

IN THE CIRCUIT COURT OF PULASKI COUNTY, ARKANSAS

5TH DIVISION

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

PLAINTIFF

60CV 2012 CASE NO. 391

FILED 01/23/12 13:10:24  
Larry Crane Pulaski Circuit Clerk  
TJB

JOSH MITCHEM,  
PDL SUPPORT, LLC, and  
PLATINUM B SERVICES, LLC

DEFENDANTS

COMPLAINT

Plaintiff, State of Arkansas *ex rel.* Dustin McDaniel, Attorney General, for its Complaint against the Defendants, states:

PARTIES

1. Plaintiff is the State of Arkansas *ex rel.* Dustin McDaniel, the 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. Defendants make and collect usurious loans in the State of Arkansas to Arkansas residents.
2. On information and belief, Defendant Josh Mitchem is a resident of the State of Missouri.
3. Defendant Josh Mitchem is an officer, director, or member of Defendants PDL Support, LLC and Platinum B Services, LLC.
4. Josh Mitchem has personally formulated, directed, controlled, supervised, managed, participated in, had knowledge of, and acquiesced in the business practices of PDL Support, LLC and Platinum B Services, LLC (as more specifically set out below) to such a degree that Defendant Mitchem is personally liable for the unconscionable and otherwise

unlawful acts and practices described below. Defendant Mitchem is a “controlling person” of PDL Support, LLC and Platinum B Services, LLC within the meaning of Ark. Code Ann. § 4-88-113(d).

5. Defendant PDL Support, LLC ("PDL Support"), is a Missouri limited liability company. Its registered agent is FC Missouri Services, Inc., 8518 North Palmer Court, Kansas City, MO 64157.

6. Defendant Platinum B Services, LLC ("Platinum B Services"), is a Missouri limited liability company. Its registered agent is FC Missouri Services, Inc., 8518 North Palmer Court, Kansas City, MO 64157.

7. Neither PDL Support nor Platinum B Services is registered with the Arkansas Secretary of State.

#### **JURISDICTION AND VENUE**

8. This Court has jurisdiction over this matter 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.” By operating interactive websites that are continuously and systematically available to Arkansas consumers, by loaning money to Arkansas residents in Arkansas and by collecting on those loans by debiting money from Arkansas residents' bank accounts located in Arkansas, the Defendants have availed themselves of the benefit of conducting business in this State. Based upon their activities in the State of Arkansas, the Defendants should reasonably expect to be called upon to defend themselves in the courts of this State for violations of applicable laws.

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

**BUSINESS PRACTICES OF THE DEFENDANTS**

10. Defendants are engaged in a scheme to make and collect upon high interest, short term loans, more commonly known as payday loans.

11. Defendants solicit borrowers primarily through the use of internet websites.

12. Per Defendant's website, [www.pdlsupport.com](http://www.pdlsupport.com), PDL Support Services, LLC ("PDL Support Services") provides support services for online short-term loan companies. PDL Support provides call centers that handle customer contact in all aspects of the loan process. PDL Support also provides daily contact with customers via phone support, email support, live chat, and website maintenance.

13. The website [www.pdlsupport.com](http://www.pdlsupport.com) is registered to:

Josh Mitchem  
3543 Broadway  
Kansas City Missouri 64111  
United States  
PH:(816) 799-0674  
[josh@platinumbsservices.com](mailto:josh@platinumbsservices.com)

14. The following lenders (with listed phone contact numbers) are presently listed on PDL Support's website as clients of PDL Support:

- Action Payday: 1 (855) 228-4660
- Bottom Dollar Payday: 1 (877) 712-3729
- Everest Cash Advance: 1 (866) 794-3244
- Paradise Cash Advance: 1 (866) 321-6114
- Red Leaf Lending: 1 (855) 733-7310

- The VIP Loan Shop: 1 (866) 598-1100

15. The Arkansas Attorney General's Office has received several complaints concerning usurious payday loans purportedly made to Arkansas residents by Bottom Dollar Payday, Everest Cash Advance, Paradise Cash Advance, and the VIP Loan Shop.

16. BD PDL Services, LLC, d/b/a Bottom Dollar Payday (hereinafter "Bottom Dollar Payday"), markets its loan program as helping payday loan consumers across America bridge the gap between pay dates, all from the privacy and comfort of their own home. Bottom Dollar Payday advertises the availability of payday loans and facilitates making loans from and through the website [www.bottomdollarpayday.com](http://www.bottomdollarpayday.com).

