



criminalized this conduct, including Virginia. Va. Code § 6.2-1540 (making it a class 2 misdemeanor for any person who violates or participates in the violation of Virginia’s interest rate cap); *see also* Peterson, *supra*, at 896, 899; Robin A. Morris, *Consumer Debt and Usury: A New Rationale for Usury*, 15 Pepp. L. Rev. 151, 151 (1988) (explaining that usury laws are “society’s oldest continuous form of commercial regulation”).

2. In an attempt to circumvent state usury and lending statutes, Mellow developed an enterprise comprised of several persons and legally distinct entities, including NHC, NHC SPV and NHC Holdings, to make, market, and collect illegal loans. The enterprise was designed to violate the usury and payday lending laws of Virginia. Despite the clear requirements of Virginia law, Defendants make and collect loans in excess of a 12% annual percentage rate (“APR”)—the interest rate cap in Virginia unless the company obtains a consumer finance license from the Virginia State Corporation Commission (“Commission”). *See* Va. Code § 6.2-303(A).

3. Based on this conduct, Plaintiffs allege that NHC, NHC SPV, NHC Holdings, and Mellow violated the Racketeer Influenced and Corrupt Organizations Act (“RICO”), which prohibits any person employed by or associated with an enterprise from collecting “unlawful debt.” 18 U.S.C. § 1962(c). RICO defines “unlawful debt” as a debt incurred in “the business of lending money or a thing of value at a rate usurious under State or Federal law, where the usurious rate is at least twice the enforceable rate.” 18 U.S.C. § 1961(6).

4. Plaintiffs also allege a class claim against NHC, NHC SPV, NHC Holdings, and Mellow under Virginia’s usury laws. Because NHC’s loans exceed 12% APR, such loans are null and void and neither the lender nor any third party may collect, obtain, or receive any principal, interest, or charges on the loans. 15 U.S.C. § 1541(A). Accordingly, Plaintiffs and the Class Members are entitled to recover an amount equal to the total amount of interest in excess of 12%,

plus twice the amount of such usurious interest that was paid in the two years preceding the filing of this action and their attorneys' fees and costs. Va. Code § 6.2-305(A).

5. Plaintiffs further allege class claims against Defendant LTD pursuant to the Fair Debt Collection Practices Act ("FDCPA"), 15 U.S.C. § 1692, *et seq.* LTD—the debt collector used by Defendants to collect the illegal loans—violated several sections of the FDCPA, including but not limited to: (1) § 1692e's prohibition against using deceptive or misleading communication in connection with the collection of a debt, including LTD's false representation regarding the legal status of the debt; (2) § 1692f(1)'s prohibition from collecting amounts not permitted by law; and (3) § 1692g(a)(1)'s requirement that the debt collector disclose the amount of the debt owed.

6. Plaintiffs further seek a declaratory judgment that any loans between Defendants and Virginia consumers are void and unenforceable pursuant to Virginia Code § 6.2-1541(A). Additionally, Plaintiffs seek an injunction prohibiting Defendants from collecting on these loans and requiring them to provide notice to all class members that their loans are unenforceable.

### **JURISDICTION**

7. This Court has jurisdiction pursuant to 18 U.S.C. § 1965 and 15 U.S.C. § 1692k(d). The Court has supplemental jurisdiction over state law claims pursuant to 28 U.S.C. §§ 1367 and 1332(d)(2).

### **PARTIES**

8. Plaintiff Tina Hunter ("Ms. Hunter") is a natural person residing within this District and Division.

9. Plaintiff Steven Pike ("Mr. Pike") is a natural person and resident of the Commonwealth of Virginia.

10. Plaintiff Dawn Mays-Johnson (“Ms. Mays-Johnson”) is a natural person and resident of the Commonwealth of Virginia.

11. Plaintiff Julie Johnson (“Ms. Johnson”) is a natural person residing within this District and Division.

12. Plaintiff Diane Turner (“Ms. Turner”) is a natural person and resident of the Commonwealth of Virginia.

13. Defendant NHC is a Delaware limited liability company with a principal place of business at 169 South River Road, Bedford, New Hampshire. According to its website, NHC has “lent hundreds of millions of dollars to hundreds of thousands of people to help them get back on their feet.”<sup>1</sup> NHC lends in New Hampshire, Kansas, Utah, and Virginia, and all of its loans have an interest rate of 35.99% APR.<sup>2</sup> Upon information and belief, NHC operates the nhcash.com website and performs the underwriting on all loans submitted to the nhcash.com website.

14. Defendant NHC SPV is a Delaware limited liability company with a principal place of business at 169 South River Road, Bedford, New Hampshire. Upon information and belief, NHC SPV funded all the loans made through the nhcash.com website, and NHC assigns the loans to NHC SPV after the loans are originated. Upon information and belief, as part of its role in the enterprise, NHC SPV services the loans and has the relationship with the third-party investors who help provide the capital for the unlawful loans.

15. Defendant NHC Holdings is a Delaware limited liability company. Upon information and belief, NHC Holdings is the parent corporation of NHC, which was formed by Mellow to protect and hold the profits of NHC and NHC SPV.

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<sup>1</sup> *Why Choose Us?*, NHCash.com, LLC, <http://www.nhcash.com/about-us/> (last visited May 1, 2017).

<sup>2</sup> *Id.*

16. Defendant Mellow is the chief executive officer, founder, and owner of NHC, NHC SPV, and NHC Holdings. During all times relevant hereto, Mellow conducted the affairs of NHC, NHC SPV, and NHC Holdings and participated in the underwriting, servicing, marketing, and collection of the illegal loans. In doing so, Mellow acted within the scope of his authority as the chief executive officer of NHC, NHC SPV, and NHC Holdings. Mellow has personally pocketed millions of dollars through the collection of usurious loans.

17. Defendant LTD is a limited partnership organized under the laws of Texas. LTD specializes in the collection of consumer debts and is a “debt collector” as defined by the FDCPA.

## **FACTS**

### ***Overview of the Enterprise***

18. RICO defines an “enterprise” as “any individual, partnership, corporation, association, or other legal entity, and any union or group of individuals *associated in fact* although not a legal entity.” 18 U.S.C. § 1691(4) (emphasis added).

19. The Supreme Court has held that an association-in-fact enterprise is “a group of persons associated together for a common purpose of engaging in a course of conduct.” *United States v. Turkette*, 452 U.S. 576, 583 (1981).

20. Defendants NHC, NHC SPV, NHC Holdings, and Mellow, together with others not yet known to Plaintiffs, constitute an enterprise hereafter (the “Enterprise”) as defined in 18 U.S.C. § 1691(4).

21. The Enterprise worked together for, among other things, the common purpose of making and collecting the usurious loans offered to Virginia consumers.

22. As chief executive officer and the sole member of the board of directors, Mellow intentionally and willfully dominated and still dominates the operations of NHC, NHC SPV, and NHC Holdings.

23. Mellow established the plan and strategy to create each of these entities and established their role in the making, marketing, and collection of the high-interest loans at issue.

24. In 2000, Mellow started NHC; his wife “did the customer service from upstairs in [their] tiny house,” and Mellow “did everything else in the basement.”<sup>3</sup>

25. Since the inception of these companies, Mellow solely owned each company, ran their day-to-day operations, and in many instances, personally secured the registrations, fundings, and contracts by which NHC used to make, market, and collect the illegal loans.

26. For example, Mellow signed many of the registration documents to establish NHC, NHC SPV, and NHC Holdings, including but not limited to: (1) the Certificate of Retrieval filed on behalf of NHC with the State of Delaware on March 12, 2012; (2) the Certificate of Incorporation filed on behalf of NHC Holdings with the State of Delaware on November 4, 2015; and (3) the Certificate of Formation filed on behalf of NHC SPV with the State of Delaware on November 26, 2015.

27. Likewise, in March 2015, Mellow signed the application for registration as a foreign limited liability company submitted by NHC SPV to the State of New Hampshire.

28. In the application, Mellow indicated that the purpose of NHC SPV was to “take assignment of consumer loans.”<sup>4</sup>

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<sup>3</sup> Steve Mellow, *A Year-End Letter to You from NHCash founder & CEO Steve Mellow*, NH Cash, LLC (Dec. 4, 2014), <http://www.nhcash.com/2014/12/04/a-letter-to-you/>.

<sup>4</sup> Form FLLC-1, NHCASH SPV, LLC, at ¶ 5 (Mar. 26, 2015).

29. Since the inception of these companies, Mellow solely owned each company, ran their day-to-day operations, and in many instances, personally secured the registrations, funding, and contracts by which they used to make, market, and collect the illegal loans.

30. Upon information and belief, Mellow holds all of the voting stock in NHC, NHC SPV, and NHC Holdings and, thus, is able to direct and control all matters related to NHC.

31. Upon information and belief, all of NHC's employees and managers report directly to Mellow, who is responsible for devising and implementing all major company policies—including the various loan programs and interest rates at issue in this case.

32. Moreover, upon information and belief, Mellow formed and developed the strategy to create NHC SPV and NHC Holdings—two other entities that work together with NHC to help make, market, and collect the illegal loans at issue.

33. Mellow, the sole principal of NHC, NHC SPV, and NHC Holdings, established and defined the relationships between these entities—each of which played a separate role in the scheme to make and collect unlawful debts and to transfer the proceeds from those illicit activities among the members of the Enterprise, including himself.

34. While NHC holds itself out as the actual lender of these high-interest loans, it appears that NHC SPV actually funds the loans purportedly made by NHC.

35. Once the loans are electronically signed by a consumer, NHC assigns the loan to NHC SPV for servicing and collection.

