律服务。如果您不再需要我们的法律服务，您也有权终止我们的法律服务,但是律师有权索取已提供服务的报酬。

5. Applicable Law. This agreement shall be governed by the laws of Illinois and sets forth the entire understanding of the parties and supersedes all other oral or written provisions. This agreement may not be changed or modified in the absence of a writing signed by all parties hereto. This agreement in English and Chinese has same force.

本协议适用法律：伊利诺伊州法律适用于本协议。本协议代表一切双方的共识并且代替一切以前的书面或者口头协议。此协议不能被更改，除非双方签字。本协议中英文本有同样效力。

6. Term of Agreement. This Agreement is valid for six months or until the end of legal proceedings. The attorney and Reviv-East are entitled to legal fee and consulting fee for service performed in case of recovery received if you terminate this agreement without mutual consent. Service is charged at \$400 per hour and \$200 per hour by attorney and Reviv-East respectively.

协议期限：本协议有效期 6 个月或直到法律流程结束。如果没有双方同意您终止本协议，在你收到退款后，律师和振东有权利要求你向律师和振东支付已提供的服务的报酬。律师和振东收费为每小时\$400 和\$200 美金。

7. Signatures. You and Attorney have read and agree to this Agreement. Attorney has answered all of your questions and fully explained this Agreement to your complete satisfaction. You have been given a copy of this Agreement.

签字：您已经审阅并同意此协议。律师已经解答了您的所有问题并已经给您解释了此协议的各项条款。您也已经收到这份协议。

BY SIGNING THIS AGREEMENT, I (WE) ACKNOWLEDGE THAT I (WE) HAVE READ IT, UNDERSTAND IT, AGREE TO ALL OF ITS TERMS, AND HAVE RECEIVED AN EXECUTED COPY OF IT.

通过签署本协议，我确认我已经审阅此协议并了解和同意以上所有条款。我已经收到了此份签字的协议。

<hr/> ("Client" 客户)	<hr/> Dated (日期)
<hr/> ("Attorney" 律师)	<hr/> Dated (日期)

FILED: NEW YORK COUNTY CLERK 11/02/2018 07:08 PM

INDEX NO. 159222/2018

FILED: NEW YORK COUNTY CLERK 10/25/2018 04:06 PM

RECEIVED NYSCEF 10/25/2018

NYSCEF DOC. NO. 36

RECEIVED NYSCEF: 10/25/2018

EXHIBIT "I"

DOUGLAS LITOWITZ
Attorney-at-Law
413 Locust Place Deerfield, IL 60015
312-622-2848 Litowitz@gmail.com

August 27, 2018

Justice Saliann Scarpulla
Supreme Court of the State of New York
Commercial Division, Courtroom 208
New York, NY 10007

Re: Ang et al. v. USIF LLC, Index No. 156339/2018

Dear Justice Scarpulla,

I am an Illinois lawyer who generally represents Chinese investors stuck in EB-5 projects. I am personally known to counsel for the Petitioners (Reid Wise) and the Respondents (Paul Hastings) and have discussed this case at length with them.

I represent a rapidly growing class of investors in the 701 project who voted in favor of redeploying their funds to the 702 project but who have now changed their minds and want to go to arbitration alongside the Petitioners. A large group of them, at least several dozen and perhaps up to ninety, sent a letter to the Respondents a week ago saying that they want to revoke their vote and consider a broader range of options, including getting their money back or investing in a different project from 702. I call them the "Former Option 1 Voters." They bolster the Petitioner's claim that the vote in this case was a fiasco whose consequences should be stayed pending arbitration.

As you may know, the Respondents claimed victory because they got a majority of votes to redeploy the money from 701 to 702. But if my clients revoke their votes, the majority no longer exists, and it is a game-changer for everyone.

At the risk of giving you a headache, I would like to request that my clients intervene under the permissive joinder rules as a new class of petitioners in support of the injunction and having their fate decided by arbitration. Given that my clients' withdrawal of their votes put the entire transaction in limbo, I think they should be added to the Petitioners as a new class in support of the injunction. Otherwise, they would have to file a separate case in federal court asking for the same relief based on the same facts. Attached is a draft Motion I would like to file. I would have to get a NY lawyer, I guess, unless you would let me file this one document from out of state. **We would not file any other pleadings in your Court, nor ask the Court for anything else.** We just want to get on record as making this filing and supporting the Petitioners motion for preliminary injunction. If this Court recognizes my clients, then the Respondents don't really have the votes to take action, and that is all the more reason that they should in fact be preliminarily enjoined from taking those actions.

Respectfully,


Doug Litowitz

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

-----X

In the matter of the Application of

YANG ANG, et. al.

Petitioners,

Index # 156339/2018

-against-

US Immigration Fund LLC – NY, 701
TSQ 1000 Funding GP LLC, 701 TSQ
Funding LLC, and NICHOLAS
MATROIANNI,

Judge Scarpulla

Respondents.

**MOTION TO INTERVENE
AS NEW CLASS OF
PETITONERS and
MEMORANDUM IN
SUPPORT**

NOW COMES non-parties Messrs. Wang and Chen, who are members of 701
TSQ 1000 Funding LLC (the "701 Fund"), individually and for all others similarly
situated (referred to herein as "Former Option 1 Voters"). For their Motion, by the
undersigned counsel, they state as follows:

The Former Option 1 Voters move this Court to allow them to intervene
under permissive joinder as Petitioners, and ask only that they be sent to arbitration
along with the Petitioners, if the Petitioners prevail in the injunction.

The Former Option 1 Voters have virtually identical questions of law and fact as the Petitioners, with the sole exception being that they voted in favor of redeployment of the 701 Fund into its sister Fund ("702 Fund") and now want to reverse their votes and have their fate decided in the same manner as Petitioners. The reversal of their votes would change the outcome of the vote on July 5, 2018 which is the heart of this action, and so their joinder is absolutely necessary for a fair resolution of this matter.

FACTS RELEVANT TO THIS INTERPLEADER REQUEST

1. The instant case is a demand for injunctive relief to set aside the consequences of a hastily arranged vote of the members of the 701 Fund, and to send the matter to arbitration.

2. The vote of members was occasioned because the Fund loaned out money and then accepted repayment prior to the earliest possible repayment date. The Fund managers decided to redeploy the money into their affiliated project next door, but a prerequisite was that they needed sufficient votes to amend the Fund's Operating Agreement. So they called a vote authorizing redeployment and amendment of the Operating Agreement by sending out a Consent Solicitation Statement on or about June 5th which set forth a limited range of options.