17. Consumer complaints received by the Attorney General regarding Bottom Dollar Payday were in turn faxed (together with a demand letter from the Attorney General) to Bottom Dollar Payday at (866) 794-3247. This fax number is listed at [www.bottomdollarpayday.com](http://www.bottomdollarpayday.com).

18. On two separate occasions, the Attorney General received written correspondence in response to those consumer complaint letters. The correspondence stated that Bottom Dollar Payday does not conduct business at the address to which your letter was sent. Further, the letters stated that the correct contact information for Bottom Dollar Payday is:

BD PDL Services, LLC  
Hunkins Waterfront Plaza, Box 556,  
Charlestown, Nevis, West Indies.

19. The correspondence regarding Bottom Dollar Payday was from PDL Support Services, signed by Josh Mitchem, and post marked Kansas City, MO. A copy of one of the letters and its envelope are attached as Exhibit 1.

20. Later, correspondence was resent by the Attorney General by mail to Bottom Dollar Payday at Hunkins Waterfront Plaza, Box 556, Charlestown, Nevis, West Indies. In

response, the Attorney General received a letter purporting to come from Bottom Dollar. However, no individual person's name was included on the response. The post mark on the envelope shows that it was mailed from Kansas City, MO two days after the date on the front of the letter. A copy of the letter and envelope is attached as Exhibit 2.

21. The website [www.bottomdollarpayday.com](http://www.bottomdollarpayday.com) is registered to:

Josh Mitchem,  
3543 Broadway  
Kansas City, MO 64111,  
[Josh@PlatinumBServices.com](mailto:Josh@PlatinumBServices.com)

22. The fax number 866-794-3247 from Bottom Dollar Payday's website is registered to:

Platinum B Services,  
3543 Broadway Street  
Kansas City, MO 64111

23. Per Bottom Dollar Payday's website, the finance fee for their loans is typically 30% of the principal borrowed. Bottom Dollar's loans must be repaid or extended within 16 days. Borrowers have the option to pay only the finance fee, or to pay the fee plus any increment of \$10 on the principal, or to pay the principal in full. If the borrower does not pay the full fee plus the full principal, the loan is extended and an additional fee of 30% of the principal balance is added to the amount purported to be due. There does not appear to be any limit to the number of times a loan can be extended.

24. For example, on a loan of \$400 extended for a period of 16 days with a finance fee of 30% of the principal (\$120), the resulting annual percentage rate ("APR") is over 600%. This presumes that the borrower pays the full fee (interest) and principal within the initial term of the loan. However, any extensions to the loan carry the same percentage "fee" and result in additional and equally unconscionable and prohibited interest charges.

45. As set out in this Complaint, Josh Mitchem, PDL Support, and Platinum B Services control the websites, phone numbers, fax numbers, and bank accounts utilized to make and collect upon usurious payday loans to Arkansas residents.

46. While it appears the Defendants may have created entities purporting to be located in the island nation of Nevis, these actions do not affect the claims advanced by the State herein nor insulate these Defendants from liability for the conduct outlined herein. Even if there were legitimate entities actually located in and operating from Nevis, those entities would nonetheless be subject to the jurisdiction of this Court. However, the Court will not be called upon to rule on that issue as the named Defendants control all aspects of the lending operation from the Kansas City, MO area. The Defendants solicited illegal loans to Arkansas consumers, while those consumers were located in Arkansas; the Defendants loaned money to Arkansas consumers located in Arkansas; and, the Defendants debited money from Arkansas consumers' bank accounts located in Arkansas. As such, regardless if the Defendants are located in Kansas City or Nevis, the Defendants have violated Arkansas law and are subject to the jurisdiction of this Court.

**VIOLATIONS OF THE ARKANSAS DECEPTIVE TRADE PRACTICES ACT**

47. The business practices of the Defendants constitute the sale of “goods” or “services” within the meaning of Ark. Code Ann. § 4-88-102(3) and (6). The same business practices constitute business, commerce, or trade within the meaning of Ark. Ann. § 4-88-107.

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

Defendants have violated, and continue to violate, the Arkansas Deceptive Trade Practices Act by:

(a) Charging and collecting unconscionable rates of interest on lending transactions. The Arkansas Constitution, as currently set out by Amendment 89, has prohibited usury for well over one hundred years. The practice of charging ultra-high usurious rates of interest 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).

