

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
Norfolk Division

UNITED STATES OF AMERICA,	)	
	)	
Plaintiff,	)	
	)	
and	)	
	)	
JOHN DOE,	)	
	)	
Plaintiff-Intervenor,	)	CIVIL ACTION NO. 2:22-cv-157
	)	
v.	)	
	)	
STEVE'S TOWING, INC.,	)	
	)	
Defendant.	)	
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**CONSENT ORDER**

**I. INTRODUCTION**

1. This Consent Order resolves the allegations in the United States' Complaint and Plaintiff-Intervenor Doe's Complaint that Defendant Steve's Towing, Inc. (hereinafter "Defendant Steve's Towing") violated the Servicemembers Civil Relief Act ("SCRA"), 50 U.S.C. §§ 3901-4043, by engaging in a pattern or practice of enforcing liens on the motor vehicles and other property or effects of SCRA-protected servicemembers without first obtaining court orders.

2. Defendant Steve's Towing is a Virginia corporation in good standing with a principal address of 5890 Thurston Avenue #B in Virginia Beach, Virginia.

3. Plaintiff-Intervenor Doe is a person aggrieved by a violation by Defendant Steve's Towing of Section 3958 of the SCRA.

4. The United States, Plaintiff-Intervenor Doe, and Defendant Steve's Towing (hereinafter collectively "the Parties") agree that the Court has jurisdiction over this case pursuant to 28 U.S.C. §§ 1331 and 1345 and 50 U.S.C. § 4041.

5. The Parties agree that, to avoid costly and protracted litigation, the claims against Defendant Steve's Towing should be resolved without further proceedings or an evidentiary hearing. Therefore, as indicated by the signatures appearing below, the Parties agree to the entry of this Consent Order.

It is hereby ORDERED, ADJUDGED, and DECREED:

## **II. INJUNCTIVE RELIEF<sup>1</sup>**

6. Defendant Steve's Towing, its officers, employees, agents, representatives, assigns, successors-in-interest, and all persons and entities in active concert or participation with them, including specifically Steven E. Gilliam, Owner, President, Officer, and Director of Defendant Steve's Towing, and Defendant Steve's Towing employees, including Edwin Lee Gilliam, are hereby enjoined from enforcing storage liens on the personal property and effects of SCRA-protected servicemembers without a court order, during a period of military service or within ninety (90) days of a period of military service.<sup>2</sup>

## **III. COMPLIANCE WITH THE SCRA AND SCRA POLICIES AND PROCEDURES**

7. Within thirty (30) calendar days of the date of entry of this Consent Order, Defendant Steve's Towing shall develop SCRA Policies and Procedures for Enforcing Storage

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<sup>1</sup> Nothing in this Consent Order shall preclude Defendant Steve's Towing from offering greater protections to servicemembers than those afforded by this Consent Order or the SCRA.

<sup>2</sup> For purposes of this Consent Order, the terms "military service" and "period of military service" shall have the definitions set forth in Section 3911 of the SCRA, 50 U.S.C. § 3911(2) and (3).

Liens in compliance with 50 U.S.C. § 3958. These policies and procedures must include the following:

- a. Prior to enforcing any vehicle storage lien, Defendant Steve's Towing shall use a vehicle's identification number (hereinafter "VIN") to conduct a search on a commercially available public records database to obtain the owner's/owners' name(s) and Social Security Number(s), or, if (a) Social Security Number(s) cannot be found, the owner's/owners' date(s) of birth.
- b. Defendant Steve's Towing shall then attempt to determine whether any vehicle owner is an SCRA-protected servicemember by searching the Department of Defense Manpower Data Center ("DMDC") website by last name and Social Security Number or, in cases where a Social Security Number could not be found, by last name and date of birth. When searching the DMDC by Social Security Number or date of birth, if Defendant Steve's Towing is aware of any last name variants or aliases (e.g., maiden names, hyphenated or composite surnames, or variant spellings) used by a vehicle owner, Defendant Steve's Towing shall run a separate DMDC search for each name variant or alias.
- c. Defendant Steve's Towing shall also attempt to determine whether a particular vehicle is associated with a servicemember who is in a period of military service or within ninety (90) days of a period of military service by: 1) requesting and reviewing any available vehicle ownership information held by a third party who requested the tow or had the request made on its behalf (e.g., an apartment complex, shopping center, or military installation); and 2) inspecting the vehicle for evidence of military service (e.g., military related decals, military

license plates, a vehicle registration with a military address, and/or contents evidencing military service).

