

IN THE COURT OF COMMON PLEAS OF  
PHILADELPHIA COUNTY, PENNSYLVANIA  
CIVIL TRIAL DIVISION

Filed and Attested by the  
Office of Judicial Records  
31 OCT 2018 11:19 am  
A. SILIGRINI

Commonwealth of Pennsylvania,  
By Attorney General Josh Shapiro,

Plaintiff,

vs.

**Dominion Management of Delaware, Inc. D/B/A  
CashPoint**, 8032 Leesburg Pike, Vienna, VA  
22182, and  
**Dominion Management Services, Inc.**, 308 E.  
Market St, Leesburg, VA 20176,

-and-

**Michael H. Lester**, individually and as President  
and owner of Dominion Management of Delaware,  
Inc., 7338 Wayfarer Drive, Fairfax Station, VA  
22039, and  
**Kevin A. Williams**, individually and as Vice  
President and owner of Dominion Management of  
Delaware, Inc., 2123 Galloping Way, Vienna, VA  
22181

Defendants.

CIVIL ACTION - EQUITY

Case No. \_\_\_\_\_

\_\_\_\_\_ Term, 2018

**NOTICE TO DEFEND**

**You have been sued in court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this complaint and notice are served, by entering a written appearance personally or by attorney and filing in writing with the court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the court without further notice for any money claimed in the complaint or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.**

**YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER.**

**IF YOU CANNOT AFFORD TO HIRE A LAWYER, THIS OFFICE MAY BE ABLE TO PROVIDE YOU WITH INFORMATION ABOUT AGENCIES THAT MAY OFFER LEGAL SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.**

**Philadelphia County Bar Association  
1101 Market Street  
Philadelphia, PA 19107  
Phone (215) 238-6300  
[www.philadelphiabar.org](http://www.philadelphiabar.org)  
PA Bar Association: [www.pabar.org](http://www.pabar.org)**

**AVISO**

Le han demandado a usted en la corte. Si usted quiere defenderse de esta demanda expuesta en las siguientes páginas, usted tiene veinte (20) días a partir de la fecha en que la demanda y la notificación fueron servidas para tomar acción mediante la introducción de su apariencia, personalmente o a través de un abogado, y entregarle a la corte, en forma escrita, sus defensas o sus objeciones a los reclamos expuestos en contra de su persona. Sea avisado que si usted no se defiende o toma ninguna acción, puede que el caso o demanda en contra suya continúe, y puede que una decisión o resolución sea declarada en su contra sin previo aviso o notificación, por cualquier dinero reclamado en la demanda, o por cualquier otro reclamo o compensación solicitada por el/la demandante. Usted puede perder dinero o sus propiedades u otros derechos importantes para usted.

**USTED DEBE TOMAR ESTE DOCUMENTO A SU ABOGADO INMEDIATAMENTE. SI USTED NO TIENE A UN ABOGADO VAYA EN PERSONA O LLAME POR TELEFONO A LA OFICINA LISTADA A CONTINUACION ABAJO. ESTA OFICINA LE PUEDE PROPORCIONAR CON INFORMACION ACERCA DE COMO EMPLEAR A UN ABOGADO.**

**SI USTED NO TIENE DINERO PARA CONTRATAR O PAGAR UN ABOGADO, ESTA OFICINA PUEDE PROVEERLE INFORMACION ACERCA DE AGENCIAS QUE PUEDEN OFRECER SERVICIOS LEGALES A PERSONAS ELEGIBLES A UN HONORARIO O COSTO REDUCIDO, O GRATIS.**

**SERVICIO DE REFERIDO DE ABOGADOS  
Philadelphia County Bar Asociación  
1101 Market Street  
Philadelphia, PA 19107  
Phone (215) 238-6300  
[www.Philadelphiabar.org](http://www.Philadelphiabar.org)  
PA Bar Association: [www.pabar.org](http://www.pabar.org)**

NICHOLAS F. B. SMYTH  
Senior Deputy Attorney General  
PA Attorney I.D. No. 307972  
Office of Attorney General  
Bureau of Consumer Protection  
1600 Arch Street, 3<sup>rd</sup> Floor  
Philadelphia, PA 19103  
412-880-0475  
Attorney for Plaintiff

**IN THE COURT OF COMMON PLEAS OF  
PHILADELPHIA COUNTY, PENNSYLVANIA  
CIVIL TRIAL DIVISION**

**Commonwealth of Pennsylvania,  
By Attorney General Josh Shapiro,**

Plaintiff,

vs.

**Dominion Management of Delaware, Inc. D/B/A  
CashPoint**, 8032 Leesburg Pike, Vienna, VA  
22182, and  
**Dominion Management Services, Inc.**, 308 E.  
Market St, Leesburg, VA 20176,

-and-

**Michael H. Lester**, individually and as President  
and owner of Dominion Management of Delaware,  
Inc., 7338 Wayfarer Drive, Fairfax Station, VA  
22039, and  
**Kevin A. Williams**, individually and as Vice  
President and owner of Dominion Management of  
Delaware, Inc., 2123 Galloping Way, Vienna, VA  
22181

Defendants.

**CIVIL ACTION - EQUITY**

Case No. \_\_\_\_\_

\_\_\_\_\_ Term, 2018

**COMPLAINT**

**AND NOW**, comes the Commonwealth of Pennsylvania, by Attorney General Josh Shapiro, through the Bureau of Consumer Protection (Commonwealth or Plaintiff), and brings this action pursuant to the Unfair Trade Practices and Consumer Protection Law, 73 P.S. § 201-1, *et seq.* (Consumer Protection Law), to restrain unfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce declared unlawful by Section 201-3 of the Consumer Protection Law. The Consumer Protection Law authorizes the Attorney General to bring an action in the name of the Commonwealth of Pennsylvania, to restrain by temporary and/or permanent injunction, unfair methods of competition or unfair or deceptive

acts or practices in the conduct of any trade or commerce declared unlawful by Section 201-3 of the Consumer Protection Law.

The Commonwealth brings this action against: (1) Dominion Management of Delaware, Inc. d/b/a CashPoint (CashPoint); (2) Dominion Management Services, Inc.; (3) Michael H. Lester (Lester); and (4) Kevin A. Williams (Williams) (collectively, Defendants) and alleges the following:

### **INTRODUCTION**

1. In this action, the Commonwealth seeks to enforce the following statutes: (a) the Corrupt Organizations Act (COA), 18 Pa. C.S.A. § 911; (b) the Consumer Protection Law; and (c) the Loan Interest and Protection Law (LIPL), 41 P.S. § 101, *et seq.*

2. At all times relevant hereto, Defendants engaged in trade and commerce by offering, selling, and originating motor vehicle title loans (Title Loans) to Pennsylvania borrowers and by servicing and collecting on borrowers' title loans.

3. The Commonwealth has received numerous complaints from consumers harmed by the scheme alleged herein. Defendants have engaged in practices that have harmed thousands of Pennsylvania borrowers by: (1) collecting interest on Title Loans that is orders of magnitude higher than the maximum legal interest rate, (2) encumbering the titles of thousands of motor vehicles by placing liens on their titles with the Pennsylvania Department of Transportation (PennDOT), which in most cases blocks borrowers from selling their vehicles, and (3) repossessing and selling the motor vehicles owned by borrowers who could not keep up with the usurious interest payments on their illegal Title Loans.

4. The public interest is served by seeking before this Honorable Court a permanent injunction to restrain the methods, acts, and practices alleged, including restitution and

disgorgement of all income and monies Defendants have derived from these methods, acts, and practices, as well as civil penalties and investigative and litigation costs.

### **JURISDICTION**

5. This Court has original jurisdiction over this action pursuant to Section 931 of the Judicial Code, 42 Pa.C.S.A. § 931(a).

### **VENUE**

6. Venue lies with this Court pursuant to Pa.R.C.P. 1006(a)(1).

### **PARTIES**

7. Plaintiff is the Commonwealth of Pennsylvania by Attorney General Josh Shapiro, through the Bureau of Consumer Protection, with offices located at 1600 Arch St, Suite 300, Philadelphia, PA 19103.

8. CashPoint is a for-profit Delaware corporation that maintains a registered corporate address at 2231 North DuPont Highway, New Castle, DE 19720 and a principal place of business located at 8032 Leesburg Pike, Vienna, VA 22182. It filed a Certificate of Dissolution with the Delaware Division of Corporations on November 15, 2017.

9. CashPoint operated the websites [www.cashpointVA.com](http://www.cashpointVA.com), [www.cashpointDE.com](http://www.cashpointDE.com), and [www.cashpointPA.com](http://www.cashpointPA.com). As of April 3, 2018, the website [www.cashpointPA.com](http://www.cashpointPA.com) was redirecting traffic to [www.cashpointDE.com](http://www.cashpointDE.com). (Exemplars of the [cashpointVA.com](http://cashpointVA.com) website are attached hereto as Exhibit “A.” The [cashpointDE.com](http://cashpointDE.com) website was substantially the same as the [cashpointVA.com](http://cashpointVA.com) website, except with different store locations listed.)

10. Dominion Management Services, Inc. d/b/a CashPoint is a for-profit Delaware corporation that maintains a registered corporate address at 2231 North DuPont Highway, New

Castle, DE 19720 and a principal place of business located at 308 E. Market St, Leesburg, VA 20176.

11. Neither CashPoint nor Dominion Management Services, Inc. are registered or licensed with the Pennsylvania Department of State, Bureau of Corporations, or with the Pennsylvania Department of Banking and Securities. Neither entity is registered to use the fictitious name “CashPoint” with the Pennsylvania Department of State.

12. Lester is an individual residing at 7338 Wayfarer Drive, Fairfax Station, VA 22039, with a principal place of business is located at 8032 Leesburg Pike, Vienna, VA 22182. He was CashPoint’s President and directed, supervised, controlled, approved, formulated, authorized, ratified, benefited from, and / or otherwise participated in the acts and practices hereinafter described. At all times relevant hereto, he was an owner of CashPoint.

13. Williams is an individual residing at 2123 Galloping Way, Vienna, VA 22181, with a principal place of business is located at 8032 Leesburg Pike, Vienna, VA 22182. He was CashPoint’s Vice President and Secretary, and he directed, supervised, controlled, approved, formulated, authorized, ratified, benefited from, and / or otherwise participated in the acts and practices hereinafter described. At all times relevant hereto he was an owner of CashPoint.

