

STATE OF COLORADO ATTORNEY GENERAL'S OFFICE CONSUMER PROTECTION SECTION	
IN RE: KENNETH GABRIEL FAIRCHILD; GENUINE FINANCIAL STRATEGIES, LLC; and GENUINE FINANCIAL STRATEGY, LLP.	
JOHN W. SUTHERS, Attorney General ANDREW P. McCALLIN, First Assistant Attorney General ERIK R. NEUSCH, Assistant Attorney General Colorado Attorney General's Office 1525 Sherman Street Denver, Colorado 80203 Phone: 303-866-5079	
ASSURANCE OF DISCONTINUANCE UNDER C.R.S. § 6-1-110(2)	

This Assurance of Discontinuance ("Assurance") is entered into between the State of Colorado, *ex rel.* John W. Suthers, Attorney General for the State of Colorado ("State"), and Respondents Kenneth Gabriel Fairchild, Genuine Financial Strategies, LLC, and Genuine Financial Strategy, LLP (collectively "Respondents"). This Assurance is entered into pursuant to the Attorney General's powers under C.R.S. § 6-1-110(2), and constitutes a settlement between the State and Respondents regarding the allegations herein.

I. PARTIES

1. John W. Suthers is the duly elected Attorney General for the State of Colorado and has express jurisdiction to investigate and to prosecute violations of the Colorado Consumer Protection Act ("CCPA"), C.R.S. § § 6-1-101 – 6-1-1121.

2. Respondent Kenneth Gabriel Fairchild (DOB 05/16/78) is an individual residing at 1950 Logan Street, #1105, Denver, Colorado 80203.

3. Respondent Genuine Financial Strategies, LLC is a Colorado limited liability company with a principal address of 2727 Bryant Street, Suite 200, Denver, Colorado 80211.

4. Respondent Genuine Financial Strategy, LLP is a Colorado limited liability partnership with a principal address of 1408 Wazee Street, Suite 50, Denver, Colorado 80202.

II. ALLEGATIONS

5. Beginning in late 2008, Respondents referred certain homeowners to Turning Point Mortgage Planning (Turning Point) and its owner Charlene Lopez (Lopez), 1330 San Pedro, Suite 105-A, Albuquerque, New Mexico 87110, for mortgage assistance relief services, including loan modification assistance. Respondents obtained from Turning Point and Lopez a referral fee, which was part of the upfront fee that Turning Point and Lopez obtained from the homeowner for mortgage assistance relief services.

6. "Mortgage assistance relief service" is defined for purposes of this Assurance as any service or program offered to the consumer that is represented to assist the consumer with stopping or postponing any foreclosure or obtaining a modification of any term of a mortgage loan, including a reduction in the amount of interest, principal balance, monthly payments, or fees. *See generally* 16 CFR Part 322, Mortgage Assistance Relief Services; Final Rule (Dec. 1, 2010).

7. The homeowners paid an upfront fee to Turning Point and Lopez, who shared the fee with Respondents.

8. Turning Point and Lopez failed to perform the work for some of the homeowners who were referred by Respondents, and thus certain homeowners paid a substantial upfront fee

to Turning Point and Lopez for questionable results. Turning Point and Lopez also committed various violations of the CCPA, C.R.S. §§ 6-1-101 – 6-1-1121, in advertising and performing mortgage assistance relief services.

9. The State alleges that Respondent engaged in mortgage assistance relief services for which a mortgage loan originator license is required.

III. CONSIDERATION

10. Respondents enter this Assurance as a compromise and settlement of the State's investigation into the allegations raised herein. Respondents expressly deny liability under the CCPA and enter into this Assurance to avoid further costs and litigation. This Assurance shall not be considered an admission of violation for any purpose.

11. The Attorney General intends that this Assurance will finally and fully resolve only the disputes between the Attorney General and Respondents regarding violations of the Colorado Consumer Protection Act arising out of the conduct alleged in Section II of this Assurance, and does not release or affect any claims by any other section or unit of the Colorado Attorney General's Office or any other governmental unit or agency.