d. If Defendant Steve's Towing determines, as part of the review required by Paragraph 7(a)-(c) before enforcing a lien, that an owner is a servicemember in military service or has left a period of military service within the past ninety (90) days, Defendant Steve's Towing shall not foreclose or enforce the lien against the servicemember's property without first obtaining a court order allowing it to do so.

e. If Defendant Steve's Towing pursues a storage lien action in court and an SCRA-protected owner does not make an appearance, before seeking a default judgment, Defendant Steve's Towing shall file an affidavit of military service with the court prepared in accordance with 50 U.S.C. § 3931(b). The affidavit must be signed and prepared only after taking the actions necessary to comply with the other provisions of Paragraph 7 and must be executed no more than two (2) business days prior to the date that the request for default judgment is made. Defendant Steve's Towing shall attach a copy of a DMDC Status Pursuant to the SCRA ("DMDC Status Report") to the affidavit.

f. If Defendant Steve's Towing wishes to obtain a waiver under a written agreement as provided in 50 U.S.C. § 3918, Defendant Steve's Towing must use the notice and proposed waiver in the form of Exhibit A.

8. No later than thirty (30) calendar days after the date of entry of this Consent Order, Defendant Steve's Towing shall provide a copy of the proposed SCRA Policies and



Procedures required under Paragraph 7 to counsel for the United States.<sup>3</sup> The United States shall respond within thirty (30) calendar days after receipt. If the United States objects to any part of Defendant Steve's Towing's SCRA Policies and Procedures, the Parties shall confer to resolve their differences. If the Parties cannot resolve their differences after good faith efforts to do so, either party may bring the dispute to this Court for resolution. Defendant Steve's Towing shall begin the process of implementing the SCRA Policies and Procedures within ten (10) calendar days of approval by the United States or the Court.

9. If, at any time during the term of this Consent Order, Defendant Steve's Towing proposes to materially change its SCRA Policies and Procedures, it shall first provide a copy of the proposed changes to counsel for the United States. The United States shall respond to Defendant Steve's Towing's proposed changes within thirty (30) calendar days after receipt. If the United States objects to any part of Defendant Steve's Towing's proposed changes, the Parties shall confer to resolve their differences. If the Parties cannot resolve their differences after good faith efforts to do so, either party may bring the dispute to this Court for resolution.

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<sup>3</sup> All materials required by this Consent Order to be sent to counsel for the United States shall be sent by commercial overnight delivery addressed as follows: Deirdre G. Brou, Assistant United States Attorney, U.S. Attorney's Office, 2100 Jamieson Avenue, Alexandria, Virginia 22314.

#### IV. TRAINING

10. During the term of this Consent Order, Defendant Steve's Towing shall provide annual SCRA compliance training to all of its employees. The training shall be conducted by a qualified individual or entity, unconnected to Defendant Steve's Towing or its counsel, and be approved by the United States. Such training may be virtual or pre-recorded. Defendant Steve's Towing shall also provide SCRA compliance training to any new employee within thirty (30) calendar days of his or her hiring. Defendant Steve's Towing shall ensure that its employees complete the initial annual training within ninety (90) days of the date of entry of this Consent Order.

11. Defendant Steve's Towing shall secure a signed statement in the form attached as Exhibit B from each employee at the trainings required by Paragraph 10 acknowledging that he or she has received, read, and understands the Consent Order and the SCRA Policies and Procedures, has had the opportunity to have his or her questions about these documents answered, and agrees to abide by them. For the duration of this Consent Order, copies of those signed statements shall be provided to the United States within thirty (30) days of the date of each such training. Defendant Steve's Towing shall also certify in writing to counsel for the United States that all employees successfully completed the trainings required by Paragraph 10. Any expenses associated with the trainings required by Paragraph 10 shall be paid by Defendant Steve's Towing.

**V. PAYMENTS FOR IDENTIFIED AGGRIEVED SERVICEMEMBERS**

12. Judgment is hereby entered in favor of Plaintiff United States and against Defendant Steve's Towing in the amount of sixty-seven thousand five hundred dollars (\$67,500) for the purpose of compensating seven (7) Identified Aggrieved Servicemembers;<sup>4</sup> provided, however, that execution of this judgment shall be stayed upon the following conditions:

a. Defendant Steve's Towing shall pay to the United States sixty-seven thousand five hundred dollars (\$67,500), all of which is damages to the seven Aggrieved Servicemembers, by electronic funds transfer pursuant to written instructions to be provided by the United States Attorney's Office for the Eastern District of Virginia;

b. The first payment of thirty thousand (\$30,000) shall be due within seven (7) calendar days of the entry of this Consent Order;

c. The remaining balance shall be paid in twelve (12) equal quarterly installments of three-thousand one hundred twenty-five dollars (\$3,125) beginning on July 1, 2023, and continuing quarterly on the first day of each third month up to and including April 1, 2026, in accordance with Exhibit C – Schedule of Payments until the full Settlement Amount has been paid.