3. The voting process was handled with the professionalism of a 5th grade election for Class Treasurer. The vote was polluted by a witches' brew of misinformation, threats, confusion, cease-and-desist letters, and general disorder

coming from every angle at once. Some Chinese members were destabilized to the point of nervous breakdowns and sought medical treatment.

4. A voting process, so to speak, was held on July 5 and on July 12 amid a general rancor. Here were the results:

188 members voted for **Option 1**: to redeploy their capital contribution into Fund 702, and to amend the Operating Agreement to make clear that such redeployment was permissible going forward;

43 members voted for **Option 2**: to obtain a cash return of their investment from the Fund in 30 days, but - before closing the screen door on their way out, as it were - to amend the Operating Agreement to make clear that the redeployment in Option 1 was permissible going forward;

124 members decided not to vote, which defaulted them to **Option 3**, a kind of purgatory, where their money *might* come back some day and their fate as potential residents was thrown to the winds. They retained counsel to file this action for an injunction to set aside the vote and to move the matter to arbitration. Presumably, arbitration will give the members a wider choice of projects in which to redeploy their capital contributions;

The remaining 45 are running around loose in China either oblivious to the voting process, paralyzed with inaction, or changing their minds.

5. Here is the key point: It was mostly because of the Option 1 voters that the managers declared victory by getting a majority of votes.

6. But the Former Option 1 Voters have changed their minds and want to reverse their choice on the grounds of self-dealing and misrepresentation of

material facts by the Fund manager, thereby erasing the majority proclaimed by the Fund managers. *This means that the vote for redeployment did not pass.*

A NEW CLASS OF PLAINTIFFS

7. Messrs. Wang and Chen voted for Option 1 but now want to reverse their choice. That is why they are called *Former Option 1 Voters*.

8. It is hard to gauge an exact number of the Former Option 1 Voters, but judging from our online discussions, it is conservatively in the several dozens, enough to void the majority vote in favor of redeployment to 702 project and amend the Operating Agreement.

9. In fact, on August 20, 2018, about 90 Former Option 1 Voters sent a letter to USIF Regional Center saying that they feel that their vote was coerced and that they want to set aside the vote and obtain a greater range of options. See Exhibit 1.

10. They also claim to be coerced by Qiaowai, a Chinese “migration agent” (a code word for glorified travel agent and unlicensed broker-dealer who has no Chinese authority to raise money or corral Chinese investors to US deals). Qiaowai is the Fund manager’s covert agent in China, who wrote to all investors on July 3rd and urged them to redeploy their investment and not to believe outside lawyers. See Exhibit 2. These and other communications from Qiaowai were sent about securities offered in the United States, raising serious issues of Section 10(b) violations, lack of broker-dealer licenses (no party involved here had a license) and a violation of the Notice in the Consent Solicitation Statement at Roman Numeral vii:

No other broker, dealer, agent, salesperson, or other person have been authorized to give any information or make any representation (oral or written) not contained in this Consent Solicitation Statement, and, if given or made, such information or representation must not be relied upon as having been authorized by the Manager or the Company.

11. The Former Option 1 Voters seek to have their claims heard in arbitration alongside the Petitioners, where they will demand the following:

i. An opinion from the USCIS or a neutral law firm (not chosen by the Fund's managers) that the repayment accepted by the Fund does not create a material change affecting 701 investors' eligibility for immigration benefits, as well as the question of whether redeployment is even necessary in the first place, i.e., whether they can just keep the money in their capital account until they are granted conditional permanent residency and still satisfy EB-5 regulations;

ii. If the 701 project and 702 project are owned almost by the same parties after the sale, they want to know why they were not given the option to simply remain in the 701 capital structure, perhaps as a junior secured lender;

iii. If redeployment is necessary and they cannot remain in the 701 capital structure, they should be offered more options and able to choose a project of their own liking;

iv. Since the machinations of the Fund managers have put the EB-5 eligibility into question by forcing a potential material change in the original investment plan, the Former Option 1 Voters want the option to withdraw entirely from the EB-5 process and obtain a FULL refund of \$550,000 without having to amend the Operating Agreement;

v. Qiaowai should NOT be a co-owner as designated in the Amended Operating Agreement or have anything whatsoever to do with the 701 or 702 projects since the members did not vote for them to have this role;

vi. Qiaowai should be barred from any communications with 701 members and receive NO compensation from Respondents related to 701 and 702 investment, since they (Qiaowai) are not licensed as a US broker-dealer and should not be bombarding investors in US securities with messages on behalf of Respondents; and

vii. Since the money paid to Qiaowai is (and has already) come out of the investors' management fee, the investors should see all agreements between Qiaowai and parties to this transaction, including any deals with the Fund and the developer.

12. These demands are based on the same facts and conclusions of law as set forth by the Petitioners in the underlying action, and can be resolved in the same arbitration.

13. No additional burden will be put on this Court, nor will duplicative pleadings be necessary.

Memorandum

14. The Civil Practice Laws and Rules CVP section 1002(a) allows permissive joinder of plaintiffs:

(a) Plaintiffs. Persons who assert any right to relief jointly, severally, or in the alternative arising out of the same transaction, occurrence, or series of transactions or occurrences, may join in one action as plaintiffs if any common question of law or fact would arise.

This is easily satisfied here, because the Former Option 1 Voters are seeking a remedy for the same exact transaction and occurrences as the existing Petitioners.

Both sets of plaintiffs have the same questions of law and fact - namely whether the vote of members was lawful, and if not, what consequences follow.

15. The Civil Practice Laws and Rules CVP section 1013 allow parties to intervene in the discretion of the Court if there are common questions of law and fact, and it will not cause undue delay or prejudice.

16. In this case, intervention will not cause any extra delay or prejudice but will in fact allow the Court to clear up the fate of more persons affected by the facts and law presented already.

17. New York law allows wide discretion for judges to allow intervention. *Matter of Romeo v. N.Y. State Dept. of Educ.*, 39 AD3d 916, 917 (3rd Dept. 2007)(“Intervention can occur at any time”).

18. The Former Option 1 Voters believe that joinder as Petitioners - perhaps in the form of a new class - would help bring about clarity and resolution of the mess that the managers of the Fund have created.