IV. ASSURANCES

12. Respondents assure the State that Respondents, as well as any principals, officers, directors, members, agents, employees, representatives, successors, affiliates, and any person acting on their behalf shall comply with the CCPA as now constituted or as may hereafter be amended in conducting business in the state of Colorado.

13. Respondents, either individually or in connection with any person or entity, are permanently prohibited from soliciting, advertising, selling, marketing, displaying, offering,

performing, or accepting payment, directly or indirectly, for, services and products relating to mortgage assistance relief services, including foreclosure consulting and loan modifications.

V. MONETARY RELIEF

14. Respondent Kenneth Gabriel Fairchild, individually, shall pay one thousand dollars (\$1,000.00) to and for the benefit of the State of Colorado for costs and attorney fees pursuant to C.R.S. § 6-1-113 in accordance with the payment schedule set forth below. Such funds, and any interest thereon, shall be held in trust by the Attorney General to be used first for reimbursement of the State's actual costs and attorney fees and, second, to be held along with any interest thereon, in trust by the Attorney General for future consumer education, consumer fraud, or antitrust enforcement actions.

15. Respondent Kenneth Gabriel Fairchild, individually, shall also pay one thousand five hundred dollars (\$1,500.00) to and for the benefit of the State of Colorado for civil penalties pursuant to C.R.S. § 6-1-112 in accordance with the payment schedule set forth below.

16. Respondent Kenneth Gabriel Fairchild, individually shall make monthly payments to the State of Colorado not less than five hundred dollars (\$500.00) beginning on or before June 15, 2011, and on or before the 15th day of every month thereafter until the entire two thousand five hundred dollars (\$2,500.00) due is satisfied. The State shall apply the first one thousand five hundred dollars (\$1,500.00) to civil penalties and the next one thousand dollars (\$1,000.00) to attorney fees and costs.

17. The above payments shall be in the form of a cashier's check or certified funds made payable to the "Colorado Department of Law," with a reference to the "Fairchild

Settlement,” and addressed to the Colorado Attorney General’s Office, Consumer Protection Section, Attention Don Finch, 1525 Sherman Street, 7th Floor, Denver, Colorado 80203.

18. The monetary obligations herein are personal to Respondent Kenneth Gabriel Fairchild and shall be considered a debt for a fine, penalty, or forfeiture, payable to and for the benefit of a governmental unit, and not compensation for actual pecuniary loss.

19. If there is a failure to make a payment pursuant to this Assurance, the State may accelerate all payments due hereunder and collect the entire amounts due. In such event, the State shall be entitled to recover its costs and attorney fees in collecting such amounts.

20. If Respondent Kenneth Gabriel Fairchild makes only a partial payment under this Assurance, the State’s acceptance of this partial payment does not prevent it from declaring the Assurance breached and collecting the full amount due hereunder and to seek other remedies.

VI. ENFORCEMENT

21. The obligations set forth in this Assurance are of a continuing legal nature.

22. A violation of any of the terms of this Assurance shall constitute a prima facie violation of the CCPA under C.R.S. § 6-1-110(2). Upon Respondents’ violation of any term of this Assurance, including the monetary relief, the Attorney General shall be entitled to file a civil action under the CCPA in any court of competent jurisdiction and to seek an injunction or other appropriate order from such court to enforce the provisions of this Assurance.

23. In addition to any remedies provided under the CCPA, the Attorney General shall be entitled to apply for and seek from a court of competent jurisdiction an order converting this Assurance into a permanent injunction against Respondents as if the parties had fully litigated all issues contained herein, upon a showing by the Attorney General of a violation by Respondents

of this Assurance. In such event, Respondents agree to waive any and all defenses and counterclaims that they may have had to such an action, except as to claims or defenses related to the alleged violation of this Assurance or as to the need for injunctive relief.