## **BACKGROUND**

### **A. Pennsylvania’s Restrictions on Usurious Lending**

14. Under Section 201 of LIPL, 41 P.S. § 201, the maximum lawful rate of interest for the loan and use of money in amounts less than \$50,000 is six percent per year.

15. The six-percent interest cap applies to all consumer lenders except those lenders who are licensed under the Consumer Discount Company Act (CDCA), 7 P.S. §§ 6201-6219, and who make loans in accordance with the limitations and requirements of that statute. See *Pa.*

*Dept. of Banking v. NCAS of Delaware, LLC*, 948 A.2d 752 (Pa. 2008). This cap applies to all credit-related charges, however labeled, and applies to credit lines as well as fixed-amount loans. *Id.*

16. The Supreme Court has established that “the effect of these two statutes [CDCA and LIPL] is that if a lender is licensed by the Department [of Banking] in accord with the CDCA, it can charge between 6–24% on loans under \$25,000. If it is not licensed, it is bound by the 6% cap imposed by the LIPL.” *Cash Am. Net of Nevada, LLC v. Com., Dep’t of Banking*, 607 Pa. 432, 437–38 (2010).

17. None of the Defendants are licensed under the CDCA, and thus they are prohibited from making or collecting on any consumer loans to Pennsylvania citizens that charge interest at rates in excess of six percent.

### **B. Defendants’ Illegal Title Lending Scheme**

18. Defendants have engaged in trade and commerce within Pennsylvania by offering, servicing, and providing Title Loans to consumers while using consumers’ Pennsylvania-registered vehicles as collateral, collecting on these loans by placing calls to Pennsylvania borrowers, and repossessing and selling consumers’ collateral vehicles in Pennsylvania.

19. Between January 2013 and August 2017, Defendants solicited, negotiated, and executed over 3,200 Title Loans to Pennsylvania residents for amounts below \$25,000 and interest rates above 6% without maintaining proper licensure with the Pennsylvania Department of Banking as required by the CDCA, 7 P.S. § 6201, *et seq.*, and LIPL, 41 P.S. § 101, *et seq.* These title loans amounted to \$2.5 million in credit extended. (An exemplar of a loan agreement is attached hereto as Exhibit “B.”)



20. Defendants issued Title Loans with interest rates above 200%, greatly exceeding the maximum limit of 6% per annum in place for loans at \$50,000 or lower as set forth by LIPL, 41 P.S. §§ 201-202.

21. Defendants charged interest rates of 360% per annum in some instances.

22. As collateral for the Title Loans that Defendants issued to Pennsylvania consumers, Defendants filed liens with PennDOT on vehicles owned by Pennsylvania residents and titled in Pennsylvania.

23. Defendants collected monies from Pennsylvanians who sent, directed, and/or authorized payments from Pennsylvania to the Defendants by cash, check, money order, wire, and credit card.

24. Defendants mailed “Past Due” notices to Pennsylvanians when those Pennsylvanians did not make their payments on time.

25. Defendants have repossessed vehicles in Pennsylvania when consumers defaulted on the usurious Vehicle Title Loans.

26. Defendants contracted with third-party repossession companies based in Pennsylvania, which then stored repossessed vehicles at their Pennsylvania locations and then sold directly or auctioned at Pennsylvania auctions repossessed vehicles to Pennsylvania residents and / or motor vehicle dealers.

27. Defendants advertised over television and radio and conducted business within the Commonwealth despite not registering a business association or fictitious name with the Pennsylvania Department of State.

### **C. Scope of Harm to Pennsylvania Consumers**

28. Between January 2013 and March 20, 2018, Defendants collected \$5.7 million from Pennsylvania consumers toward repayment of the \$2.5 million in illegal Title Loans. Defendants collected much of this money via credit card charges, in violation of the card networks' agreements, which prohibit the use of credit cards to repay debts.

29. Between June 2013 and January 2018, Defendants repossessed at least 559 vehicles owned by Pennsylvania consumers. Defendants carried out the vast majority of these repossessions - 518 - using Pennsylvania repossession agents.

30. During that same period, Defendants charged Pennsylvania consumers more than \$3.7 million in finance charges that were well in excess of the 6% per annum usury limit.

31. As of March 20, 2018, Defendants had at least 1,146 liens outstanding on Pennsylvania motor vehicles.

32. As of March 20, 2018, Defendants had at least 405 Title Loans outstanding to Pennsylvania consumers.

## **CLAIMS FOR RELIEF**

### ***COUNT ONE***

#### **Violations of Corrupt Organizations Act, Section 911(b)(1)**

33. Plaintiff realleges and incorporates by this reference all prior paragraphs of this Complaint.

34. Under COA, 18 Pa. C.S.A. § 911, "racketeering activity" includes the collection of any money on account of a debt which arose as the result of the lending of money at a rate of interest exceeding 25% per annum. 18 Pa. C.S.A. § 911(h)(1)(iv). The above-described scheme

constitutes “racketeering activity” in that the consumer credit offered and collected by Defendants is at an effective rate far exceeding 25% per annum.

33. Under 18 Pa. C.S.A. § 911(b)(1), it is unlawful for any person who has received income derived, directly or indirectly, from a pattern of “racketeering activity” in which such person participated as a principal, to use or invest, directly or indirectly, any part of such income in the operation of any “enterprise.”

34. This language was adopted from the federal RICO statute, 18 U.S.C. § 1962(a). COA does not define “Principal.” Under federal law, a “principal” includes anyone who “commits an offense against the United States or aids, abets, counsels, commands, induces or procures its commission.” 18 U.S.C. § 2.

35. The COA 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, engaged in commerce and includes legitimate as well as illegitimate entities and government entities.” 18 Pa. C.S.A. § 911(h)(3).

36. On multiple occasions as detailed above, Defendants participated as a principal in the racketeering activity described above in that they aided, abetted, counseled, commanded, induced or procured the usurious and illegal lending described above.

37. Defendants derived income from such racketeering activity and used or invested that income in the operation of an “enterprise,” as defined by 18 Pa. C.S.A. § 911(h)(3), such enterprises being, among others, CashPoint and Dominion Management Services, Inc.

38. Through their above-described acquisition, use and investment of funds acquired from a usury scheme, Defendants violated and are continuing to violate 18 Pa. C.S.A. § 911(b)(1).

39. The Attorney General is expressly authorized to enforce COA, 18 Pa. C.S.A. § 911(e), by seeking an appropriate order preventing and restraining any violations, 18 Pa. C.S.A. § 911(d).

40. A violation of COA “shall be deemed to continue so long as the person who committed the violation continues to receive any benefit from the violation.” 18 Pa. C.S.A. § 911(c). Accordingly, in addition to enjoining Defendants from any future acquisition, use and investment of funds acquired from this or any similar usury scheme targeting Pennsylvania consumers, any equitable relief ordered against Defendants should also include, and the Commonwealth therefore demands, an order divesting and disgorging all income or monies obtained, directly or indirectly, from activity related to Defendants’ loans, or from any services provided in connection with such loans, attributable to Pennsylvania consumers, and invalidating any beneficial interest or title lien related to loans to Pennsylvania consumers.

## ***COUNT TWO***

### **Violations of Corrupt Organizations Act, Section 911(b)(4)**

41. Plaintiff realleges and incorporates by this reference all prior paragraphs of this Complaint.

42. Under 18 Pa. C.S.A. § 911(b)(4), it is unlawful for any person “to conspire to violate” §§ 911(b)(1) or (b)(3).

43. Defendants conspired to violate 18 Pa. C.S.A. §§ 911(b)(1) and/or (b)(3), in violation of 18 Pa. C.S.A. § 911(b)(4), by engaging in—and profiting from—lending activity that they know is illegal in Pennsylvania.

44. The Attorney General is expressly authorized to enforce the Corrupt Organizations Act, 18 Pa. C.S.A. § 911(e), by seeking an appropriate order preventing and restraining any violations, 18 Pa. C.S.A. § 911(d).

45. A violation of the PA COA statute “shall be deemed to continue so long as the person who committed the violation continues to receive any benefit from the violation.” 18 Pa. C.S.A. § 911(c). Accordingly, in addition to enjoining Defendants from any future agreements to provide services to this or any similar usury scheme targeting Pennsylvania consumers, any equitable relief ordered against Defendants should also include, and the Commonwealth therefore demands, an order divesting and disgorging all income or monies obtained, directly or indirectly, from activity related to Defendants’ loans, or from any services provided in connection with such loans, attributable to Pennsylvania consumers, and invalidating any beneficial interest or title lien related to loans to Pennsylvania consumers.

### ***COUNT THREE***

#### **Violation of Unfair Trade Practices and Consumer Protection Law**

46. Plaintiff realleges and incorporates by this reference all prior paragraphs of this Complaint.

47. Defendants caused a likelihood of confusion or misunderstanding by misrepresenting, explicitly or implicitly, that it was legal for Defendants to offer and provide Title Loans to residents of the Commonwealth. In fact, these loans were void *ab initio*.

48. Defendants failed to register the name “CashPoint” with the Pennsylvania Department of State in accordance with the Fictitious Names Act, 54 Pa.C.S. § 301 *et seq.*

49. By conducting business in Pennsylvania without such mandatory registration and by causing a likelihood of consumer confusion as described above, Defendants committed unfair

and deceptive acts or practices prohibited by Section 201-3 of the Consumer Protection Law including, without limitation:

- a. Section 201-2(4)(ii), by causing likelihood of confusion or of misunderstanding as to the source, sponsorship, approval or certification of goods or services;
- b. Section 201-2(4)(iii), by causing likelihood of confusion or of misunderstanding as to affiliation, connection, or association with, or certification by another;
- c. Section 201-2(4)(v), by representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits or quantities that they do not have;
- d. Section 201-2(4)(xxi), by engaging in any other fraudulent or deceptive conduct which creates a likelihood of confusion or of misunderstanding.

50. The Pennsylvania Attorney General is empowered by 73 P.S. § 201-4 to bring an equitable action to enjoin Defendants' above-described unfair and deceptive lending practices prohibited by the Consumer Protection Law, and, as a component of such equitable relief, can obtain an appropriate order of restitution, ordering Defendants to "restore to any person in interest" any money acquired by means of such prohibited practices. 73 P.S. § 201-4.1.