13. In order for an Identified Aggrieved Servicemember to receive the compensation listed above, that Identified Aggrieved Servicemember must execute a copy of the Release attached as Exhibit D, the original of which counsel for the United States shall deliver to Defendant Steve's Towing after Defendant Steve's Towing has paid the judgment in full.

14. Plaintiff United States shall assign a percentage to each Identified Aggrieved Servicemember based on the value of the Identified Aggrieved Servicemember's vehicle(s), and

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<sup>4</sup> The seven (7) Identified Aggrieved Servicemember includes Plaintiff-Intervenor John Doe.

shall apportion the payments received from Defendant Steve's Towing to each Identified Aggrieved Servicemember based on the percentage assigned to each Identified Aggrieved Servicemember, provided that Plaintiff-Intervenor John Doe shall be paid \$21,571.57 from the initial \$30,000 payment by Defendant and \$26,964.46 over the next three years, and the other Identified Aggrieved Servicemembers shall each be paid a percentage of the money that remains from Defendant's payments.

15. Any money not distributed to the Identified Aggrieved Servicemembers shall be distributed to the United States Treasury.

16. This Court will terminate the stay of execution on the sixty-seven thousand five hundred-dollar (\$67,500) judgment against Defendant Steve's Towing in the event that:

a. Plaintiff United States files a motion to terminate the stay, with a written certification that Defendant Steve's Towing is in arrears on the payments required under this section;

b. Plaintiff United States files a certification that it attempted to notify Defendant Steve's Towing of the arrearage by contacting counsel of record for Defendant Steve's Towing by electronic mail message, and Defendant Steve's Towing failed to pay the arrearage within thirty (30) days after the notice was sent via electronic mail message;

c. Plaintiff United States files a certification that it has attempted to notify Defendant Steve's Towing of its motion by sending an electronic mail message to counsel of record for Defendant Steve's Towing; and

d. Within thirty (30) days after the filing of such motion and certifications, Defendant Steve's Towing fails to show good cause why the stay should not be terminated.

17. The judgment herein shall not accrue interest, but in the event the Court terminates the stay of execution pursuant to Paragraph 16, the sixty-seven thousand five hundred-dollar (\$67,500) judgment against Defendant Steve's Towing shall become due and owing immediately upon the termination of the stay of execution and the remaining unpaid total shall accrue interest compounded daily from the date of default at the legal rate provided for judgments in the United States District Courts.

**VI. PAYMENTS FOR ADDITIONAL AGGRIEVED SERVICEMEMBERS**

18. Within six (6) months of the date of entry of this Consent Order, the United States shall provide Defendant Steve's Towing with a list of individuals it has identified who: 1) had a vehicle sold, auctioned off, or otherwise disposed of by Defendant Steve's Towing between April 1, 2015, and the date of entry of this Consent Order; 2) were in military service on, or within ninety (90) days of, the date of the sale, auction, or disposal by Defendant Steve's Towing; and 3) had their vehicle sold, auctioned off, or otherwise disposed of without Defendant Steve's Towing first obtaining a court order authorizing such sale, auction, or disposal ("Additional Aggrieved Servicemembers"). At the same time, the United States shall provide Defendant Steve's Towing with the amount due each Additional Aggrieved Servicemember ("Vehicle Value List.") For each Additional Aggrieved Servicemember, this amount will consist of no more than the estimated NADA trade-in value for his or her vehicle as of the date of the sale, auction, or disposal plus five hundred dollars (\$500.00).

19. The United States shall have twenty-four (24) months from the date of entry of this Consent Order to obtain from each Additional Aggrieved Servicemember a written release of all claims, legal or equitable, that he or she may have against Defendant Steve's Towing relating to the claims asserted in this case. Such release shall take the form of Exhibit E.

20. When the United States obtains an executed release in the form of Exhibit E from an Additional Aggrieved Servicemember, it shall notify Defendant Steve's Towing of that fact in writing. Defendant Steve's Towing shall have fourteen (14) calendar days after such notification to send counsel for the United States a check made payable to the Additional Aggrieved Servicemember for the amount specified in the Vehicle Value List. In no event shall the aggregate of all checks sent to counsel for the United States under this Additional Aggrieved Servicemembers Section exceed a total of twelve thousand five hundred dollars (\$12,500).