(b) Participating in a scheme which attempts to circumvent Arkansas usury law, which prohibits charging and collecting unconscionable rates of interest on lending transactions. These Defendants, either directly, or through entities which they control, or who with they conspire, market, make and collect unconscionable loans. To the extent that the evidence may ultimately show that some of these loans are made by additional as yet unidentified persons or entities arguably independent of these named Defendants, such usurious and unconscionable loans could not be marketed, made and collected without the services provided by these named Defendants, and the Defendants are responsible for violations of Arkansas law occasioned by those additional transactions.

**RELIEF REQUESTED**

49. The acts and practices of the Defendants constituting 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 Defendants 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 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 Defendants, together with any other damages which these consumers may have sustained. All payments made by any affected Arkansas borrower, whether denominated as principal or interest, or otherwise, should be restored to the borrower. In addition, or in the alternative, the Defendants should be ordered to disgorge all funds received from borrowers in these unconscionable lending transactions.

(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 Defendants in the amount of \$10,000.00 for each violation of the Arkansas Deceptive Trade Practices Act. At a minimum, each unconscionable lending transaction is a violation of the Arkansas Deceptive Trade Practices Act. Also, each attempt to collect on an unconscionable lending transaction is a separate violation of the Arkansas Deceptive Trade Practices Act. The total recovery sought by the Plaintiff for



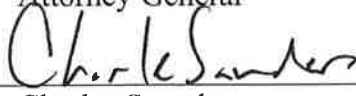
restitution, disgorgement, and civil penalties is in an amount in excess of that required for federal court jurisdiction in diversity of citizenship cases.

(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 Josh Mitchem, PDL Support, and Platinum B Services from engaging in acts which constitute violations of the Arkansas Deceptive Trade Practices Act ; that all outstanding usurious loans be voided; that the Defendants be barred from taking any action to enforce or otherwise collect on any usurious lending agreement; that the Defendants be ordered to pay restitution to all affected Arkansas consumers consisting of all payments made by such consumers, together with any other damages sustained by such consumers; alternatively, or in addition, that the Defendants be ordered to disgorge all payments received from Arkansas consumers related to usurious loans; that the Defendants be assessed civil penalties; that the Plaintiff be awarded from the Defendants 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 1**

PO Box 7826  
Overland Park, KS 66207

October 12, 2011

**VIA REGULAR U.S. MAIL**

Consumer Protection Division  
Office of the Attorney General  
State of Arkansas  
323 Center Street, Suite 200  
Little Rock, AR 72201-2610

**RE: BD PDL Services, LLC; Ms.**

**; Complaint No. 91490**

Dear Sir or Madam:

PDL Support is in receipt of your September 30, 2011 letter, to which this letter responds. Please be advised that BD PDL Services, LLC does not conduct business at the address to which your letter was sent.

We are informed that the correct contact information for BD PDL Services, LLC is as follows:

BD PDL Services, LLC  
Hunkins Waterfront Plaza, Suite 556  
Charlestown, Nevis, West Indies

Please direct any future correspondence to BD PDL Services, LLC at the above address.

Very truly yours,

PDL Support.com, LLC



PO Box 7826  
Overland Park KS  
66207

KANSAS CITY 641-031

12 OCT 2011 PM 3 T



Consumer Protection Division  
Office of the Attorney General  
State of Arkansas  
323 Center St., Suite 200  
Little Rock AR 72201-2610

72201+2698



# **EXHIBIT 2**



Hunkins Waterfront Plaza, Suite 556  
Charlestown, Nevis  
West Indies

November 14, 2011

Charles Saunders, Asst. Attorney General  
Office of the Attorney General  
State of Arkansas  
323 Center Street, Suite 200  
Little Rock, AR 72201-2610

RE: BD PDL Services, LLC;  
Ms. [redacted] g; Complaint No. 91490  
Ms. [redacted] ; Complaint No. 87074  
Ms. [redacted] ; Complaint No. 87222

Dear Mr. Saunders,

Thank you kindly for your recent letter to us in regards to the above listed complainants. We appreciate the opportunity to respond to the concerns of all of our customers, particularly ones who are dissatisfied with our services. We have zeroed out each account as a gesture of goodwill and fair dealing. No further contact will be made or attempted with the above named individuals.