19. Alternatively, if the Court thinks it more appropriate, the Former Option 1 Voters can file a separate action against the same defendants, either in state or federal court. But since so many common issues predominate, and the matter can be easily solved by allowing the Former Option 1 Voters to join the arbitration, we think that this is the path favored by judicial economy.

20. The Former Option 1 Voters do NOT seek a determination on the merits from this Court. They are aware that this is not a plenary case, but is a special proceeding for a preliminary injunction to hold status quo pending arbitration per Civil Practice Laws and Rules CVP section 7502(c).

21. Accordingly, the Former Option 1 Voters merely ask to be placed alongside the Petitioners and sent to arbitration along with them. This is a procedural matter of judicial economy and not a request for a decision awarding any recovery or judgment in favor of the Former Option 1 Voters.

WHEREFORE, Messrs. Wang and Chen respectfully request to Intervene in this Action *instanter*, in the form of a new group of Petitioners who are moved into arbitration along with the Petitioners.

Dated: August 27, 2018

Respectfully Submitted,

/s/ Douglas Litowitz

Licensed in Illinois
Attorney for Wang and Chen

EXHIBIT 1



Dlitowitz . <litowitz@gmail.com>

Demand Letter from 701 Option One Investor

1 message

reviv-east01 <reviv-east01@foxmail.com>

Fri, Aug 24, 2018 at 11:22 AM

To: "jason@usifund.com" <jason@usifund.com>, litowitz <litowitz@gmail.com>

Jason,

Below is a Demand Letter from 701 Option 1 investors sent to USIF on Aug 20 requesting equal rights to investment alternatives and withdrawal. Such damaging demand letter from your supposedly most loyal investors doesn't speak well for USIF's reputation and credibility. To help you understand their demands, I enclose Google translation.

Zoe Ma
Chief Investigator

Reviv-East Legal Service Consultants (HK) Ltd.
振东法律服务咨询 (香港)
<http://eb5rights.com>

尊敬的美国移民基金公司及侨外公司:

据聘请律师的投资人反映, 他们正在和你们基金公司协商, 你们基金公司可能会将聘请律师保卡人的投资款, 同意投到风险比较小的地产基金, 或是最终投702也是夹层贷款而不是股权。如果是这样的话对我们选1的保卡人就太不公平了。如果真是这样的话, 我们选1的人也要聘请律师, 要求你们基金公司把我们的投资款投到风险较小的地产基金或夹层贷款。希望你们能修改一下投702的新运营协议的部分不合理条款, 承担各自的责任, 对待701全部投资人的标准是一样的, 给选1的投资人一个满意的答复。

当初我们选1时是说如果不选则按3, 现在不选的人不但没有按3, 还比选1的条件优厚, 这就代表当初的选择选项是不合理和没有效力的, 所以我们选1的群体要求的待遇一定要优于不选的。

在基金公司最需要702投资和投票表决决定变更的时候, 我们支持了基金公司, 理应得到更好的优先顺位和回报, 包括可以中途退出获得退款。而你们基金公司在投票截止日后不顾保卡选1投资人利益一而再而三出尔反尔言而无信, 让我们感到非常失望。经701保卡选1全体投资人沟通商量后, 提出以上问题及要求, 希望你们认真对待并将项目进展及后续详情汇报给我们保卡选1投资人。我们将保留法律追究的权利。

701项目保卡选1全体投资人:.....2018.8.20

Dear American Immigration Fund Company and Overseas Chinese Company:

According to the investors who hired lawyers, they are negotiating with your fund company. Your fund company may accept the investment of the lawyer's investors and agree to invest in a less risky property. The fund, or the final investment in 702, is also a mezzanine loan rather than an equity. If this is the case, it would be unfair for us who voted for Option 1. If this is the case, we will also hire a lawyer to ask your fund company to invest our investment funds in less risky real estate funds or mezzanine loans. I hope that you can modify some of the unreasonable clauses of the new operating agreement of 702 and assume their respective responsibilities. The treatment for all 701 investors should be the same, and a satisfactory answer should be given to investors who voted Option one.

When we voted for Option 1 at the beginning, we were told that if we did not vote, we would be treated as Option 3. The people who did not vote not only were not deemed as Option 3, but also had better conditions than those who voted for Option 1. This means that the original vote options were unreasonable and voidable, so we demand our group of Option 1 voters must be treated better than those didn't vote.

When the fund company desperately needs investment to 702 project and votes to approve the Amended Agreement, we supported the fund company. For this we deserve a better lien position and return, including the possibility of withdrawing from fund during the process. However, we are very disappointed that your fund company ignored the interests of our investors and repeatedly backtracked on your promises after the voting deadline.

After communication and discussion by all 701 Option 1 investors we put forward the above questions and demands. We hope you take it seriously and keep us informed of the progress of the development and the follow-up. We reserve the right to take legal actions.

701 project all Option 1 investors ...2018.8.20

Exhibit 2

WARM REMINDER

Hello, 701 project investors!

Recently, many investors have received emails or WeChat notifications that claim to be from 701 investors. The notices say that redeployment by USIF is not beneficial to investors, and asks 701 investors not to vote for any options. These are selfish people who send notices based on their own private interests, and do not represent the whole crowd. Therefore, we hope that investors will carefully consider the following issues and treat them rationally:

1. About the disclosure of customer personal information. We will never give customers information to third parties without your permission. It is recommended that when investors join a chat room, protect your own personal information. Avoid personal information being used by people with ulterior motives.
2. For the 701 reinvestment project, regarding the letter provided by USIF, the investor should make his own decision on your own situation and future plans.
3. Consider when you hire a lawyer, can the lawyer really make the right decision for you about risking money and getting or not getting a green card? **In the end, your lawyer doesn't deal with the consequences because your lawyer will be free of consequences under the legal system. If there is risk in the future, it is on you and not on the lawyer.**
4. Reinvestment requires a clear written response from the investor. **If the investor does not make a choice, the USIF will have to notify all of the investor's information to USCIS. An immigration lawyer that you hire will not know the whole story because they were not involved in the drafting and review of project documents.**

Overseas Chinese Group Shaanxi Branch
July 03, 2018

*Translation from Chinese by Yiwen Chen of Deerfield, Illinois,
a native Taiwanese who has lived in the US for 20 years.
Vickiichen@hotmail.com (emphasis added)*