21. Once the United States has received from Defendant Steve's Towing a payment made pursuant to Paragraph 20, counsel for the United States shall deliver the original signed release to counsel for Defendant Steve's Towing, and the payment to the Additional Aggrieved Servicemember.

#### **VII. CIVIL PENALTY**

22. Judgment is hereby entered in favor of Plaintiff United States against Defendant Steve's Towing in the amount of ten thousand dollars (\$10,000) to the United States Treasury as a civil penalty pursuant to 50 U.S.C. § 4041(b)(3) and 28 C.F.R. § 85.5 to vindicate the public interest. The payment shall be made in the form of electronic funds transfers pursuant to written instructions to be provided by the United States. The execution of this judgment is stayed until January 1, 2024.

23. This Court will terminate the stay of execution on the ten thousand dollar (\$10,000) judgment against Defendant Steve's Towing in the event that:

- a. Plaintiff United States files a motion to terminate the stay, with a written certification that Defendant Steve's Towing has failed to pay the ten thousand dollar (\$10,000) judgment on or before January 1, 2024, as required under this section;

b. Plaintiff United States files a certification that it attempted to notify Defendant Steve's Towing of the arrearage by contacting counsel of record for Defendant Steve's Towing by electronic mail message, and Defendant Steve's Towing failed to pay the arrearage within thirty (30) days after the notice was sent via electronic mail message;

c. Plaintiff United States files a certification that it has attempted to notify Defendant Steve's Towing of its motion by sending an electronic mail message to counsel of record for Defendant Steve's Towing; and

d. Within thirty (30) days after the filing of such motion and certifications, Defendant Steve's Towing fails to show good cause why the stay should not be terminated.

24. The ten thousand dollar (\$10,000) judgment herein shall not accrue interest, but in the event the Court terminates the stay of execution pursuant to Paragraph 23, the ten thousand dollar (\$10,000) judgment against Defendant Steve's Towing shall become due and owing immediately upon the termination of the stay of execution and the entire judgment amount of ten thousand (\$10,000) dollars shall be assessed interest from the date of this Consent Order until the judgment is paid in full at the legal rate provided for judgments in the United States District Courts.

### **VIII. ADDITIONAL REPORTING AND RECORD-KEEPING REQUIREMENTS**

25. For the duration of this Consent Order, Defendant Steve's Towing shall retain all records relating to its obligations hereunder, including its records with respect to all storage lien auctions and all records relating to compliance activities as set forth herein. The United States shall have the right to review and copy any such records, including electronic data, upon reasonable request during the term of this Consent Order.

26. During the term of this Consent Order, Defendant Steve's Towing shall notify counsel for the United States in writing every three (3) months of receipt of any SCRA or military-related complaint and provide the following information for every vehicle on which it has obtained a storage lien and then sold, auctioned off, or otherwise disposed of without first obtaining a court order: each vehicle's VIN, year, make, and model, and the name and address of the owner, if known. Defendant Steve's Towing shall provide a copy of any written complaints with the notifications. Whether regarding a written or oral SCRA complaint, the notification to the United States shall include the full details of the complaint, including the complainant's name, address, and telephone number. Defendant Steve's Towing shall also promptly provide the United States with all information it may request concerning any such complaint, and shall inform the United States in writing within thirty (30) calendar days of the terms of any resolution of such complaint. If the United States raises any objections to Defendant Steve's Towing's actions, the Parties shall meet and confer to consider appropriate steps to address the concerns raised by the United States' review. If the Parties are unable to come to an agreement regarding such objections or concerns, either party may bring the dispute to this Court for resolution.



**IX. SCOPE OF CONSENT ORDER**

27. The provisions of this Consent Order shall apply to Defendant Steve's Towing and any of its subsidiaries, predecessors, acquired companies, or successors. It shall also apply to the officers, employees, managers, agents, representatives, assigns, successors-in-interest, and all persons and entities in active concert or participation with all of those persons and entities.

28. Defendant Steve's Towing represents and warrants that it has the legal authority and financial capacity to perform and complete all of its obligations under the terms of this Consent Order and in the timeframes so specified. Steven E. Gilliam separately and as set forth in Exhibit F declares under the penalty of perjury that Defendant Steve's Towing has the financial capacity to perform and complete all of its obligations under the terms of this Consent Order and in the timeframes so specified.