Regards,

BD PDL Services, LLC

Bottom Dollar Papyrus  
Muskies Waterfront Plaza, Suite 556  
Charleston, Texas, West Indies

Charles Saunders

Arkansas Office of the Attorney General  
323 Center Street, Suite 200  
Little Rock, AR

72201

73201261050



POSTAGE WILL BE PAID BY ADDRESSEE  
NO POSTAGE NECESSARY IF MAILED IN THE UNITED STATES



# **EXHIBIT 3**



**ACH AUTHORIZATION**

I authorize You to initiate credit and debit entries to the bank account indicated below for all amounts owing in connection with this Agreement in accordance with the section titled Authorization below, including without limitation all principal amounts, finance charges, service fees, returned item fees and collection agency fees. This authorization shall remain in full force and effect until We have received a written notice of termination from You in such time and manner as to afford Us a reasonable opportunity to act upon it.

Your ABA Number: 282075675  
 Your Account Number: 756510

(Step 2 of 3)

Signature: \_\_\_\_\_  
 IN (Signature): 11/15/2010  
 Date: 11/15/2010  
 Please mail while page is voided after each signature

(Step 3 of 3)  
 Log into your account to see your loan information

**CONSUMER LOAN AND ARBITRATION AGREEMENT**

Consumer: \_\_\_\_\_  
 State: OR 97122  
 Loan Type: Standard Loan  
 Loan Number: 993969

TRUTH-IN-LENDING DISCLOSURE		Itemization of amount financed:
<b>ANNUAL PERCENTAGE RATE:</b> The cost of your credit as a yearly rate. 6.44, 12 %	<b>FINANCE CHARGE:</b> The dollar amount the credit will cost you. \$120.00	\$400.00
<b>AMOUNT FINANCED:</b> The amount of credit provided to you or on your behalf. \$400.00	<b>TOTAL OF PAYMENTS:</b> The amount you will have paid after you have made all payments as scheduled. \$520.00	Finance charge: \$120.00

**Security:** This loan is unsecured.  
**Late Charge:** None  
**Prepayment:** If you pay off early you will not have to pay a penalty.

See your contract documents for any additional information about nonpayment, default, any other terms, conditions, or restrictions.

**\*\*\*Same Day Credit Transfer Fee\*\*\*  
 If same day credit transfer is accepted, fees up to \$20.00 may be assessed. All same day credit transfer fees are deducted from the total loan amount at the time of deposit. Same day credits are sent at 10:00am and 2:00pm est.**

**Your Payment Schedule will be: 1 payment of \$520.00 due on 12/31/2010, if you decline - the option of refinancing your loan. If refinancing is accepted you will pay the finance charge of \$120.00 only, on 12/31/2010. You will accrue new finance charges with every refinance of your loan.**

**\*To decline the option of refinancing you must call us at toll free 8667943244 three business days before your due date to schedule a payoff or payoff.**

You promise to pay to the order of SCS Processing, LLC at its offices in Charlottesville, Virginia West Indies and all sums due hereunder. In this Agreement, Company, we, our and us means SCS Processing, LLC and any agent, independent contractor or assignee we use in the provision of your loan. You and Your means the customer or consumer specifically referenced in this Agreement. In consideration of us providing you a loan, you agree to all terms of this Agreement.

**1. Authorization.** You represent that all account and other information provided by you are correct. You agree not to close the account on which payment is due. If your check, bank draft, PFT or ACH transaction is returned for insufficient funds, we will charge you an additional \$25 each time it is returned. You

You have the right to rescind the amount borrowed hereunder without incurring any fee if the amount borrowed, in full, is returned to us on or before the close of business of the business day following the day on which such sum was delivered to you. **YOUR ACKNOWLEDGE AND AGREE AS FOLLOWS:**