36. Upon information and belief, NHC SPV is also the entity that obtains the funds from third-party investors which is then used to fund the illegal loans.

37. NHC and NHC SPV also share offices and resources for the purpose of making and collecting the illegal loans.

38. Mellow participated in and knew of the actions of NHC and NHC SPV in Virginia. Upon information and belief, Mellow chose Virginia as a state where loans would be offered, and Mellow personally participated in the scheme and made the decision to offer loans in Virginia with an APR of 35.99%.

39. Defendants each derived income through the collection of “unlawful debt” in Virginia and engaged in activities that affected interstate and foreign commerce, including the underwriting, servicing, and collection of debts.

40. Defendants constituted an ongoing organization whose members and associates functioned as a continuing unit for a common purpose of achieving the objectives of the Enterprise, *i.e.*, to make and collect on loans with excessive interest rates.

41. The Enterprise existed to obtain money for Mellow, its other officers, and associates through the unlawful creation and collection of usurious debts.

42. This conduct began sometime as early as 2000, continues to date, and will be repeated again and again in the future to the detriment of consumers.

***Defendants’ Loans Charged Interest in Violation of Virginia Code § 6.2-1541 and RICO***

43. Defendants, together with other members of the Enterprise and individuals not yet known to Plaintiffs, marketed, initiated, and collected usurious loans in Virginia.

44. In order to qualify for the internet loan, consumers were required to electronically sign a document entitled “Open-end Credit Account Agreement” (hereafter “Agreement”).

45. Under the terms of the Agreement, the interest rates charged were significantly greater than 12% APR.

46. As reflected by NHC’s website and the rate charged to Plaintiffs, the standard rate offered to consumers in Virginia was an APR of 35.99% or 36.00%. (*See, e.g.*, Ex. 1).



47. Plaintiffs all obtained loans in amounts between \$300 and \$606. On each loan Defendants immediately assessed a \$100.00 origination fee and started charging a participation fee of \$1.36 per day each billing period. The Agreement stated that the annualized amount of the participation fee is \$497.00 per year.

48. Pursuant to this standard policy, each of the Plaintiffs were charged with an APR of 35.99% or 36.00%.

49. Absent several exceptions, Va. Code § 6.2-1541 prohibits any person from making such loans to Virginians in excess of 12% APR unless that company has obtained a consumer finance license from the Commission. *See* Va. Code § 6.2-1501.

50. A consumer finance license is important because it requires the Commission, before granting a license, to make a finding, among other things, that “an applicant, and its directors, senior officers and principals have the financial responsibility, character, experience and general fitness to command the confidence of the public and to warrant belief that the business will be operated lawfully, honestly, fairly and efficiently.” Va. Code § 6.2-1507(A)(1).

51. NHC did not have a consumer finance license when they made the loans to Plaintiffs; nor has it ever attempted to obtain such a license.

52. Despite this fact, NHC falsely advertised on its website that it was licensed, audited and regulated in the four states it operates, including Virginia.<sup>5</sup>

53. Under Va. Code § 6.2-1541(A), if a lender was not exempt from the provisions of those statutes and had not obtained a consumer finance license, yet nonetheless contracted to make a consumer loan, and charged, contracted for, or received, interest or other compensation in excess

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<sup>5</sup> NHCash.com, [www.nhcash.com](http://www.nhcash.com) (last visited December 15, 2016).

of 12% per year, then the loan is null and void, and the lender is not able to collect, obtain, or receive any principal, interest, or charges on the loan.

54. As reflected by NHC's website and the rate charged to Plaintiffs, all of Defendants' loans to consumers in Virginia contained an interest rate of 35.99% or 36% per year even though Defendants did not obtain a consumer finance license from the Commission.

55. Accordingly, Defendants' loans were null and void, and it is unlawful for Defendants or any of their affiliated entities to collect or receive any principal, interest, or charges whatsoever on said loans, including the amounts paid by Plaintiffs.

56. Defendants received no less than \$763.67 from Ms. Hunter as a result of her illegal loans.

57. Defendants received no less than \$151.78 from Mr. Pike as a result of his illegal loan.

58. Defendants received no less than \$432.63 from Ms. Mays-Johnson as a result of her illegal loan.

59. Defendants received no less than \$217.22 from Ms. Johnson as a result of her illegal loan.

60. Defendants received no less than \$93.72 from Ms. Turner as a result of her illegal loan.

61. Pursuant to Va. Code § 6.2-305(A), Plaintiffs and the class members are entitled to twice the total amount of interest paid on these loans.

62. Defendants' conduct also violated § 1962(c) of RICO, which prohibits the "collection of unlawful debt." 18 U.S.C. § 1962(c).

63. RICO defines “unlawful debt” as a debt that was incurred in connection with “the business of lending money or a thing of value at a rate usurious under State or Federal law, where the usurious rate is at least twice the enforceable rate.” 18 U.S.C. § 1961(6).

64. Defendants charged an interest rate far in excess of the enforceable rate established by Va. Code § 6.2-1541(A), and, thus, Defendants violated RICO’s prohibition against the collection of unlawful debt.

65. As a result of Defendants’ participation in the Enterprise and violations of RICO, Defendants are jointly and severally liable to Plaintiffs and the putative class members for their actual damages, treble damages, costs, and attorneys’ fees pursuant to 18 U.S.C. § 1964(c).

***Defendants’ Loan are not Exempt from Limit on Contract Rate of Interest***

66. Va. Code § 6.2-303(A) provides that, “[e]xcept as otherwise permitted by law, no contract shall be made for the payment of interest on a loan at a rate that exceeds 12 percent per year.” Va. Code § 6.2-303(A).

67. Article 4 of Title 6.2 creates several exceptions for certain loans made in excess of 12% per year—one of which that permits lenders to offer open-end credit plans to borrowers if the plan satisfies certain conditions. *See* Va. Code § 6.2-312(A).

68. In relevant part, § 6.2-312(A) provides a “lender engaged in extending credit under an open-end credit plan may impose, on credit extended under the plan, finance charges and other charges and fees at such rates and in such amounts and manner as may be agreed upon by the creditor and obligor, if under the plan a finance charge is imposed upon the obligor if payment in full of the unpaid balance is not received at the place designated by the creditor prior to the next billing date, which shall be at least 25 days later than the prior billing date.” Va. Code § 6.2-312(A).

69. In other words, to qualify for the exception provided by Va. § Code 6.2-312(A), a creditor *must* provide the borrower with a 25-day grace period to repay the balance without imposing *any* finance charges. *Id.*; *see also* Office of the Att’y Gen., Commonwealth of Va., Opinion No. 13-103, 2013 WL 6728651 (Dec. 13, 2013) (“If the fee is a ‘finance charge’ the lender may assess it only if the borrower fails to fully repay the balance in [month one] by the close of the (minimum 25 day) billing cycle.”).

70. The Agreement violates the requirements of Va. Code § 6.2-312(A) because the Agreement imposes a finance charge—in the form of a \$100 origination fee—*immediately* upon all consumers regardless of whether they repay the balance within the 25-day grace period.

71. In particular, the Agreement provides that Defendants “charge approved new applicants a \$100.00 origination fee added to the balance at account opening.” (Ex. 1 at 3).

72. An “origination fee” is a finance charge.

73. In fact, the Agreement expressly acknowledges that the origination fee is a finance charge. (Ex. 1 at 3) (“Accounts Subject to Finance Charge. Finance Charges shall be applied to Cash Advances, Balance Transfers and Purchases. Additionally, new Open-End Credit Accounts are charged a one-time Origination Fee, ***considered a finance charge, which is added to the Account balance.***” (emphasis added)).

74. Shortly after the Plaintiffs obtained the loan, they were provided with statements that immediately assessed the \$100.00 origination fee.

75. Prior to the expiration of the 25-day grace period, Plaintiffs received statements assessing them for the \$100.00 origination fee.

76. In order to qualify for the exception established by Va. Code § 6.2-312(A), the Agreement could not charge the \$100.00 until the expiration of the 25-day grace period.

77. Defendants violated the requirements of Va. Code § 6.2-312(A) by immediately charging all consumers with a \$100.00 origination fee as a condition of access to the credit plan.

78. As a result of the \$100.00 origination fee, the Agreement is not exempt from the interest rate cap established by Va. Code § 6.2-303(A).

***LTD Violated the FDCPA by Attempting to Collect Unenforceable Loans***

79. LTD is a privately held company founded in 1993 that specializes in the collection of debts.

80. LTD holds itself out as a “nationally recognized, top-tier collection agency that provides collection services to premier credit grantors across the country.”<sup>6</sup>

81. Upon information and belief, LTD is the debt collection company used by NHC, NHC SPV, NHC Holdings, and Mellow to collect the illegal loans made to Virginia consumers.

82. LTD worked together with the other entities described herein to systematically collect and attempt to collect the illegal loans.

83. For example, LTD attempted to collect on the illegal loans from Ms. Johnson and Ms. Turner.

84. The internet payday loan debts were incurred by Ms. Johnson and Ms. Turner primarily for personal, family, or household purposes, bringing LTD’s collection efforts within the purview of the FDCPA. 15 U.S.C. § 1692a(5).

85. As part of its collections efforts, LTD sent Ms. Johnson a dunning letter<sup>7</sup> dated September 28, 2016, which attempted to collect the illegal loan.

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<sup>6</sup> *About Us*, LTD Financial Services, L.P., <http://www.ltdfin.com/about-us> (last visited May 1, 2017).