29. In exchange for valuable consideration provided in this Consent Order, Defendant Steve's Towing agrees and acknowledges the following:

a. Defendant Steve's Towing and its owner, Steven Edwin Gilliam, have reviewed Steve's Towing's financial situation and warrant that Defendant Steve's Towing is solvent within the meaning of 11 U.S.C §§ 547(b)(3) and 548(a)(1)(B)(ii)(I) and shall remain solvent following payment of the damages amounts and civil penalty in this Consent Order, which total ninety thousand dollars (\$90,000).

b. In evaluating whether to execute this Consent Order, the Parties intend that the mutual promises, covenants, and obligations set forth herein constitute a contemporaneous exchange for new value given to Defendant Steve's Towing, within the meaning of 11 U.S.C. § 547(c)(1), and the Parties conclude that these mutual promises, covenants, and obligations do, in fact, constitute such a contemporaneous exchange.

c. The mutual promises, covenants, and obligations set forth herein are intended by the Parties to, and do in fact, constitute a reasonably equivalent exchange of value.

d. The Parties do not intend to hinder, delay, or defraud any entity to which Defendant Steve's Towing was or became indebted to on or after the date of any transfer contemplated in this Agreement, within the meaning of 11 U.S.C. § 548(a)(1).

e. If Defendant Steve's Towing's obligations under this Consent Order are avoided for any reason (including, but not limited to, through the exercise of a trustee's avoidance powers under the Bankruptcy Code) or if, before the amounts specified in this Consent Order are paid in full, Defendant Steve's Towing commences a case, proceeding, or other action under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors seeking any order for relief of Defendant Steve's Towing's debts, or to adjudicate Defendant Steve's Towing as bankrupt or insolvent; or seeking appointment of a receiver, trustee, custodian, or other similar official for Defendant Steve's Towing, or for all or any substantial part of Defendant Steve's Towing's assets;

(i) the United States, Plaintiff-Intervenor John Doe, and any Aggrieved Servicemembers may rescind the releases in this Agreement and bring any civil and/or administrative claim, action, or proceeding against Defendant Steve's Towing for the claims that would otherwise be covered by the releases provided in this Consent Order; and

(ii) the United States has an undisputed, noncontingent, and liquidated allowed claim against Defendant Steve's Towing in the amount of ninety

thousand dollars (\$90,000) less any payments received pursuant to Sections V, VI, and VII of this Consent Order, provided however, that such payments are not otherwise avoided by Defendant Steve's Towing; a receiver; a trustee; a custodian; and/or other similar official for Defendant Steve's Towing.

f. Defendant Steve's Towing agrees that any civil and/or administrative claim, action, or proceeding brought by the United States is not subject to an "automatic stay" pursuant to 11 U.S.C. § 362(a) because it would be an exercise of the United States' police and regulatory power. Defendant Steve's Towing shall not argue or otherwise contend that the United States' claim, action, or proceeding is subject to an automatic stay and, to the extent necessary, consents to relief from the automatic stay for cause under 11 U.S.C. § 362(d)(1). Defendant Steve's Towing shall not plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any such civil or administrative claim, action, or proceeding brought by the United States within one hundred twenty (120) days of written notification to Defendant Steve's Towing that the releases have been rescinded pursuant to this Paragraph, except to the extent such defenses were available on the entry date of this Consent Order.

30. In the event that Defendant Steve's Towing is acquired by or merges with another entity, Defendant Steve's Towing shall, as a condition of such acquisition or merger, obtain the written agreement of the acquiring or surviving entity to be bound by any obligations remaining under this Consent Order for the remaining term of this Consent Order and shall notify the United States of the acquisition or merger within five days of its consummation.

31. This Consent Order does not release claims for practices not addressed in the Complaint, and it does not resolve and release claims other than civil claims for violations of 50 U.S.C. § 3958 that may be brought by the United States. Upon Steve's Towing compliance with all the terms set forth herein the United States does release Steve's Towing from all claims under U.S.C. § 3958 that it could have brought under the Complaint herein.

32. Nothing in this Consent Order will excuse Defendant Steve's Towing's compliance with any currently or subsequently effective provision of law or order of a regulator with authority over Defendant Steve's Towing that imposes additional obligations on it.

**X. MODIFICATIONS, ATTORNEY'S FEES AND COSTS, AND REMEDIES FOR NON-COMPLIANCE**

33. Any time limits for performance imposed by Sections II, III, IV, VI, VII, and VII of this Consent Order may be extended by the mutual written agreement of Plaintiff United States and Defendant Steve's Towing.