3. For purposes of this Agreement, the words "dispute" and "disputes" are given the broadest possible meaning and include, without limitation (a) all claims, disputes, or controversies arising from or relating directly or indirectly to the signing of this Agreement, the validity and scope of this Agreement and any claim or attempt to set aside the Agreement; (b) all federal or state law claims, disputes or controversies, arising from or relating directly or indirectly to this Agreement, including the Customer Application, and/or any past agreement or agreements between you and us; (c) all counterclaims, cross-claims and third-party claims; (d) all common law claims, based upon contract, tort, fraud, or other intentional torts; (e) all claims based upon a violation of any state or federal constitution, statute or regulation; (f) all claims asserted by us against you, including claims for money damages to collect any sum we claim you owe us; (g) all claims asserted by you individually against us and/or any of our employees, agents, directors, officers, shareholders,

authorize us or any collection agency which we designate to collect all amounts owing hereunder, including without limitation all collection agency fees, through the use of one or more checks, bank drafts, PFT or ACH transactions. You may make different payment arrangements with us at the time you enter into this Agreement if you do not wish to use an PFT or ACH transaction. Your authorization for PFT and ACH transactions will remain in effect until we have received written notice of termination in such time and manner as to afford us a reasonable opportunity to act. The authorization to prepare and submit a bank draft on your behalf may not be revoked until you pay off in full all amounts owed. You authorize us to obtain your credit information from consumer credit reporting agencies.

**2. ARBITRATION AGREEMENT AND WAIVER OF JURY TRIAL.**  
 Arbitration is a process in which persons with a dispute: (a) waive their rights to file a lawsuit and proceed in court and to have a jury trial to resolve their disputes; and (b) agree, instead, to submit their disputes to a neutral third person (an arbitrator) for a decision. Each party to the dispute has an opportunity to present some evidence to the arbitrator. Pre-arbitration discovery may be limited. Arbitration proceedings are private and less formal than court trials. The arbitrator will issue a final and binding decision resolving the dispute, which may be enforced as a court judgment. A court rarely overrules an arbitrator's decision.

**3. WAIVER OF REPRESENTATIVE CLAIMS AGAINST US AND/OR RELATED THIRD PARTIES.**  
 Except as provided in Paragraph 8 below, all disputes including any Representative Claims against us and/or related third parties shall be resolved by binding arbitration only on an individual basis with you. THEREFORE, THE ARBITRATOR SHALL NOT CONDUCT CLASS ARBITRATION; THAT IS, THE ARBITRATOR SHALL NOT ALLOW YOU TO SERVE AS A REPRESENTATIVE, AS A PRIVATE ATTORNEY GENERAL, OR IN ANY OTHER REPRESENTATIVE CAPACITY FOR OTHERS IN THE ARBITRATION.

governors, managers, members, parent company or affiliated entities (hereinafter collectively referred to as "related third parties"), including claims for money damages and/or equitable or injunctive relief; (h) all claims asserted on your behalf by another person; (i) all claims asserted by you as a private attorney general, as a representative and member of a class of persons, or in any other representative capacity, against us and/or related third parties (hereinafter referred to as "Representative Claims"); and/or (j) all claims arising from or relating, directly or indirectly to the disclosure by us or related third parties of any non-public personal information about you.

**4. BY ENTERING INTO THIS AGREEMENT: (a) YOU ARE WAIVING YOUR RIGHT TO HAVE A TRIAL BY JURY TO RESOLVE ANY DISPUTE ALLEGED AGAINST US OR RELATED THIRD PARTIES; (b) YOU ARE WAIVING YOUR RIGHT TO HAVE A COURT, OTHER THAN A SMALL CLAIMS TRIBUNAL, RESOLVE ANY DISPUTE ALLEGED AGAINST US OR RELATED THIRD PARTIES; and (c) YOU ARE WAIVING YOUR RIGHT TO SERVE AS A REPRESENTATIVE, A PRIVATE ATTORNEY GENERAL, OR IN ANY OTHER REPRESENTATIVE CAPACITY, AND/OR TO PARTICIPATE AS A MEMBER OF A CLASS OF CLAIMANTS, IN ANY LAWSUIT FILED AGAINST US AND/OR RELATED THIRD PARTIES.**

**5. Except as provided in Paragraph 8 below, all disputes including any Representative Claims against us and/or related third parties shall be resolved by binding arbitration only on an individual basis with you. THEREFORE, THE ARBITRATOR SHALL NOT CONDUCT CLASS ARBITRATION; THAT IS, THE ARBITRATOR SHALL NOT ALLOW YOU TO SERVE AS A REPRESENTATIVE, AS A PRIVATE ATTORNEY GENERAL, OR IN ANY OTHER REPRESENTATIVE CAPACITY FOR OTHERS IN THE ARBITRATION.**

