

STATE OF MINNESOTA  
COUNTY OF HENNEPIN

DISTRICT COURT  
FOURTH JUDICIAL DISTRICT

Case Type: Other Civil  
(Consumer Protection)

State of Minnesota by its Attorney General,  
Lori Swanson,

Court File No. 27-CV-11-18350

Plaintiff,

**CONSENT DECREE AND ORDER**

vs.

Sure Advance LLC,  
a Delaware lender,

Defendant.

WHEREAS, Plaintiff State of Minnesota, by and through its Attorney General, Lori Swanson ("State"), filed and served a Complaint in this matter on September 6, 2011 ("Complaint") against Sure Advance, LLC, a Delaware limited liability company ("Sure Advance");

WHEREAS, the Parties wish to resolve and settle all issues by and between them concerning the claims and allegations made in the Complaint.

NOW, THEREFORE, in the interest of resolving the above-captioned action, the parties hereby stipulate and consent to entry of this Consent Judgment as set forth below:

**INJUNCTIVE RELIEF**

1. Sure Advance shall hereafter cease lending to Minnesota Residents (defined herein) and collecting on any outstanding loans to Minnesota Residents (including selling any alleged debt to another party), or, alternatively, Sure Advance shall register with Minnesota Department of Commerce and comply with Minn. Stat. §§ 47.60 and 47.601 in all

respects when lending to any person who is a resident of Minnesota when a loan agreement is executed. Sure Advance further agrees to comply with Minnesota's consumer protection statutes in any future transactions subject to those statutes, including Minn. Stat. §§ 325D.44 and 325F.69. If Sure Advance chooses to register with the Minnesota Department of Commerce and lend to Minnesota Residents, it agrees to contact Assistant Attorney General Dan Bryden, Deputy Attorney General Nate Brennaman, or the current manager of the Charities and Civil Enforcement Division in the Minnesota Attorney General's Office and disclose its intention to lend to Minnesota residents before engaging in any such lending.

As used herein, the term "Minnesota Resident" means a consumer who provides Sure Advance with an address located in the State of Minnesota.

Sure Advance shall fulfill the terms of this Consent Decree, and all of its parents, subsidiaries, affiliates, and successors shall be bound by this Consent Decree as if they had signed this Consent Decree, so as to accomplish the full relief contemplated by this Consent Decree. Sure Advance shall not affect any change in its form of doing business, organizational identity, organizational structure, affiliations, ownership, or management composition as a method or means of attempting to avoid the requirements of this Consent Decree.

#### **MONETARY PAYMENT**

2. Sure Advance shall pay to the Attorney General a lump sum of \$760,000 (the "Settlement Sum"), no later than 10 days after the date on which the court signs this Consent Decree and Order. All or any portion of the Settlement Sum may be distributed to consumers by the Attorney General in her discretion pursuant to Minn. Stat. § 8.31. Monies from the Settlement Sum may also be used for settlement administration expenses, including payment of a

settlement administrator. Any remaining funds shall be remitted to the Treasury of the State of Minnesota pursuant to Minn. Stat. § 8.31.

The Settlement Sum shall be sent payable to the "State of Minnesota" and sent by wire transfer or mailed to the Attorney General at the following address:

Daniel C. Bryden, Assistant Attorney General  
Minnesota Attorney General's Office  
445 Minnesota Street, Suite 1200  
St. Paul, MN 55101-2130

### **STAYED CIVIL PENALTY**

3. In the event that there are additional Minnesota borrowers since August 1, 2009 that Sure Advance failed to disclose to the State, Sure Advance agrees to pay the State restitution plus an additional civil penalty of \$2,500 for each such undisclosed borrower. In the event that Sure Advance lends to Minnesota residents after the entry of this Consent Judgment without complying with the provisions of Paragraph 5 herein, the State shall be entitled to recover restitution plus an additional civil penalty of \$10,000 for each such loan made. In the event that Sure Advance does not pay the State the Settlement Sum within the period specified in Paragraph 2, the State shall be entitled to recover a \$50,000 civil penalty in addition to the Settlement Sum and all other available remedies.

4. In the event that Sure Advance reports any violation described in the preceding paragraph to the State before the State has independently become aware of the violation, Sure Advance shall only be liable for 50% of the civil penalty otherwise imposed under this paragraph. This stayed civil penalty shall be in addition to any restitution that Sure Advance may be liable for with respect to such borrowers. The document produced by Sure Advance on January 4, 2012, bates-labeled SA00000001 - 35, is the definitive list of borrowers Sure Advance has disclosed to the State as of the date of this Consent Judgment. The Court shall decide

whether a civil penalty shall be imposed under this paragraph, upon a motion by the Attorney General, and after an evidentiary hearing, if the Court deems such hearing necessary. The release in paragraph 8 does not prevent the Attorney General from moving for or collecting, the stayed civil penalty described in this paragraph.

