

IN THE CIRCUIT COURT OF PULASKI COUNTY, ARKANSAS
2 DIVISION

JUL 17 2012

TIME: 12:01

CASE #: _____

STATE OF ARKANSAS *ex rel.*
DUSTIN McDANIEL, ATTORNEY GENERAL

PLAINTIFF

v.

CASE NO. WDCV-12-3396

NATIONAL CREDIT ADJUSTERS, LLC

DEFENDANT

COMPLAINT

COMES NOW the State of Arkansas ("the State") *ex rel.* Dustin McDaniel, Attorney General, and for its Complaint against National Credit Adjusters, LLC ("NCA"), does hereby state and allege the following:

PARTIES

1. Plaintiff is the State of Arkansas *ex rel.* Dustin McDaniel, the duly elected Attorney General for the State of Arkansas. This is a consumer protection action. This complaint is brought in the public interest in order to redress and restrain violations of the Arkansas Deceptive Trade Practices Act, Ark. Code Ann. § 4-88-101 through 116.

2. National Credit Adjusters, LLC ("NCA") is a foreign corporation conducting business in the State of Arkansas.

3. NCA maintains its principal place of business at 327 West 4th Street, Hutchinson, Kansas 67504.

4. NCA's registered agent in Arkansas is National Registered Agents, Inc. of Arkansas, 455 West Maurice Street, Hot Springs, Arkansas 71901.

JURISDICTION

5. This Court has subject matter jurisdiction pursuant to Ark. Code Ann. § 4-88-112. This Court has personal jurisdiction over the Defendant pursuant to Ark. Code Ann. § 4-88-104

and Ark. Code Ann. § 16-4-101(B), which provides: “The courts of this state shall have personal jurisdiction of all persons, and causes of action or claims for relief, to the maximum extent permitted by the due process clause of the Fourteenth Amendment of the United States Constitution.” Defendant routinely directs communications, by phone, mail, and other means, to Arkansas residents in order to collect money on purported contractual obligations. Based upon its activities in the State of Arkansas, the Defendant should reasonably expect to defend itself in the courts of this State for alleged violations of Arkansas laws.

6. Venue is proper pursuant to Ark. Code Ann. § 4-88-104, § 4-88-112, and the common law of the State of Arkansas. The Defendant has transacted business in the State of Arkansas.

FACTUAL BACKGROUND

7. NCA is engaged in the business of debt collection. As part of its business, NCA seeks to collect money from Arkansas residents.

8. NCA is primarily what is known in the collection industry as a debt buyer. As a debt buyer, NCA purchases the right to collect on delinquent obligations. The purchase is made from the original creditor or some other third party intermediary, sometimes another debt buyer.

9. As part of its portfolio of purchased debt, NCA has purchased a large number of debts resulting from loans known as "payday loans."

10. With respect to many of these payday loans, the original debtor, and current target of NCA's collection efforts, is a resident of Arkansas.

11. Payday loans are typically loans of \$1000 or less that are to be repaid in one month or less. Payday loans typically carry interest rates of more than 100% per annum; in many cases the annual percentage rate is much higher.

12. NCA has also purchased a number of debts resulting from high interest loans commonly described as "installment loans."

13. These installment loans are typically larger, up to \$5,000, than payday loans. Payments are made on a monthly basis over a longer period of time, often one to two years. The resulting interest rates often far exceed that allowed by Arkansas law.

14. Neither payday loans nor high interest installment loans are legal or enforceable with respect to Arkansas borrowers.

15. Both types of loans violate the Arkansas Constitution, Amendment 89, formerly Article 19, Section 13, and the Arkansas Deceptive Trade Practices Act, Ark. Code Ann. §§ 4-88-101, *et seq.* The Arkansas Constitution has prohibited usury for well over one hundred years. The practice of charging ultra-high rates of interest, such as those charged by the lenders from whom NCA acquires these accounts, is unconscionable as a matter of Arkansas law. See *State of Ark. v R & A Investment Co., Inc.*, 336 Ark. 289, 785 SW 2d 299 (1999), *Arkansas Board of Collection Agencies and Old Republic Surety Company v. McGhee, et al.*, 372 Ark. 136, 271 S.W.3d 512 (2008), *Staton v Arkansas Board of Collection Agencies and American Manufactures Mutual Insurance Company*, 372 Ark. 387, 277 S.W.3d 190 (2008), and *McGhee v. Arkansas State Bd. of Collection Agencies*, 375 Ark. 52, 289 S.W.3d 18 (2008).