<sup>7</sup> A “dunning letter” is a letter demanding payment of a debt—*i.e.*, a collection notice. *Fariasantos v. Rosenberg & Associates, LLC*, 2014 WL 928206, \*1, 2014 U.S. Dist. Lexis 30898, \*3, (E.D. Va. 2014); *Bicking v. Law Offices of Rubenstein & Cogan*, 783 F. Supp. 2d 841, 842, n.1 (E.D. Va. 2011).

86. In this letter, LTD indicated that the communication was “an attempt to collect a debt and any information obtained will be used for that purpose.”

87. The letter further attempted to provide the validation notices required by § 1692g(a)(1)-(5) of the FDCPA.

88. To that end, the letter identified the amount of the debt owed as \$1,061.59.

89. LTD sent additional correspondence to Ms. Johnson attempting to collect on the illegal loan, including correspondence dated October 6, 2016.

90. Because the loans were unenforceable and void under Virginia law, LTD’s conduct violated several sections of the FDCPA, including but not limited to: (1) § 1692e’s prohibition against using deceptive or misleading communication in connection with the collection of a debt, including LTD’s false representation regarding the legal status of the debt; (2) § 1692f(1)’s prohibition from collecting amounts not permitted by law; and (3) § 1692g(a)(1)’s requirement that the debt collector disclose the amount of the debt owed. *See, e.g., Gerstle v. Nat’l Credit Adjusters, LLC*, 76 F. Supp. 3d 503, 512 (S.D.N.Y. 2015) (“Because usurious debt is void under N.Y. Gen. Oblig. Law § 5–511, attempting to collect such debt constitutes an unlawful threat under the FDCPA.”); *see also Conner v. Howe*, 344 F. Supp. 2d 1164, 1172 (S.D. Ind. 2004).

91. LTD sent similar letters to Ms. Turner.

92. Upon information and belief, LTD used form letters to communicate with Virginia consumers, such as Ms. Johnson and Ms. Turner.

**COUNT ONE:**  
**VIOLATIONS OF RICO, 18 U.S.C. § 1962(c)**  
**(CLASS CLAIM AGAINST NHC, NHC SPV, NHC HOLDINGS AND MELLOW)**

93. Plaintiffs restate each of the allegations in the preceding paragraphs as if set forth at length herein.

94. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, Plaintiffs bring this action for themselves and on behalf of a class—the “Virginia RICO Class”—initially defined as:

All Virginia residents who executed a loan with NHC where the loan was originated and/or any payment was made on or after May 3, 2012.

Plaintiffs are members of the Virginia RICO Class.

95. **Numerosity. Fed. R. Civ. P. 23(a)(1).** Upon information and belief and as reflected by the statements on NHC’s website, Plaintiffs allege that the class members are so numerous that joinder of all is impractical. The names and addresses of the class members are identifiable through the internal business records maintained by Defendants, and the class members may be notified of the pendency of this action by published and/or mailed notice.

96. **Predominance of Common Questions of Law and Fact. Fed. R. Civ. P. 23(a)(2).** Common questions of law and fact exist as to all members of the putative class, and there are no factual or legal issues that differ between the putative class members. These questions predominate over the questions affecting only individual class members. The common questions include: (1) whether NHC, NHC SPV, NHC Holdings, and Mellow constitute an “enterprise” under RICO; (2) whether the loans made by NHC violated Va. Code § 6.2-1501 because the interest rates were too high; (3) whether the exception established by Va. Code § 6.2-312(A) applies to the loans as a result of the \$100.00 origination fee; and (4) what is the proper recovery for Plaintiffs and the class members against each defendant.

97. **Typicality. Fed. R. Civ. P. 23(a)(3).** Plaintiffs’ claims are typical of the claims of each putative class member. Plaintiffs are entitled to relief under the same causes of action as the other members of the putative class. Additionally, Plaintiffs’ claims are based on the same facts and legal theories as each of the class members.

98. **Adequacy of Representation. Fed. R. Civ. P. 23(a)(4).** Plaintiffs are adequate representatives of the putative class because their interests coincide with, and are not antagonistic to, the interests of the members of the class that they seek to represent. Plaintiffs have retained counsel competent and experienced in such litigation; and they intend to continue to prosecute the action vigorously. Plaintiffs and their counsel will fairly and adequately protect the interests of the members of the Class. Neither Plaintiffs nor their counsel have any interests that might cause them to not vigorously pursue this action.

99. **Superiority. Fed. R. Civ. P. 23(b)(3).** Questions of law and fact common to the Class members predominate over questions affecting only individual members, and a class action is superior to other available methods for fair and efficient adjudication of the controversy. The damages sought by each member are such that individual prosecution would prove burdensome and expensive. It would be virtually impossible for members of the Class individually to effectively redress the wrongs done to them. Even if the members of the Class themselves could afford such individual litigation, it would be an unnecessary burden on the Courts. Furthermore, individualized litigation presents a potential for inconsistent or contradictory judgments and increases the delay and expense to all parties and to the court system presented by the legal and factual issues raised by Defendants' conduct. By contrast, the class action device will result in substantial benefits to the litigants and the Court by allowing the Court to resolve numerous individual claims based upon a single set of proof in a case.

100. As alleged above, Defendants, along with other participants not yet known to Plaintiffs, violated § 1962(c) of RICO by collecting income derived from the "collection of unlawful debt." 18 U.S.C. § 1962(c).



101. RICO defines “unlawful debt” as a debt which was incurred in connection with “the business of lending money or a thing of value at a rate usurious under State or Federal law, where the usurious rate is at least twice the enforceable rate.” 18 U.S.C. § 1961(6).

102. All of the loans made to Virginia residents and collected by Defendants included an interest rate far in excess of twice the enforceable rate in Virginia.

103. This conduct began sometime as early 2000 and continues to date and will be repeated again and again in the future to the detriment of Virginia consumers.

104. Plaintiffs and the Class Members were injured as a result of Defendants’ violations of 18 U.S.C. § 1962(c) and are entitled to treble their actual damages, which would include any interest, fees, or other sums collected by Defendants.

**COUNT TWO:**  
**VIOLATIONS OF RICO, 18 U.S.C. § 1962(d)**  
**(CLASS CLAIM AGAINST NHC, NHC SPV, NHC HOLDINGS, AND MELLOW)**

105. Plaintiffs restate each of the allegations in the preceding paragraphs as if set forth at length herein.

106. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, Plaintiffs bring this action for themselves and on behalf of a class—the “Virginia RICO Conspiracy Class”—initially defined as:

All Virginia residents who executed a loan with NHC where the loan was originated and/or any payment was made on or after May 3, 2012.

Plaintiffs are members of the Virginia RICO Conspiracy Class.

107. **Numerosity. Fed. R. Civ. P 23(a)(1).** Upon information and belief, Plaintiffs allege that the class members are so numerous that joinder of all is impractical. The names and addresses of the class members are identifiable through the internal business records maintained

by Defendants, and the class members may be notified of the pendency of this action by published and/or mailed notice.

108. **Predominance of Common Questions of Law and Fact. Fed. R. Civ. P. 23(a)(2).** Common questions of law and fact exist as to all members of the putative class, and there are no factual or legal issues that differ between the putative class members. These questions predominate over the questions affecting only individual class members. These questions include, but are not limited to: (1) whether NHC, NHC SPV, NHC Holdings, and Mellow constitute an “enterprise” under RICO; (2) whether the loans made by NHC violated Va. Code § 6.2-1501 because the interest rates were too high; (3) whether the exception established by Va. Code § 6.2-312(A) applies to the loans as a result of the \$100.00 origination fee; and (4) what is the proper recovery for Plaintiffs and the class members against each defendant.

109. **Typicality. Fed. R. Civ. P. 23(a)(3).** Plaintiffs’ claims are typical of the claims of each putative class member. In addition, Plaintiffs are entitled to relief under the same causes of action as the other members of the putative class. Additionally, Plaintiffs’ claims are based on the same facts and legal theories as each of the class members.

110. **Adequacy of Representation. Fed. R. Civ. P. 23(a)(4).** Plaintiffs are adequate representatives of the putative class because their interests coincide with, and are not antagonistic to, the interests of the members of the class that they seek to represent. Plaintiffs have retained counsel competent and experienced in such litigation; and they intend to continue to prosecute the action vigorously. Plaintiffs and their counsel will fairly and adequately protect the interests of the members of the Class. Neither Plaintiffs nor their counsel have any interests that might cause them to not vigorously pursue this action.

111. **Superiority. Fed. R. Civ. P. 23(b)(3).** Questions of law and fact common to the Class members predominate over questions affecting only individual members, and a class action is superior to other available methods for fair and efficient adjudication of the controversy. The damages sought by each member are such that individual prosecution would prove burdensome and expensive. It would be virtually impossible for members of the Class individually to effectively redress the wrongs done to them. Even if the members of the Class themselves could afford such individual litigation, it would be an unnecessary burden on the Courts. Furthermore, individualized litigation presents a potential for inconsistent or contradictory judgments and increases the delay and expense to all parties and to the court system presented by the legal and factual issues raised by Defendants' conduct. By contrast, the class action device will result in substantial benefits to the litigants and the Court by allowing the Court to resolve numerous individual claims based upon a single set of proof in a case.

112. As part of the Enterprise, NHC, NHC SPV, and NHC Holdings entered into a series of contracts and agreements to facilitate the unlawful collection of debts from consumers, including the agreement between NHC and NHC SPV whereby NHC would assign new loans to NHC SPV for collection.

113. Defendants, along with other participants not yet known to Plaintiffs, violated § 1962(d) of RICO by entering into a series of agreements to violate § 1962(c).