## CONSUMER LOAN AND ARBITRATION AGREEMENT

6. Any party to a dispute, including related third parties, may send the other party written notice by certified mail return receipt requested of their intent to arbitrate and setting forth the subject of the dispute along with the relief requested, even if a lawsuit has been filed. Regardless of who demands arbitration, you shall have the right to select any of the following arbitration organizations to administer the arbitration: the American Arbitration Association (1-800-778-7879) <http://www.adr.org>, or National Arbitration Forum (1-800-474-2371) <http://www.naf.com>. However, the parties may agree to select a local arbitrator who is an attorney, retired judge, or arbitrator registered and in good standing with an arbitration association and arbitrate pursuant to such arbitrator's rules. The party receiving notice of arbitration will respond in writing by certified mail return receipt requested within twenty (20) days. If you demand arbitration, you must inform us in your demand of the arbitration organization you have selected or whether you desire to select a local arbitrator. If related third parties or we demand arbitration, you must notify us within twenty (20) days in writing by certified mail return receipt requested of your decision to select an arbitration organization or your desire to select a local arbitrator. If you fail to notify us, then we have the right to select an arbitration organization. The parties to such dispute will be governed by the rules and procedures of such arbitration organization applicable to consumer disputes, to the extent those rules and procedures do not contradict the express terms of this Agreement, including the limitations on the arbitrator below. You may obtain a copy of the rules and procedures by contacting the arbitration organization listed above. If you reside in California, West Virginia or Montana, you may be eligible to receive a 5% reduction in the fee charged for this Loan.

7. If you demand arbitration, then at your request we will advance your portion of the expenses associated with the arbitration, including the filing, administrative, hearing and arbitrator's fee ("Arbitration Fees"). If related third parties or we demand arbitration, then at your written request we will advance your portion of the Arbitration Fees. Throughout the arbitration, each party shall bear his or her own attorneys' fees and expenses, such as witness and expert witness fees. The arbitrator shall apply applicable substantive law consistent with the FAA and applicable statutes of limitation, and shall honor claims of privilege recognized at law. The arbitration hearing will be conducted in the county of your residence, or within 30 miles from such county, or in the county in which the transaction under this Agreement occurred, or in such other place as shall be ordered by the arbitrator. The arbitrator may decide with or without any hearing, any motion that is substantially similar to a motion to dismiss for failure to state a claim or a motion for summary judgment. In conducting the arbitration, the arbitrator shall not apply any federal or state rules of civil procedure or evidence. At the timely request of any party, the arbitrator shall provide a written explanation for the award. The arbitrator's award may be filed with any court having jurisdiction. If allowed by statute or applicable law, the arbitrator may award you statutory damages and/or your reasonable attorneys' fees and expenses. Regardless of whether the arbitrator renders a decision or an award in your favor resolving the dispute, you will not be responsible for reimbursing us for your portion of the Arbitration Fees.

8. All parties, including related third parties, shall retain the right to seek adjudication in a small claims tribunal for disputes within the scope of such tribunal's jurisdiction. Any dispute that cannot be adjudicated within the jurisdiction of a small claims tribunal shall be resolved by binding arbitration. Any appeal of a judgment from a small claims tribunal shall be resolved by binding arbitration.

9. This Agreement is made pursuant to a transaction involving interstate commerce and shall be governed by the FAA. If a final non-applicable judgment of a court having jurisdiction over this transaction finds, for any reason, that the FAA does not apply to this transaction, then our agreement to arbitrate shall be governed by the arbitration law of the State of Delaware.

10. This Agreement is binding upon and benefits both parties respective heirs, successors and assigns. The arbitration and no class action provisions of this Agreement continue in full force and effect, even if your obligations have been paid or discharged through bankruptcy. The arbitration and no class action provisions survive any termination, amendment, expiration or performance of any transaction between you and us and continues in full force and effect unless you and we otherwise agree in writing.

11. Notices, except as otherwise provided in the Agreement, you specifically agree that all notices required to be sent to you are effective when mailed or delivered to your last known mail or e-mail address as identified in our records. You agree that we may send or provide by electronic communication any notice, communication, disclosure amendment or replacement to the Agreement. All notices to us should be forwarded to SC'S Processing, L.L.C., PO Box 636, Charlestown, Nev. West Indies, or faxed to 8667943247.