16. NCA has collected money from hundreds of Arkansas consumers who purportedly owed debts on payday and installment loans contracts that are usurious, unconscionable and void.

17. Additionally, NCA has attempted, and continues to attempt, to collect payday and installment loan contract obligations from an unknown number of Arkansas consumers.

18. Typically, NCA does not obtain a copy of the original lending agreement when it purchases the payday loan and installment loan debts it collects on from Arkansas consumers.

19. In those cases where NCA has brought legal action in Arkansas to attempt to obtain a judgment based on an illegal payday or installment loan, NCA has typically done so without having possession of the contract purporting to support the claim. In at least one such action, NCA proceeded without naming the original creditor or attaching a copy of the original contract; despite indicating the contract was attached NCA failed to attach any such documentation. (See Exhibit A attached hereto.) In other such actions, the Complaint caused to be filed by NCA has, from time to time, misidentified the nature of the purported payday loan obligation as a “credit card”. (See, for example, Exhibit B & C attached hereto.) The Attorney General is aware of no such cases where NCA attached a copy of the original lending agreement, or other supporting documentation evidencing the debt, to a lawsuit it caused to be filed.

20. Even so, attached to this complaint are two exemplars of those lending contracts upon which NCA has sought to collect. (See Exhibits D & E attached hereto). The interest rates on the face of the agreements are 730% and 782.14% respectively.

VIOLATIONS OF THE ARKANSAS DECEPTIVE TRADE PRACTICES ACT

21. The business practices of the Defendant constitute business, commerce, or trade within the meaning of Ark. Ann. § 4-88-107.

22. The conduct engaged in by the Defendant constitutes deceptive and unconscionable trade practices prohibited by the Arkansas Deceptive Trade Practices Act. The prohibited practices engaged in by the Defendant include, but likely are not limited to, violations of Arkansas Code Ann. §§ 4-88-107(a)(1) and 4-88-107(a)(10), as follows:

(a) Attempting to collect money and collecting money from Arkansas consumers on debts that are usurious, unconscionable, and void under Arkansas law.

(b) Misrepresenting, directly or by omission, to consumers and to Arkansas courts that payday loans and high interest installment loans are enforceable and collectable when, in fact and in law, such debts are usurious, unconscionable, and void under Arkansas law.

RELIEF REQUESTED

23. The acts and practices of the Defendant which constitute violations of the Arkansas Deceptive Trade Practices Act warrant, and the Plaintiff hereby seeks, the following relief:

(a) Injunction – Pursuant to Ark. Code Ann. § 4-88-113(a)(1), the Court is authorized to enter such orders or judgments as may be necessary to prevent the use or employment by the Defendant of the practices described herein which are violations of the Arkansas Deceptive Trade Practices Act. In addition to enjoining ongoing violations of Arkansas law, Plaintiff prays that this Court cancel all outstanding usurious loan contracts together with any obligations to which any Arkansas borrower may arguably be subject based upon such contracts.

(b) Restitution – Pursuant to Ark. Code Ann. § 4-88-113(a)(2), this Court is authorized to enter such orders or judgments as may be necessary to restore to any person who has suffered any ascertainable loss by reason of the use of prohibited practices any monies which may have been acquired by the Defendant, together with any other damages which these consumers may have sustained. All money collected by NCA from an Arkansas consumer based upon a claim derived from a payday loan or usurious installment loan should be restored to the consumer. In addition, or in the alternative, the

Defendant should be ordered to disgorge all funds illegally collected from Arkansas consumers as a result of a payday loan or usurious installment loan.