FILED: NEW YORK COUNTY CLERK 11/02/2018 07:08 PM

INDEX NO. 159222/2018

NYSCEF DOC. NO. 45

FILED: NEW YORK COUNTY CLERK 10/25/2018 04:06 PM

RECEIVED NYSCEF: 11/02/2018
INDEX NO. 159222/2018

NYSCEF DOC. NO. 37

RECEIVED NYSCEF: 10/25/2018

EXHIBIT "J"

CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement is entered into as of September 6, 2018, by and among the undersigned counsel for the individuals named on **Exhibit A** and signatory hereto (the "**Petitioners**"), U.S. Immigration Fund-NY LLC, (the "**Regional Center**"), 701 TSQ 1000 Funding GP, LLC (the "**Manager**"), 701 TSQ 1000 Funding, LLC (the "**Company**"), and Nicholas Mastroianni ("**Mastroianni**") and together with the Regional Center, the Manager and the Company, the "**Respondents**"), and Douglas Litowitz ("**Litowitz**"), as counsel for **Ling Xue Yajuan Chen, Yu Zhang, Xuezheng Ding, Jiangman Chen, Juan Wang, Lina Yan, Yu Wang, Xiaohong Li** ("the "**Litowitz Clients**"). Each of the foregoing is a "**Party**" and they are collectively referred to herein as "**the Parties**."

Recitals

WHEREAS the Petitioners filed a petition (the "**Petition**") for injunctive relief against the Respondents in aid of arbitration encaptioned *Yang Ang et al. v. U.S. Immigration Fund LLP et al.* before the Supreme Court of the State of New York, County of New York (Index No. 156339/2018) (the "**Proceeding**"), and submitted and served a demand for arbitration (the "**Demand**") against the Respondents before JAMS (the "**Arbitration**");

WHEREAS Petitioners and Respondents, on August 26, 2018, executed a Compromise Term Sheet (the "**Term Sheet**") outlining the terms pursuant to which Petitioners and Respondents agreed to proceed to negotiation of a definitive settlement agreement to settle the Proceeding and the Arbitration;

WHEREAS Litowitz, on August 27, 2018, notified the court in the Proceeding that his clients seek to intervene in the Proceeding;

WHEREAS on August 31, 2018, the court before which the Proceeding is pending ordered Petitioners and Respondents to provide Litowitz with the terms of their agreed-upon settlement subject to an "attorney-eyes only" confidentiality agreement; and

THEREFORE, in consideration of the above recitals and the mutual covenants contained herein, the receipt and sufficiency of which is acknowledged by the undersigned, the Parties hereby agree as follows:

1. Any documents provided to Litowitz by Petitioners or Respondents will be treated as "Attorneys' Eyes Only" material, which Litowitz may not disclose to any other person or party, including the Litowitz Clients, although Litowitz is permitted to discuss the substance of information contained in "Attorneys' Eyes Only" material with the Litowitz Clients, subject to their written agreement not to disclose any such information to any other party or person.
2. Any "Attorneys' Eyes Only" material shall be utilized by Litowitz solely for purposes of determining whether the Litowitz Clients will join the agreed-upon settlement between Petitioners and Respondents, and for no other purposes.
3. Nothing herein shall be deemed to waive any privilege recognized by law, or shall be deemed an admission as to the admissibility of evidence of any facts or documents revealed in the course of disclosure.

4. By Monday, September 10, 2018, Litowitz shall either return any "Attorneys' Eyes Only" material to Petitioners and Respondents, or destroy that material, at the option of Petitioners and Respondents. In the event that Litowitz destroys physical objects and documents, he shall certify in writing within fifteen (15) days after destruction that he has undertaken its best efforts to destroy such physical objects and documents, and that such physical objects and documents have been destroyed to the best of his knowledge.

5. This Confidentiality Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York without regard to any conflict of law provisions thereof that would cause the application of the laws of any jurisdiction other than the state of New York. The Parties hereby irrevocably: (a) submit to the jurisdiction of any court of the State of New York or any federal court sitting in the State of York for the purposes of any suit, action or other proceeding arising out of this Confidentiality Agreement which is brought by or against either Party; (b) agree that all claims in respect of any suit, action or proceeding may be heard and determined in any such court; and (c) to the extent that any Party has acquired, or hereafter may acquire, any immunity from jurisdiction of any such court or from any legal process therein, such Party hereby waives, to the fullest extent permitted by law, such immunity. The Parties hereby waive, and the Parties agree not to assert in any such suit, action or proceeding, in each case, to the fullest extent permitted by applicable law, any claim that: (i) it is not personally subject to the jurisdiction of any such court; (ii) it is immune from any legal process (whether through service or notice, attachment prior to judgment, attachment in the aid of execution, execution or otherwise) with respect to it or its property; (iii) any such suit, action or proceeding is brought in an inconvenient forum; (iv) the venue of any such suit, action or proceeding is improper; or (v) this Confidentiality Agreement may not be enforced in or by any such court.

Matthew Sava
REID & WISE LLC
One Penn Plaza, Suite 2015
New York, NY 10119
P: 212-858-9968
Attorneys for Petitioners

Kevin Logue
Shahzeb Lari
PAUL HASTINGS LLP
200 Park Avenue
New York, NY 10166
P: 212-318-6000
Attorneys for Respondents

/s/ Douglas Litowitz

Douglas Litowitz
413 Locust Place
Deerfield, IL 60015
Attorney for the Litowitz Clients

