

MEXICAN DRUG LORD BROUGHT TO COUNTY JAIL B1

EAST COUNTY EDITION
SATURDAY, OCT. 16, 2010



MOSTLY CLOUDY
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VENTURA COUNTY STAR



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20TH CONSECUTIVE WIN FOR WESTLAKE

Nick Isham throws for 235 yards during game against Moorpark. **SPORTS, C1**

Countrywide's Mozilo, SEC settle



Countrywide co-founder Angelo Mozilo was not in court when the deal was announced.

Co-founder agrees to \$67.5 million deal to avoid trial on civil fraud, insider trading

By Jacob Adelman

The Associated Press

LOS ANGELES — Countrywide Financial Corp. co-founder Angelo Mozilo has agreed to a \$67.5 million settlement to avoid trial on civil fraud and insider trading charges that alleged he profited from doling out risky mortgages while misleading investors about the risks.

Two other former Countrywide

executives also settled before trial next week on charges filed by the Securities and Exchange Commission. But employment agreements that protect the men from lawsuits involving the failed lender mean Bank of America Corp., which bought Countrywide in July 2008, will pick up most of the tab.

The settlement announced Friday spares the executives the risk

of a verdict that could have been used against them in lawsuits by shareholders, or by prosecutors if a criminal probe into their activities leads to charges.

It also gives the SEC the right to brag about what it said is the biggest financial penalty ever against a public company's senior executive. The agency has been criticized for doing little to prevent much of the risky behavior that led to the financial meltdown and for failing to detect Bernard

See COUNTRYWIDE on A2



Karen Quincy Loberg / Star staff

Danielle Earl works in the home her family moved back into last weekend after losing it to foreclosure. A judge has ordered the Earls to vacate the property in Simi Valley.

Judge orders family out of foreclosed Simi home

By Stephanie Hoops

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A Simi Valley family who took their attorney's advice to disregard a court's ruling and move back into their foreclosed home were ordered Friday by Ventura County Superior Court Judge Barbara Lane to vacate the property.

Jim and Danielle Earl and their nine children have a week from Monday to pack up and leave, said Brian Troop, president of Troop Real Estate Inc., the brokerage company that represented the investor who purchased the property at a foreclosure sale in January.

The Earl family's lawyer, Michael T. Pines of Encinitas, told Lane the family would move back into the home, Troop said.

"When he was ruled against ... he said right in front of the judge we're going to move them back in afterwards."

Pines does not deny the family intends to return to the house because he said the judge ordered them to leave, not to leave permanently.

The judge denied a permanent injunction.

"I do not dispute the judge said they have to leave the home," he said. "If the sheriff comes they have to leave, but they can go back in. She specifically denied them any order that they have to permanently leave."

"I would characterize it not as a vigilante but as unusual," he said. "The banks have a very effective propaganda machine and have

See HOUSE on A2

ENVIRONMENT IS CSUCI PROFESSOR'S CLASSROOM



Joseph A. Garcia / Star staff

Sean Anderson, a professor of environmental science and resource management at CSU Channel Islands, talks with students about his work from a recent visit to Turkey, where he's working to protect birds' migratory paths.

By Jean Cowden Moore

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Sean Anderson, an environmental science professor at CSU Channel Islands, travels around the world restoring wetlands. He's just returned from

Turkey, where he's working on protecting birds' migratory paths and training local conservation biologists. Every spring, he takes students to New Orleans, where they restore swamps damaged by Katrina. And he's helping to develop sustainable seafood standards for California.

He's involved locally, too, working at Mugu Lagoon, Ormond Beach, the Santa Clara River and Calleguas Creek.

Anderson brings much of that work into the classroom, incorporating both science and social policy into his lectures, students say. He also gives students valuable experience in field work, involving them in surveys and taking them out to local wetlands.

"He has his hand in everything, it seems," said Jennifer Ormond, a former student. "He really gives students an opportunity to do research we couldn't do otherwise. ... He's definitely a dynamo."

In his work outside the classroom,

See RESEARCHER on A2



Courtesy photo

Sean Anderson notes the GPS data of Aras River levees in Turkey, where he trains locals to be guides in the wetlands, a possible tourist attraction.

Sean Anderson

Occupation: Professor of environmental science and resource management, CSU Channel Islands.

Age: 40.