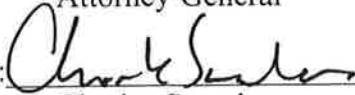
(c) Civil Penalties – Pursuant to Ark. Code Ann. § 4-88-113(a)(3), the Court is authorized to impose civil penalties to be paid to the State. Plaintiff seeks civil penalties against the Defendant in the amount of \$10,000.00 for each violation of the Arkansas Deceptive Trade Practices Act. At a minimum, each attempt, regardless of the success or failure of that attempt, to collect on a payday loan or usurious installment loan is a violation of the Arkansas Deceptive Trade Practices Act. The total recovery sought by the Plaintiff for restitution, disgorgement, and civil penalties is in an amount in excess of that required for federal court jurisdiction in diversity of citizenship cases.

(d) Attorneys fees and costs – Pursuant to Ark. Code Ann. § 4-88-113(e), the Plaintiff seeks the reimbursement of all expenses reasonably incurred in the investigation and prosecution of this matter, together with attorneys fees and costs.

WHEREFORE, Plaintiff prays that this Court permanently restrain and enjoin National Credit Adjusters, LLC from engaging in acts which constitute violations of the Arkansas Deceptive Trade Practices Act and the Arkansas Constitution; that all outstanding payday loans and usurious installment loan owned by NCA be voided; that the Defendant be barred from taking any action to enforce or otherwise collect on any such agreements; that the Defendant be enjoined from selling or otherwise transferring to any third party any such debt obligations; that the Defendant be ordered to pay restitution to all affected Arkansas consumers consisting of all payments made by such consumers to NCA in repayment of an illegal payday loan or installment loan, together with any other damages sustained by such consumers; alternatively, or in addition, that the Defendant be ordered to disgorge all payments received from Arkansas consumers related to illegal payday loans or installment loans; that the Defendant be assessed civil penalties; that the Plaintiff be awarded from the Defendant reimbursement for all expenses reasonably incurred in the investigation and prosecution of this matter, together with reasonable attorneys fees and costs, and for all other relief to which the Plaintiff may be entitled.

Respectfully submitted,

DUSTIN MCDANIEL,
Attorney General

By:  _____

Charles Saunders
Assistant Attorney General
Arkansas Bar No. 03117
Assistant Attorney General
500 Catlett-Prien Tower Building
323 Center Street
Little Rock, Arkansas 72201-2610
501-683-1501

EXHIBIT A

*A0008272

IN THE DISTRICT COURT OF PULASKI COUNTY, ARKANSAS
SHERWOOD DIVISION

FILED

NATIONAL CREDIT ADJUSTERS, LLC

PLAINTIFF

vs..

CASE/DIV NO.: **2010.00481** 2010 FEB 16 PM 1 24

SHERRY GREEN

DEFENDANT(S)

SHERWOOD DISTRICT COURT
SHERWOOD, ARKANSAS

COMPLAINT

Plaintiff's Address: C/O HOSTO, BUCHAN, PRATER & LAWRENCE, P.L.L.C

P.O. BOX 3397, LITTLE ROCK, ARKANSAS 72203

Defendant's Address: 8608 NORTHGATE DR, SHERWOOD AR 72120

Court Address: SHERWOOD DISTRICT COURT
2201 EAST KIEHL AVE. SHERWOOD, AR 72120 835-3625

Nature of Claim: Debt on a contract.

Nature and Amount of Relief Claimed: That the Defendant is liable to Plaintiff in the amount of \$1,810.03 plus pre judgment interest until the date of judgment at the contract rate of interest, which accrues at a rate of 0% per annum as shown by the attached affidavit, costs, attorneys fees, prejudgment interest if any, all of which should bear postjudgment interest at the maximum rate allowed by law.

Date Claim Arose: June 8, 2009

Factual Basis of Claim: Defendant signed a promissary note securing a loan. (See Exhibit A, Promissary Note), This note was to be repaid by the Defendant by making monthly payments. At the time the contract was made these terms were reasonably certain and agreed to by both parties. The Defendant has failed to meet her/her obligations under the terms of the promissary note, and therefore has breached the agreement.