24. This Assurance shall not be construed to affect the rights of any private party to pursue remedies pursuant to C.R.S. § 6-1-113, or under any other statutes through claims or actions in common law.

25. Nothing in this Assurance shall be construed to release or otherwise affect claims held by any other governmental authority or unit.

26. Pursuant to C.R.S. § 6-1-110(2), this Assurance shall be a matter of public record.

27. Respondents acknowledge that they had a full opportunity to review this Assurance and consult with legal counsel regarding it. Respondents agree and represent that they have read and understand this Assurance, accept the legal consequences involved in signing it, and that there are no other representations, agreements, or understandings between Respondents and the State that are not stated in writing herein.

28. This Assurance may be signed in one or more counterparts, each of which shall be deemed an original, but which together shall constitute the Assurance. Facsimile and electronic copies of this Assurance and the signatures hereto may be used with the same force and effect as an original.

29. Respondent Kenneth Gabriel Fairchild agrees to cooperate with all investigations and other proceedings that the Attorney General may bring to enforce the terms of this Assurance or to enforce the CCPA against Turning Point and Lopez. Included within this cooperation agreement are the obligations to:

- A. Appear for hearings, depositions or provide testimony in any form, including affidavits. All such testimony shall be truthful;
- B. Produce documents, records, electronic records, or any other tangible things in response to a subpoena or other written request issued by the Attorney General; and
- C. Accept a subpoena from the Attorney General without the need for service of process.

30. Any notices, complaints, or other documents required or contemplated by this Assurance (including any request or subpoena) shall be sent to the following persons, which may be changed at any time and by any party by giving written notice:

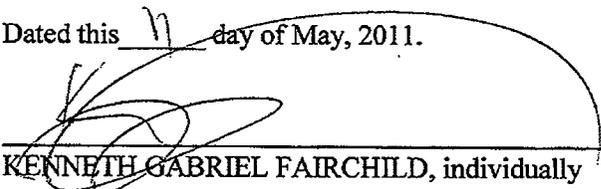
To Respondents:

Kenneth Gabriel Fairchild
1950 Logan Street, #1105
Denver, Colorado 80203
E-Mail: gabrielfairchild@gmail.com

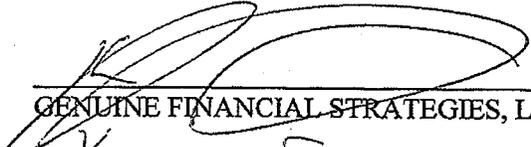
To the Attorney General:

Andrew P. McCallin
First Assistant Attorney General
Colorado Attorney General's Office
1525 Sherman Street
Denver, Colorado 80203

Dated this 11 day of May, 2011.


KENNETH GABRIEL FAIRCHILD, individually

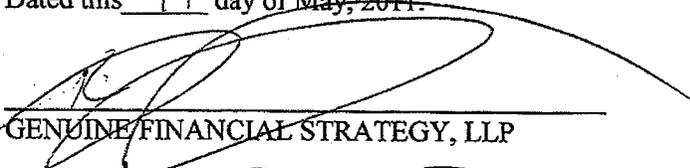
Dated this 11 day of May, 2011.


GENUINE FINANCIAL STRATEGIES, LLC

KENNETH FARUQI

Print Name and title

Dated this 11 day of May, 2011.

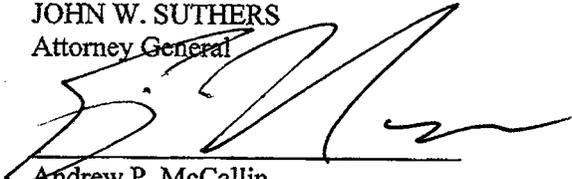

GENUINE FINANCIAL STRATEGY, LLP

KENNETH FARUQI

Print Name and title

Dated this 12th day of May, 2011.

JOHN W. SUTHERS
Attorney General


Andrew P. McCallin
First Assistant Attorney General
Erik R. Neusch
Assistant Attorney General