Education: Post-graduate work at Stanford's Center for Conservation Biology; doctorate in marine population biology, UCLA; bachelor's in environmental studies and ecology/evolution, UC Santa Barbara.

Residence: Newbury Park.

Personal: Married to Stacey Anderson, an English professor at CSU Channel Islands; one child.

Last book read: "Abraham Lincoln: Vampire Hunter," Seth Grahame-Smith.

Favorite movies: "Empire Strikes Back," "The Abyss."

Interests: Scuba diving, photography, hiking, swimming.

Favorite quote: "Everyone can be great because everyone can serve." — Martin Luther King, Jr.

INSIDE TODAY'S STAR

More opposition to Prop. 19

Attorney General Eric Holder says pot would remain illegal if the measure passes. **STATE, A5**

Offering financial support



Seventh inning stretch big help for Yankees

The Yankees rally for five runs in the eighth inning to beat the Rangers

Ventura might be the next city to leave the county library system

By Kevin Clerici

kclerici@VCStar.com

A day after Camarillo decided to withdraw from the county library system, Ventura officials agreed to put the county on notice that it might do the same.

Ventura and Simi Valley are the two largest cities remaining in the countywide system. Ventura's withdrawal, along with access to its collection, would dramatically reduce the system's size, although library officials say the small, cash-strapped unincorporated branches could actually benefit.

Simi Valley also has discussed pulling out but has not taken any formal steps. The city is seeking updated financial information from the county, and the Simi Valley City Council is scheduled to discuss the matter in December.

The Ventura City Council voiced unanimous support at a special meeting Thursday night to

Mozilo, 2 others settle with SEC

COUNTRYWIDE

From A1

Madoff's massive investment fraud.

"This settlement is a desirable result for all the parties," said Jacob Frenkel, a former SEC enforcement attorney now in private practice. "The SEC claims victory. The defendants get closure while preserving their ability to fight" lawsuits by shareholders.

The agreement requires Mozilo to repay \$45 million in ill-gotten profits and \$22.5 million in civil penalties. Former Countrywide President David Sambol owes \$5 million in profits and \$520,000 in civil penalties, and former Chief Financial Officer Eric P. Sieracki will pay \$130,000 in civil penalties.

It's "the fitting outcome for a corporate executive who deliberately disregarded his duty to investors by hiding what he saw in the executive suite," SEC Enforcement Director Robert Khuzami said in a conference call with reporters.

But \$25 million of Mozilo's restitution will come from an escrow fund the company set up to cover shareholder litigation and Mozilo has no obligation to pay the remaining amount, according to the settlement agreement.

The Charlotte, N.C.-based bank, through its Countrywide subsidiary, will pay that \$20 million, according to a person familiar with the matter who wasn't authorized to speak publicly and spoke on condition of anonymity.

Sambol's agreement stipulates that his entire \$5 million forfeiture will come from the escrow fund.

The payments come on top of an \$8.4 billion settlement Bank of America made with 12 states in 2008 over Countrywide's lending practices. The company also agreed in August to pay \$600 million to end a class-action case from former Countrywide shareholders.

The penalty represents a striking turn for Mozilo, the son of a Bronx butcher who 41 years ago co-founded what grew into the nation's largest home loan originator. In 2006, Countrywide was writing one in six of the nation's mortgages, totaling more than \$490 billion, court records showed.

The Calabasas-based company spiraled into disaster as investors suddenly realized many homeowners wouldn't be able to repay mortgages that required no proof of income or down payment, and offered adjustable rates that quickly made monthly payments unaffordable.

Regulators portrayed Countrywide's massive size in court documents as the result of the three executives' single-minded pursuit of market dominance, even if it meant taking disastrous risks.

"The credit losses experienced by Countrywide in 2007 not only were foreseeable by the proposed defendants, they were in fact foreseen at least as early as September 2004," the SEC said in its filing.

The SEC accused the men of misleading shareholders about the quality of the loans on Countrywide's books. The civil complaint also accused Mozilo of acting on his inside knowledge of the company's precarious state when he sold shares between November 2006 and October 2007 ahead of its collapse, reaping more than \$139 million.

Under the settlement, the three men did not admit wrongdoing.

Lawyer telling clients to fight back

HOUSE

From A1

brainwashed everybody into thinking property owners are wrong."