Plaintiff's Attorney:

HOSTO, BUCHAN, PRATER & LAWRENCE, P.L.L.C.
ATTORNEYS AT LAW
P.O. BOX 3397
LITTLE ROCK, ARKANSAS 72203
TELEPHONE (501) 374-1300

Lindsey Thomson
LINDSEY THOMSON, ABN 2009077

SUMMONS AND NOTICE TO DEFENDANT

You are hereby warned to file a written answer with the clerk of the court within (20) TWENTY days after the date that you receive this complaint within (20) TWENTY DAYS from the day you were served with this complaint; (OR within THIRTY (30) thirty days if you are a non-resident of this state or a person incarcerated in any jail, penitentiary, or other correctional facility in this state) and to send a copy to the Plaintiff or to his or her attorney. If you do not file an answer within 20 TWENTY DAYS (or within 30 days for a nonresident of this state), or if you fail to file an answer, a default judgment may be entered against you.

By: *Beth Collier*
Signature of Clerk or Judge



EXHIBIT B

LINDSAY

*A0008296

IN THE CIRCUIT COURT OF Washington COUNTY, ARKANSAS CIVIL DIVISION

NATIONAL CREDIT ADJUSTERS, LLC

PLAINTIFF

vs.

CASE/DIV NO.: CV 09-2828-4

JENNIFER K KAM NICHOLAS

DEFENDANT

COMPLAINT

COMES Plaintiff, by and through its Attorneys, Hosto, Buchan, Prater & Lawrence, P.L.L.C. and for its complaint against the Defendant,, states:

1. Defendant is a resident of Washington, county.
2. The Court has subject matter and personal jurisdiction in this case and venue is proper in this county.
3. Defendant received a credit card from AUTHORIZED PAYDAY. The Defendant made various charges on this card, leaving an outstanding balance. Plaintiff is the assignee of this account.
4. That said account is now past due and remains unpaid despite the demands of Plaintiff.
5. As shown by the attached affidavit the balance due from the Defendant after applying all payments, credits, or other offsets is \$1,668.14, plus interest accrued in the amount of \$.00 as of the date this complaint was prepared for a total amount due of \$1,668.14. In addition, Plaintiff seeks costs, attorneys fees, and post judgment interest at the maximum rate allowed by law.

WHEREFORE, Plaintiff prays for a judgment against the Defendant in the amount of \$1,668.14, for its cost incurred in this matter, pre-judgment interest until the date of judgment at the contract rate of interest, for reasonable attorney's fee, and for all other proper and legal relief to which it may be entitled.

Respectfully submitted,

HOSTO, BUCHAN, PRATER & LAWRENCE, P.L.L.C.
701 WEST 7TH STREET
LITTLE ROCK, ARKANSAS 72201
(501) 374-1300


By: Paul A. Prater, Atty. 2001206

2009 AUG 25
CIVIL DIVISION
STATE OF ARKANSAS
FILED FOR RECORD
AM 11:51



A0008296

State of Kansas)
) ss:
County of Reno)


Re: Jennifer K Kaminski Nicholas

Original Creditor: Authorized Payday
Account #: 3701141
NCA #: 2757087

AFFIDAVIT

1. Affiant is a department manager for National Credit Adjusters, LLC. (hereafter referred to as "Creditor") and is of legal age and competent to testify.
2. Affiant has personal knowledge of the facts set forth herein by virtue of his capacity as a department manager for Creditor.
3. Affiant is authorized to make this affidavit on behalf of Creditor, which keeps these records in the ordinary course of business. It is Creditor's regular practice to record and maintain such records with respect to all consumer transactions, which include transactions for Jennifer K Kaminski Nicholas.
4. Affiant has reviewed the records of Creditor with respect to that certain indebtedness of Jennifer K Kaminski Nicholas.
5. As of January 17, 2008, the records of Creditor indicate a total balance owing of \$412.50 and continues to accrue interest at a rate of 17 percent.

Further Affiant sayeth naught.


 Kevin Emmerich, Department Manager
 National Credit Adjusters, LLC

SUBSCRIBED AND SWORN to before me July 07, 2009.


