EXHIBIT D



OFFICE OF THE

DISTRICT ATTORNEY

ORANGE COUNTY, CALIFORNIA
TONY RACKAUCKAS, DISTRICT ATTORNEY

June 18, 2009

By Personal Delivery

Ms. Tarla Anne Makaeff d.b.a. "We Buy Houses

" et. al.

JIM TANIZAKI SENIOR ASSISTANT D.A. VERTICAL PROSECUTIONS/ VIOLENT CRIMES

WILLIAM FECCIA SENIOR ASSISTANT D.A SPECIAL PROJECTS

MARY ANNE MCCAULEY SENIOR ASSISTANT D.A BRANCH COURT OPERATIONS

JOSEPH D'AGOSTINO SENIOR ASSISTANT D.A. GENERAL FELONIES/ ECONOMIC CRIMES

DONALD BLANKENSHIP CHIEF BUREAU OF INVESTIGATION

LISA BOHAN - JOHNSTON DIRECTOR

Re: Nuisance Signage / Unlawful Advertising Constituting Unfair Business Practices

Dear Ms. Makaeff:

It recently came to our attention that you, your corporation, your company, your employee(s), or your agent(s) are placing or maintaining <u>numerous</u> commercial advertising signs on public property, rights-of-way, traffic signals, and utility poles throughout County of Orange, inviting customers to contact "We Buy Houses" for purposes of doing business with you and/or retaining related services.

It is illegal in the State of California to place or maintain, or cause to be placed or maintained without lawful permission upon any public or private property, signs and commercial advertising materials. Such acts can be prosecuted as misdemeanor offenses punishable by a fine up to \$1,000.00 plus penalties, costs, restitution, fees, and assessments as well as possible incarceration in County Jail for up to six (6) months per violation. For your convenience, I am enclosing a copy of Penal Code section(s) 556-556.4.

In addition to being expressly declared a nuisance by statute, such commercial activities and unlawful practices provide violators with an unfair advantage over market competitors and also constitute a violation of Business & Professions Code section 17200 which authorizes my office to seek injunctive relief and civil penalties up to \$2,500.00 for each violation. A copy of this statute is likewise enclosed.

For purposes of resolving this matter, a meeting has been scheduled for <u>June 30, 2009 at 2 P.M.</u> in our conference room located at 900 North Broadway, 5th Floor, Santa Ana, California. We respectfully ask that you and your legal counsel be in attendance.

Sincerely,

TONY RACKAUCKAS DISTRICT ATTORNEY

James A. Young Deputy District Attorney

CONSUMER / ENVIRONMENTAL PROTECTION UNIT CODE ENFORCEMENT - DDA JAMES A. YOUNG

MAIN OFFICE

401 CIVIC CENTER DR W
P.O. BOX 800
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NORTH OFFICE 1275 N. BERKELEY AVI PULLERTON, CA 92631 (714) 773-4480 WEST OFFICE 8141 13™ STREET WESTMINSTER, CA 9258 SOUTH OFFICE 30143 CROWN VALLEY PKV LAGUNA NIGUEL, CA 92677 HARBOR OFFICE
4801 JAMBOREE RD.
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WEB PAGE: www.OrangeCountyDA.com

JUVENILE OFFICE
341 CITY DRIVE SOUTH
ORANGE, CA \$2868

CENTRAL OFFICE
700 CIVIC CENTER DR. W.
P.O. BCX 808
SANTA ANA, CA 92701

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California Penal Code

Public Property / Medians / Streets / Telephone Poles / Traffic Lights / Rightsof-Way / Etc:

556. It is a misdemeanor for any person to place or maintain, or cause to be placed or maintained without lawful permission upon any property of the State or of a city or of a county, any sign, picture, transparency, advertisement, or mechanical device which is used for the purpose of advertising or which advertises or brings notice to any person, article of merchandise, business, or profession, or anything that is to be or has beensold, bartered, or given away.

Private Property w/o Prior Permission of Owner

556.1. It is a misdemeanor for any person to place or maintain or cause to be placed or maintained upon any property in which he has no estate or right of possession any sign, picture, transparency, advertisement, or mechanical device which is used for the purpose of advertising or which advertises or brings notice to any person, article of merchandise, business, or profession, or anything that is to be or has been sold, barterd, or given away, without the consent of the owner, lessee, or person in lawful possession of such property before such sign, picture, transparency, or mechanical device is placed upon the property.

- 556.2 Legal Notices & Street Name Signs Excepted [NotApplicable to Commercial Advertising].
- 556.3. Any sign, picture, transparency, advertisement, or mechanical device placed on any property contrary to the provisions of sections 556 and 556.1 is a public nuisance.
- 556.4. For the purposes of this article information that appears on any sign, picture, transparency, advertisement, or mechanical device such as, but not limited to, the following, may be used as evidence to establish the fact, and may create an inference, that a person or entity is responsible for the posting of the sign, picture, transparency, advertisement, or mechanical device: a) The name, telephone number, address, or other identifying information regarding the [firm]; b) The name, telephone number, address, or other identifying information of the owner or lessee of the property used for a commercial activity or event c) The name, telephone number, address, or other identifying information of the sponsor or promoter of a sporting event, concert, theatrical performance, or similar activity or event.

Also:

California Business & Professions Code

17200. As used in this chapter, unfair competition shall mean and includeany unlawful, unfair, or fraudulent business act or practice and unfair, deceptive, untrue, or misleading advertising andany act prohibited by Chapter 1 of Part 3 of Division 7 of the Business & Professions Code.

17203. Any person who engages, has engaged, or proposes to engage in unfair competition may be enjoined in any court of competent jurisdiction. The court may make such orders or judgments, including the appointment of a receiver, as may be necessary to prevent the use or employment of any person of any practice which constitutes unfair competition, as defined in this chapter, or as may be necessary to restore tany person in interest any money or property, real or personal, which may have been acquired by means of such unfair competition....

17206. (a) Any person who engages, has engaged, or proposes to engage in unfair competition shall be liable for **civil penalty not to exceed two thousand five hundred dollars (\$2,500)** for each violation which shall be assessed and recovered in a civil action brought in the name of the People of the State of California by the [district attorney]. (b) The court shall impose acivil penalty for each violation of this chapter. In assessing the amount of the civil penalty, the court shall consider any one or more of the relevant circumstances presented by any of the parties to the case, including, but not limited to, the following: the nature and seriousness of the misconduct, the number of violations, the persistence of the misconduct, the length of time over which the misconduct occurred, the willfulness of the defendant's misconduct, and the defendant's assets, liabilities, and net worth.

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