34. Any time limits for performance imposed by Section V of this Consent Order may be executed by mutual written agreement of the Parties.

35. The Parties shall be responsible for their own attorney's fees and court costs, except as provided for in Paragraph 36.

36. The Parties shall endeavor in good faith to resolve informally any differences regarding the interpretation of, and compliance with, this Consent Order prior to bringing such matters to the Court for resolution. In the event the United States contends that there has been a failure by Defendant Steve's Towing, whether willful or otherwise, to perform in a timely manner any act required by this Consent Order or otherwise comply with any provision thereof, the United States may move the Court to impose any remedy authorized by law or equity, including, but not limited to, an order requiring the performance of such act or deeming such act

to have been performed, and an award of any damages, costs, and attorney's fees which may have been occasioned by Defendant's violation or failure to perform.

**XI. RETENTION OF JURISDICTION**

37. The Court shall retain jurisdiction over all disputes between the Parties arising out of the Consent Order, including but not limited to interpretation and enforcement of the terms of the Consent Order.

38. This Consent Order shall be in effect for a period of five (5) years from its date of entry, after which time this case shall be dismissed with prejudice. The United States may move the Court to extend the duration of this Consent Order in the interests of justice.

SO ORDERED

This 17th day of April, 2023.

*Arenda L. Wright Allen*  
\_\_\_\_\_  
UNITED STATES DISTRICT JUDGE

Dated: April 6, 2023.

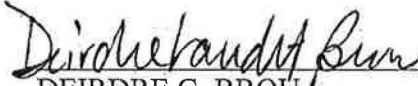
For Plaintiff United States of America:

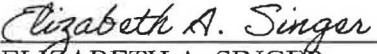
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ATTORNEYS FOR PLAINTIFF UNITED STATES

Dated: 4/4, 2023

For Plaintiff-Intervenor John Doe;

 BY KEVIN BINIAZAN WITH PERMISSION  
VSB # 92109

JEFFREY A. BREIT, Esq. (VSB No. 18876)  
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Dated: 4-4, 2023

For Defendant Steve's Towing, Inc.:



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EXHIBIT A

**IMPORTANT NOTICE TO MILITARY SERVICEMEMBERS ABOUT YOUR RIGHTS UNDER THE SERVICEMEMBERS CIVIL RELIEF ACT**

Steve's Towing, Inc. has presented you with the attached waiver of rights and protections that may be applicable to you under the Servicemembers Civil Relief Act, 50 U.S.C. § 3901, *et seq.* (the "SCRA"). The SCRA provides military personnel and their dependents with a wide range of legal and financial protections. Among other benefits and protections, the SCRA:

- Prevents towing companies from selling or disposing of a servicemember's vehicle or personal property without a court order during any period of active duty or for 90 days thereafter;
- Requires that a court review and approve any action by a towing company to enforce a lien on the vehicle or property of any protected servicemember;
- Allows the court to delay the proceeding for a period of time as justice and equity require, or to adjust the obligation to the towing company in light of the servicemember's military service; and
- Requires the court to appoint an attorney to represent any servicemember who does not make an appearance in the case.

If you choose to sign the waiver, Steve's Towing, Inc. may auction or dispose of your vehicle and property without having a court review and approve its actions. If you do not sign this waiver, Steve's Towing, Inc. will not be able to sell or dispose of your vehicle and property without having a court review and approve of its actions.

**Before waiving these important statutory rights, you may wish to consult an attorney regarding how best to exercise your rights and whether it is in your interest to waive these rights under the conditions offered by Steve's Towing, Inc.**

**For More Information:**

- **CONSULT AN ATTORNEY:** To fully understand your rights under the law, and before waiving your rights, you may wish to consult an attorney.
- **JAG / LEGAL ASSISTANCE:** Servicemembers and their dependents with questions about the SCRA may contact their unit's Judge Advocate, or their installation's Legal Assistance Officer. A military legal assistance office locator for all branches of the Armed Forces is available at <http://legalassistance.law.af.mil>.
- **MILITARY ONESOURCE:** "Military OneSource" is the U.S. Department of Defense's information resource. Go to <http://www.militaryonesource.com>.

**WAIVER OF RIGHTS UNDER THE SERVICEMEMBERS CIVIL RELIEF ACT**

Please read the attached **IMPORTANT NOTICE TO MILITARY SERVICEMEMBERS ABOUT YOUR RIGHTS UNDER THE SERVICEMEMBERS CIVIL RELIEF ACT** before executing this waiver. I, \_\_\_\_\_, am/was a servicemember with the (name) (branch/unit of military), and I am aware that I have protections available to me under the Servicemembers Civil Relief Act (“SCRA”). This includes, but is not limited to, legal rights relating to the foreclosure or enforcement of a lien on the property or effects of a servicemember during any period of military service and 90 days thereafter without court-ordered permission.