114. Plaintiffs and the Class Members were injured as a result of Defendants' violations of 18 U.S.C. § 1962(d) and are entitled to treble their actual damages, which would include any interest, fees, or other sums collected by Defendants.

**COUNT THREE:**  
**VIOLATIONS OF VIRGINIA USURY**  
**(CLASS CLAIM AGAINST NHC, NHC SPV, NHC HOLDINGS, AND MELLOW)**

115. Plaintiffs restate each of the allegations in the preceding paragraphs as if set forth at length herein.

116. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, Plaintiffs bring this action for themselves and on behalf of a class—the “Virginia Usury Class”—initially defined as:

All Virginia residents who executed a loan with NHC where the loan was originated and/or any payment was made on or after May 3, 2012.

117. **Numerosity. Fed. R. Civ. P. 23(a)(1).** Upon information and belief, Plaintiffs allege that the class members are so numerous that joinder of all is impractical. The names and addresses of the class members are identifiable through the internal business records maintained by Defendants, and the class members may be notified of the pendency of this action by published and/or mailed notice.

118. **Predominance of Common Questions of Law and Fact. Fed. R. Civ. P. 23(a)(2).** Common questions of law and fact exist as to all members of the putative class, and there are no factual or legal issues that differ between the putative class members. These questions predominate over the questions affecting only individual class members. The principal issues include: (1) whether the loans made by Defendants violated Virginia Code Section § 6.2-1501 because their interest levels were too high; (2) whether Plaintiffs and class members are entitled to recover the total amount of interest paid, plus twice the amount of interest paid during the two years preceding this lawsuit, along with reasonable attorneys’ fees and costs under Virginia Code § 6.2-305.

119. **Typicality. Fed. R. Civ. P. 23(a)(3).** Plaintiffs’ claims are typical of the claims of each putative class member. In addition, Plaintiffs are entitled to relief under the same causes of

action as the other members of the putative class. All claims are based on the same facts and legal theories.

120. **Adequacy of Representation**. Fed. R. Civ. P. 23(a)(4). Plaintiffs are adequate representatives of the putative class because their interests coincide with, and are not antagonistic to, the interests of the members of the class that they seek to represent. Plaintiffs have retained counsel competent and experienced in such litigation; and they intend to continue to prosecute the action vigorously. Plaintiffs and their counsel will fairly and adequately protect the interests of the members of the Class. Neither Plaintiffs nor their counsel have any interests that might cause them to not vigorously pursue this action.

121. **Superiority**. Fed. R. Civ. P. 23(b)(3). Questions of law and fact common to the Class members predominate over questions affecting only individual members, and a class action is superior to other available methods for fair and efficient adjudication of the controversy. The damages sought by each member are such that individual prosecution would prove burdensome and expensive. It would be virtually impossible for members of the Class individually to effectively redress the wrongs done to them. Even if the members of the Class themselves could afford such individual litigation, it would be an unnecessary burden on the Courts. Furthermore, individualized litigation presents a potential for inconsistent or contradictory judgments and increases the delay and expense to all parties and to the court system presented by the legal and factual issues raised by Defendants' conduct. By contrast, the class action device will result in substantial benefits to the litigants and the Court by allowing the Court to resolve numerous individual claims based upon a single set of proof in a case.

122. All of the loans made by Defendants to Virginia consumer included an interest rate greater than 12%.

123. None of the exceptions to Va. Code § 6.2-303 apply.

124. Thus, Plaintiffs and the Class Members are entitled to recover from Defendants an amount equal to the total amount of interest paid in excess of 12%, plus twice the amount of such usurious interest that was paid in the two years preceding the filing of this action and their attorneys' fees and costs. Va. Code § 6.2-305(A).

**COUNT FOUR:**  
**VIOLATION OF THE FDCPA, 15 U.S.C. § 1692g**  
**(CLASS CLAIM AGAINST LTD)**

125. Plaintiffs Johnson and Turner restate every allegation above as if set forth herein.

126. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, Plaintiffs Johnson and Turner bring this action for themselves and on behalf of a class—the “§ 1692g(a)(1) Class”—initially defined as:

All Virginia residents to whom LTD sent a letter that: (1) contained a § 1692g notice of validation rights (2) in an attempt to collect a debt allegedly due to NHC (3) that contained a balance amount greater than \$0 (4) during the one-year period prior to the filing of this Complaint.

127. **Numerosity. Fed. R. Civ. P. 23(a)(1).** Upon information and belief, Plaintiffs Johnson and Turner allege that the class members are so numerous that joinder of all is impractical. The names and addresses of the class members are identifiable through the internal business records maintained by LTD, and the class members may be notified of the pendency of this action by published and/or mailed notice.

128. **Predominance of Common Questions of Law and Fact. Fed. R. Civ. P. 23(a)(2).** Common questions of law and fact exist as to all members of the putative class, and there are no factual or legal issues that differ between the putative class members. These questions predominate over the questions affecting only individual class members. The principal issues include: (1) whether LTD is a debt collector; (2) whether LTD violated § 1692g(a)(1) of the FDCPA by

claiming Plaintiffs and the putative class members owed an amount greater than \$0; and (3) what is the appropriate amount of damages for Plaintiffs and the class members.

129. **Typicality. Fed. R. Civ. P. 23(a)(3).** Plaintiffs Johnson and Turner's claims are typical of the claims of each putative class member. In addition, Plaintiffs Johnson and Turner are entitled to relief under the same causes of action as the other members of the putative class. All claims are based on the same facts and legal theories.

130. **Adequacy of Representation. Fed. R. Civ. P. 23(a)(4).** Plaintiffs Johnson and Turner are adequate representatives of the putative class because their interests coincide with, and are not antagonistic to, the interests of the members of the class that they seek to represent. Plaintiffs Johnson and Turner have retained counsel competent and experienced in such litigation; they intend to continue to prosecute the action vigorously; they and their counsel will fairly and adequately protect the interests of the members of the Class; and neither they nor their counsel have any interests that might cause them to not vigorously pursue this action.

131. **Superiority. Fed. R. Civ. P. 23(b)(3).** Questions of law and fact common to the Class members predominate over questions affecting only individual members, and a class action is superior to other available methods for fair and efficient adjudication of the controversy. The damages sought by each member are such that individual prosecution would prove burdensome and expensive. It would be virtually impossible for members of the Class individually to effectively redress the wrongs done to them. Even if the members of the Class themselves could afford such individual litigation, it would be an unnecessary burden on the Courts. Furthermore, individualized litigation presents a potential for inconsistent or contradictory judgments and increases the delay and expense to all parties and to the court system presented by the legal and factual issues raised by Defendants' conduct. By contrast, the class action device will result in

substantial benefits to the litigants and the Court by allowing the Court to resolve numerous individual claims based upon a single set of proof in a case.

132. LTD violated § 1692g(a)(1) by sending a validation notice to Plaintiffs Johnson and Turner and the putative class members that falsely stated that they owed money for the NH Cash debt.

133. As a result of the violation, Plaintiffs Johnson and Turner and the class members seek their actual damages, statutory damages, as well as their reasonable attorney's fees and costs, pursuant to 15 U.S.C. § 1692k.

**COUNT FIVE:**  
**VIOLATION OF THE FDCA, 15 U.S.C. § 1692e**  
**(CLASS CLAIM AGAINST LTD)**

134. Plaintiffs Johnson and Turner restate every allegation above as if set forth herein.

135. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, Plaintiffs Johnson and Turner bring this action for themselves and on behalf of a class—the “§ 1692e Class”—initially defined as:

All Virginia residents who received a communication from LTD: (1) in an attempt to collect a debt allegedly due to NHC (2) that falsely indicated the legal status of a debt as due and owing to NHC (3) during the one-year period prior to the filing of this Complaint.

136. **Numerosity. Fed. R. Civ. P 23(a)(1).** Upon information and belief, Plaintiffs Johnson and Turner allege that the class members are so numerous that joinder of all is impractical. The names and addresses of the class members are identifiable through the internal business records maintained by Defendants, and the class members may be notified of the pendency of this action by published and/or mailed notice.

137. **Predominance of Common Questions of Law and Fact. Fed. R. Civ. P. 23(a)(2).** Common questions of law and fact exist as to all members of the putative class, and there are no



factual or legal issues that differ between the putative class members. These questions predominate over the questions affecting only individual class members. The principal issues include: (1) whether LTD is a debt collector; (2) whether LTD violated § 1692g(a)(1) of the FDCPA by claiming Plaintiffs Johnson and Turner and the putative class members owed an amount greater than \$0; and (3) what is the appropriate amount of damages for Plaintiffs Johnson and Turner and the class members.

138. **Typicality. Fed. R. Civ. P. 23(a)(3).** Plaintiffs Johnson and Turner's claims are typical of the claims of each putative class member. In addition, Plaintiffs Johnson and Turner are entitled to relief under the same causes of action as the other members of the putative class. All claims are based on the same facts and legal theories.

139. **Adequacy of Representation. Fed. R. Civ. P. 23(a)(4).** Plaintiffs Johnson and Turner are adequate representatives of the putative class because their interests coincide with, and are not antagonistic to, the interests of the members of the class that they seek to represent. Plaintiffs Johnson and Turner have retained counsel competent and experienced in such litigation; they intend to continue to prosecute the action vigorously; they and their counsel will fairly and adequately protect the interests of the members of the Class; and neither they nor their counsel have any interests that might cause them to not vigorously pursue this action.