He's urging his clients to push back against foreclosures — and the Earl family is not the only one. On Tuesday, Pines prompted an Escondido family to use force to get back into their home. On Wednesday, Pines and another client were arrested in Newport Beach for trespassing when they broke into a house there.

Asked about the Newport Beach arrest, Pines said: "We will be filing a legal action, potentially a class action, against the city, which I really regret."

Ventura lawyer Michael Sment, the chairman of the Ventura County Bar bankruptcy section who teaches business law and real estate at Occidental College, said he recently discussed Pines' actions with some local judges.

"Anybody that's experienced is pretty shocked by what he's doing," he said. "The attorney is not local, and I don't know why somebody would try to offend a judge, but that's what he's doing."

Sment believes the 50 attorneys general nationwide who are gearing

up to probe improper foreclosure practices are the proper officials to be dealing with the situation.

"We don't allow people to just break in and take property just because you think it's yours," Sment said. "If we allowed people to do that in California or the United States, we would have complete chaos and anarchy."

The Earls used a locksmith to help retake their house Oct. 9, and the Simi Valley Police, who were there, did not intervene. But Troop hopes that won't be the case if it happens again. Troop said he met with the city attorney, city manager and Simi Valley Police Department on Friday, against the city, which I really regret.

"They are going to be a little more proactive," he said. "They recommended that (the investor) get a restraining order against (Pines), so they are in the process of consulting with their attorney to accommodate that."

Simi Valley Police Lt. Roy Jones was not at that meeting but said "certainly if we're called out to a scene we'll do whatever's appropriate. We'll do our best to enforce the law impartially."

The Earls say they are victims of robo-signers, employees and lawyers of major lenders who filed faulty pa-

perwork by robotically signing off on thousands of defaulted loans without taking time to fully review the files.

Troop said the Earls had ample opportunity to save their home from foreclosure but had not made payments for two years.

The Earl family bought the Simi Valley house in 2001 for \$539,000 with a loan originating with First City Funding, dba Credit Corp. In 2005 they refinanced with an \$880,000 loan. In February, the trustee's deed upon sale indicated unpaid debt with costs on the property just over \$1 million.

The investor, Thousand Oaks-based Consejo Capital Partners LLC, spent \$697,000 to purchase the house and an additional \$40,000 to remodel it, Troop said. The two-story house in the 5800 block of Mustang Drive has nearly 4,000 square feet, six bedrooms and 4.5 baths.

Another family had scheduled to close escrow Monday and was getting ready to move in, but has since backed out of the deal, Troop said.

"They're afraid these people will keep coming back and breaking in over and over again, and they have three small children and don't want to put their children at risk," he said.

Professor inspires students, cinema

RESEARCH

From A1

Anderson focuses more on concrete change than abstract academics, bringing a community-oriented approach to science. When he takes students to New Orleans, they build community gardens as well as restore wetlands. In eastern Turkey, he trains villagers to be guides and talks about how the wetlands, with all their birds, could become a tourist attraction — offering a financial incentive to protect them.

"I'm interested in improving the on-the-ground management of things," said Anderson, who also has gotten involved in the BP oil spill.

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Joseph A. Garcia / Star staff
With his adventurous spirit and zeal for life, Sean Anderson, an environmental science professor at CSU Channel Islands, inspired a character of the same name in the action movie "Journey to the Center of the Earth."

"I'm constantly amazed at the impact he has on his students to alter their life course."

Don Rodriguez, CSUCI Environmental Sciences Department chairman about Sean Anderson

enthusiasm for his work is obvious, particularly when he talks about his adventures. Anderson is an avid scuba diver, which has led him on research trips to the Antarctic, where he dove under the ice. On his last trip to Turkey, his apartment had no heat, and his Land Cruiser went off the road in a massive rain storm.

All that — his adventures, his enthusiasm for life — inspired a character named Sean Anderson in the action movie "Journey to the Center of the Earth." The real Sean Anderson was a technical consultant on the first film and will be again for a sequel, which is supposed to start filming in the next few months.

Sciences and Resource Management Department at the university. "These are transformative experiences. I'm constantly amazed at the impact he has on his students to alter their life course."

Many of Anderson's students are, like him, the first in their families to go to college. Their backgrounds, sometimes as the children of farmworkers or fishermen, often lead to richer discussions in class, Anderson said. And many are staying in this area after graduating, working for the National Park Service, California Department of Fish and Game and other government agencies, he said.