51. The above-described Consumer Protection Law violations having been and continuing to be willful, in so far as they are the result of a deliberate scheme to circumvent state usury laws, the Commonwealth also requests, besides an appropriate order of restitution to benefit the injured Pennsylvania consumers, civil penalties for the benefit of the Commonwealth, in the amount of \$1,000 per violation—and, in the case of consumers sixty years of age or older, \$3,000 per violation—pursuant to 73 P.S. § 201-8(b).

## ***COUNT FOUR***

### **Violations of the Loan Interest and Protection Law and Unfair Trade Practices and Consumer Protection Law**

52. Plaintiff realleges and incorporates by this reference all prior paragraphs of this Complaint.

53. The Office of Attorney General has the “standing to bring a civil action for injunctive relief and such other relief as may be appropriate to secure compliance” with LIPL. 41 P.S. § 506(a).

54. Defendants violated the LIPL by charging, collecting or contracting for interest and fees in excess of 6% per annum without a license under the CDCA, or otherwise authorized by any other provision of law. 7 P.S. § 6203; 41 P.S. §§ 201-202.

55. Defendants have violated the LIPL as set forth above, and by virtue of such violations have thereby also violated Section 201-3 of the Consumer Protection Law, including without limitation:

- a. Section 201-2(4)(ii), by causing likelihood of confusion or of misunderstanding as to the source, sponsorship, approval or certification of goods or services;
  - b. Section 201-2(4)(iii), by causing likelihood of confusion or of misunderstanding as to affiliation, connection, or association with, or certification by another;
  - c. Section 201-2(4)(v), by representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits or quantities that they do not have;
- Section 201-2(4)(xxi), by engaging in any other fraudulent or deceptive conduct which creates a likelihood of confusion or of misunderstanding.

### **PRAYER FOR RELIEF**

**WHEREFORE**, the Commonwealth respectfully requests this Honorable Court to issue an Order:

A. Declaring Defendants' conduct as described herein to be in violation of the COA, Consumer Protection Law, and LIPL;

B. Permanently enjoining Defendants and all other persons acting on their behalf, directly or indirectly, from engaging in any future violations;

C. Placing reasonable restrictions on Defendants' future activities or investments and ordering Defendants to divest themselves of any interest, direct or indirect, in enterprises, as authorized by 18 Pa. C.S.A. § 911(d)(1);

D. Directing Defendants, pursuant to Section 201-4.1 of the Consumer Protection Law, to make full restitution to all consumers who have suffered losses as a result of the acts and practices alleged herein and any other acts or practices which violate the Consumer Protection Law;

E. Directing Defendants to disgorge and forfeit all profits they have derived as a result of the conduct alleged herein;

F. Directing Defendants, pursuant to Section 201-8 (b) of the Consumer Protection Law, to pay civil penalties in the amount of one thousand dollars (\$1,000) for each and every violation of the Consumer Protection Law, and three thousand dollars (\$3,000) for each such violation involving a victim age sixty (60) or older;

G. Directing Defendants to pay the Commonwealth's investigative and litigation costs in this matter;



H. Invalidating any beneficial interest in consumer debt purportedly owed by Pennsylvania consumers and declaring that those balances were void *ab initio*;

I. In the event that Defendants have furnished any reports to credit bureaus regarding obligations they claim to be owed by Pennsylvania consumers, directing Defendants to notify credit bureaus to remove all such references to CashPoint or any related entities.

J. Directing Defendants to, within thirty (30) days: (1) provide PennDOT with all documents necessary to mark as satisfied and released any liens in Defendants' names on motor vehicles registered in the Commonwealth, and (2) convey proper and rightful vehicle title to all consumers who own a vehicle subject to such a lien;

K. Declaring Defendants' conduct, as set forth in Count Four, in violation of the Loan Interest and Protection Law;

L. Permanently enjoining Defendants from taking any action to collect on Title Loans including, but not limited to, repossessing any collateral for Title Loans brokered, made, funded, purchased or assigned to Defendants;

M. Permanently enjoining Defendants from assigning, selling, transferring, purchasing, or taking assignment of any Title Loan; and

N. Granting such other relief as the Court deems necessary and appropriate.

[Signature Page Follows]

Date: October 31, 2018

Respectfully submitted,

Josh Shapiro  
*Attorney General*

Michelle A. Henry  
*First Deputy Attorney General*

James A. Donahue III  
*Executive Deputy Attorney General*  
*Public Protection Division*

Sarah A. E. Frasci  
*Chief Deputy Attorney General*  
*Director, Bureau of Consumer Protection*

/s/ Nicholas Smyth  
Nicholas F. B. Smyth, PA 307972  
Email: nsmyth@attorneygeneral.gov  
Phone: 412-880-0475  
John M. Abel, PA 47313  
Email: jabel@attorneygeneral.gov  
Phone: 717-783-1439  
*Senior Deputy Attorneys General*  
*Assistant Directors, Bureau of Consumer Protection*

Timothy R. Murphy, PA 321294  
*Deputy Attorney General*  
Email: tmurphy@attorneygeneral.gov  
Phone: 215-560-2446

Attorneys for Plaintiff  
Commonwealth of Pennsylvania  
Office of Attorney General  
1600 Arch St, Suite 300  
Philadelphia, PA 19103

**IN THE COURT OF COMMON PLEAS OF  
PHILADELPHIA COUNTY, PENNSYLVANIA  
CIVIL TRIAL DIVISION**

**Commonwealth of Pennsylvania,  
By Attorney General Josh Shapiro,**

Plaintiff,

vs.

**Dominion Management of Delaware, Inc. D/B/A  
CashPoint**, 8032 Leesburg Pike, Vienna, VA  
22182, and  
**Dominion Management Services, Inc.**, 308 E.  
Market St, Leesburg, VA 20176,

-and-

**Michael H. Lester**, individually and as President  
and owner of Dominion Management of Delaware,  
Inc., 7338 Wayfarer Drive, Fairfax Station, VA  
22039, and

**Kevin A. Williams**, individually and as Vice  
President and owner of Dominion Management of  
Delaware, Inc., 2123 Galloping Way, Vienna, VA  
22191

Defendants.

**CIVIL ACTION - EQUITY**

Case No. \_\_\_\_\_

October Term, 2018

**VERIFICATION**

I, Kathryn Passarelli, being duly sworn according to law, hereby state that I am an Agent with the Commonwealth of Pennsylvania, Office of Attorney General, Bureau of Consumer Protection, that I am authorized to make this verification on behalf of the Plaintiff, and that the facts in the foregoing Complaint are true and correct to the best of my knowledge or information and belief.

10/3/18 Kathryn Passarelli  
DATE Kathryn Passarelli  
Consumer Protection Agent Supervisor


# Exhibit A

Privacy Policy / Contact / Site Map / Terms of Use / Community / Blog

# cashpoint

Call Toll-Free 1-888-EZ-BUCKS

**GET STARTED TODAY!**  
Click [HERE](#) to begin...



- Home
- How it Works
- Consumer Info
- Store Locator
- FAQ
- Careers
- Español
- Our Media Ads

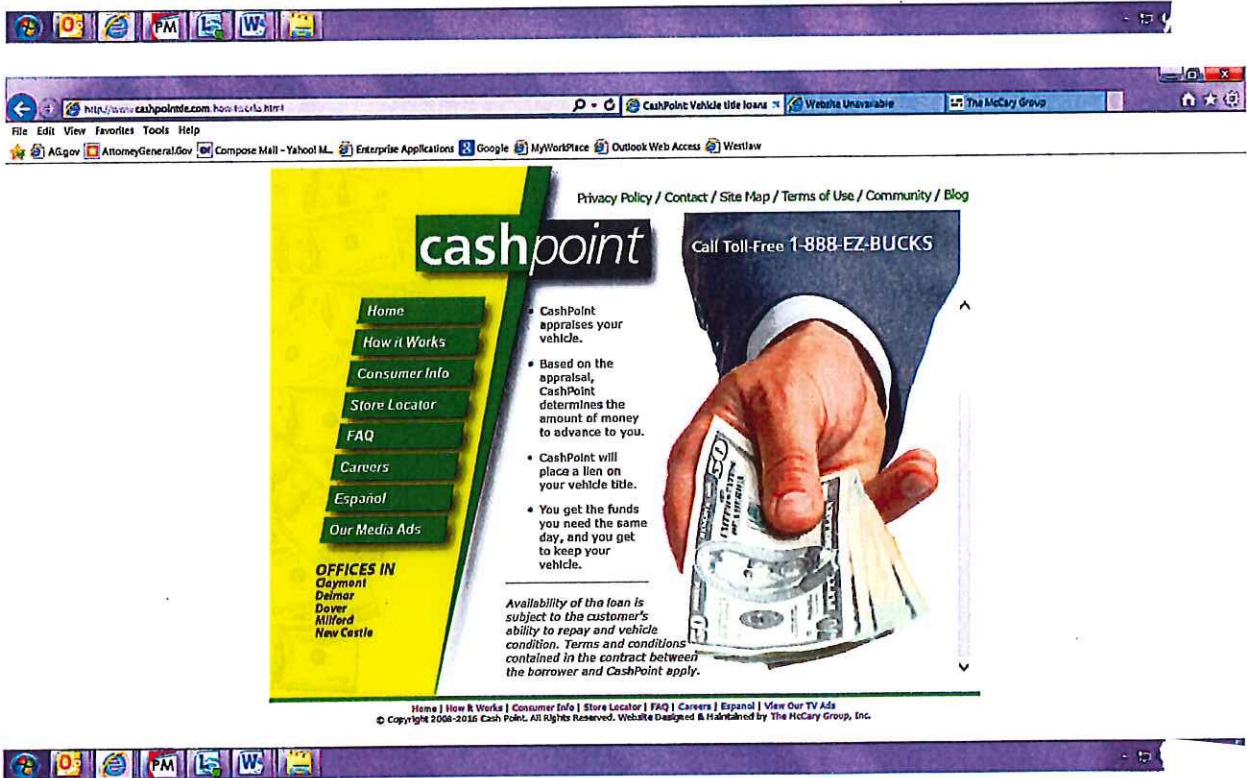
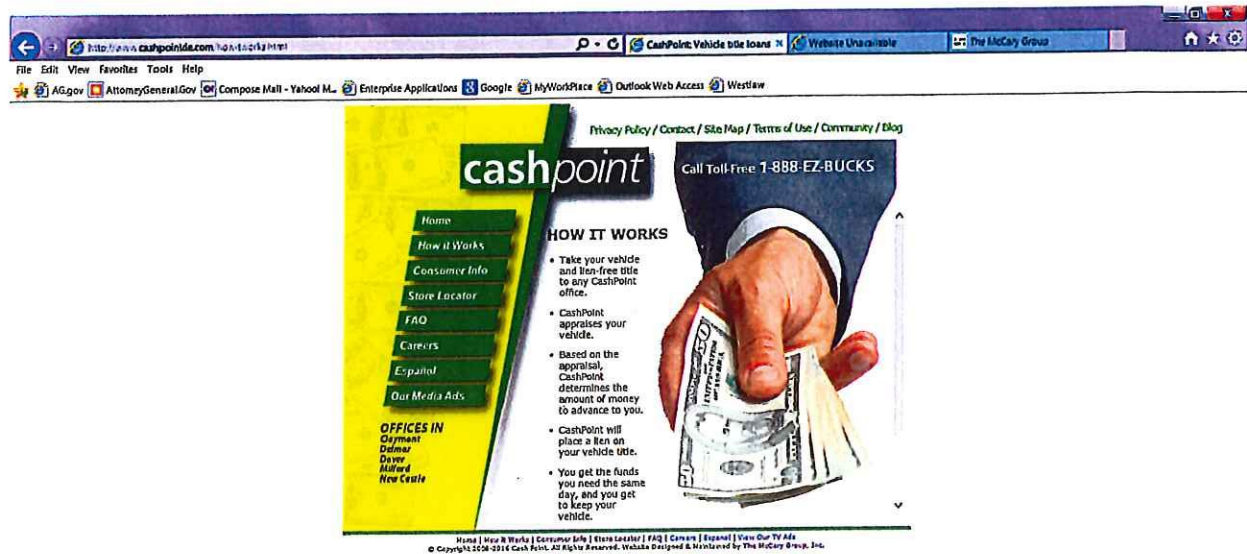
**OFFICES IN**  
Claymont  
Delmar  
Dover  
Milford  
New Castle

