

Oakland County attorneys charged in alleged fraud scheme involving hundreds in 5 counties

Only 7 Action News cameras are rolling early this morning outside the Fishman Group law office and three homes on Oakland County as they were raided by deputies and local police.



The attorneys handle debt collections for banks, credit unions, leasing companies, and others, according to the firm's website.

The website says, "after the 2008 financial crisis, debtors woke up. A collection agency can only ask for money. With the force of law and a judgment, our lawyers don't have to ask."

The allegations include they falsified court documents in hundreds of cases, telling the court they served papers on people who didn't pay to get court judgments in their favor. They would then seize the assets of their targets who had not been served and didn't know they were targets. It could be as simple as money disappearing from their bank account and they are not told why.

Genesee County Sheriff Chris Swanson tells 7 Action News from the scene of the Oakland County raid, "they've taken advantage of the weak, the poor, the voiceless. Many of them don't even know they've been victimized. It came to us on a tip."

Prosecutor David Leyton is charging Mark Fishman, his son Ryan Fishman and staff attorney Alexandra Ichim.

7 Action News cameras were rolling when Ichim was taken into custody at the law office. The cases are being coordinated with the other county prosecutors who are going through the paper trail to find victims in the scheme.

Asked why attorneys would do this leaving behind an elaborate paper trail, Prosecutor Leyton told 7 Action News, "one word, greed."

He didn't know he'd been sued and lifelong nightmare followed

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Detroit's Carnell Alexander could be Exhibit A for why Michigan should reform its law on process serving — the legal procedure for telling people they've been sued.

Alexander was the victim of a process server who, in 1989, lied on a legal form. That led to Alexander losing a court case by default, to a woman who wrongfully said he'd fathered her son.

By the early 2000s, she claimed he owed a boatload of support payments. And even though DNA testing later showed he wasn't the father, that proof came too late. By then, the legal system had seized more than \$30,000 from Alexander's paychecks and bank accounts. And she'd spent it.

His case and others are reasons that a state lawmaker from Oakland County wants to reform Michigan's law governing process servers. In particular, his proposal would beef up the punishment for lying on the forms. Three years ago, Jim Runestad, then a state representative from White Lake Township, introduced a reform bill after Alexander, in June 2017, walked from Detroit to Lansing in three days, accompanied by two other wrongly accused "dads by default." Their endurance walk dramatized their plight, drawing lawmakers' attention to the abuses of process serving, Runestad said.

Although his bill stalled in previous legislative sessions, Runestad, now a state senator, recently renewed his call to pass it, when three high-profile arrests highlighted a new form of process-serving abuse. Three Oakland County lawyers were charged with racketeering and forgery on April 6, accused of filing false documents for process serving in dozens of debt collection cases, totaling more than \$1 million.

"My bill — I'm going to expand it now to include abuses by lawyers, or any other professional who lies" in the course of claiming to a judge that a legal summons was properly delivered, Runestad said.

The investigation of the Oakland County lawyers was handled by the Genesee County Sheriff's Office. So the three lawyers were charged in Genesee County's 67th District Court. But investigators believe the same trio of attorneys victimized numerous people in Oakland County, as well as hundreds more Michiganders elsewhere.

Besides Oakland County, authorities have found fraudulent process-serving documents filed by the three lawyers turning up in Livingston, Ingham, Kalamazoo and Calhoun counties, according to the Genesee County prosecutor. The lawyers are all from the Bloomfield Township-based Fishman Group, which also has offices in Florida and Colorado. That has investigators looking into whether residents of those states were also victimized, according to a spokesman for the Genesee County prosecutor.

"Their basic scheme is that they would forge court documents indicating that proper service was executed against defendant when, in fact, that did not occur," said spokesman John Potbury.

"Many defendants had no idea there was any court action being taken against them or that default judgments had been entered against them," Potbury said. As soon as judges granted the default judgments, the attorneys would start seizing people's money — from paychecks, tax refunds and bank accounts, he said.

The lawyers — Marc Fishman, 70; his son, Ryan Fishman, 32; and Alexandra Ichim, 33 — each were charged with one count of conducting a criminal enterprise, also known as racketeering, a 20-year felony; and one count of obstruction of justice, a five-year felony. In addition, Ichim and Ryan Fishman each face 30 counts of forgery, a 14-year felony, "related to their filing at least 30 forged Proof of Service and Affidavits of Service in 67th District Court between January 2018 and March 2021," according to a news release from the Genesee County prosecutor.

Calls to the law offices of the Fishman Group have not been returned since the defendants were arraigned in early April, nor has there been a response to messages left by the Free Press with office staff of the trio's three defense attorneys.