 Notary Public

NOTARY PUBLIC
 STATE OF KANSAS
 My Comm. Expires 10/17/09

EXHIBIT C

FILED

*A0006779

IN THE DISTRICT COURT OF PULASKI COUNTY, ARKANSAS

SHERWOOD
CIVIL DIVISION

2008 DEC 17 AM 10 59

NATIONAL CREDIT ADJUSTERS, LLC , Plaintiff

vs

CASE/DIV NO.:

SHERWOOD DISTRICT COURT
SHERWOOD, ARKANSAS

JOHN LOVELACE , Defendant(s)

2008 08851

COMPLAINT

Plaintiff's Address:

C/O HOSTO, BUCHAN, PRATER & LAWRENCE, P.L.L.C. P.O. BOX 3397,
LITTLE ROCK, ARKANSAS 72203

Defendant's Address:

25 KINGSHILL CV, MAUMELLE AR 72209

Court Address:

SHERWOOD DISTRICT COURT -SHERWOOD DISTRICT
2201 EAST KIEHL AVE. SHERWOOD, AR 72120 835-3625

Nature of Claim: Debt on a credit card account.

Nature and Amount of Relief Claimed: As shown by the attached affidavit the balance due from the Defendant after applying all payments, credits, or other offsets is \$1,128.53, plus interest accrued in the amount of \$25.23 as of the date this complaint was prepared for a total amount due of \$1,153.76. In addition, Plaintiff seeks costs, attorneys fees and post judgment interest at the maximum rate allowed by law.

Date Claim Arose: March 28, 2008

Factual Basis of Claim: Defendant received a credit card from INTERNET PAYDAY DFM, with account number NCA#3116247. The defendant made various charges on this card, leaving an outstanding balance. Plaintiff is the assignee of this account. That said account is now past due and remains unpaid despite the demands of Plaintiff.

Plaintiff's Attorney

HOSTO, BUCHAN, PRATER & LAWRENCE, P.L.L.C.,
ATTORNEYS AT LAW
P.O. BOX 3397

By:

Joe D. Boyd, ABN 90019

SUMMONS AND NOTICE TO DEFENDANT

You are hereby warned to file a written answer with the clerk of the court within (20) TWENTY days after the date that you receive this complaint within (20) TWENTY DAYS from the day you were served with this complaint; (OR within THIRTY (30) thirty days if you are a non-resident of this state or a person incarcerated in any jail, penitentiary, or other correctional facility in this state) and to send a copy to the Plaintiff or to his or her attorney. If you do not file an answer within 20 TWENTY DAYS (or within 30 days for a nonresident of this state), or if you fail to file an answer, a default judgment may be entered against you.

By:

Signature of Clerk or Judge

Richard Jackson, Deputy



EXHIBIT D


NATIONAL CREDIT ADJUSTERS

PO Box 3023 - 327 W 4th St.
 Hutchinson, KS 67504-3023
 Toll Free: 1-866-964-5261
 Fax: 620-664-5947
 www.ncaks.com

IH ST
 BOONEVILLE AR 72927-3612

Original Creditor:	EPProcessing
Account Number:	133747965149
NCA Reference Number	5240423
Current Balance:	\$510.00

This letter is to inform you that National Credit Adjusters, LLC (NCA) has purchased the above referenced account; we are not collecting for EPProcessing. NCA owns the account you created with EPProcessing and has a financial investment in it. Your debt is a part of your credit history; NCA would like to find a positive resolution to this account and its personnel will work with you to resolve this debt. If you are unable to mail in the balance in full, please call our office toll free at 1-866-964-5261.

As of the date of this letter, you owe \$510.00; because of interest, late charges and other charges that may vary from day to day, the amount due on the day you pay may be greater than the amount on this letter. Hence, if you pay the amount shown above, an adjustment may be necessary after we receive your payment. For further information, contact NCA at the above address or call 1-866-964-5261.