**Car Title Loans**

- ☒ No Credit Check
- ☒ Cash in Minutes
- ☒ And you get to Keep Your Car

[Home](#) | [How it Works](#) | [Consumer Info](#) | [Store Locator](#) | [FAQ](#) | [Careers](#) | [Espanol](#) | [View Our TV Ads](#)  
© Copyright 2008- 2016 Cash Point. All Rights Reserved. Website Designed & Maintained by The McCary Group, Inc.





Internet Explorer browser window showing the CashPoint website. The address bar displays <http://www.cashpointusa.com/consumerinfo.html>. The page features a yellow sidebar with navigation links: Home, How it Works, Consumer Info, Store Locator, FAQ, Careers, Español, and Our Media Ads. Below these links, it lists "OFFICES IN" Clayton, Delmar, Dover, Milford, and New Castle. The main content area is titled "CONSUMER INFO" and includes the toll-free number 1-888-EZ-BUCKS. The text describes the service: "Get the cash you need and you get to keep your car. CashPoint helps you avoid the possibility of needing to sell your vehicle at a below-market price to a used car dealer." It also states "No Credit Check" and provides a "Toll-free Customer Service Number" with business hours. The footer contains a copyright notice for 2008-2016 Cash Point, Inc.

Privacy Policy / Contact / Site Map / Terms of Use / Community / Blog

# cashpoint

Call Toll-Free 1-888-EZ-BUCKS

## CONSUMER INFO

**Get the cash you need and you get to keep your car**

You get the cash you need and get to keep your car. CashPoint helps you avoid the possibility of needing to sell your vehicle at a below-market price to a used car dealer.

**No Credit Check**

CashPoint does not check your credit when you get an advance or affect your credit score if you default. In most cases, getting the cash you need without affecting your credit rating can be a huge plus if you have a marginal credit score.

**Toll-free Customer Service Number**

CashPoint has a customer service staff devoted to answering your questions or issues. If you have any questions or issues regarding your title transaction just call 1-888-EZ-BUCKS. During normal business hours, 10AM - 7PM EST Monday - Friday and 9AM - 4PM on Saturday, a customer service representative will be available to assist you. If you do not call during business hours, leave a message with your contact information and a customer service representative will return your call the next business day.

Home | How it Works | Consumer Info | Store Locator | FAQ | Careers | Español | View Our TV Ads

© Copyright 2008-2016 Cash Point, Inc. All Rights Reserved. Website Designed & Maintained by The McCary Group, Inc.

Internet Explorer browser window showing the CashPoint website. The address bar displays <http://www.cashpointusa.com/consumerinfo.html>. The page features a yellow sidebar with navigation links: Home, How it Works, Consumer Info, Store Locator, FAQ, Careers, Español, and Our Media Ads. Below these links, it lists "OFFICES IN" Clayton, Delmar, Dover, Milford, and New Castle. The main content area is titled "CONSUMER INFO" and includes the toll-free number 1-888-EZ-BUCKS. The text describes the service: "Get the cash you need and you get to keep your car. CashPoint helps you avoid the possibility of needing to sell your vehicle at a below-market price to a used car dealer." It also states "No Credit Check" and provides a "Toll-free Customer Service Number" with business hours. The footer contains a copyright notice for 2008-2016 Cash Point, Inc.

Privacy Policy / Contact / Site Map / Terms of Use / Community / Blog

# cashpoint

Call Toll-Free 1-888-EZ-BUCKS

## CONSUMER INFO

**Get the cash you need and you get to keep your car**

You get the cash you need and get to keep your car. CashPoint helps you avoid the possibility of needing to sell your vehicle at a below-market price to a used car dealer.

**No Credit Check**

CashPoint does not check your credit when you get an advance or affect your credit score if you default. In most cases, getting the cash you need without affecting your credit rating can be a huge plus if you have a marginal credit score.

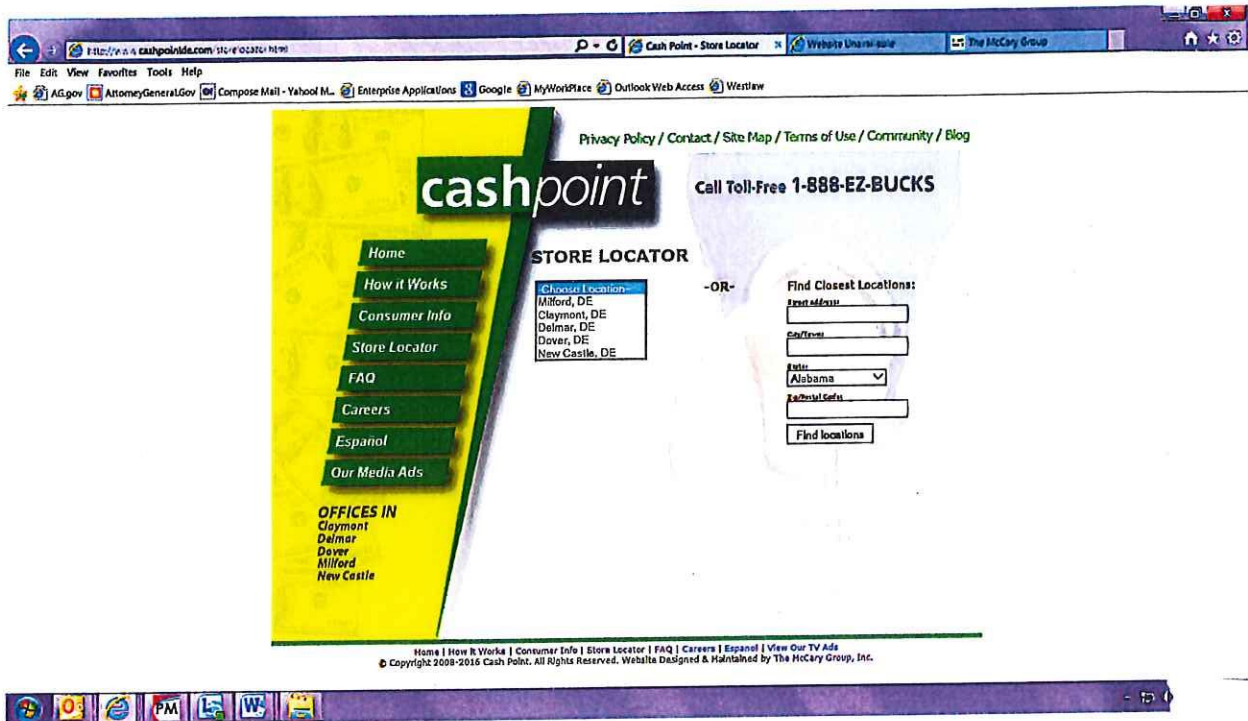
**Toll-free Customer Service Number**

CashPoint has a customer service staff devoted to answering your questions or issues. If you have any questions or issues regarding your title transaction just call 1-888-EZ-BUCKS. During normal business hours, 10AM - 7PM EST Monday - Friday and 9AM - 4PM on Saturday, a customer service representative will be available to assist you. If you do not call during business hours, leave a message with your contact information and a customer service representative will return your call the next business day.

*Availability of the loan is subject to the customer's ability to repay and vehicle condition. Terms and conditions contained in the contract between the borrower and CashPoint apply.*

Home | How it Works | Consumer Info | Store Locator | FAQ | Careers | Español | View Our TV Ads

© Copyright 2008-2016 Cash Point, Inc. All Rights Reserved. Website Designed & Maintained by The McCary Group, Inc.





http://www.cashpointinc.com/faq.html

File Edit View Favorites Tools Help

AG.gov AttorneyGeneral.Gov Compose Mail - Yahoo! M... Enterprise Applications Google MyWorkSpace Outlook Web Access Westlaw

Privacy Policy / Contact / Site Map / Terms of Use / Community / Blog

# cashpoint

Call Toll-Free 1-888-EZ-BUCKS

- Home
- How it Works
- Consumer Info
- Store Locator
- FAQ
- Careers
- Español
- Our Media Ads

**OFFICES IN**  
 Claymont  
 Delmar  
 Dover  
 Milford  
 New Castle

## FREQUENTLY ASKED QUESTIONS

**What is a title loan?**  
 A title loan is a fast and convenient way for anyone, who owns a vehicle without liens, to get cash using the vehicle as collateral. It allows consumers to use the car they own to solve short-term cash flow problems without having to sell their vehicle.