I am the registered owner of the following described motor vehicle:

Make:  
Year:  
Model:  
VIN:

By signing this waiver, I acknowledge and agree that:

- I have read and understood the attached **IMPORTANT NOTICE TO MILITARY SERVICEMEMBERS ABOUT YOUR RIGHTS UNDER THE SERVICEMEMBERS CIVIL RELIEF ACT**.
- I am waiving the SCRA protections related to the property listed above, including any protections against the sale or disposal of the motor vehicle. I agree to the application of any proceeds from the sale of the property listed above towards any fees and expenses related to the sale, and to storage expenses claimed. However, I retain the right to claim any proceeds from the sale of the property listed above that are above and beyond any sums owed to, or claimed by, Steve’s Towing, Inc.
- This waiver applies to any form of proceeding or transaction through which someone else receives ownership and/or possession of the motor vehicle, or any part thereof, or its disposal. By signing this waiver, I am voluntarily surrendering ownership, title, interest and rights to the motor vehicle, and its disposition, whether by public sale, destruction or otherwise.
- This waiver does not affect any loan or debt that I may owe on the motor vehicle to a third party, or any citation issued by any law enforcement agency, or any fees, costs or fines associated with the citation.
- In exchange for waiving my SCRA rights with respect to this property, Steve’s Towing, Inc. agrees to waive the recovery of any fees and costs relating to the towing, storage, sale or disposal of my motor vehicle that may remain after any proceeds from the sale of the property listed above have been applied.

- This waiver is made voluntarily, without coercion, duress, or compulsion. I understand the terms of this waiver of rights, and acknowledge I was advised to consult with an attorney regarding this waiver of rights and the protections afforded by the SCRA.

Dated: \_\_\_\_\_, 20\_\_

By: \_\_\_\_\_ (Registered Owner – Print Name)

Signature: \_\_\_\_\_ (Registered Owner)

Dated: \_\_\_\_\_, 20\_\_

By: \_\_\_\_\_ (Authorized Agent of Steve's Towing, Inc. – Print Name)

Signature: \_\_\_\_\_ (Authorized Agent of Steve's Towing, Inc.)

EXHIBIT B

**EMPLOYEE ACKNOWLEDGMENT**

I acknowledge that on \_\_\_\_\_, 20\_\_, I was provided training regarding Servicemembers Civil Relief Act (SCRA) compliance, a copy of the SCRA Policies and Procedures, and a copy of the Consent Order entered in *United States v. Steve's Towing, Inc.*, Case No. \_\_\_\_\_ (E.D. Va.). I have read and understand these documents and have had my questions about these documents and the SCRA answered. I understand my legal responsibilities and agree to abide by the terms of the SCRA and the documents I received.

\_\_\_\_\_  
[PRINT NAME, JOB TITLE]

\_\_\_\_\_  
[SIGNATURE]

EXHIBIT C

<b>PAYMENT #</b>	<b>PAYMENT DUE DATE</b>	<b>PAYMENT AMOUNT</b>
1	within 7 calendars of entry of consent order	\$30,000
2	July 1, 2023	\$3,125
3	October 1, 2023	\$3,125
4	January 1, 2024	\$3,125
5	April 1, 2024	\$3,125
6	July 1, 2024	\$3,125
7	October 1, 2024	\$3,125
8	January 1, 2025	\$3,125
9	April 1, 2025	\$3,125
10	July 1, 2025	\$3,125
11	October 1, 2025	\$3,125
12	January 1, 2026	\$3,125
13	April 1, 2026	\$3,125
<b>TOTAL</b>		<b>\$67,500</b>

EXHIBIT D

**RELEASE**

In consideration for the Parties' agreement to the terms of the Consent Order resolving the United States' allegations in *United States v. Steve's Towing, Inc.*, Civil No. \_\_\_\_\_ (E.D. Va.) and incremental payments to me totaling \$ \_\_\_\_\_, I, \_\_\_\_\_, upon receipt of the entire amount of \$ \_\_\_\_\_, release and forever discharge all claims, arising prior to the date of this Release, related to the facts at issue in the litigation referenced above that pertain to alleged violations of Section 3958 of the Servicemembers Civil Relief Act, 50 U.S.C. § 3858, that I may have against Steve's Towing, Inc., and all related entities, parents, predecessors, successors, subsidiaries, and affiliates and all of their past and present directors, officers, agents, managers, supervisors, shareholders, and employees and their heirs, executors, administrators, successors or assigns.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