12. Governing Law. This Agreement is made and accepted in the West Indies, and shall be governed by the law of the West Indies, without regard to its choice of law rules, except that the arbitration provisions will be governed by the Federal Arbitration Act. This governing law provision applies no matter where you reside.

13. General. The parties do not intend the benefits of this Agreement to inure to any third party, and nothing contained herein shall be construed as creating any right, claim or cause of action in favor of any such third party. If any part of this Agreement is found invalid, the rest of the Agreement will remain valid and enforceable. You may not assign the Agreement to any other party. We may assign the Agreement or delegate any or all of our rights and duties under the Agreement to any third party without notifying you. No delay or omission by us in exercising any rights or remedies hereunder shall impair or waive such right or remedy.

14. Entire Agreement. This Agreement constitutes the entire agreement between us and supersedes all prior agreements, understandings, statements or proposals, and representations, whether written or oral. This Agreement, including the provisions of this Section, may not be modified except by written amendment signed by both parties.

BY SIGNING BELOW, YOU AGREE THAT YOU HAVE READ AND UNDERSTOOD ALL THE TERMS OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, THE AGREEMENT TO ARBITRATE ALL DISPUTES AND NOT TO PARTICIPATE IN CLASS ACTION

Version 1  
v/N (Signed: 11/15/2010)  
Please print white, page references after each signature.  
Signature \_\_\_\_\_ Date: 11/15/2010 Counterid: 9933969

# **EXHIBIT 4**



PO Box 7826  
Overland Park, KS 66207

July 25, 2011

**VIA REGULAR U.S. MAIL**

Katherine Rogers, Investigator  
Consumer Protection Division  
Office of the Attorney General  
State of Arkansas  
200 Tower Building  
323 Center Street  
Little Rock, AR 72201-2610

**RE: SCS Processing, LLC; Mr. [REDACTED]; Complaint No. 89182**

Dear Sir or Madam:

We are in receipt of your June 8, 2011 faxed letter, to which this letter responds. Please be advised that SCS Processing, LLC does not conduct business at the number to which your fax was sent.

We are informed that the correct contact information for SCS Processing, LLC is as follows:

SCS Processing, LLC  
PO BOX 636  
Charlestown, Nevis, West Indies

Please direct any future correspondence to SCS Processing, LLC at the above address.

Very truly yours,

PDL Support.com, LLC

A handwritten signature in black ink, appearing to be "PDL Support.com, LLC", written over a horizontal line.



PO Box 7826  
Overland Park, KS 66207

June 7, 2011

**VIA REGULAR U.S. MAIL**

Charles Saunders, Assistant Attorney General  
Consumer Protection Division  
Office of the Attorney General  
State of Arkansas  
200 Tower Building  
323 Center Street  
Little Rock, AR 72201-2610

**RE: International Equity Group, LLC; Complaint No. 87937**

Dear Sir or Madam:

We are in receipt of your May 10, 2011 faxed letter, to which this letter responds. Please be advised that International Equity Group, LLC does not conduct business at the number to which your fax was sent.

We are informed that the correct contact information for International Equity Group, LLC is as follows:

International Equity Group, LLC  
Hunkins Waterfront Plaza, Mainstreet, Box 556  
Charlestown, Nevis, West Indies

Please direct any future correspondence to International Equity Group, LLC at the above address.

Very truly yours,

PDL Support.com, LLC

# **EXHIBIT 6**



PO Box 7826  
Overland Park, KS 66207

August 26, 2011

**VIA REGULAR U.S. MAIL**

Katherine Rogers, Investigator  
Consumer Protection Division  
Office of the Attorney General  
State of Arkansas  
323 Center Street  
Little Rock, AR 72201-2610

**RE: VIP PDL Services, LLC;**

**; Complaint No. 90128**

Dear Sir or Madam:

PDL Support is in receipt of your August 24, 2011 letter, to which this letter responds. Please be advised that VIP PDL Services, LLC does not conduct business at the e-mail address to which your letter was sent.

We are informed that the correct contact information for VIP PDL Services, LLC is as follows:

VIP PDL Services, LLC  
4 Solomon's Arcade  
Charlestown, Nevis, West Indies

Please direct any future correspondence to VIP PDL Services, LLC at the above address.

Very truly yours,

PDL Support.com, LLC

A handwritten signature in black ink, appearing to read "J. P. King", written over a horizontal line.