**How does it work?**

- Take your vehicle and lien-free title to any CashPoint office.
- CashPoint appraises your vehicle.
- Based on the appraisal, CashPoint determines the amount of money to advance to you.
- CashPoint will place a lien on your vehicle title.
- You get the funds you need the same day, and you get to keep your vehicle.

**What if I have bad credit?**  
 Your credit history is not a factor in the title loan approval process. Your credit will not be affected by applying for a title loan or after getting a cash advance. In most cases, if you have filed for bankruptcy protection in the past, CashPoint is here to help you solve your short-term cash needs.

**What is required to be approved for a title transaction?**  
 To be approved for a title transaction you must be at least 18 years

Home | How It Works | Consumer Info | Store Locator | FAQ | Careers | Español | View Our TV Ads  
 © Copyright 2008-2016 Cash Point. All Rights Reserved. Website Designed & Maintained by The McCary Group, Inc.

http://www.cashpointinc.com/faq.html

File Edit View Favorites Tools Help

AG.gov AttorneyGeneral.Gov Compose Mail - Yahoo! M... Enterprise Applications Google MyWorkSpace Outlook Web Access Westlaw

Privacy Policy / Contact / Site Map / Terms of Use / Community / Blog

# cashpoint

Call Toll-Free 1-888-EZ-BUCKS

- Home
- How it Works
- Consumer Info
- Store Locator
- FAQ
- Careers
- Español
- Our Media Ads

**OFFICES IN**  
 Claymont  
 Delmar  
 Dover  
 Milford  
 New Castle

**What is required to be approved for a title transaction?**  
 To be approved for a title transaction you must be at least 18 years old and have the following:

- Lien-free title - All persons on the title must be present at the time of the transaction
- Working phone/cell phone
- Drivers License, or equivalent
- Verification of residency - Recent utility bills, copy of rental agreement, and a cell phone bill are some examples.
- It is best to call during business hours and speak with a customer service representative to be certain you have all the correct items.

You do not need good credit. CashPoint does not check your credit or use your credit history in any way in the approval process.

\*Approval subject to vehicle inspection and appraisal.  
 \*Please contact one of the CashPoint locations for any exceptions to the requirements listed above.

**Does the car title have to be in my name?**  
 Yes. The title to the vehicle must have you listed as the legal owner of the car you intend to use as collateral for the transaction. If there is anyone else listed on the title, they must be present as well.

**How do I know if I will be approved?**

Home | How It Works | Consumer Info | Store Locator | FAQ | Careers | Español | View Our TV Ads  
 © Copyright 2008-2016 Cash Point. All Rights Reserved. Website Designed & Maintained by The McCary Group, Inc.

http://www.cashpointusa.com/faq.html

File Edit View Favorites Tools Help

AG.gov AttorneyGeneral.Gov Compose Mail - Yahoo! M... Enterprise Applications Google MyWorkPlace Outlook Web Access Westview

Privacy Policy / Contact / Site Map / Terms of Use / Community / Blog

# cashpoint

Call Toll-Free 1-888-EZ-BUCKS

- Home
- How it Works
- Consumer Info
- Store Locator
- FAQ
- Careers
- Español
- Our Media Ads

**OFFICES IN**  
 Gaymont  
 Delmar  
 Dover  
 Milford  
 New Castle

**How do I know if I will be approved?**  
 The best way to know if you will be approved to get cash is to bring the items required to complete a title transaction listed above to a CashPoint location and complete a customer application. CashPoint will evaluate your vehicle and application and let you know in about 15 minutes whether you are approved and how much money is available to you.

**How much money can I borrow?**  
 Cash advance amounts vary and normally range from \$250 - \$10,000. The amount available is based on the vehicle appraisal. Availability of the loan is subject to the customer's ability to repay and vehicle condition. Terms and conditions contained in the contract between the borrower and CashPoint apply.

**How long does it take for me to get cash?**  
 If you have all of the items required to complete a transaction with you when you come into a CashPoint location, the whole process from application to receiving the funds will take about 15 minutes.

**How do I get my title back?**  
 Once you have paid the full balance of your account in cash, CashPoint will release your title. Your account will remain open and CashPoint will retain the title, even if the account is paid in full, until you close the account and terminate the agreement.

Home | How It Works | Consumer Info | Store Locator | FAQ | Careers | Español | View Our TV Ads  
 © Copyright 2008-2016 Cash Point. All Rights Reserved. Website Designed & Maintained by The McCary Group, Inc.

http://www.cashpointusa.com/faq.html

File Edit View Favorites Tools Help

AG.gov AttorneyGeneral.Gov Compose Mail - Yahoo! M... Enterprise Applications Google MyWorkPlace Outlook Web Access Westview

Privacy Policy / Contact / Site Map / Terms of Use / Community / Blog

# cashpoint

Call Toll-Free 1-888-EZ-BUCKS

- Home
- How it Works
- Consumer Info
- Store Locator
- FAQ
- Careers
- Español
- Our Media Ads

**OFFICES IN**  
 Gaymont  
 Delmar  
 Dover  
 Milford  
 New Castle

**you when you come into a CashPoint location, the whole process from application to receiving the funds will take about 15 minutes.**

**How do I get my title back?**  
 Once you have paid the full balance of your account in cash, CashPoint will release your title. Your account will remain open and CashPoint will retain the title, even if the account is paid in full, until you close the account and terminate the agreement.

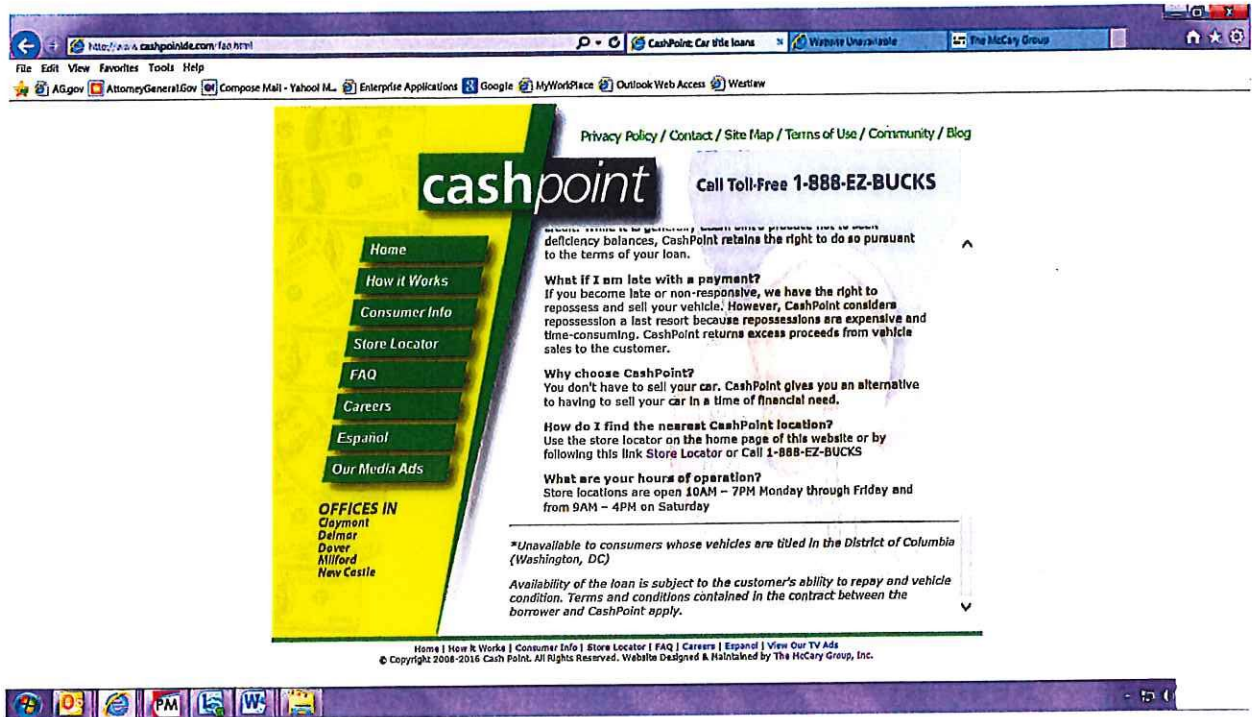
**Why acquire cash from a title lender?**  
 A title transaction enables you to acquire cash based on the value of your car but without actually losing its use. The process is based on collateral not credit.

**Aren't title transaction rates considered high?**  
 Not if you consider that title lenders do not base their decision on credit. While it is generally CashPoint's practice not to seek deficiency balances, CashPoint retains the right to do so pursuant to the terms of your loan.

**What if I am late with a payment?**  
 If you become late or non-responsive, we have the right to repossess and sell your vehicle. However, CashPoint considers repossession a last resort because repossessions are expensive and time-consuming. CashPoint returns excess proceeds from vehicle sales to the customer.

**Why choose CashPoint?**  
 You don't have to sell your car. CashPoint gives you an alternative

Home | How It Works | Consumer Info | Store Locator | FAQ | Careers | Español | View Our TV Ads  
 © Copyright 2008-2016 Cash Point. All Rights Reserved. Website Designed & Maintained by The McCary Group, Inc.






Privacy Policy / Contact / Site Map / Terms of Use / Community / Blog

# cashpoint

Call Toll-Free 1-888-EZ-BUCKS

**VIEW OUR MEDIA ADS**



Snow

**Home**  
**How it Works**  
**Consumer Info**  
**Store Locator**  
**FAQ**  
**Careers**  
**Español**  
**Our Media Ads**

**OFFICES IN**  
Claymont  
Delmar  
Dover  
Milford  
New Castle

[Home](#) | [How It Works](#) | [Consumer Info](#) | [Store Locator](#) | [FAQ](#) | [Careers](#) | [Espanol](#) | [View Our TV Ads](#)  
© Copyright 2008- 2016 Cash Point. All Rights Reserved. Website Designed & Maintained by The McCary Group, Inc.

Privacy Policy / Contact / Site Map / Terms of Use / Community / Blog

# cashpoint

**Call Toll-Free 1-888-EZ-BUCKS**

**CONTACT US**

Contact us at 1-888-EZ-BUCKS

Have a comment or suggestion about the services we offer? Email us at [comments@cashpointde.com](mailto:comments@cashpointde.com) and let us know!

For Advertising and Marketing comments, inquiries or suggestions regarding CashPoint and the services we offer? Email us at [advertising@cashpointde.com](mailto:advertising@cashpointde.com) and let us know!