**EXHIBIT A
LIST OF PETITIONERS**

No.	First Name	Last Name	No.	First Name	Last Name	No.	First Name	Last Name
1	Yang	Ang	43	Yufei	Luo	85	Guofen	Xu
2	Renyi	Cao	44	Kai	Luo	86	Dongyan	Xu
3	Fenghua	Chen	45	Zhenbin	Mo	87	Pei	Xu
4	Weilun	Chen	46	Yongkun	Pan	88	Zixi	Xu
5	Jiang	Chen	47	Qingli	Pang	89	Jiewei	Xu
6	Jingke	Chen	48	Jing	Peng	90	Yan	Yang
7	Weiqi	Chen	49	Yan	Ren	91	Zhiwei	Yao
8	Xiuling	Chen	50	Anqi	Shi	92	Jianjun	Yin
9	Guojian	Chen	51	Yujia	Shi	93	Jia	Yu
10	Jian	Cheng	52	Li	Shi	94	Liu	Yuan
11	Jihong	Cui	53	Ling	Su	95	Hu	Zeng
12	Wenting	Cui	54	Haitao	Sun	96	Haiying	Zeng
13	Chengling	Deng	55	Zhaohong	Sun	97	Xiaolin	Zeng
14	Yihong	Ding	56	Yanfu	Sun	98	Meiling	Zhan
15	Jing	Fu	57	Jian	Sun	99	Wei	Zhang
16	Juanjuan	Fu	58	Li	Sun	100	Yanping	Zhang
17	Hongmei	Fu	59	Li	Sun	101	Weifan	Zhang
18	Rao	Fu	60	Wei	Sun	102	Jie	Zhang
19	Dan	Gao	61	Xiangqiong	Tang	103	Jianbo	Zhang
20	Ziming	Gu	62	Rujun	Tao	104	Jieyun	Zhang
21	Yan	Gu	63	Jing	Tian	105	Jinsong	Zhang
22	Jianghong	He	64	Airong	Tian	106	Qi	Zhang
23	Jun	He	65	Xiaonan	Wang	107	Xiaohui	Zhang
24	Mingyuan	Hua	66	Fubao	Wang	108	Yan	Zhang
25	Zehong	Huang	67	Ye	Wang	109	Yan	Zhang
26	Bei	Huang	68	Xiaoting	Wang	110	Yuchi	Zhang
27	Xiaoyan	Huang	69	Aihua	Wang	111	Ying	Zhang
28	Jianping	Jiang	70	Zhen	Wang	112	Mumu	Zhao
29	Yan	Jin	71	Biqing	Wang	113	Zichu	Zheng
30	Xiaonan	Jing	72	Qun	Wang	114	Qun	Zhou
31	Guilan	Ju	73	Yiyu	Wang	115	Juan	Zhou
32	Lihua	Kui	74	Shan	Wang	116	Jingxing	Zhou
33	Huiqiang	Li	75	Xiaohong	Wu	117	Yamin	Zhu
34	Qin	Li	76	Shuzhen	Wu			
35	Yunshan	Li	77	Jiaping	Wu			
36	Xiaohong	Li	78	Zhaohui	Wu			
37	Zhen	Li	79	Dong	Wu			
38	Haojun	Ling	80	Zuohan	Xiahou			
39	Xiaoyang	Liu	81	Yan	Xiao			
40	Fen	Liu	82	Xiao	Xiao			
41	Yihua	Liu	83	Chun	Xie			
42	Jin	Liu	84	Hong	Xie			

FILED: NEW YORK COUNTY CLERK 11/02/2018 07:08 PM

INDEX NO. 159222/2018

FILED: NEW YORK COUNTY CLERK 10/25/2018 04:06 PM

RECEIVED NYSCEF: 11/02/2018

NYSCEF DOC. NO. 38

RECEIVED NYSCEF: 10/25/2018

EXHIBIT "K"

From: reviv-east01 <reviv-east01@foxmail.com>
Sent: Monday, August 06, 2018 6:28 AM
To: jason@usifund.com
Subject: 转发: SONG QIMIN WAC#1590273636 退款申请 (附签名文件)
Attachments: 新文档 2018-08-03 11.47.42_20180803114800090.pdf

Jason,

Attached is the executed withdrawal documents by Song Qimin. Let me know if you have any questions.

Regards,

Zoe

Reviv-East Legal Service Consultants (HK) Ltd.
 振东法律服务咨询 (香港)
<http://eb5rights.com>

----- 原始邮件 -----

发件人: "Wu W." <402400301@qq.com>
发送时间: 2018年8月6日(星期一) 中午12:01
收件人: "Investors" <investors@usifund.com>; "Michael@hhchang.com" <michael.hhchang.com>
抄送: "reviv-east01" <reviv-east01@foxmail.com>; "litowitz" <litowitz@gmail.com>
主题: SONG QIMIN WAC#1590273636 退款申请 (附签名文件)

附件:

附件是我刚刚发的 withdrawal packet。今天我也会留原件用顺丰寄到香港。

以下信息供参考:

Bank Name: STANDARD CHARTERED BANK (HONG KONG) LIMITED
 Bank Address: 4-4A DES VOEUX ROAD, CENTRAL, HONG KONG
 Account Holder Name: SONG QIMIN
 Account Number: [REDACTED] 953
 Swift or Sort Code: SCBLHK33XXX

谢谢!

宋庭敏 SONG QIMIN
 WAC# 1590273636

Request to Withdraw Subscription from 701 TSQ 1000 Funding, LLC

The undersigned is a Member of 701 TSQ 1000 Funding, LLC pursuant to that certain Subscription Agreement dated March 11, 2015. The undersigned purchased one Unit in exchange for a Capital Contribution of \$500,000.00 and paid an Administrative Fee of \$50,000 to the appointed escrow account of the Company on March 16, 2015.

The undersigned requests to withdraw his or her Subscription in the Company and requests a refund of his or her Capital Contribution. The undersigned agrees he or she will submit evidence to the Company of his or her immigration attorney having contacted USCIS to revoke his or her I-526 Petition prior to the return of the Capital Contribution. The undersigned understands the Company will return the capital contribution within 30 days; provided, however that the aforementioned evidence and documents accompanying this form are first completed and returned.

Reason for Request to Withdraw Subscription:

Please check the box that applies, provide details as to the reason for the request.

Age-out:

I-526 Petition Principal Applicant Deceased, Disabled, Incapacitated or Adjudicated Incompetent:

✓ Other: Backlog

Refund Payment Details:

Bank Name: STANDARD CHARTERED BANK (HONG KONG) LIMITED
Bank Address: 4-4A DES VOEUX ROAD, CENTRAL, HONG KONG
Account Holder Name(s): SONG QIMIN
Account Number: [REDACTED] 6951
Swift or Sort Code: SCBLAKHHXXX
ABA #:

Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Subscription Agreement.

IN WITNESS WHEREOF, the undersigned has executed this request as of the date set forth below.