Unless you notify this office within thirty days after receiving this notice that you dispute the validity of this debt or any portion of it, this office will assume this debt is valid. If you notify this office in writing within thirty days after receiving this notice that the debt or any portion of it is disputed, this office will obtain and mail you a copy of the verification of the debt or a copy of the judgment against you. If requested by you in writing within thirty days of receiving this notice, this office will provide you with the name and address of the original creditor, if different from the current creditor.

Call us for payment options.

Once the account is paid, NCA will, at your request, send a receipt upon request and will inform the credit reporting agencies that the account has been paid.

All future payments and correspondence should be addressed to our office. This communication is from a debt collector attempting to collect a debt, and all information obtained will be used for that purpose.

National Credit Adjusters
 1-866-964-5261 Toll Free

Electronic Payment Processing

Phone Number 1-866-468-7111

Fax Number 1-866-686-5333

Your Choice Cash!

As a reminder, your loan will be refinanced on each due date. Refinancing will continue until you authorize us of your request to pay your loan in full.

To better serve you, please call us with requests and questions at **1-866-468-7111**

BOONEVILLE, AR 72927

ACCOUNT NUMBER: 106562	Customer Service Phone Number:1-866-468-7111
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Account Summary

PAY OFF AMOUNT		SCHEDULED REFINANCE PAYMENT AMOUNT	
PAY OFF DUE DATE	9/15/10	REFINANCE DUE DATE	9/15/10
PAY OFF AMOUNT DUE	\$390.00	REFINANCE AMOUNT DUE	\$90.00

Current Amount Due:	\$90.00
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Next Scheduled Payment

NEXT SCHEDULED DUE DATE	NEXT SCHEDULED PAYMENT AMOUNT
9/30/10	\$90.00

Payment Options

- **Refinance.** Your loan will be refinanced on every due date unless you notify us of your desire to pay in full or to pay down your principle amount borrowed. You will accrue a new fee of \$90.00 every time your loan is refinanced. Any fees accrued during refinancing will not go toward the principle amount owed.
- **Pay Down.** You can pay down your principle amount by increments of \$50.00 in addition to the fee. Paying down will decrease the fee charged for the next refinance due. To accept this option you must notify us of your request in writing via fax at Toll Free 1-866-686-5333. The request needs to be received at least three full business days before your loan is due.
- **Pay Off.** You can payoff your full balance of \$390.00, the principle plus the fee for that period. To accept this option you must notify us of your request in writing via fax at 1-866-686-5333. The request needs to be received at least three full business days before your loan is due.

Unless we receive written notification from you at least three full business days before your loan is due, your loan will be refinanced.

ANNUAL PERCENTAGE RATE 7.30.00 % The cost of your credit as a yearly rate, (e)	Payment Schedule You must make one payment of \$390.00 on 9/15/10 if you choose to pay out your loan rather than refinance.
FINANCE CHARGE \$90.00 The dollar amount the loan will cost you.	Security Interest. The loan is unsecured.
Amount Financed \$390.00 The amount of credit provided to you or on your behalf.	Loan Fee/Prepayment: The Finance Charge consists solely of a Loan Fee that is earned in full at the time the loan is funded. Although you may pay in advance all or part of what you owe without penalty, you will <u>not</u> receive a refund or credit of any part or all of the Finance Charge. (e) The Annual Percentage Rate is estimated based on the anticipated date the loan proceeds will be deposited to your Account.
Total of Payments \$390.00 The amount you will have if you are not making the scheduled payment.	

The Account: You have debit account, No. _____ at CITIZENS.

By signing below you are authorizing EP Processing and affiliates to debit the pay off amount due \$390.00, from your account named above on your current due date of 9/15/10. You are not accepting the option of refinancing. You must fax this document three full business days before your due date to ensure your loan is not refinanced.

Print Name _____ Date 08/20/2010 Signature _____
TOLL FREE FAX 1-866-686-5333

EXHIBIT E

327 W. 4th St
P.O. Box 3023
Hutchinson, KS 67504-0550
1-866-927-9508

IMPORTANT NOTICE ABOUT YOUR PRIVACY

In protecting your personal and financial data, we collect non-public personal data and information from the following sources:

- Information we receive from you on applications or other forms you have provided.
- Information about your transactions with us or our affiliates.
- Information about your transactions with non affiliated third parties (i.e. banks, payment services or postal and delivery services).
- Information from Consumer Reporting Agencies.