#### **GENERAL TERMS**

5. Sure Advance has read and understands this Consent Judgment and enters into it voluntarily. Sure Advance understands that a violation of this Consent Judgment may result in imposition of the stayed civil penalties set forth herein;

6. Sure Advance represents and warrants that it is duly authorized to execute, deliver and perform this Consent Judgment; that the individuals executing the Consent Judgment on its behalf are duly authorized to do so, are of legal age, and are legally competent to execute this document; and that it has not sold, assigned, transferred, conveyed or otherwise disposed of any of the claims, demands or obligations previously asserted and/or referred to in this Consent Judgment.

7. Sure Advance agrees to provide sufficient notice of the requirements of this Consent Judgment and appropriate training to its staff so as to ensure compliance with this Consent Judgment.

8. In consideration of the stipulated relief, the sufficiency of which is acknowledged, the Office of the Attorney General, by execution of this Consent Judgment, hereby fully and completely releases Sure Advance, including all of its agents, employees, officers, directors assigns, assignees, designees, members, shareholders, representatives and counsel of any and all claims that were or could have been brought by the State of Minnesota connected with or arising out of the allegations in the State's Complaint in the above-captioned action, up to and including

the date of this Consent Judgment. The Attorney General through this Consent Decree does not settle, release, or resolve any claim against Sure Advance or any other person or entity involving any private causes of action, claims and remedies including, but not limited to, private causes of action, claims or remedies provided for under Minn. Stat. § 8.31. The release in this paragraph does not prevent the State from moving for, or collecting, the stayed civil penalty described above.

9. Within 15 days from the date on which the Court executes this Consent Judgment and judgment is entered, the State shall voluntarily dismiss its Complaint with prejudice in the above-captioned action pursuant to Minnesota Rule of Civil Procedure 41.01(a).

10. The Parties shall cooperate to implement and facilitate this Consent Judgment, including the exchange of information reasonably necessary for that purpose.

11. Each of the Parties is represented by counsel, participated in the drafting of this Consent Judgment, and each agrees that the Consent Judgment's terms may not be construed against or in favor of any of the Parties by virtue of draftsmanship.

12. This Consent Judgment, including any issues relating to interpretation or enforcement, shall be governed by the laws of Minnesota. The Court shall retain jurisdiction over this matter to enforce the terms of this Consent Judgment.

13. This Consent Decree shall not operate or be construed as an admission of liability by Sure Advance.

14. This Consent Decree may be executed in counterparts, each of which constitutes an original, and all of which shall constitute one and the same agreement.

15. Sure Advance warrants that it has been fully advised by its counsel before entering into the Consent Decree, and that the Consent Decree binds Sure Advance.

16. This Consent Decree constitutes the full and complete terms of the agreement entered into by Sure Advance and the Attorney General.

17. Service of notices required by this Settlement Agreement shall be served on the following persons, or any person subsequently designated by the parties to receive such notices:

Daniel C. Bryden  
Assistant Attorney General  
Office of the Minnesota Attorney General  
445 Minnesota Street, Suite 1200  
St. Paul, Minnesota 55101-2130

Matt Neiderman  
Duane Morris LLP  
222 Delaware Avenue, Suite 200  
Wilmington, DE 19801-1659

18. The failure of a party to exercise any rights under this Consent Decree shall not be deemed to be a waiver of any right or any future rights.

19. Nothing in this Consent Decree shall be construed to limit the power or authority of the State of Minnesota or the Attorney General except as expressly set forth herein.

20. In accordance with paragraph 2 herein, this Consent Decree resolves any claim for attorney fees, costs, expenses, charges, money payments or other sums or obligations incurred in this litigation.

Dated: November 12, 2012

SURE ADVANCE, LLC

By: [Signature]

Its: Chief Operating Officer

Dated: 11/14/2012, 2012

LORI SWANSON  
Attorney General  
State of Minnesota

By: [Signature]

DANIEL C. BRYDEN  
Assistant Attorney General

Based on the above Consent Judgment, IT IS SO ORDERED.

Dated: Nov. 16, 2012

BY THE COURT:



HENNEPIN COUNTY DISTRICT COURT  
JUDGE

LET JUDGMENT BE ENTERED ACCORDINGLY.  
AG: #3111550