



business as P & M Appraisals, engaged in the business of appraising residential real estate properties used to obtain mortgages insured by the Federal Housing Authority (“FHA”), a division of the United States Department of Housing and Urban Development (“HUD”);

WHEREAS, appraisers of residential real estate must apply to HUD for placement on the FHA Roster to conduct appraisals of residential real estate that are used to obtain FHA-insured mortgage loans;

WHEREAS, during all times relevant to the Complaint, Micheline was listed on the FHA Roster;

WHEREAS, the Complaint alleges that Micheline participated with others in a scheme to defraud HUD;

WHEREAS, the Complaint also alleges that, in furtherance of the fraud scheme, Micheline personally issued appraisal reports that were used to obtain FHA-insured mortgage loans;

WHEREAS, the Complaint additionally alleges that Micheline caused several false and fraudulent appraisals to be submitted to HUD for the purpose of obtaining FHA-insured mortgage loans;

WHEREAS, the United States seeks civil penalties against Micheline under the False Claims Act, 31 U.S.C. §§ 3729-33, and the Financial Institutions Reform, Recovery and Enforcement Act, 12 U.S.C. § 1833a (“FIRREA”), as well as such injunctive relief as necessary to ensure the integrity of the HUD mortgage

insurance program and to protect the interests of the United States and the public;  
and

WHEREAS, Micheline neither admits nor denies the allegations against him as set forth in the Complaint;

WHEREAS, the parties desire to reach a full and final settlement and compromise of the claims that the United States asserts against Micheline in the Complaint;

NOW, THEREFORE, it is hereby ORDERED as follows:

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1331.
2. Within 20 days of the entry of this Consent Order, Micheline shall pay damages to the United States in the amount of \$15,000; further, within 110 days of the entry of this Consent Order, Micheline shall pay a civil monetary penalty to the United States in the amount of \$10,000 (collectively, the "Settlement Amount"). Micheline shall make payments of the Settlement Amount by electronic funds transfer pursuant to written instructions to be provided by the United States Attorney's Office for the Southern District of New York.
3. Contemporaneous with the signing of this Consent Order, Micheline shall agree to a voluntary abstention from all HUD programs for a period of five (5) years, consistent with 2 C.F.R. § 2424.1100. This voluntary abstention shall preclude Micheline from any engaging in dealings of any kind with any program offered by HUD.

4. The United States and Micheline shall bear their own costs and attorneys' fees in this action.

5. Subject to the exceptions in Paragraphs 7 and 8 below, in consideration of the obligations set forth in this Consent Order, conditioned upon Micheline's payment in full of the Settlement Amount and full compliance with Paragraphs 2-3 set forth herein, the United States (on behalf of itself and its agencies, departments, officers, employees, servants and agents) agrees to release Micheline from any civil or administrative monetary claim the United States has or may have under FIRREA or the False Claims Act as related to the allegations asserted in the Complaint.

6. This Consent Order is intended to be for the benefit of the United States and Micheline only, and by this instrument the parties to this Consent Order do not release any claims against any other person or entity.

7. Notwithstanding any term of this Consent Order, including the release provided in Paragraph 5, any and all of the following are specifically reserved and excluded from the scope and terms of this Consent Order as to any entity or person:

- a. any civil, criminal or administrative claims arising under Title 26, U.S. Code (Internal Revenue Code);
- b. any criminal liability;
- c. except as explicitly stated in this Consent Order, any administrative liability, including suspension or exclusion from participating in transactions with the United States;

- d. any liability to the United States (or its agencies) for any conduct other than that alleged in the Complaint;
- e. any claims based upon such obligations as are created by this Consent Order; and
- f. any liability to the United States of any entity or person that or who is not released by the terms of this Consent Order.

8. In the event of a criminal prosecution or administrative action relating to the allegations asserted in the Complaint, Micheline waives and will not assert any defenses he may have based in whole or in part on a contention that, under the Double Jeopardy Clause in the Fifth Amendment of the Constitution, or under the Excessive Fines Clause in the Eighth Amendment of the Constitution, this Consent Order bars a remedy sought in such criminal prosecution or administrative action. This Consent Order is not punitive in purpose or effect.

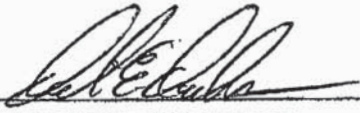
9. Nothing in this Consent Order constitutes an agreement by the United States concerning the characterization of the Settlement Amount for purposes of the Internal Revenue Code, Title 26 of the United States Code.

10. The Court will retain jurisdiction over the enforcement and interpretation of this Consent Order and to resolve all disputes arising hereunder.

11. The undersigned signatories represent that they are fully authorized to enter into this Consent Order and to execute and legally bind the parties they represent to the terms of this Consent Order.

For Robert Micheline:

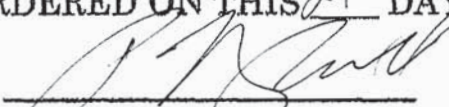
For the United States of America:

By:   
DAVID E. DUHAN  
Counsel for Robert Micheline  
118-35 Queens Blvd., 15<sup>th</sup> Floor  
Forest Hills, NY 11375  
Tel: (718) 575-5550  
Fax: (888) 270-0557

By:   
LI YU  
CRISTINE IRVIN PHILLIPS  
Assistant United States Attorneys  
86 Chambers Street, 3d Floor  
New York, NY 10007  
Tel: (212) 637-2734/2696  
Fax: (212) 637-2702  
E-mail: li.yu@usdoj.gov  
cristine.phillips@usdoj.gov

  
Robert Micheline

SO ORDERED ON THIS 29<sup>th</sup> DAY OF April, 2011:

  
HON. P. KEVIN CASTEL  
UNITED STATES DISTRICT JUDGE