Your non-public personal information is restricted to those employees who have a need to know that information in order to provide services to you. As required, we maintain procedural safeguards pertaining to your personal information.

As permitted by law, we may share all of this information with our affiliates as well as third parties who perform services on our behalf or with whom we have a joint marketing agreement or who assist in maintaining your account. You may direct us not to disclose non-public personal information with our affiliates or other third parties by contacting us by letter or phone.

National Credit Adjusters, Inc.

Westgate Group LLC

Phone Number 1-877-410-6170

Fax Number 1-888-684-6178

JACKSONVILLE, AR 72076

Account Summary

ACCOUNT NUMBER: 14987		Customer Service Phone Number: 1-877-410-6170	
PAY OFF AMOUNT		REFINANCE / PAY DOWN PAYMENT AMOUNT	
DUE DATE	12/24/10	DUE DATE	12/24/10
ANNUAL PERCENTAGE RATE	782.14 %	ANNUAL PERCENTAGE RATE	782.14 %
RATE	\$250.00	PAY DOWN AMOUNT DUE	\$0.00
LOAN AMOUNT	\$75.00	REFINANCE AMOUNT DUE	\$75.00
REFINANCE AMOUNT DUE	\$0.00	PAST DUE REFINANCE FEE	\$0.00
PAST DUE REFINANCE FEE	\$0.00	RETURN FEE	\$0.00
RETURN FEE			
PAY OFF AMOUNT DUE	\$325.00	CURRENT AMOUNT DUE	\$75.00

Payment Options

- **Refinance:** Your loan will be refinanced on every due date unless you notify us of your desire to pay in full or to pay down your principle amount borrowed. You will accrue a new fee of \$75.00 every time your loan is refinanced. Any fees accrued during refinancing will not go toward the principle amount owed.
Unless we receive written notification from you at least three full business days before your loan is due, your loan will be refinanced.
- **Pay Down:** You can pay down your principle amount by increments of \$50.00 in addition to the service charge. Paying down will decrease the fee charged for the next refinance due. To accept this option you must notify us of your request in writing via fax at Toll Free 1-888-684-6178. The request needs to be received at least three full business days before your loan is due.
- **Pay Off:** You can payoff your full balance of \$325.00, the principle plus the fee for that period. To accept this option you must notify us of your request in writing via fax at 1-888-684-6178. The request needs to be received at least three full business days before your loan is due.
- **Return Fee:** A \$30.00 Return fee will be assessed for any and all finance charges that are returned to us by your financial institution.

You must make one payment of \$325.00 on 12/24/10 if you choose to pay out your loan rather than refinance.

Security Interest: The loan is unsecured.

Loan Fee/Prepayment: The Refinance Charge consists solely of a Loan Fee that is earned in full at the time the loan is funded. Although you may pay in advance all or part of what you owe without penalty, you will not receive a refund or credit of any part or all of the Finance Charge. (e) The Annual Percentage Rate is estimated based on the anticipated date the loan proceeds will be deposited to your Account.

Returned Refinance Amount: If at anytime your Refinance Amount returns to Westgate Group LLC and or affiliates we will resend any and all charges to your bank to attempt to collect the returned amount.

Return Fee: A \$30.00 Return fee will be assessed for any Finance charge, Pay down/ Pay off that is returned to us by your bank.

The Account: You have debit account, No _____ at BANK OF AMERICA.

By signing below you are authorizing Westgate Group LLC, and or their servicers, Westgate Group LLC and or affiliates to debit the pay off amount due \$325.00, from your account named above on your current due date of 12/24/10. If you are not accepting the option of refinancing, you must fax this document three full business days before your due date to ensure your loan is not refinanced.

Printed Name: _____

Signature: _____

Date: 12/20/2010

Toll Free Fax 1-888-684-6178