

OFFICE OF INSPECTOR GENERAL
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Washington, D.C.

Return of Service

I hereby certify that on August 11, 2005, at
(Date)

or about 3:25 pm at Boyd Munoz, Piper Attorneys at Law via facsimile
(Time) (Location) 936-756-1176

I personally served this subpoena upon William Apee,
(Name)

Attorney
(Position or Title)

By: Shannon Russell
(Name)

Special Agent
(Title)

Acknowledgment of Subpoena Receipt

I certify that an original of the attached subpoena was
served upon me:

By: [Signature]
(Name)

William H. Piper, Attorney for Plaintiffs
(Title)

Date: 8/11/05

UNITED STATES OF AMERICA
before
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF INSPECTOR GENERAL

Subpoena Duces Tecum

TO: Custodian of Records
William H. Piper
Boyd, Munoz, Piper Attorneys at Law
804 West Dallas
Conroe, Texas 77301
936-756-3030

Whereas Section 4(a) of the Inspector General Act of 1978 as amended (the Act), 5 U.S.C. App. 3, requires the Inspector General of the Department of Housing and Urban Development (the Department) to provide policy direction and to conduct, supervise, and coordinate audits, investigations, and other activities for the purpose of promoting economy and efficiency in the administration of the programs and operations of the Department and preventing and detecting fraud and abuse in such programs; and

Whereas the Inspector General of the Department is authorized by Section 6(a)(4) of the Act to require by subpoena the production of all information, documents, reports, answers, records, accounts, papers, and other data and documentary evidence necessary in the performance of the functions and responsibilities assigned by the Act; and

Whereas the Inspector General of the Department has information which indicates that you may have information relevant or material to an ongoing investigation; and

Whereas the information is necessary for the Inspector General of the Department to perform his statutory duties;

Therefore, YOU ARE HEREBY COMMANDED to produce and make available, on or before August 20, 2005, by CERTIFIED MAIL, addressed to:

Special Agent Shannon Russell
Office of Inspector General
United States Department of Housing and Urban Development
1301 Fannin, Suite 2200
Houston, Texas 77002
Telephone: 713-718-3223

the documents listed below.

Instructions

1. This subpoena seeks originals of all documents. However, legible, true and complete copies of the originals will be accepted in place of originals, provided that you make the original records available for inspection by representatives of the Office of Inspector General, upon request, during normal business hours.

2. The terms "documents" and "records" as used in this subpoena include all data, documentary evidence, and information, whether in paper form or stored on audiotape, videotape, computer, electronic, magnetic, or other media.

3. If you maintain that any document sought by this subpoena is protected from production by a legally recognized claim of privilege or otherwise, furnish a written statement identifying the document by date, author, addressee, each recipient, subject, and number of pages, and detailing the

reason(s) for withholding the document with sufficient specificity to enable a court of law to determine the validity of your claim.

Document Demand

YOU ARE HEREBY REQUIRED TO PRODUCE any and all original papers, instruments, data, documents, records, reports, correspondence, Rule 11 agreements, pleadings, videotaped depositions with associated hard copies of those depositions and exhibits to the depositions, electronically stored documents and the password to such document storage website, electronic databases, witness statements, affidavits, loan files, expert information, any documents provided by any party to the case, and any other documentary evidence relating to the civil class action lawsuit 03-01-00267-CV filed in the 410th Judicial District Court of Montgomery County, Texas on behalf of individual home buyers.

Such records should include the entire contents of the files maintained by you, excluding those deemed attorney work product or attorney-client privilege, with respect to such civil class action dispute occurring between September 1, 1998 through the present.

Issued August 11, 2005 under the authority of Section 6(a)(4) of the Inspector General Act of 1978, as amended, 5 U.S.C. App. 3.



A handwritten signature in cursive script, appearing to read "Michael S. Kepler".

Michael S. Kepler
Acting Special Agent in Charge
Office of Inspector General
U.S. Department of Housing
and Urban Development

WARNING: Section 6(a)(4) of the Inspector General Act of 1978, as amended, provides that this subpoena shall be enforceable, in the case of contumacy or refusal to obey, by order of any appropriate United States District Court.
C-050808si_jbh2

OFFICE OF INSPECTOR GENERAL
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
NOTICE PURSUANT TO PRIVACY ACT OF 1974

Subsection (e) (3) of the Privacy Act of 1974, 5 U.S.C. § 552a(e) (3), requires federal agencies that solicit personal information from individuals to provide such individuals with notice of: (A) the authority for solicitation of the information and whether disclosure is mandatory or voluntary; (B) the principal purposes for which the information is intended to be used; (C) the routine uses that may be made of the information; and (D) the effects, if any, of not providing the requested information.

Authority for Solicitation of the Information

The authority for requiring production of the information is set forth in the Inspector General Act of 1978, as amended, 5 U.S.C. App. 3. Disclosure of information is mandatory subject to the valid assertion of a legal right or privilege.

Principal Purposes

The Inspector General's principal purpose in soliciting the information is to promote economy, efficiency, and effectiveness in the administration of the programs and operations of HUD and to prevent and detect fraud and abuse in such programs and operations.

Routine Uses

Information you give may be disclosed by the Inspector General pursuant to routine uses such as the following:

1. In the event that records indicate a violation or potential violation of law, whether criminal, civil or regulatory in nature, the relevant records may be disclosed to the appropriate federal, state or local agency charged with the responsibility for investigating or prosecuting such violation or enforcing or implementing such statute, rule or regulation;
2. Records may be disclosed to a congressional office in response to an inquiry from that congressional office made at the request of the individual who is the subject of the records;

3. Records may be disclosed to HUD contractors, Public Housing Authorities or management agents of HUD-assisted housing projects, in order to assist such entities in taking action to recover money or property, where such recovery serves to promote the integrity of the programs or operations of HUD;
4. Records may be disclosed during the course of an administrative proceeding where HUD is a party to the litigation and the disclosure is relevant and reasonably necessary to adjudicate the matter;
5. Records may be disclosed to any source, either private or governmental, to the extent necessary to elicit information relevant to an Office of Inspector General investigation;
6. Records may be disclosed to appropriate State boards of accountancy for possible administrative or disciplinary sanctions such as license revocation. These referrals will be made only after the independent auditor has been notified that the OIG is contemplating disclosure of its findings to an appropriate State board of accountancy, and the independent auditor has been provided with an opportunity to respond in writing to the OIG's findings;
7. Records may be disclosed to the Department of Justice for litigation purposes associated with the representation of OIG and/or HUD before the courts;
8. Records may be disclosed to persons engaged in conducting and reviewing internal and external peer reviews of the Office of Inspector General to ensure adequate internal safeguards and management procedures exist within any office that had received law enforcement authorization or to ensure auditing standards applicable to Government audits by the Comptroller General of the United States are applied and followed;
9. In the event that these records respond to an audit, investigation or review, which is conducted pursuant to an authorizing law, rule or regulation, and in particular those conducted at the request of the President's Council on Integrity and Efficiency ("PCIE") pursuant to Executive Order No. 12953, the records may be disclosed to the PCIE and other federal agencies, as necessary.

Effect of Noncompliance

Failure to comply with a subpoena may result in the Inspector General's requesting a court order for compliance. If such an order is obtained and you thereafter fail to supply the information, you may be subject to civil and/or criminal sanctions for contempt of court.