140. **Superiority. Fed. R. Civ. P. 23(b)(3).** Questions of law and fact common to the Class members predominate over questions affecting only individual members, and a class action is superior to other available methods for fair and efficient adjudication of the controversy. The damages sought by each member are such that individual prosecution would prove burdensome and expensive. It would be virtually impossible for members of the Class individually to effectively redress the wrongs done to them. Even if the members of the Class themselves could

afford such individual litigation, it would be an unnecessary burden on the Courts. Furthermore, individualized litigation presents a potential for inconsistent or contradictory judgments and increases the delay and expense to all parties and to the court system presented by the legal and factual issues raised by Defendants' conduct. By contrast, the class action device will result in substantial benefits to the litigants and the Court by allowing the Court to resolve numerous individual claims based upon a single set of proof in a case.

141. LTD violated § 1692e by sending false and deceptive communications to Plaintiffs Johnson and Turner and the class members regarding the legal status of their debts.

142. As a result of the violation, Plaintiffs Johnson and Turner and the class members seek their actual damages, statutory damages, as well as their reasonable attorney's fees and costs, pursuant to 15 U.S.C. § 1692k.

**COUNT SIX:**  
**VIOLATION OF THE FDCPA, 15 U.S.C. § 1692f**  
**(CLASS CLAIM AGAINST LTD)**

143. Plaintiffs Johnson and Turner restate every allegation above as if set forth herein.

144. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, Plaintiffs Johnson and Turner bring this action for themselves and on behalf of a class—the “§ 1692f Class”—initially defined as:

All Virginia residents who received a communication from LTD: (1) in an attempt to collect a debt allegedly due to NHC (2) that falsely indicated the legal status of a debt as due and owing to NHC (3) during the one-year period prior to the filing of this Complaint.

145. **Numerosity. Fed. R. Civ. P 23(a)(1).** Upon information and belief, Plaintiffs Johnson and Turner allege that the class members are so numerous that joinder of all is impractical. The names and addresses of the class members are identifiable through the internal business

records maintained by Defendants, and the class members may be notified of the pendency of this action by published and/or mailed notice.

146. **Predominance of Common Questions of Law and Fact. Fed. R. Civ. P. 23(a)(2).** Common questions of law and fact exist as to all members of the putative class, and there are no factual or legal issues that differ between the putative class members. These questions predominate over the questions affecting only individual class members. The principal issues include: (1) whether LTD is a debt collector; (2) whether LTD violated § 1692f by attempting and collecting amounts not permitted under Virginia law; and (3) what is the appropriate amount of damages for Plaintiffs Johnson and Turner and the class members.

147. **Typicality. Fed. R. Civ. P. 23(a)(3).** Plaintiffs Johnson and Turner's claims are typical of the claims of each putative class member. In addition, Plaintiffs Johnson and Turner are entitled to relief under the same causes of action as the other members of the putative class. All claims are based on the same facts and legal theories.

148. **Adequacy of Representation. Fed. R. Civ. P. 23(a)(4).** Plaintiffs Johnson and Turner are adequate representatives of the putative class because their interests coincide with, and are not antagonistic to, the interests of the members of the class that they seek to represent. Plaintiffs Johnson and Turner have retained counsel competent and experienced in such litigation; they intend to continue to prosecute the action vigorously; they and their counsel will fairly and adequately protect the interests of the members of the Class; and neither they nor their counsel have any interests that might cause them to not vigorously pursue this action.

149. **Superiority. Fed. R. Civ. P. 23(b)(3).** Questions of law and fact common to the Class members predominate over questions affecting only individual members, and a class action is superior to other available methods for fair and efficient adjudication of the controversy. The

damages sought by each member are such that individual prosecution would prove burdensome and expensive. It would be virtually impossible for members of the Class individually to effectively redress the wrongs done to them. Even if the members of the Class themselves could afford such individual litigation, it would be an unnecessary burden on the Courts. Furthermore, individualized litigation presents a potential for inconsistent or contradictory judgments and increases the delay and expense to all parties and to the court system presented by the legal and factual issues raised by Defendants' conduct. By contrast, the class action device will result in substantial benefits to the litigants and the Court by allowing the Court to resolve numerous individual claims based upon a single set of proof in a case.

150. LTD violated § 1692f by attempting to collect and collecting debts that were void and unenforceable under Virginia law.

151. As a result of the violation, Plaintiffs Johnson and Turner and the class members seek their actual damages, statutory damages, as well as their reasonable attorney's fees and costs, pursuant to 15 U.S.C. § 1692k.

**COUNT SEVEN:**  
**DECLARATORY JUDGMENT AND INJUNCTIVE RELIEF**  
**(CLASS CLAIM AGAINST ALL DEFENDANTS)**

152. Plaintiffs restate each of the allegations in the preceding paragraphs as if set forth at length herein.

153. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, Plaintiffs bring this action for themselves and on behalf of a class—the “Declaratory Judgment and Injunctive Relief Class”—initially defined as follows:

All Virginia residents who owe a balance on a loan originated with NHC according to the records maintained by Defendants.

154. **Numerosity. Fed. R. Civ. P. 23(a)(1)** Upon information and belief, Plaintiffs allege that the class members are so numerous that joinder of all is impractical. The names and addresses of the class members are identifiable through the internal business records maintained by Defendants, and the class members may be notified of the pendency of this action by published and/or mailed notice.

155. **Predominance of Common Questions of Law and Fact. Fed. R. Civ. P. 23(a)(2).** Common questions of law and fact exist as to all members of the putative class, and there are no factual or legal issues that differ between the putative class members. These questions predominate over the questions affecting only individual class members. The principal issues include: (1) whether the loans made by NHC violated Va. Code § 6.2-1501 because the interest rates were too high and (2) whether the exception established by Va. Code § 6.2-312(A) applies to the loans as a result of the \$100.00 origination fee.

156. **Typicality. Fed. R. Civ. P. 23(a)(3)** Plaintiffs' claims are typical of the claims of each putative class member. In addition, Plaintiffs are entitled to relief under the same causes of action as the other members of the putative class. All are based on the same facts and legal theories.

157. **Adequacy of Representation. Fed. R. Civ. P. 23(a)(4)** Plaintiffs are adequate representatives of the putative class, because their interests coincide with, and are not antagonistic to, the interests of the members of the Class they seek to represent; they have retained counsel competent and experienced in such litigation; and they have and intend to continue to prosecute the action vigorously. Plaintiffs and their counsel will fairly and adequately protect the interests of the members of the Class. Neither Plaintiffs nor their counsel have any interests which might cause them to not vigorously pursue this action.



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**Exhibit I****Important Disclosures for Open-End Credit Accounts**

<b>Interest Rates and Interest Charges</b>	
<b>Annual Percentage Rate (APR) for Cash Advances</b>	<b>36.00%</b>
<b>Annual Percentage Rate (APR) for Balance Transfers *</b>	<b>36.00%</b>
<b>Annual Percentage Rate (APR) for Purchases *</b>	<b>36.00%</b>
<b>Paying Interest</b>	Finance charges begin on the transaction date, unless your state requires a grace period. In which case your due date is at least 25 days after the close of each billing cycle and we will not charge you interest if you pay your entire balance by the due date.
<b>Minimum Interest Charge</b>	No Minimum Interest Charge.
<b>Fees</b>	
<b>Participation Fee</b>	<b>\$1.36</b> per day each billing period that the Account remains open if you pay your account on time. The annualized amount of the Participation Fee is <b>\$497.**</b>
<b>New Accounts Origination Fee</b>	<b>\$100</b> one-time fee for new accounts added to your initial cash advance.
<b>Balance Transfer Fee</b>	<b>\$50</b>
<b>Penalty Fees:</b>	
Late Payment	<b>Up to \$30</b> (see Fees section)
Over-the-Credit-Limit	<b>Up to \$40</b>
Returned Payment	<b>Up to \$25</b>

**How We Will Calculate Your Balance :** We use a method called "average daily balance." See your Open-end Credit Agreement for more details.

**Daily Periodic Rate:** The daily periodic rate used to figure interest for your Account is .09863%, which is calculated by dividing the APR by 365.

\* At such time as we make them available to you.

\*\* You are only responsible for paying the Participation fee for those billing periods during which your Account remains open. This fee is an annual fee billed periodically and is pro-rated for the number of days within the billing period.

**Billing Rights:** Information on your rights to dispute transactions and how to exercise those rights is provided to you in your Open-end Credit Agreement and included with every periodic statement you receive.

**Authorization**

When you apply for an Open-end Credit Account from nhcash.com, LLC ("nhcash.com," "we," "us"), you agree to the following:

1. You must be at least 18 years of age to apply for an Open-end Credit Account with nhcash.com. If you are married, you may apply for a separate account with nhcash.com.
2. You authorize us to obtain credit bureau reports in connection with your request for an Account. We may investigate your credit history and gather information about you, including from your employer, your bank, credit bureaus, and others, to verify your identity and determine your eligibility for credit, renewal of credit, and future extensions of credit in connection with a revolving credit account with nhcash.com. Upon request, we will tell you whether or not a consumer report was requested and the name and address of any consumer reporting agency that furnished the report. We will report your performance under this Agreement to credit bureaus and others who may properly receive such information.
3. When you provide your email address, nhcash.com may use it to contact you about your Account and tell you about useful products and services.
4. You confirm that you are not currently in bankruptcy proceedings, nor do you plan on filing bankruptcy in the future.
5. By using your Account with us or authorizing the use of your Account with us, you agree to the terms of our Open-end Credit Account Agreement.



**Notice to New Hampshire Residents:** You and/or your attorney may file a complaint with the Commissioner of the New Hampshire Banking Department if you feel you have been treated unfairly or at odds with applicable law. You may contact the Banking Commissioner on its website found at [www.nh.gov/banking](http://www.nh.gov/banking), by telephone (603) 271-3561, or by mail at 53 Regional Drive, Suite 200, Concord, NH 03301.