Signature: 宋启敏

Print or Type Name: SONG QIMIN

Date: Aug 2, 2018

FILED: NEW YORK COUNTY CLERK 11/02/2018 07:08 PM

INDEX NO. 159222/2018

NYSCEF DOC. NO. 45

FILED: NEW YORK COUNTY CLERK 10/25/2018 04:06 PM

RECEIVED NYSCEF 10/25/2018

NYSCEF DOC. NO. 38

RECEIVED NYSCEF: 10/25/2018

Please send your completed form to:

701 TSQ 1000 Funding GP, LLC
C/O U.S. Immigration Fund, LLC
115 Front Street
Suite 300
Jupiter, FL 33477
Attention: Investor Relations
Email: investors@usifund.com

701 TSQ 1000 Funding, LLC

115 Front Street
Suite 300
Jupiter, Florida 33477

Aug 2, 2018

Mrs. Qimin Song
Room 111, Hubei Baofeng Building
South Bao'an Road, Luohu District
Shenzhen City, Guangdong Province
P.R. China 518001

Re: 701 TSQ 1000 Funding, LLC (the "Company")
Offering Registration No.

Dear Mrs. Song ("you" or the "Investor"):

We are in receipt of your Request to Withdraw Subscription from 701 TSQ 1000 Funding, LLC dated Aug 2, 2018. We refer to the Subscription Agreement dated March 11, 2015 (the "Subscription Agreement"). The Investor:

- (a) has voluntarily submitted a requested to withdraw his or her I-526 Petition to USCIS and voluntarily seeks to withdraw from the Company. He or she understands his or her withdrawal will cause the revocation of immigration benefits arising from his or her Capital Contribution, including loss of eligibility for removal of conditions to permanent residency;
- (b) agrees that the Subscription Agreement shall terminate with immediate effect and all rights and obligations contained in the Subscription Agreement shall cease to have any force or effect;
- (c) irrevocably and unconditionally releases and discharges the Company, U.S. Immigration Fund, LLC, U.S. Immigration Fund – NY, LLC, the Developer, Escrow Agent and their predecessors, successors, subsidiaries, affiliates, officers, directors, general partners, managers, employees, attorneys, insurers, agents, representatives and assigns, past, present or future (the "Releasees") from any and all claims, losses, liabilities, obligations, suits, debts, liens, contracts, agreements, promises, demands and damages, of any nature whatsoever, known or unknown, suspected or unsuspected, fixed or contingent, that the Investor ever had, now has, or hereafter may have, related to or arising out of the Subscription Agreement, Operating Agreement, Escrow Agreement and the related Project and Offering; and
- (d) confirms that the return of his or her capital contribution in the amount of \$500,000.00 constitutes full and final satisfaction of all sums due to the Investor from the Releasees.

Entire Agreement. This Agreement ("Agreement") constitutes a single integrated written contract that expresses the entire agreement and understanding between the undersigned parties

(the "Parties"). This Agreement supersedes all prior communications, negotiations and understandings between the Parties and their representatives regarding the matters addressed by this Agreement. Except as explicitly set forth in this Agreement, there are no representations, warranties, promises, or inducements, whether oral, written, expressed, or implied, that in any way affect or condition the validity of this Agreement or alter its terms. This Agreement may not be altered, modified, terminated or discharged except by a writing signed by each of the Parties. This Agreement shall be binding upon, and shall inure to the benefit of, the Parties hereto and their respective heirs, estates, successors, legal representatives, parent companies, subsidiaries, affiliates and assigns. It is understood and agreed that the Parties hereto shall be deemed to have prepared this Agreement, such that no party shall be considered the drafter.

Waiver. No waiver of any of the terms, conditions or provisions of this Agreement shall be binding unless such waiver is agreed to and acknowledged in writing by each of the Parties.

Facsimile and Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one and the same Agreement, and facsimile signatures shall be as binding as original signatures.

Governing Law; Jurisdiction. This Agreement shall be interpreted construed, enforced and administered in accordance with the laws of the State of New York. Each of the Parties consents to the jurisdiction of any court in New York, New York for any action arising out of matters related to this Agreement. Each of the Parties hereby waives the right to commence an action in connection with this Agreement in any court outside of New York County, New York.

Confidentiality; Non-disparagement. The terms and conditions of this agreement are absolutely confidential between the parties and shall not be disclosed to anyone else, except as shall be necessary to effectuate its terms. Any disclosure in violation of this section shall be deemed a material breach of this agreement. The Investor further agrees he/she will not disparage the Releasees or otherwise take any action which could reasonably be expected to adversely affect the personal or professional reputation of the Releasees. Please be advised that the information contained in the documents previously provided to you is confidential and such documents should be destroyed immediately or returned to the Company. Effective as of the date of the Company's countersignature, the Investor shall cease to be a Member of the Company.

No Admission of Liability. It is expressly understood and agreed that the payment and acceptance of the above-stated amounts, and the releases as hereinbefore described, are not admissions of liability by any party hereto, and that they are in full accord and satisfaction of disputed claims the parties have or may have as result of the Subscription Agreement, Escrow Agreement and the related Project and Offering and/or the investment in Company by the Investor.

Capitalized terms used herein but otherwise not defined shall have the meanings ascribed to such terms in the Subscription Agreement

If the terms of this letter are acceptable to you, please sign below and return to the Company at



701 TSQ 1000 Funding GP, LLC
C/O U.S. Immigration Fund – NY, LLC
115 Front Street
Suite 300
Jupiter, Florida 33477
Attention: Investor Relations Manager

Sincerely,

701 TSQ 1000 Funding, LLC

By: 701 TSQ 1000 Funding GP, LLC
its Manager

By: NYC 1000 Investments, LLC, its Manager

By: _____
Nicholas A. Mastroianni, II
Manager

Confirmation and Acknowledgment:

Please confirm and acknowledge that you have reviewed this letter and understand its words, terms and effects and understand that by executing this letter you will no longer be a member/subscriber in the Company.

Signature: 宗启敏

Investor Name: SONG QIMIN

Date: Aug 2, 2018



**PERSONAL REQUEST TO WITHDRAW AND
TERMINATE EB-5 VISA PROCESS**

July Aug, 2 . 2018

Attention:

USCIS-Immigration Investor Program
131 M Street, NE
Mailstop 2235
Washington, D.C. 20529

Via Federal Express and by email to: USCIS.ImmigrantInvestorProgram@dhs.gov

- And -

National Visa Center
Attn: DR
31 Rochester Ave. Suite 100
Portsmouth, NH 03801-2914

Via Federal Express and by email to: NVCelectronic@state.gov

Re: Withdrawal of Form I-526 and Terminate EB-5 Visa Process
Regional Center: U.S. Immigration Fund-NY, LLC
Project: 701 TSQ 1000 Funding, LLC
Investor Name: Qimin SONG ("Investor")
Receipt No.: [REDACTED]

Dear Officer:

I, the above-mentioned Investor, am writing to notify U.S. Citizenship & Immigration Services ("USCIS") and the U.S. Department of State's National Visa Center ("NVC") that I have decided to not continue the I-526 Immigrant Petition for Alien Entrepreneur visa petition, and that I seek to terminate my EB-5 visa process.