Complaint Hotline: 1-855-828-7288

**Home**

**How it Works**

**Consumer Info**

**Store Locator**

**FAQ**

**Careers**

**Español**

**Our Media Ads**

**OFFICES IN**  
Claymont  
Delmar  
Dover  
Milford  
New Castle

[Home](#) | [How It Works](#) | [Consumer Info](#) | [Store Locator](#) | [FAQ](#) | [Careers](#) | [Espanol](#) | [View Our TV Ads](#)  
© Copyright 2008- 2016 Cash Point. All Rights Reserved. Website Designed & Maintained by The McCary Group, Inc.

# Exhibit B

<b>Lender:</b> Dominion Management of Delaware, Inc. <b>Address:</b> 3503 Philadelphia Pike Claymont, DE 19703 (302)793-3700	<b>Today's Date:</b> 07/03/2013	<b>Contract #:</b> TL71716
	<b>Maturity Date:</b> 02/03/2014	<b>Motor Vehicle:</b> Make: VOLVO Model: V70 Year: 2000 Vin#: [REDACTED] License: [REDACTED]
<b>Borrower Information:</b> Name: [REDACTED] Address: [REDACTED] DOB: [REDACTED]	<b>Co-Borrower:</b> Name: [REDACTED] Address: [REDACTED]	

**Disclosures Made in Compliance with Federal Truth in Lending**

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.
363.85%	\$1,054.61	\$497.33	\$1,551.94

**Itemization of Amount Financed:**

\$400.00 Amount given to you directly  
 \$97.33 Amount paid on your prior account  
 \$0.00 Amount paid to others on your behalf  
 \$0.00 Amount paid for lien fees to the Dept. of Motor Vehicles  
 \$497.33 Amount Financed (Total)

**Security:** You are giving a security interest in the above described motor vehicle.

**Filing Fees:** \$0.00

**Prepayment:** If you pay off early, you will not have to pay a penalty and will not be entitled to a refund.

**Late Charge:** Any required payment not paid in full within ten (10) days of the due date will be assessed a delinquency charge not to exceed 5% of the unpaid amount of any such payment or portion thereof.

See below for any additional information about nonpayment, default, any required repayment in full before the scheduled date, and prepayment refunds and penalties.

**Payment Schedule:**

NO.	DUE DATE	AMOUNT
1.	08/03/2013	\$152.06
2.	09/03/2013	\$152.06
3.	10/03/2013	\$147.16
4.	11/03/2013	\$152.06
5.	12/03/2013	\$147.16
6.	01/03/2014	\$152.06
7.	02/03/2014	\$649.39

This Loan Agreement, Promissory Note and Security Agreement ("Agreement") is executed by and between BORROWER and LENDER on the date set forth above.

- Promise to Pay.** Borrower and Co-Borrower, jointly and severally, (collectively hereinafter referred to as "BORROWER") promise to pay to LENDER, in immediately available United States currency, the "Principal" amount of the loan (the Amount Financed), together with interest and other fees and charges as provided in this Agreement. All sums due hereunder shall be paid without prior demand, notice or claim of set off. BORROWER, without penalty, has the right to fully prepay the Amount Financed at any time prior to maturity and will not be obligated to pay any unaccrued interest.
- Collateral.** To secure the BORROWER's obligations under this agreement, BORROWER hereby grants to LENDER a security interest in the Motor Vehicle described above ("Vehicle"), all accessories and accessions to the Vehicle, and all proceeds related thereto, including all insurance proceeds or refunds of insurance premiums related to the vehicle (all such property referred to as "Collateral"). BORROWER agrees to provide a valid unencumbered certificate of title to the Vehicle and to pay any amounts paid by LENDER to the Department of Motor Vehicles associated with the recording of LENDER'S security interest, as itemized above, and that such amounts are non-refundable. To the extent permitted by applicable law, BORROWER further agrees to reimburse LENDER upon its request for any costs actually incurred by LENDER in enforcing its rights against the Collateral.
- Interest Rate.** Interest under this Agreement will be calculated on a simple interest basis and shall accrue at a daily rate of 1/365 of 360.00% (1/366 in any leap year) multiplied by the unpaid principal balance (the Principal less the amount the Principal has been reduced by payments) for each day that any amount remains due to LENDER. Interest is computed on the basis of the number of days actually elapsed.
- Payments.** BORROWER agrees to pay LENDER interest and principal in accordance with the Payment Schedule shown above. LENDER will apply all payments on the date received by LENDER in the following order: (1) unpaid costs and expenses which you have agreed to pay LENDER pursuant to this Agreement; (2) accrued but unpaid interest; and (3) unpaid principal balance. Payments made in addition to regularly scheduled payments will be applied in the same manner.
- Scheduled Payment Amounts; Right to Prepay.** The Payment Schedule shown above assumes that all of your payments are made on time. If you are late making a payment, the amount of your last scheduled payment may be greater than disclosed in the Payment Schedule. Likewise, if you are late making a payment, the Finance Charge and Total of Payments may be greater than disclosed above. Interest continues to accrue on the unpaid principal balance, regardless of whether you have been charged a delinquency charge because of a delinquent payment. BORROWER, without penalty, has the right to fully prepay the unpaid principal balance at any time prior to maturity and will not be obligated to pay any unaccrued interest. Any prepayment (except for a prepayment in full) will not relieve BORROWER's obligation to make any later scheduled payment, according to the Payment Schedule above, until all sums due are fully repaid.
- Late Charge.** Any required payment not paid in full within ten (10) days of the due date will be assessed a delinquency charge not to exceed 5% of the unpaid amount of any such payment or portion thereof.
- BORROWER's Representations and Warranties.** BORROWER represents and warrants that BORROWER has the right to enter into this Agreement. Is at least 18 years of age, and understands and acknowledges that no credit insurance is offered with this Agreement. BORROWER represents and warrants that the Vehicle is not stolen, has no liens or encumbrances against it, and that BORROWER will not attempt to transfer any interest in the Vehicle until all obligations under this Agreement have been paid in full. BORROWER further warrants that until such time as all amount due hereunder are fully repaid, BORROWER will not attempt to seek a duplicate title to the Vehicle.
- Event of Default.** The following constitute events of default under this Agreement: (a) BORROWER does not pay the full amount of any required payment when due; (b) BORROWER fails to keep any of BORROWER's promises under this Agreement; or (c) any representation or information given to the LENDER by BORROWER is false or misleading.
- LENDER'S Rights in the Event of Default.** Upon the occurrence of any event of default, to the extent permitted by applicable law, the LENDER may at its option, and without notice or demand, do any one or more of the following: (a) declare the whole outstanding balance due under this Agreement due and payable at once and proceed to collect it; (b) foreclose upon its lien and liquidate any Collateral securing this Agreement according to law, including by using self-help repossession; (c) exercise all other rights, powers and remedies given by law; and (d) recover from BORROWER all charges, costs and expenses, including all collection costs and reasonable attorney's fees (if this Agreement is referred to an attorney who is not a regularly salaried employee of LENDER) actually incurred or paid by the LENDER in exercising any right, power or remedy provided by this Agreement or by law. In the event of default, the interest shall continue to accrue until the unpaid principal balance, together with all accrued and unpaid interest and costs, is fully repaid.
- Notices.** Any notice that LENDER is required to provide under this Agreement or applicable law will be declared reasonable if sent to BORROWER at the address



set forth above via regular mail. Each notice will become effective three (3) days after it is mailed. It is BORROWER's responsibility to keep the listed address current.

11. **General.** (a) BORROWER will deposit a duplicate set of keys to the Motor Vehicle upon execution of this Agreement; (b) BORROWER agrees to pay LENDER a returned check fee of \$25.00 each time a check given to LENDER by BORROWER is not honored for any reason; (c) BORROWER shall bear the entire risk of loss or damage to the Vehicle while it is in BORROWER's possession and agrees to indemnify and hold LENDER harmless from any and all claims for property damages or personal injuries arising from the operation of the Vehicle, including but not limited to, all judgments, attorney's fees, court costs and any incurred expenses; (d) if more than one BORROWER executes this Agreement, each BORROWER will be jointly and severally liable; (e) time is of the essence of this Agreement; and (f) this Agreement constitutes the entire Agreement between the parties and no other agreements, representations or warranties other than those stated herein shall be binding unless reduced in writing and signed by both parties.

12. **Governing Law; Enforceability.** This Agreement shall be construed, applied and governed by the laws of the State of DE. The unenforceability or invalidity of any portion of this Agreement shall not render unenforceable or invalid the remaining portions hereof.

13. **Notice and Cure.** Prior to initiating a lawsuit or arbitration regarding a legal dispute or claim relating in any way to this Agreement or the loan made under this Agreement ("Loan") (as more fully defined in the Arbitration Provision, a "Claim"), the party asserting the Claim (the "Claimant") shall give the other party (the "Defending Party") written notice of the Claim (a "Claim Notice") and a reasonable opportunity, not less than 30 days, to resolve the Claim. Any Claim Notice to you will be sent by mail or email to the applicable address you have provided on your Application (or any updated address you have subsequently provided to us). Any Claim Notice to us shall be sent by mail, to 3503 Philadelphia Pike, Claymont, DE, 19703. Any Claim Notice you send must provide your Loan Number, mailing address and telephone number. Any Claim Notice must explain the nature of the Claim and the relief that is demanded. The Claimant must reasonably cooperate in providing any information about the Claim that the Defending Party reasonably requests.

14. **WAIVER OF RIGHT TO TRIAL BY JURY. YOU AND WE ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL RIGHT BUT MAY BE WAIVED IN CERTAIN CIRCUMSTANCES. TO THE EXTENT PERMITTED BY LAW, YOU AND WE KNOWINGLY AND VOLUNTARILY WAIVE ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION ARISING OUT OF OR RELATED TO THIS AGREEMENT. THIS JURY TRIAL WAIVER SHALL NOT AFFECT OR BE INTERPRETED AS MODIFYING IN ANY FASHION ANY ARBITRATION PROVISION TO WHICH YOU AND WE ARE SUBJECT, WHICH CONTAINS ITS OWN SEPARATE JURY TRIAL WAIVER.**

15. **ARBITRATION PROVISION.**

(a) **Notice: READ THIS ARBITRATION PROVISION. IF YOU DO NOT REJECT THIS ARBITRATION PROVISION IN THE MANNER SET BELOW, IT WILL BE PART OF THIS AGREEMENT AND WILL HAVE A SUBSTANTIAL IMPACT ON THE WAY YOU OR WE WILL RESOLVE ANY CLAIM WHICH YOU OR WE HAVE AGAINST EACH OTHER NOW OR IN THE FUTURE.**

(b) **General:** This Arbitration Provision describes when and how a Claim (as defined below) between you and us may be arbitrated. Arbitration is a method of resolving disputes in front of one or more neutral persons, instead of having a trial in court in front of a judge and/or jury. It can be a quicker and simpler way to resolve disputes. As required by law, this Arbitration Provision does not apply to Military Members and/or Military Dependents. For this purpose, a "Military Member" is a regular or reserve member of the Army, Navy, Marine Corps, Air Force, or Coast Guard, serving on active duty under a call or order that does not specify a period of 30 days or fewer; and a "Military Dependent" is a Military Member's spouse or child under the age of eighteen years old or an individual for whom a Military Member provided more than one-half of his/her financial support for 180 days immediately preceding today's date.