**Notice to Utah Residents:** As required by law, you are hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligation.

**Notice to Virginia Residents:** You have a 25-day grace period in which to pay your balance in full, without incurring interest charges. No interest is assessed if you pay in full on or before the next billing date. However, if you fail to make a payment within the grace period, interest will accrue on the advance from the date on which the advance was taken. Upon paying your balance in full, you must notify us in writing if you would like to close your account. If you pay your outstanding balance in full but fail to notify us of your intent to close the Account, your Account will remain open and continue to be charged the Annual Fee, billed periodically.

### **Important Information about Procedures for Opening a New Account**

To help the government fight the funding of terrorism and money laundering activities, Federal law requires us to obtain, verify, and record information that identifies each person who opens an account. When you open an Open-end Credit Account with us, we will ask for your name, address, date of birth, and other information that will allow us to identify you.

We are an Equal Credit Opportunity lender and do not discriminate against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided applicant has the capacity to enter into a binding contract); because all or part of an applicant's income derives from any public assistance program; or because an applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal Agency that administers compliance with this law concerning nhcash.com, LLC is the Federal Trade Commission, Pennsylvania and 6<sup>th</sup> Street, N.W., Washington, DC 20580.

### **Open-end Credit Account Agreement**

This nhcash.com, LLC Open-end Credit Account Agreement ("Agreement"), is made between nhcash.com, LLC, 169 South River Road, Suite #19, Bedford, NH 03110, and any person to whom this Agreement or the indebtedness created under this Agreement may be assigned ("nhcash.com," "we," "us" and "our") and each person who is issued an Open-end Credit Account or who is otherwise authorized to use the Open-end Credit Account ("you" and "your"). In the execution portion of the Agreement the word "I" means each person who signs the Agreement. This Agreement, along with the adjoining Authorization, Notices, Important information about Procedures for Opening a New Account and the Statement of Affirmation, is your contract concerning the use of your Open-end Credit Account. PLEASE READ THIS DOCUMENT CAREFULLY AND KEEP A COPY FOR YOUR RECORDS.

#### **Definitions .**

**Account .** Open-end credit Account.

**Balance Transfers.** Balance Transfers occur when we pay off another account for you (in whole or in part).

**Billing Cycle.** The Billing Cycle is the interval between statements. Each Billing Cycle is approximately 28 days in length. Each statement shows a closing date, which reflects the last date of the Billing Cycle. There are 13 Billing Cycles in an Account year. Adjustments will be made for persons receiving income only once per month.

**Cash Advances.** Cash Advances occur when we forward cash directly to you or your bank account or stored value account.

**Finance Charge.** The amount reflecting the cost of credit which will be imposed on each balance within each Account Type that is subject to Finance Charges.

**Periodic Statement ("Statement").** A statement reflecting the account balance and activity during the Billing Cycle that is delivered to you on a periodic (monthly) basis.

**Purchases.** An extension of credit to your Account for the purpose of purchasing goods or services from participating merchants.

#### **Your Account .**

**Promise to Pay.** In return for extending credit to you on your Account from time to time, you promise to pay us for cash advances, balance transfers and purchases that you make on this Account from time to time. You also promise to pay us all other charges mentioned below, according to the terms of this Agreement.

**Advance Limit.** We will assign an advance limit to your Account. The advance limit is the amount of credit we will extend to your Account. We will tell you the initial advance limit after we receive your Application and Agreement and notify you of Account approval and opening procedures. Your advance limit will also be provided on your Periodic Statements. When you initially open your Account, you will be eligible to drawdown 100% of your initial advance limit. Upon making five (5) consecutive, on-time payments, you will be eligible to drawdown an amount equal to 50% of your initial advance limit. Upon making ten (10) consecutive, on-time payments (including the previous 5 payments), you will be eligible to drawdown an additional amount equal to 50% of your initial advance limit. We may from time to time increase or decrease your limit. If a transaction would exceed your available advance limit, we may decline it.

**Use of Your Account.** Your Account may only be used for cash advances, balance transfers and purchases for personal, family and household use. You are not allowed to use your Account to make payments to this Account or any other loan payments to us or our affiliates or for internet gambling.

### **Finance Charge, Interest and Fees**

**Accounts Subject to Finance Charge.** Finance Charges shall be applied to Cash Advances, Balance Transfers and Purchases. Additionally, new Open-End Credit Accounts are charged a one-time Origination Fee, considered a finance charge, which is added to the Account balance.

**How We Calculate Your Balance - Average Daily Balance Method.** We figure the finance charge on your Account by applying the periodic rate to the "average daily balance" of your Account (including current transactions). To get the "average daily balance" we take the beginning balance of your account each day, add any new cash advances, balance transfers and purchases, and subtract any payments or credits. This gives us the daily balance. Then, we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the "average daily balance".

**Interest Rates/Minimum Finance Charge.** The interest charge is calculated by multiplying the average daily balance by the daily periodic rate and the number of days in the billing cycle. The daily periodic rate applicable to each Account Type for the Billing Cycle is  $1/365^{\text{th}}$  of the Annual Percentage Rate. The ANNUAL PERCENTAGE RATE for each Account Type we will apply is **36%**, which corresponds to a daily periodic rate of .09863%. There is no minimum FINANCE CHARGE applicable to your Account.

**Paying Interest.** Except in States with a mandatory Grace Period, interest charges begin from the date of your first Account transaction in which case there is no Grace Period associated with your Account in which to repay your balance before interest will be imposed. In Virginia, the Grace Period is 25 days. When a Grace Period applies, no interest is assessed if you pay in full on or before the next billing date. However, if you fail to make a payment within the Grace Period, interest will accrue on the advance from the date on which the advance was taken.

**Fees.** We charge the following fees, as applicable, based on your use of your Account:

1) **Participation Fee.** We charge a participation fee of \$1.36 per day within each 28-day Billing Cycle for participation in our Open-end Credit plan. The annualized amount of this fee is \$497.00; however, this Participation Fee is an annual fee billed periodically, so you are only responsible for paying the fee during those billing periods that your Account remains open.

2) **Origination Fee.** We charge approved new applicants a \$100.00 origination fee added to the balance at account opening.

3) **Balance Transfer Fee.** We will add a \$50.00 balance transfer fee to all transferred balances. We will add a \$75.00 dollar additional fee for all expedited (same day) balance transfer requests.

4) **Credit Limit Increase Fee.** If you request that we increase your Account credit limit and we grant your request, we will charge a \$50.00 fee to your balance. If we do not approve your increase request, we will not charge your Account the fee. **KS** residents – per applicable state law we will not charge a credit limit increase to your Account.

#### 5) **Penalty Fees.**

- **Late Payment Fee.** **KS** residents – we will charge a \$10.00 fee to your Account if we do not receive your minimum periodic payment by ten (10) calendar days following your Payment Due Date. However, if the minimum periodic payment due on your Account is \$25.00 or less, then we will charge a \$5.00 fee to your Account. **NH** and **UT** residents - we will charge a \$30.00 fee to your Account if we do not receive your minimum periodic payment by seven (7) calendar days following your Payment Due Date. **VA** residents - we will charge up to a \$30 fee, however the late payment fee shall not exceed 5% of the late minimum periodic payment amount.

- **Over-the-limit Fee.** We will charge a \$40.00 fee to your account if for any reason your Account balance is higher than the credit limit noted on your Periodic Statement. We will not assess your account over-the-limit fees if your balance is higher than your limit if it is due to us decreasing your limit.

- **Returned Payment Fee.** We will charge a fee to your Account if any payment check, paper or electronic, or similar instrument, such as a debit card number, is not honored or is returned because it cannot be processed, or if an automatic debit is returned unpaid. We assess this fee the first time a check or payment is not honored, even if it is honored upon resubmission. **NH** residents - the fee amount is \$25.00. **VA** residents - the fee amount is \$25.00. **UT** residents - the fee amount is \$20.00. **KS** residents - the fee amount is \$25. You will be given a fourteen (14) day notice that the minimum periodic payment due and the returned payment fee must be paid. If no payment is made within the 14-day period, the returned payment fee will be added to your Account balance to draw interest at the applicable contract rate.

6) **Reinstatement Fee.** If you choose to re-activate your Account after it has been closed, we will charge the lesser of \$100 or \$35 for each month your account was closed.

7) **Alternative Payment Method Fee.** At our option, we may authorize alternative forms of payment on your Account. The fee is \$5 for each non-ACH payment credited to your Account. **KS** residents – per applicable state law we will not charge an alternative payment method fee to your Account if we authorize another form of payment.

We reserve the right to waive all or part of any Fee in certain cases without losing our right to impose such Fee in future Billing Cycles.

### **Payment**

**Minimum Payment.** You will always have a minimum amount due as long as your Account is open. For each Account with a balance, you promise to at least pay the Minimum Payment by the payment due date that is reflected on your Periodic Statement. The Minimum Payment is the sum of:

--- Any past due minimum payment amounts;

--- Periodic Minimum Principal Payment for the Billing Cycle;

- Participation Fee periodically charged in the Billing Cycle;
- Finance Charge for Billing Cycle; and
- Any penalty fees assessed during the Billing Cycle.

**Periodic Minimum Principal Payment** . The Periodic Minimum Principal Payment is calculated as the greater of \$5.00 or 2% of the New Balance (the outstanding balance as of the Statement closing date) rounded to the nearest whole dollar amount.