Accordingly, I hereby inform you that I have, of my own volition, requested the full return of my capital contribution from the new commercial enterprise and to irrevocably withdraw from the Project (please see the attached executed documents evidencing the same). I respectfully request USCIS and the NVC to withdraw and/or abandon my I-526 visa petition from adjudication and visa processing, thereby terminating my visa process. I attach a copy of my I-797C Receipt Notice or I-797 Approval Notice for Form I-526, as the case may be, for your convenience.

Should there be any questions or should USCIS require additional information, please do not hesitate to contact me at the following contact details:

Name: Qimin Song	Email: [REDACTED]
Address: Room 111, Hubei Baofeng Building South Bao'an Road, Luohu District Shenzhen City, Guangdong Province P.R. China 518001	Mobile Phone: [REDACTED]

Sincerely,

INVESTOR: (signature)

宋启敏

Name: SONG QIMIN
(please write name)

COPY OF INVESTOR'S

I-797 RECEIPT OR APPROVAL NOTICE FOR I-526 VISA PROCESS IS ATTACHED HERETO



Department of Homeland Security
U.S. Citizenship and Immigration Services

I-797, Notice of Action



RECEIPT NUMBER [REDACTED]		CASE TYPE IS26 IMMIGRANT PETITION BY ALIEN ENTREPRENEUR
RECEIPT DATE April 16, 2015	PRIORITY DATE April 14, 2015	APPLICANT SONG, QIMIN
NOTICE DATE August 22, 2016	PAGE 1 of 1	
HSIEN HAO CHANG LAW OFFICE OF CHANG HSIEN HAO 230 SECTION 3 BA DE ROAD FLR 7 TAIPEI CITY NA 10555 TAIWAN		Notice Type: Approval Notice Section: Investor - Target employment area, 203(b) (5) (C) (iii) INA

The above petition has been approved.

We have sent it to the Department of State National Visa Center (NVC), 32 Rochester Avenue, Portsmouth, NH 03801-2909. NVC processes all approved immigrant visa petitions that need consular action and also determines which consular post is the appropriate consulate to complete visa processing. The NVC will then forward the approved petition to that consulate.

This completes all USCIS action on this petition. You should allow a minimum of 30 days for Department of State processing before contacting the NVC. If you have not received any correspondence from the NVC within 30 days, you may contact the NVC by e-mail at NVCINQUIRY@state.gov. You will need to enter the USCIS receipt number from this approval notice in the subject line. In order to receive information about your petition, you will need to include the Petitioner's name and date of birth, and the Applicant's name and date of birth, in the body of the e-mail.

The NVC will contact the person for whom you are petitioning concerning further immigrant visa processing steps.

Please read the back of this form carefully for more information.

The approval of this visa petition does not in itself grant any immigration status and does not guarantee that the alien beneficiary will subsequently be found to be eligible for a visa, for admission to the United States, or for an extension, change, or adjustment of status.

THIS FORM IS NOT A VISA AND MAY NOT BE USED IN PLACE OF A VISA.

The Small Business Regulatory Enforcement and Fairness Act established the Office of the National Ombudsman (ONO) at the Small Business Administration. The ONO assists small businesses with issues related to federal regulations. If you are a small business with a comment or complaint about regulatory enforcement, you may contact the ONO at www.ombudsman.sba.gov or phone 202-205-2417 or fax 202-481-5715.

NOTICE: Although this application/petition has been approved, USCIS and the U.S. Department of Homeland Security reserve the right to verify the information submitted in this application, petition or for supporting documentation to ensure conformity with applicable laws, rules, regulations, and other authorities. Methods used for verifying information may include, but are not limited to, the review of public information and records, contact by correspondence, the internet, or telephone, and site inspections of businesses and residences. Information obtained during the course of verification will be used to determine whether revocation, rescission, and/or removal proceedings are appropriate. Applicants, petitioners, and representatives of record will be provided an opportunity to address derogatory information before any formal proceeding is initiated.

Please see the additional information on the back. You will be notified separately about any other cases you filed.

USCIS
CALIFORNIA SERVICE CENTER
P. O. BOX 30111
LAGUNA NIGUEL, CA 92607-0111
Customer Service Telephone: (800) 375-5283




FILED: NEW YORK COUNTY CLERK 11/02/2018 07:08 PM

INDEX NO. 159222/2018

FILED: NEW YORK COUNTY CLERK 10/25/2018 04:06 PM

RECEIVED NYSCEF 11/02/2018

NYSCEF DOC. NO. 39

RECEIVED NYSCEF: 10/25/2018

EXHIBIT "L"

701 TSQ 1000 FUNDING, LLC
c/o U.S. IMMIGRATION FUND, LLC
115 FRONT STREET, SUITE 300
JUPITER, FL 33477

August 23, 2018

Via Electronic Mail

Reviv-East Legal Service Consultants (Hong Kong)
Attn: Zoe Ma

Re: **701 TSQ 1000 FUNDING, LLC - IMMEDIATE CEASE AND DESIST**

Dear Ms. Ma:

We recently learned of certain false, misleading and tortious actions taken by you ("You"). Specifically, we received copies of written records prepared by You containing defamatory and libelous statements about U.S. Immigration Fund – NY LLC, 701 TSQ 1000 Funding GP, LLC and their affiliates, partners and principals (herein, referred to collectively as "USIF"), including, but not limited to those attached hereto as Exhibit A.

The unlawful tactics and scheme that You have employed to obtain EB-5 investors as clients is reprehensible and actionable on many levels. We share the mutual goal of protecting investors' interests and if you are acting in good faith on behalf of such investors' best interests you would be well advised to get authority to do so and enter into a constructive dialogue with USIF rather than acting tortiously.

Your actions would cause irreparable harm to the reputation of USIF if such fraudulent and deceptive activity is linked to the USIF. This activity will compel us to file a complaint if not ceased immediately as provided for herein. We note your actions may also expose you to legal action taken by all parties harmed by your statement, not just USIF.