(c) **Your Right to Reject:** If you don't want this Arbitration Provision to apply, you may reject it by mailing us a written rejection notice which gives your Loan Number and contains a statement that you (both of you, if more than one) reject the Arbitration Provision of this Agreement. The rejection notice must be sent to us at 3503 Philadelphia Pike, Claymont, DE, 19703, Attention: Legal Department. A rejection notice is only effective if it is signed by you (both of you, if more than one) and if we receive it within fifteen (15) days after the date of this Agreement. If you don't reject this Arbitration Provision, it will be effective as of the date of this Agreement. Your rejection of this Arbitration Provision will not affect any other provision of this Agreement or any prior Arbitration Provision between you and us, which will remain in full force and effect.

(d) **Parties Subject to Arbitration:** As solely used in this Arbitration Provision (and not elsewhere in this Agreement), the terms "we," "us" and "our" include any parent, subsidiary, affiliate or franchisee of ours; any person or company that acquires an interest in the Loan; any other person or company that provides any services in connection with this Agreement if you assert a Claim against such other person or company at the same time you assert a Claim against any others of us; and the employees, officers, directors, members and agents of the foregoing persons or companies.

(e) **Covered Claims:** "Claim" means any claim, dispute or controversy between you and us that in any way arises from or relates to this Agreement or the Loan, including disputes arising from actions or omissions prior to the date of this Agreement. "Claim" has the broadest possible meaning, and includes initial claims, counterclaims, cross-claims and third-party claims. It includes disputes based upon contract, tort, consumer rights, fraud and other intentional torts, constitution, statute, regulation, ordinance, common law and equity (including any claim for injunctive or declaratory relief). It does not include disputes about the validity, enforceability, coverage or scope of this Arbitration Provision or any part thereof (including without limitation, the prohibitions against class proceedings, private attorney general proceedings and/or multiple-party proceedings described in subparagraph (i) below, captioned "Prohibition Against Certain Proceedings" (the "Class Action Prohibition")), the final sentence of subparagraph (h) below, captioned, "Survival Rules of Interpretation Severability" and/or this sentence); all such disputes are for a court and not an arbitrator to decide. However, any dispute or argument that concerns the validity or enforceability of the Agreement as a whole is for the arbitrator, not a court, to decide.

(f) **Starting an Arbitration:** Either you or we may require any Claim to be arbitrated. Arbitration is started by giving written notice to the other party of an intent to start or to compel arbitration. This notice may be given before or after a lawsuit has been started over the Claim and may address any Claims brought in the lawsuit. The notice may be in the form of a motion or petition to compel arbitration. Arbitration of a Claim must comply with this Arbitration Provision and, to the extent not inconsistent or in conflict with this Arbitration Provision, the applicable rules of the arbitration Administrator. We may not choose to arbitrate an individual Claim that you bring against us in small claims court or your state's equivalent court, if any. But if that Claim is transferred, removed or appealed to a different court, we then have the right to choose arbitration.

(g) **Choosing the Administrator:** "Administrator" means the American Arbitration Association ("AAA"), 1633 Broadway, 10th Floor, New York, NY 10019, [www.adr.org](http://www.adr.org); JAMS, 1920 Main St. at Gillette Ave., Suite 300, Irvine, CA 92614, [www.jamsadr.com](http://www.jamsadr.com); or any other company selected by mutual agreement of the parties. If AAA and JAMS both cannot or will not serve and the parties are unable to select an Administrator by mutual consent, the Administrator will be selected by a court. You get to select the Administrator if you give us written notice of your selection with your notice that you are electing to arbitrate any Claim or within 20 days after we give you notice that we are electing to arbitrate any Claim (or, if you dispute our right to require arbitration of the Claim, within 20 days over that dispute is finally resolved). If you do not select the Administrator on time, we will do it. Notwithstanding any language in this Arbitration Provision to the contrary, no arbitration may be administered, without the consent of all parties to the arbitration, by any Administrator that has in place a formal or informal policy that purports to override the Class Action Prohibition.

(h) **Court and Jury Trials Prohibited; Other Limitations on Legal Rights:** IF YOU OR WE ELECT TO ARBITRATE A CLAIM, YOU WILL NOT HAVE THE RIGHT TO PURSUE THAT CLAIM IN COURT OR HAVE A JURY DECIDE THE CLAIM. ALSO, YOUR ABILITY TO OBTAIN INFORMATION FROM US IS MORE LIMITED IN AN ARBITRATION THAN IN A LAWSUIT. OTHER RIGHTS THAT YOU WOULD HAVE IF YOU WENT TO COURT MAY ALSO NOT BE AVAILABLE IN ARBITRATION.

(i) **Prohibition Against Certain Proceedings:** IF YOU OR WE ELECT TO ARBITRATE A CLAIM: (i) NEITHER YOU NOR WE MAY PARTICIPATE IN A CLASS ACTION IN COURT OR IN CLASS-WIDE ARBITRATION, EITHER AS A PLAINTIFF, DEFENDANT OR CLASS MEMBER; (ii) NEITHER YOU NOR WE MAY ACT AS A PRIVATE ATTORNEY GENERAL IN COURT OR IN AN ARBITRATION; (iii) CLAIMS BROUGHT BY OR AGAINST YOU MAY NOT BE JOINED OR CONSOLIDATED WITH CLAIMS BROUGHT BY OR AGAINST ANY OTHER PERSON; AND (iv) THE ARBITRATOR SHALL HAVE NO AUTHORITY TO CONDUCT A CLASS-WIDE ARBITRATION, PRIVATE ATTORNEY GENERAL ARBITRATION OR MULTIPLE-PARTY ARBITRATION.

(j) **Location and Costs of Arbitration:** Arbitration proceedings shall be conducted over the telephone and/or through email or written submissions wherever reasonably possible. Any arbitration hearing that you attend must take place at a location reasonably convenient to you. Each Administrator charges fees to administer an arbitration proceeding and the arbitrator also charges fees. This includes fees not charged by a court. If either you or we require a Claim to be arbitrated, you may tell us in writing that you can't afford to pay the fees charged by the Administrator and/or the arbitrator or that you believe we should bear such fees for other reasons.



you specify. If your request is reasonable and in good faith, we will pay or reimburse you for all or part of the fees charged to you by the Administrator and/or arbitrator. Also, we will pay these fees if applicable law requires us to, if you substantially prevail in the arbitration or if we must bear such fees in order for this Arbitration Provision to be enforced. We will not ask you to pay or reimburse us for any fees we pay the Administrator or arbitrator. We will bear the expense of our attorneys, experts and witnesses, except where applicable law and this Agreement allow us to recover attorneys' fees and/or court costs in a collection action we bring. You will bear the expense of your attorneys, experts and witnesses if we prevail in an arbitration. However, in an arbitration you commence, we will pay your fees if you prevail or if we must bear such fees in order for this Arbitration Provision to be enforced. Also, we will bear any fees if applicable law requires us to.

(k) **Governing Law:** You and we agree that this Agreement and Arbitration Provision involve interstate commerce, and that this Arbitration Provision is governed by the Federal Arbitration Act, 9 U.S.C. §§ 1-16 (the "FAA"), and not by any state arbitration law. The arbitrator must apply applicable substantive law consistent with the FAA and applicable statutes of limitations and claims of privilege recognized at law. The arbitrator is authorized to award all remedies permitted by the substantive law that would apply if the action were pending in court (including, without limitation, punitive damages, which shall be governed by the Constitutional standards employed by the courts). At the timely request of either party, the arbitrator must provide a brief written explanation of the basis for the award.

(l) **Right to Discovery:** In addition to the parties' rights to obtain discovery pursuant to the arbitration rules of the Administrator, either party may submit a written request to the arbitrator to expand the scope of discovery normally allowable under the arbitration rules of the Administrator. The Arbitrator shall have discretion to grant or deny that request.

(m) **Arbitration Result and Right of Appeal:** Judgment upon the award given by the arbitrator may be entered by any court having jurisdiction. The arbitrator's decision is final and binding, except for any right of appeal provided by the FAA. However, if the amount of the Claim exceeds \$20,000 or involves a request for injunctive or declaratory relief that could foreseeably involve a cost or benefit to either party exceeding \$20,000, any party can appeal the award to a three-arbitrator panel administered by the Administrator, which panel shall reconsider any aspect of the initial award requested by the appealing party. The decision of the panel shall be by majority vote. Reference in this Arbitration Provision to "the arbitrator" shall mean the panel of arbitrators if an appeal of the arbitrator's decision has been taken. The costs of such an appeal will be borne in accordance with subparagraph (j) above, regarding "Location and Costs of Arbitration."

(n) **Survival; Rules of Interpretation; Severability:** This Arbitration Provision shall survive the repayment of all amounts owed under this Agreement, any legal proceeding, and any bankruptcy to the extent consistent with applicable bankruptcy law. In the event of a conflict or inconsistency between this Arbitration Provision, on the one hand, and the applicable arbitration rules or the other provisions of this Agreement, on the other hand, this Arbitration Provision shall govern. If any portion of this Arbitration Provision, other than the Class Action Prohibition, is deemed invalid or unenforceable, the remaining portions shall nevertheless remain in force. If a determination is made that the Class Action Prohibition is unenforceable, only this sentence of the Arbitration Provision will remain in force and the remainder of the Arbitration Provision shall be null and void, provided that the determination concerning the Class Action Prohibition shall be subject to appeal.