**Additional Payment Information.** You may at any time and with no penalty pay more than the Minimum Payment or the full amount due. If you pay more than the Minimum Payment and there is still a balance due, you must continue to make the Minimum Payment due in future periods. If we accept any late payment or partial payment, whether or not marked as payment in full, it will not affect the due date of any payment due under this Agreement, it will not act as an extension of time or a waiver of any amount then remaining unpaid, and it will not affect any of our rights under this Agreement, including our right to declare the entire balance in your Account to be due. Credits are not applied to your Minimum Payment.

### **Electronic Funds Transfer**

**Account.** As a matter of convenience and with your permission, your Account will be funded with an electronic credit entry to the bank account and/or debit card number you provided to us during the Account opening process and all payments made to the benefit of your Account, as reflected on your Periodic Statement, will be made with an electronic debit entry to the same bank account and/or debit card number ("ACH/EFT electronic funds transfer"). If you do not wish to consent to preauthorized ACH/EFT electronic funds transfers regarding your Account, please notify us immediately at the contact information located below and we can work together to effect another payment option. However, you will still otherwise be obligated to repay the loans according to the terms of this Agreement. **Authorization and Payments.** By executing this Agreement with your electronic signature you authorize us to initiate credit entries to your bank or debit card account you provide, and you likewise authorize us to initiate debit entries to your bank or debit card account for any or all payments on your Account with us as they may become due ("EFT Authorization"). Should you fail to make your scheduled payments, we will attempt to contact you by any means including without limitation email, cell phone, SMS, fax, etc. Your EFT Authorization includes any penalty fees that may be included in your scheduled payments. Any authorization for payment processing via electronic funds transfer that has been made and that you have not withdrawn in a timely fashion will be final.

Additionally, you authorize electronic check creation ("ECC")/ remote check creation ("RCC") in the event that one must be used, such as in the case of a stop payment issued on an ACH/EFT electronic fund transfer by your financial institution, unless we receive a notification from you otherwise in a time and manner sufficient to afford us a reasonable opportunity to act on it, in which case we will not use said authorization.

**Cancellation and Withdrawal.** You may cancel your EFT Authorization by providing reasonable written notice. You may withdraw authorization of a particular ACH/EFT electronic funds transfer by providing written notice to us at least three (3) business days (Monday through Friday, bank holidays excluded) before the scheduled date of the transfer. If you fail to notify us that you wish to withdraw authorization of an ACH/EFT electronic funds transfer and our authorized electronic payment is returned by your bank, that payment may be resubmitted to your bank regardless of any further instructions from you. PLEASE NOTE: RETURNED ELECTRONIC PAYMENTS PROPERLY AUTHORIZED ARE NOT SUBJECT TO YOUR RIGHTS TO WITHDRAW YOUR CONSENT TO TRANSACT ELECTRONICALLY. Additionally, a returned payment fee of up to \$25.00 (as detailed in the Returned Payment section above) may be assessed to your Account. Neither cancellation of your EFT Authorization nor withdrawal of authorization for an ACH/EFT electronic funds transfer relieves you of the responsibility of paying your account in full when due. Written notice under this section shall be made to [nhcash.com](mailto:nhcash.com), LLC, 169 South River Road, Suite 19, Bedford, NH 03110 or to [loans@nhcash.com](mailto:loans@nhcash.com). **OUR LIABILITY. IF WE FAIL TO MAKE AN ACH/EFT ELECTRONIC FUNDS TRANSFER OR AUTHORIZATION WITHDRAWAL OR CANCELLATION ACCORDING TO THE TERMS OF THIS AGREEMENT AND YOUR AUTHORIZATION, WE MAY BE LIABLE TO YOU FOR ANY CHARGES IMPOSED BY YOUR FINANCIAL INSTITUTION PROXIMATELY CAUSED BY OUR FAILURE PROVIDED 1.) SUCH A TRANSFER WOULD NOT EXCEED YOUR ESTABLISHED CREDIT LIMIT; AND 2.) WE RECEIVED PROPER NOTIFICATION OF YOUR AUTHORIZATION WITHDRAWAL OR CANCELLATION.** **Unauthorized Electronic Funds Transfer** . If you believe that an unauthorized ACH/EFT electronic funds transfer was made with regards to your Account, please notify us immediately at [nhcash.com](http://nhcash.com), LLC, 169 South River Road, Suite 19, Bedford, NH 03110, [loans@nhcash.com](mailto:loans@nhcash.com) or (603) 626-6002. Our customer service representatives are available to assist you Monday through Friday from 8:30AM - 6:30PM EST, bank holidays excluded. For any unauthorized electronic funds transfers you notice on your Statement, please refer to the Billing Rights Notice below and provided on each periodic Billing Statement. **Privacy.** Your nonpublic personal information provided pursuant to ACH/EFT electronic funds transfers will adhere to the terms of our Consumer Privacy Statement. Please visit <http://secure.nhcash.com/open/ConsumerPrivacyStatement.htm> for more information. We will disclose information to third parties about your Account or the transfers you make: 1) where it is necessary for completing transfers; 2) in order to verify the existence and condition of your Account for a third party, such as a credit bureau or merchant; or 3) in order to comply with a government agency or court orders.

### **Our Rights, And How They Affect You.**

**Disputed Accuracy of Credit Report.** We may report information about your Account to credit reporting agencies. Late payments, missed payments, or other defaults on your Account may appear on your credit report. If you think we reported erroneous information to a credit reporting agency, write to us at the address listed below. In doing so, please identify the inaccurate information and tell us why you believe it is incorrect. If you have a copy of the credit report that includes the inaccurate information, please send a copy of that report to us as well. We will promptly investigate the matter and notify you in writing of the results. If we agree with you, we will contact each credit reporting agency to which we reported and request a correction.

**Contacting You.** In order for us to service your Account or to collect any amounts you may owe, you agree that we may contact you using the contact information related to your Account. We may use any means to contact you, including automated dialing devices, prerecorded/artificial voice messages, mail, e-mail, text messages and phone calls to your cell phone. You are responsible for any service provider charges as a result of us contacting you. You agree to promptly notify us if you change any contact information you provide to us. This includes your name, mailing address, e-mail address, or phone number(s) (land and cellular). If you have a joint account, a notice to one of you will serve as a notice to both of you.

**Phone Monitoring.** We may monitor and record your phone calls with us to assure the quality of our service.

**Default.** Your Account will be in default if any of the following occur:

- You fail to pay the Minimum Payment by the Payment Due Date for 90 days;

- Any payment is dishonored;
- You violate the terms of this Agreement;
- You made an untrue statement on your Application; or
- You file for bankruptcy.

Following your default, we may exercise any rights the law allows, including, but not limited to, the rights to (i) reduce your Credit Line, (ii) suspend or cancel your Account, (iii) refuse to authorize transactions, (iv) accelerate payment of all amounts owing on your Account (that is, we may declare all amounts owing on your Account to be due and payable immediately or according to such accelerated payment schedule as we require) and/or (v) bring an action to collect amounts owed. Unless required by law, we may take any of these actions without notice to you. If we have to refer collection of the Account to an attorney or have to determine the non-dischargeability of the debt in bankruptcy court, you will be responsible for our reasonable attorneys' fees and any court costs, if allowed by law. If we accelerate payment of your Account for failure to pay the Minimum Payment by the Payment Due Date for 90 days, we may without notice or demand, declare the unpaid Outstanding Balance of your Account as of the date of default plus accrued interest and any applicable fees up to 90 days past your default date as immediately due and payable. The acceleration amount due is not a penalty and represents a reasonable estimation of our foreseeable damages in the event of your default, and shall be our sole recourse upon acceleration.

**Legal Action, Attorney Fees, Court Costs. NH RESIDENTS** , if your Account is in default, we may file a legal action against you with the Merrimack District Court, Hillsborough County, New Hampshire to obtain any outstanding balance(s) on your Account(s). Both parties shall be bound by the Judgment rendered by the Court. If a judgment is awarded against you, you may be responsible for all additional costs associated with nhcash.com obtaining payment in full, which may include returned item fees, late fees, over-the-limit fees, court fees, attorney fees, New Hampshire statutory fees, and/or collection fees as awarded in judgment, and interest on the total amount from the date of default.

**Arbitration.** 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 to instead submit their disputes to a neutral third party (the "Arbitrator") for a decision . **THEREFORE, KS, UT AND VA RESIDENTS, YOU ACKNOWLEDGE AND AGREE AS FOLLOWS:** Any claim or dispute arising from or in any way related to the Agreement must be resolved by binding arbitration in the state where you live instead of a lawsuit. If you want to opt out of arbitration with us, you must notify us in writing of your decision within ten (10) days following the execution of this Agreement. Our agreement to arbitrate will be governed by the Federal Arbitration Act, 9 U.S.C. Sections 1-16 and the substantive law of your state. You and we agree to use either the American Arbitration Association ([www.adr.com](http://www.adr.com)) or JAMS, the Resolution Experts ([www.jamsadr.com](http://www.jamsadr.com)). If a dispute arises, you or we can file a claim with either organization in the office of the selected organization nearest to your residence. If you file a claim against us, we will pay the initial filing fee but we each must pay our own attorney's fees and other costs. Arbitrators can award reasonable attorney's fees and costs to the prevailing party, but neither party shall be permitted to recover punitive, exemplary or multiple damages from the other party. Nothing in our agreement to arbitrate is intended to prevent either of us from filing a lawsuit in an appropriate small claims court for an amount that does not exceed that courts jurisdictional limit; however all other disputes must be arbitrated. If either party attempts to remove a lawsuit initially filed in small claims court to another court, the other party can compel arbitration. Our agreement to arbitrate will survive termination of the Agreement and continue in effect to resolve any disputes between us. Agreeing to arbitration means that you are waiving your right to a trial by jury and your right to have a court resolve your dispute. You are waiving your right to participate in a class action lawsuit and to certain discovery rules that apply in lawsuits. We both agree that neither you nor we will request the arbitration to be conducted as a class-wide arbitration. We both agree that no arbitrator will have authority to certify a class in the arbitration or conduct class-wide arbitration and that the arbitrator can only decide disputes between you and us. If any part of this arbitration agreement is ruled invalid, then any underlying dispute must be resolved by a judge, sitting without jury, in a court of competent jurisdiction, and not as a class action lawsuit.