On behalf of USIF, we hereby demand that You, and Your employees, agents, representatives, affiliated individuals and companies, and those aiding and abetting You immediately: (i) cease and desist from writing defamatory and libelous statements about USIF and USIF EB-5 Projects and (ii) destroy any materials, written or electronic, that include such elements including, but not limited to, any presentation or conference materials, sales, advertising or promotional materials, or Internet, WeChat or website content. We further demand that You furnish the undersigned a sworn affidavit attesting, under penalty of perjury, to Your compliance with this demand no later than 5:00 p.m. (EDT), **Friday, August 24, 2018**. To the extent these materials have already been viewed or disseminated to third parties, the affidavit should include a list of all such third parties, the date they viewed/received the copy, and the medium through which they viewed/received the copy.

USIF has every intention of holding accountable all parties responsible for making and disseminating these false and deceptive statements, and will pursue all

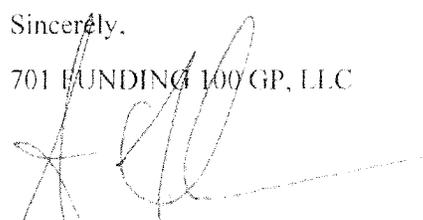
available remedies including, but not limited to, injunctive relief, compensatory, consequential, punitive and treble damages, attorneys' fees and costs against You and such parties.

Finally, notice is hereby provided that You, and any affiliated company or persons, are required by law to refrain from taking any action to destroy, discard, tamper with, or delete any documentation (electronic or paper) concerning the issues that will or may arise in any potential litigation relating to this matter. In this regard, any document retention or destruction policy and all computer backup protocols should be adjusted to ensure the preservation of all such documents. Failure to do so will expose You and any others involved to additional legal liability.

Please be guided accordingly.

Sincerely,

701 FUNDING 100 GP, LLC



Ashley L. Filcas, Esq
General Counsel

cc: Paul Hastings, LLP

FILED: NEW YORK COUNTY CLERK 11/02/2018 07:08 PM

NYSCEF DOC. NO. 45

FILED: NEW YORK COUNTY CLERK 10/25/2018 04:06 PM

NYSCEF DOC. NO. 39

INDEX NO. 159222/2018

RECEIVED NYSCEF: 11/02/2018
INDEX NO. 159222/2018

RECEIVED NYSCEF: 10/25/2018

Exhibit A

12:37



Group Chat History



笑口常开

@所有人、我非常替Lynn 高兴。50万退款到账让几个月的焦虑终于云开雾散了。这次701退款过程、每一天都是惊心动魄、中介和基金公司的逼迫、投资人之间内斗、律师之间合作出卖、好像好莱坞大片、没有亲身介入的人、体会不到这些701投资人的煎熬。虽然我们代理了区区几个退款投资人、但是这几个是最坚强的人、不惧中介和区域中心的强权、坚决没有妥协、也没有为了个人退款的快捷方便、去选项2同意区域中心的不平等条约、发现美国证券法大律师和区域中心暗中勾结后、依然中断律师服务、拒签到底。这几个拒签退款人的顺利、证明了投资人是可以坚持正义、即使我们力量微弱、但是美国的法律是我们坚持正义的后盾。这几个投资人不是相信了我个人、他们相信了我宣传的美国的法制。在美国的法制面前、区域中心不得不低头、退款、让正义顺利。

12:38



从701再投资和1501买断投资人的投票过程、看雇佣美国律师给投资人保驾护航的重要性。侨外的701项目被建筑开发商提前还款、基金公司利益移民局政策的模糊性逼迫投资人去投资702项目、让702项目凑够无抵押的风险投资、这样摩根大通银行才释放建筑贷款启动项目。701整个投票过程中侨外和基金公司威逼恐吓投资人、告诉投资人请律师拒绝投票不能保证投资人不但得到任何好处、相反会导致基金公司惩罚这些投资人、举报移民局、不能拿退款。投票后两个月的结局让投降没有请律师的投资人后悔不已。这些帮助基金公司达到目的、批准对投资人不利的运营协议的投资人已经沦落成为合伙企业的二等公民。在道格拉斯律师的帮助下拒签的投资人也拿到了退款。在叶律师的起诉下、拒签的投资人将要得到比选一的更保险的投资选择。因为没有律师代表、这些投资人被排除在谈判之外、让别人决定他们的命运。道格拉斯律师也在代理1501项目基金公司买断投资人权益的案子。这是美国生活区域这些2008年的Eb5项目。当年没有5年退款是答应投资人更高回报率。10年后、却逼迫投资人贱卖权益、本来80万的资产却按50万回购、回购协议也是威逼恐吓、让投资乖乖就范。中国投资人对法律维权意识薄弱、雇佣了移民律师却不去直接沟通、片面相信没有真实能力的中介和江湖大虾、觉得花的小钱、就可以给400万的投资做了保险、当一切水落石出之后才发现自己成了别人赚钱的炮灰。我们代表拒签的投资人、最快时间拿到退款。

12:38



师却不去直接沟通、片面相信没有真实能力的中介和江湖大虾、觉得花的小钱、就可以给400万的投资做了保险、当一切水落石出之后才发现自己成了别人赚钱的炮灰。我们代表拒签的投资人、最快时间拿到退款。结果那些高大上律师的投资人却仍然因为没有退款受煎熬。701的教训就是没有律师就会成为别人赚钱的炮灰。高大上的律师不一定会真正代表投资人的利益。



kelly

@笑口常开 叶律师那边出结果了吗？



笑口常开

还要一两个星期

笑口常开

现在对选一投资人保密



kelly

那你刚那段话说可以拿到比选1更有保险的投资选择？



笑口常开

是的



kelly

就是不投702了，投其他项目了？

12:39



笑口常开
单独雇佣律师了

笑口常开
叶律师现在推广702是牺牲保卡投资人的利益帮助退款投资人了。

笑口常开
702项目就是拉斯维加斯SLS项目的结局、投资人钱卡不保。

笑口常开
702的高级贷款需要200人做优先股、900人做夹层贷款、这样702资金才够。

笑口常开
现在叶律师逼投资人做702夹层贷款。有些投资人抗议。现在变成选一的做优先股、拒签的做夹层。都投资702项目。



kelly
优先和夹层哪个更安全？

kelly
叶律师也逼投资人选702，没想到



笑口常开
如果702项目变成赌城SLS项目、投资人会血本无归。这两个选择都不安全

笑口常开
我对702最大的担心就是成为第二个SLS, 纽约的SLS.