"The network is getting deep," Anderson said. "We are making a tangible impact on the management of our home. ... We're shaping this universe the way we'd like the universe to be."

fault Ventura's decision. And she insisted the system would survive without the city.

"I don't think what Ventura is doing is a bad thing," she said Friday. "They are asking us to compete with other providers to run their libraries. I think that is a reasonable thing for the city to ask."

Camarillo didn't give the county system that option, she said. The Camarillo withdrawal on Jan. 1 is expected to cost about 30 county jobs, and Ventura's departure could eliminate an additional 20 positions, although those employees could potentially apply to work for whomever secures the contract.

The county's free, 15-library system (including Camarillo) has a \$10.7 million budget this fiscal year. Most of the money comes from local property taxes as well as a \$600,000 contribution from the county general fund and state public library funds. The state at one time provided near-

But like Camarillo, it would lose about \$400,000 in earmarked property taxes it now receives from nearby unincorporated areas, Griffin said.

"They don't have a right to money outside the city limits," she said. "That money would remain in the county system and be funneled to the remaining branches, likely benefiting small rural libraries, Griffin said.

The Simi Valley City Council historically has believed in the shared benefits of a countywide system as the most fiscally responsible approach, City Manager Mike Sedell said Friday.

"We obviously will be interested in knowing the impacts on the system if Ventura withdraws," he said. Ventura library activists who were angered by the closure of H.P. Wright Library last year have urged the city to withdraw from the county system and contract with Library Systems & Services.

CORRECTION

POLICY

Contact Metro Editor John Moore at 437-0201 or jmoore@VCStar.com to report any errors in stories.

CORRECTION

A story in Friday's B section about Camarillo withdrawing from the county library system contained an error. Because about \$425,000 in property tax revenue collected in unincorporated areas around Camarillo would go from the city back to the library system, Camarillo stands to save about \$675,000 annually from leaving the system.

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LOTTERY RESULTS

Mega Millions
9-10-13-31-50
Mega number: 10
Jackpot: \$72 million

SuperLotto Plus
Tonight's jackpot: \$8 million

Daily Three
Midday drawing: 0-3-6
Evening drawing: 4-0-2

Daily Four
2-4-3

Fantasy Five
2-5-6-21-39

Daily Derby
1: 01, Gold Rush
2: 06, Whirl Win
3: 02, Lucky Star
Time: 1:48:56

NEWS SHOWS

Guest lineup for the Sunday TV news shows:

ABC's "This Week," 8 a.m. Channel 7, and 9 a.m. Channel 3 — The Delaware Senate nominees, Democrat Chris Coons and Republican Christine O'Donnell, California first lady Maria Shriver.

CBS' "Face the Nation," 8:30 a.m. Channel 2 — Former Democratic National Committee chairman Howard Dean, Republican strategist Liz Cheney, Sen. Lindsey Graham, R-S.C.

NBC's "Meet the Press," 8 a.m. Channel 4 — Presidential press secretary Robert Gibbs, the Colorado Senate nominees, Democrat Michael Bennet and Republican Ken Buck.

CNN's "State of the Union," 6 and 9 a.m. — White House senior adviser David Axelrod.

"Fox News Sunday," 8 a.m. Channel 11 — Sens. John Cornyn, R-Texas, and Claire McCaskill, D-Mo., Carly Fiorina, Republican Senate nominee in California.

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4-day (Thursday-Sunday): \$2.26 a week.
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Sunday only: \$1.80 a week.
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7-day e-Edition: \$2 per week.
7-day mail subscription: \$7.25 per week.
Sunday only mail subscription: \$5.47 per week.

Ventura officials to put county on notice

LIBRARY

From A1

operation of the city's two branches — the E.P. Foster Library downtown and the Avenue Library on the city's west end — out to a competitive bid process.

"The idea is to set up the possibility of withdrawing, seek bids for library operations and see what we get," Mayor Bill Fulton said.

The Camarillo City Council decided Wednesday night to withdraw from the system and contract with a private firm, Maryland-based Library Systems & Services Inc., to run its library. The city said the move would save Camarillo about \$675,000 annually. Moorpark made the same jump a few years ago.

Library Systems & Services is a private company that has grown into the nation's fifth-largest library system, running public libraries in 150 cities in California, Oregon,

fault Ventura's decision. And she insisted the system would survive without the city.

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