SIGNATURE: \_\_\_\_\_

PRINT NAME: \_\_\_\_\_

MAILING ADDRESS: \_\_\_\_\_  
\_\_\_\_\_

PHONE: \_\_\_\_\_

EMAIL: \_\_\_\_\_

EXHIBIT E

**RELEASE**

In consideration for the Parties' agreement to the terms of the Consent Order resolving the United States' allegations in *United States v. Steve's Towing, Inc.*, Civil No. \_\_\_\_\_ (E.D. Va.) and payment to me of \$ \_\_\_\_\_, I, \_\_\_\_\_, upon receipt of the entire amount of \$ \_\_\_\_\_, release and forever discharge all claims, arising prior to the date of this Release, related to the facts at issue in the litigation referenced above that pertain to alleged violations of Section 3958 of the Servicemembers Civil Relief Act, 50 U.S.C. § 3858, that I may have against Steve's Towing, Inc., and all related entities, parents, predecessors, successors, subsidiaries, and affiliates and all of their past and present directors, officers, agents, managers, supervisors, shareholders, and employees and their heirs, executors, administrators, successors or assigns.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

SIGNATURE: \_\_\_\_\_

PRINT NAME: \_\_\_\_\_

MAILING ADDRESS: \_\_\_\_\_  
\_\_\_\_\_

PHONE: \_\_\_\_\_

EMAIL: \_\_\_\_\_

EXHIBIT F

**DECLARATION OF ABILITY TO COMPLY WITH CONSENT ORDER AND  
GUARANTEE OF PAYMENT**

I, Steven E. Gilliam, individually and as President, Owner, Officer, and Director of Steve's Towing, Inc. declare and state as follows:

I currently serve as, and am listed in the Commonwealth of Virginia's State Corporation Commission's records as, the President, Officer, and Director of Steve's Towing, Inc.

Steve's Towing, Inc. is active and in good standing with the Commonwealth of Virginia's State Corporation Commission.

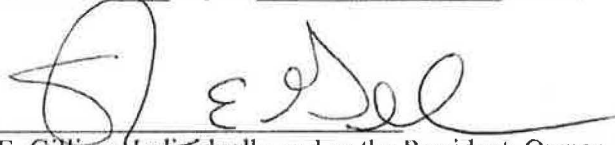
I understand fully the terms of this Consent Order and the obligations of Defendant Steve's Towing, Inc. under this Consent Order.

I, Steven E. Gilliam, further declare and state that both Steve's Towing, Inc., and I, have the financial capacity to make all of the payments to all aggrieved servicemembers and the United States in accordance with the terms of the Consent Order.

In exchange for the release and discharge by servicemembers receiving damages under this Consent Order of all claims, arising prior to the date of the Release, related to the facts at issue in the litigation referenced above that pertain to alleged violations of Section 3958 of the Servicemembers Civil Relief Act, 50 U.S.C. § 3858, that they may have against Steve's Towing, Inc. and all related entities, parents, predecessors, successors, subsidiaries, and affiliates and all of their past and present directors, officers, agents, managers, supervisors, shareholders, and employees and their heirs, executors, administrators, successors or assigns, I personally guarantee that I will make all payments required by Sections V, VI, and VII of this Consent Order if Steve's Towing, Inc. fails to do so.

Pursuant to 28 U.S.C. § 1746, I declare under the penalty of perjury that the foregoing is true and correct.

Executed on this 4 day of APRIL, 2023.



Steven E. Gilliam, Individually and as the President, Owner, Officer, and Director of Steve's Towing, Inc.

**Commonwealth of Virginia**



On this 4 day of APRIL 2023, before me, the undersigned notary public, personally appeared Steven E. Gilliam, who proved to me through satisfactory evidence of identification, which was a Driver's License, that he was the person whose name is signed on the preceding or attached Declaration of Ability to Comply with Consent Order. I hereby further certify that Steven E. Gilliam, acknowledged to me that he signed the preceding or attached Declaration of Ability to Comply with Consent Order voluntarily for its stated purpose.

Notary Public: [Signature]  
04/17/2023

DAVID KEITH SEEGER  
NOTARY PUBLIC  
Commonwealth of Virginia  
Reg. # 7785656  
My Commission Expires 06/24/23