Genesee County Prosecutor David Leyton minced no words when he characterized the accused lawyers' alleged crimes: "They put a dagger in the heart of due process and victimized some of the most vulnerable people in our state. It pains me to charge fellow members of my profession, but nobody is above the law."

Although the potential penalties facing the three lawyers may seem sufficiently harsh to deter people from falsifying legal forms, Runestad said he believes Michigan should also change the forms. He'd ditch the standard affidavit used by process servers, and used by the lawyers who hire them. In its place, his bill calls for a form called a statement of verification, which Runestad said more clearly reminds process servers and lawyers of their legal responsibility to file an accurate and truthful form, or else.

As well, Runestad's bill would beef up the penalty for fraudulently signing any process-serving form, whether it's a conventional affidavit or the revised form called for in his bill. Such forms become crucial evidence in court. They let judges take action against people who've supposedly been informed, as a basic right under the Constitution's due process clause, that they've been sued.

"Right now, the penalties for these process servers who lie are very light," Runestad said. Process servers can be anyone 18 years or older, with no special training, and if they lie on a form, the usual punishment is nothing more than being cited for contempt of court and having their names removed from courthouse lists of approved process servers, he said.

"But lives hang in the balance," Runestad said. When process servers lie about delivering a legal summons, "the average person can be screwed — they don't know they're being sued and they lose in court by default," just as Alexander did, Runestad said. Runestad said a key to solving the problem is making process servers, and the lawyers they answer to, aware that faking or forging what the law calls "proof of service" is a serious crime.

"In my bill, if you lie about this, I'm making it perjury, a felony," with serious consequences including fines and jail time, he said.

The accusations against the three lawyers, if true, show that they weren't hiring any process servers, only pretending to do so, said David Norris, a process server at Flint's 67th District Court, with more than four decades of experience at delivering legal papers to people being sued. A former police officer, now a private investigator, Norris said he wouldn't dare misrepresent anything he signs for the court.

"I would never want to go in front of a judge and have them ask me, 'Why did you sign this saying that you'd served process when you actually did not do so?' That form says I'm swearing to the best of my knowledge that the above statements are true," Norris said.

But does he sometimes hear of an unethical process server who filed phony paperwork?

"Heck, yes. I've gotten business that way, because you'd have legitimate attorneys who would send out their work to be served, and the (process server) would say, 'The guy's never home,' and come to find out, the guy's always home. He's on a ventilator in the bedroom." In such situations, lawyers have dismissed the first process server and turned to Norris to try again serving the paperwork because "legitimate lawyers just don't want that nonsense" of bogus process serving, he said.

Informed of Runestad's bill to beef up penalties for faking the forms, Norris said he'd gladly support it because "if you intentionally perjure yourself by not telling the truth on an affidavit, you should get busted."

In Alexander's case, the process server signed the affidavit, swearing that he'd confronted Alexander with the paperwork of a lawsuit. By signing it, the process server claimed that he'd completed a legal "service of process" — that is, he'd handed Alexander a printed notification of a lawsuit while verbally informing him of it. The service is supposed to include telling the person, 'Hey, you're being sued, and you really need to show up on court on such and such a date.'

On the form for Alexander, the process server claimed he did all of that. And he even said he'd confronted Alexander face-to-face on the front porch of a house in Highland Park where

Alexander's father once lived, and that Alexander had refused to accept the paperwork. The unethical process server then had his own brother notarize the affidavit, so it displays both of their signatures.

Except that ... none of that happened. On the very date it supposedly did, Alexander had an iron-clad alibi: He was behind bars, in a state prison.

The result of the process server's lie has been decades of financial and legal turmoil for Alexander. The woman who wrongfully claimed that Alexander had fathered her baby won her case by default because the alleged father, unaware of the case while behind bars, couldn't defend himself.

Once Alexander was released, the legal system began years of tracking him down, seeking to extract child support. Alexander refused to pay. The Wayne County Friend of the Court became his dire enemy. In 2012, he was convicted of a felony, charged with failing to pay years of support — for a child that wasn't his. If only the process server had told the truth, the case could've been postponed, giving Alexander time to mount the perfect defense, lawyers have told him. DNA testing could've proved he hadn't fathered the child in question.

Alexander ultimately spent \$500 to have DNA from his supposed son compared to his own. The printed results provided by Universal Forensics test lab: "Probability of Paternity 0.00%." That lab test helped. It got a judge to dismiss Alexander's felony conviction for nonsupport, releasing him three years early from five years of probation. Still, the legal system has balked at returning an estimated \$33,000 Alexander said it seized from his paychecks and bank accounts. The money's long gone, all because a process server lied to earn a few bucks for claiming what never occurred, Alexander said.

"I'm a victim, and I'm not the only one. Unless the laws change, this kind of thing will keep happening to people," he said.

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