

UNITED STATES DISTRICT COURT
DISTRICT OF SOUTH CAROLINA
ROCK HILL DIVISION

UNITED STATES OF AMERICA, ET AL.)	FILED UNDER SEAL pursuant to 31 U.S.C. § 3730(b)(2) C.A. No.0:10-cv-01465-JFA
ex rel. LYNN E. SZYMONIAK,)	
)	
Plaintiffs,)	
)	
v.)	
)	
AMERICAN HOME MORTGAGE SERVICING)	
ET AL.,)	
Defendants.)	

UNITED STATES DISTRICT COURT
DISTRICT OF SOUTH CAROLINA
ROCK HILL DIVISION

UNITED STATES OF AMERICA, ET AL.)	FILED UNDER SEAL pursuant to 31 U.S.C. § 3730(b)(2) C.A. No. 0:13-CV-464-JFA
ex rel. LYNN E. SZYMONIAK,)	
)	
Plaintiffs,)	
)	
v.)	
)	
ACE SECURITIES CORPORATION)	
ET AL.,)	
Defendants.)	

**UNITED STATES ATTORNEY’S OFFICE FOR THE DISTRICT OF SOUTH
CAROLINA’S EX PARTE MOTION TO EXTEND THE SEAL PERIOD**

Counsel for the United States Attorney, District of South Carolina (“USAO-SC”) conferred with the Relator’s attorney regarding this motion and Relator’s attorney does not object to an extension of the seal sought in this motion. The states of Florida, Indiana, Montana, New

Hampshire, Oklahoma, Rhode Island, Virginia, the District of Columbia, the city of Chicago, and the city of New York also join in this motion. Because defendants have not yet been served, and are not yet parties to the action, they are not before this Court.

For good cause shown, the USAO-SC respectfully requests that the Court extend the seal period for an additional 30 days until July 31, 2013, on this False Claims Act *qui tam* case, to permit the USAO-SC time to continue negotiations.

**MEMORANDUM IN SUPPORT OF THE UNITED STATES' FOURTH
EX PARTE MOTION TO EXTEND THE SEAL PERIOD**

INTRODUCTION

Relator filed these complaints under seal in the District of South Carolina and Western District of North Carolina on June 6, 2010, and November 12, 2010, respectively, pursuant to the *qui tam* provisions of the False Claims Act, 31 U.S.C. § 3730(b)(2) (the "FCA"). The case filed in the Western District of North Carolina was transferred to the District of South Carolina on February 6, 2013. The FCA provides that a private person (a "Relator") may bring a civil action for a violation of the FCA, on behalf of that person and the United States, alleging that the Government was defrauded. 31 U.S.C. § 3730(b).

The USAO-SC, on behalf of the United States, may apply for extensions of the seal period for "good cause" shown. 31 U.S.C. §§ 3730(b)(2) & (b)(3). The USAO-SC has previously applied for and received extensions of the seal in these cases.

The United States has made significant progress in the case. The United States entered into a global settlement agreement with five corporate groups of defendants named in the South Carolina and North Carolina *qui tam* cases, including Bank of America as successor in interest to Countrywide Financial Corporation; Bank of America as successor in interest to Lasalle Bank; BAC Home Loan

Servicing, LP; Bank of America Mortgage Securities, Inc.; Citimortgage, Inc. f/k/a Citi Residential Lending, Inc. f/k/a AMC Mortgage; J.P. Morgan Chase Bank National Association, and Wells Fargo Home Mortgage d/b/a America's Servicing Company which settled a portion of the instant case. The value of the partial settlement was ninety-five million dollars. The settlement resolved some of the claims alleged in the Complaints, however, a significant portion of the allegations in the Complaint remain unsettled. On May 20, 2013, the United States attempted mediation efforts with the remaining defendants; however, settlement could not be reached with any of the other remaining defendants. Since mediation, at least two of the remaining defendants have expressed interest in continued negotiations. The USAO-SC is negotiating and requests additional time.

CONCLUSION

The USAO-SC is cognizant of the Court's concern that the government pursue its investigation of *qui tam* matters under seal expeditiously and with diligence, and that the USAO-SC make a timely decision concerning intervention so the case may move forward. The USAO-SC submits, however, that an additional extension is warranted in this case. As a result, the USAO-SC respectfully requests a 30-day extension of the seal until July 31, 2013.

(SIGNATURE ON FOLLOWING PAGE)

Respectfully submitted,

WILLIAM N. NETTLES
United States Attorney
District of South Carolina

By: s/ Fran Trapp
FRAN TRAPP (#6376)
Assistant United States Attorney
1441 Main Street, Suite 500
Columbia, S.C. 29201
Telephone (803) 929-3000

July 2, 2013