**No Waiver of Rights; Partial Payment** : We may waive or delay enforcing any of our rights without losing them. For joint accounts, we may waive or delay enforcing a right against one of you without waiving it as to the other. We can accept late or partial payments without losing any of our rights under this Agreement. You agree not to send us partial payments marked "paid in full," "without recourse," or similar language. If you send such a payment, we may accept it without losing any of our rights under this Agreement.

**Change in Terms.** In accordance with applicable law, we may change the terms of this Account from time to time, which may apply to any unpaid balances, as well as future balances. Advance notice of any changes to your Account will be supplied in accordance with the federal Truth in Lending Act, 12 CFR 226 et seq., and applicable state law.

**Change of Address, Employment and Telephone.** We will send all written notices and statements to your email address and/or your mailing address as they appear in our records. To receive important notifications and avoid delays and missed payments that could affect your credit standing, you agree to promptly notify us if you change your mailing address, email address, place of employment, or telephone number.

#### **Other Contract Provisions .**

**Closing Your Account.** You may close your Account upon paying your outstanding balance in full by notifying us in writing at the contact information listed below. If you pay your outstanding balance in full but fail to notify us of your intent to close the Account, your Account will remain open and continue to be charged the Participation Fee, as described in the Fees section above.

**Contacting Us.** Unless specified otherwise in another portion of this Agreement, please submit all questions, required notifications or requests to any of the following contact information:

Address: nhcash.com, LLC

169 South River Road, Suite 19

Bedford, NH 03110

Phone: (603) 626-6002, 1-888-NHCASH-0 (toll-free)

Email: [loans@nhcash.com](mailto:loans@nhcash.com)

Our customer service representatives are happy to assist you during our business hours: Monday through Friday from 8:30 A.M. to 6:30 P.M.

**Severability** . In the event that any provision of this Agreement is determined to be invalid or unenforceable for any reason, the remaining provisions will remain in effect. **Entire Agreement; Interpretation.** This Agreement (including the other documents incorporated herein by reference as discussed above) constitutes the final expression of the credit agreement between you and us relating to your Account. The headings used in this Agreement are for the convenience of reference only and are not intended to define or describe the scope or intent of any portion of the Agreement. **Governing Law. This Agreement is entered into between you and us in the State where you reside. Due to the foregoing, this Agreement is governed only by applicable federal law and the laws and regulations of the State of New Hampshire, the State of Utah or the Commonwealth of Virginia, based upon your State of residency at the time the agreement is entered into. Military borrowers shall be governed by the applicable Department of Defense Rules, if any rules are applicable to your transaction with us.**

### **Your Billing Rights**

This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act. Please retain a copy of this notice for your files and for future use.

### **Notify Us In Case of Errors or Questions About Your Statement.**

If you think your bill is incorrect or if you need more information about a transaction on your bill, write us (on a separate sheet) at: nhcash.com, LLC, 169 South River Road, Suite 19, Bedford, New Hampshire, 03110.

### **In your letter, give us the following information :**

- Account Information. Your name and Account number.
- Dollar Amount. The type (such as fee or balance), date and dollar amount of the suspected error.
- Description of the Problem. If you think there is an error on your Statement, describe what you believe is incorrect and why you believe there is an error.

### **You must contact us :**

- Within 60 days after the error appeared on your statement.
- At least 3 business days before an automated payment is scheduled, if you want to stop payment on the amount you think is wrong.
- In writing. You may call us, but if you do we are not required to investigate any potential errors and you may have to pay the amount in question.

### **When we receive your letter:**

- Within 30 days of receiving your letter, we must tell you that we received your letter and that we have either already corrected the error or are investigating into the matter.
- Within 90 days of receiving your letter, we must either correct the error or explain to you why we believe the bill is correct.

### **While we investigate whether or not there has been an error:**

- We cannot try to collect the amount in question, or report you as delinquent on that amount.
- We may continue to bill you for the amount in question, including imposing Finance Charges to that amount.
- While you do not have to pay the amount in question, you are still obligated to pay the parts of your bill that are not in question.
- We can apply any unpaid amount against your credit limit.

### **After we finish our investigation and within 90 days of receipt of your original letter:**

- **If we made a mistake on your statement** : You do not have to pay the amount in question or any finance charges or other fees related to that amount and your statement will reflect this correction.
- **If we do not believe there was a mistake on your statement**: You will have to pay the amount in question, along with applicable finance charges and fees. We will send you a statement of the amount you owe and the date that it is due. If you do not pay the amount we think you owe, we may then report you as delinquent on that amount.

### **If our explanation does not satisfy you, you must write to us within 10 days telling us that you still refuse to pay:**

- If you do so, we cannot report you as delinquent without also reporting that you question your bill.
- We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us.

**If we do not follow these rules above, you do not have to pay the first \$50.00 of the amount you question even if your bill is correct.**

### **Complete the form below and submit**

By clicking "submit," you are in effect signing the nhcash.com, LLC, dba Open-end Credit, Open-end Credit Account Agreement.

tina \*First Name:  
hunter \*Last Name:  
\*Last 4 of SSN:  
@GMAIL.COM \*Email Address:  
\*Bank Name:  
Checking \*Account Type:  
xxxxx \*Bank Routing Number:  
xxxxxx \*Bank Account Number:  
\*Check Number:  
midlothian \*City:  
VA \*State:  
23112 \*Zip Code:  
xxxxxxxxxxxx \*Debit Card Number:  
\*Expiration Date:  
xxx \*CVV Number:  
03/30/2016 \*Effective date:  
03/29/2016 \*Date:  
\*Please type in the Electronic Signature here:

\*By checking this box, I am verifying my electronic signature.

[Printer-Friendly Version](#)

Processing...

**tina hunter**

JS 44 (Rev. 12/12)

**CIVIL COVER SHEET**

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

**I. (a) PLAINTIFFS**

TINA HUNTER, et al.

**DEFENDANTS**

NHCASH.COM, LLC, NHCASH SPV, LLC, NHCASH HOLDINGS, INC., STEVEN MELLO, and LTD FINANCIAL SERVICES, L.P.

(b) County of Residence of First Listed Plaintiff Chesterfield  
(EXCEPT IN U.S. PLAINTIFF CASES)

County of Residence of First Listed Defendant Hillsborough  
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

(c) Attorneys (Firm Name, Address, and Telephone Number)

Kristi C. Kelly & Andrew J. Guzzo/ Kelly & Crandall, PLC  
3925 Chain Bridge Road. Ste. 202 Fairfax, VA 22030  
(703) 424-7570

**II. BASIS OF JURISDICTION** (Place an "X" in One Box Only)

- 1 U.S. Government Plaintiff
- 3 Federal Question (U.S. Government Not a Party)
- 2 U.S. Government Defendant
- 4 Diversity (Indicate Citizenship of Parties in Item III)

**III. CITIZENSHIP OF PRINCIPAL PARTIES** (Place an "X" in One Box for Plaintiff and One Box for Defendant)

	PTF	DEF		PTF	DEF
Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business In This State	<input type="checkbox"/> 4	<input type="checkbox"/> 4
Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business In Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5
Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6

**IV. NATURE OF SUIT** (Place an "X" in One Box Only)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES	
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	<b>PERSONAL INJURY</b> <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice	<b>PERSONAL INJURY</b> <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/ Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability <b>PERSONAL PROPERTY</b> <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other <b>LABOR</b> <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act <b>IMMIGRATION</b> <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 <b>PROPERTY RIGHTS</b> <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark <b>SOCIAL SECURITY</b> <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) <b>FEDERAL TAX SUITS</b> <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input checked="" type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY	CIVIL RIGHTS	PRISONER PETITIONS			
<input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	<input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	<b>Habeas Corpus:</b> <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <b>Other:</b> <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement			

**V. ORIGIN** (Place an "X" in One Box Only)

- 1 Original Proceeding
- 2 Removed from State Court
- 3 Remanded from Appellate Court
- 4 Reinstated or Reopened
- 5 Transferred from Another District (specify)
- 6 Multidistrict Litigation

**VI. CAUSE OF ACTION**

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):  
18 U.S.C. § 1962(c).

Brief description of cause:  
Violation of the Racketeer Influenced and Corrupt Organizations Act

**VII. REQUESTED IN COMPLAINT:**

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$ \_\_\_\_\_ CHECK YES only if demanded in complaint:  
JURY DEMAND:  Yes  No

**VIII. RELATED CASE(S) IF ANY**

(See instructions): JUDGE \_\_\_\_\_ DOCKET NUMBER \_\_\_\_\_

DATE 5/8/17 SIGNATURE OF ATTORNEY OF RECORD 

FOR OFFICE USE ONLY

RECEIPT # \_\_\_\_\_ AMOUNT \_\_\_\_\_ APPLYING IFP \_\_\_\_\_ JUDGE \_\_\_\_\_ MAG. JUDGE \_\_\_\_\_