(o) **Notice and Cure; Special Payment:** Prior to initiating a Claim in court or arbitration, the Claimant shall give the Defending Party a written Claim Notice and a reasonable opportunity, not less than 30 days, to resolve the Claim. Any Claim Notice to you will be sent in writing by mail or by email to the address you have provided on your Application (or any updated address you have subsequently provided to us). Any Claim Notice to us shall be sent by mail, to 3503 Philadelphia Pike, Claymont, DE, 19703. Any Claim Notice you send must provide your Loan Number, telephone number and email address. Any Claim Notice must explain the nature of the Claim and the relief that is demanded. The Claimant must reasonably cooperate in providing any information about the Claim that the Defending Party reasonably requests. If (i) you submit a Claim Notice in accordance with the foregoing requirements on your own behalf (and not on behalf of any other party); (ii) we refuse to provide you with the relief you request; and (iii) an arbitrator subsequently determines that you were entitled to such relief (or greater relief), the arbitrator shall award you at least \$5,100 (not including any arbitration fees and attorneys' fees and costs to which you may be entitled).

(p) **Amendment; Termination.** Notwithstanding any provision of this Agreement to the contrary, any amendments to or termination of this Arbitration Provision do not apply to a Claim of which we have received written notice on or prior to the effective date of any such amendments or termination.  
IN WITNESS WHEREOF, the parties have hereunto set forth their hands and seals on the date stated above.

DO NOT SIGN THIS AGREEMENT BEFORE YOU HAVE READ IT, INCLUDING THE ARBITRATION PROVISION, OR IF IT CONTAINS ANY BLANK SPACES. YOU WILL RECEIVE A COMPLETED COPY OF THIS AGREEMENT.

Borrower

LENDER

Co-Borrower

by: Its Authorized Representative

#### IMPORTANT NOTICE REGARDING CUSTOMER PRIVACY

We collect nonpublic personal information about you from the following sources:

- Information we receive from you on applications or other forms
- Information about your transactions with us, our affiliates, or others;
- Information we receive from a consumer reporting agency.

We do not disclose any nonpublic personal information about our customers or former customers to anyone except to our affiliates and nonaffiliated third parties working on our behalf as permitted by law.

We restrict access to nonpublic personal information about you to those employees who need to know that information and to our affiliates and nonaffiliated third parties working on our behalf to provide products and services to you, to administer your account, or to collect any money or collateral due us. We maintain physical, electronic and procedural safeguards that comply with federal regulations to guard this nonpublic personal information.

Dominion Management of Delaware, Inc.  
**REMINDER TO BORROWER**

1. This is an installment loan.\* Interest accrues on the outstanding principal by simple interest. At the end of the loan, you are required to pay the remaining interest and all outstanding principal. You are encouraged to pay more than the outstanding interest payments to reduce the size of your final payment. The interest under this loan is calculated using an annual interest rate of 360.00%. Any payments toward principal made during the life of the loan reduce the principal balance upon which interest accrues and saves you money.
  2. We encourage you to pay your debt on or before the maturity date listed on your contract. If, however, you are unable to pay the entire amount due on the maturity date, interest charges will continue to accrue until the principal is repaid in full.
  3. You should plan to pay off your loan as quickly as possible to avoid excess charges.
  4. All interest due must be paid before any payment will be credited toward the reduction of principal.
  5. Your automobile has been pledged as security for the loan. If the loan is not repaid in full, including the finance charge, you are subject to losing your automobile.
  6. Please note, this is a higher interest loan. You should go to another source if you have the ability to borrow at less than the annual rate of the interest shown above.
- 

I have read the above "REMINDER TO BORROWER" and I understand its contents. I understand that if I do not pay the amount due that I am placing continued ownership of my automobile at risk.

  
BORROWER

6/7/13  
DATE

\_\_\_\_\_  
CO-BORROWER

Pursuant to Title 5 of the Delaware Administrative Code, Section 2203(1.0), we are obligated to provide you with a copy of the following regulation of the Office of the State Bank Commissioner of Delaware:

#### Title 5 Banking

#### 2203 Licensed Lenders Regulations Itemized Schedule of Charges

1.0 Notification - Every licensee shall furnish to every applicant, a copy of this regulation at the time when such application is made. Posting of this regulation in the office of the licensee in a place both prominent and easily visible to all potential applicants shall satisfy this requirement. An explanation as to the contents and limitations contained herein shall satisfy this requirement when transactions occur telephonically. An informational screen containing these limitations with an affirmative acknowledgement by the consumer, prior to application, shall satisfy this requirement for internet transactions.

#### 2.0 Interest

2.1 A lender may charge and collect interest in respect to a revolving credit plan or closed end loan at such daily, weekly, monthly, annual, or other periodic percentage rate or rates as the agreement governing the plan or loan provides, or as established in the manner provided in such agreement. Periodic interest may be calculated on a revolving credit plan using any balance computation method provided for in the agreement governing the plan. Periodic interest may be calculated on a closed end loan by way of simple interest or such other method as the agreement governing the loan provides.

2.2 If the agreement governing the revolving credit plan or closed end loan so provides, the periodic percentage rate or rates of interest may vary in accordance with a schedule or formula. Such periodic percentage rate or rates may vary from time to time as the rate determined in accordance with such schedule or formula varies and such periodic percentage rate or rates, as so varied, may be made applicable to all or any part of the outstanding unpaid indebtedness or outstanding unpaid amounts. In the case of revolving credit, such rate shall become applicable on or after the first day of the billing cycle that contains the effective date of such variation. In the case of closed end loan transactions, such rate may be made applicable to all or any part of the outstanding unpaid amounts on and after the effective date of such variation. Without limitation, a permissible schedule or formula hereunder may include provisions in the agreement governing the revolving credit plan or closed end loan agreement for a change in the periodic percentage rate or rates of interest applicable to all or any part of outstanding unpaid indebtedness or outstanding unpaid amounts, whether by variation of the then applicable periodic percentage rate or rates of interest, variation of an index or margin or otherwise, contingent upon the happening of any event or circumstance specified in the plan or agreement, which event or circumstance may include the failure of the borrower to perform in accordance with the terms of the revolving credit plan or loan agreement.

3.0 Additional Fees and Charges; Limitations - If the agreement governing the plan or loan so provides, in addition to, or in lieu of, interest at a periodic percentage rate or rates permitted by Chapter 22, Title 5 of the Delaware Code, the licensee may charge and collect the following fees and charges, subject to the limitations provided below, in respect to revolving credit plans or closed end loans:

3.1 Revolving Credit - with respect to a borrower, a lender may charge, collect, or receive one or more of the following fees and charges under plans subject to the provisions of Subchapter II, Chapter 22, Title 5 of the Delaware Code:

3.1.1 periodic charges - a daily, weekly, monthly, annual or other periodic charge in such amount or amounts as the agreement may provide for the privileges made available to the borrower under the plan;

3.1.2 transaction charges - a transaction charge or charges in such amount or amounts as the agreement may provide for each separate purchase or loan under the plan;

3.1.3 minimum charges - a minimum charge in such amount or amounts as the agreement may provide for each daily, weekly, monthly, annual or other scheduled billing period under the plan during any portion of which there is an outstanding unpaid indebtedness under the plan;

3.1.4 fees for services rendered or reimbursement of expenses - reasonable fees for services rendered or for reimbursement of expenses incurred in good faith by the licensee or its agent in connection with such loan, including without limitation, commitment fees, official fees and taxes, premiums or other charges for any guarantee or insurance protecting the licensee against the borrower's default or other credit loss, or costs incurred by reason of examination of title, inspection, recording and other formal acts necessary or appropriate to the security of the loan, filing fees, attorney's fees and travel expenses. In the event a borrower defaults under the terms of a plan, the licensee may, if the

borrower's account is referred to an attorney (not a regularly salaried employee of the licensee) or to a third party for collection and if the agreement governing the revolving credit plan so provides, charge and collect from the borrower a reasonable attorney's fee. In addition, following a borrower's default, the licensee may, if the agreement governing the plan so provides, recover from the borrower all court, alternative dispute resolution or other collection costs (including, without limitation, fees and charges of collection agencies) actually incurred by the licensee;

3.1.5 overlimit charges - a charge in such amount or amounts as the agreement may provide, for each daily, weekly, monthly, annual or other scheduled billing period under the plan during any portion of which the total outstanding indebtedness exceeds the credit limit established under the plan;

3.1.6 delinquency charges - a late or delinquency charge upon any outstanding unpaid installment payments or portions thereof under the plan which are in default; provided, however, that no more than 1 such late or delinquency charge may be imposed in respect of any single such installment payment or portion thereof regardless of the period during which it remains in default; and provided further, however, that for the purpose only of the preceding provision all payments by the borrower shall be deemed to be applied to satisfaction of installment payments in the order in which they become due;

3.1.7 returned check charges - a returned check charge may be assessed to consumers, in such amount or amounts as the agreement may provide, provided the amount(s) of such charges are customary and reasonable for checks that are returned unpaid;

3.1.8 termination fees - a charge in such amount or amounts as the agreement may provide to terminate a revolving credit plan;

3.1.9 charges incurred in connection with real estate secured transactions - in the case of revolving credit secured by real estate such additional charges as outlined in item 3.3 of this regulation may also be collected within the limitations stated therein.

3.2 Closed End Credit - with respect to a borrower, a lender may charge, collect, or receive one or more of the following fees and charges for loans subject to the provisions of Subchapter III, Chapter 22, Title 5 of the Delaware Code:

3.2.1 fees for services rendered or reimbursement of expenses - reasonable fees for services rendered or for reimbursement of expenses incurred in good faith by the licensee or its agent in connection with such loan, including without limitation, commitment fees, official fees and taxes, premiums or other charges for any guarantee or insurance protecting the licensee against the borrower's default or other credit loss, or costs incurred by reason of examination of title, inspection, recording and other formal acts necessary or appropriate to the security of the loan, filing fees, attorney's fees and travel expenses. In the event a borrower defaults under the terms of the loan, the licensee may, if the borrower's account is referred to an attorney (not a regularly salaried employee of the licensee) or to a third party for collection and if the agreement governing, or the bond, note or other evidence of, the loan so provides, charge and collect from the borrower a reasonable attorney's fee. In addition, following a borrower's default, the licensee may, if the agreement governing, or the bond, note or other evidence of, the loan so provides, recover from the borrower all court, alternative dispute resolution or other collection costs (including, without limitation, fees and charges of collection agencies) actually incurred by the licensee;

3.2.2 deferral charges - a deferral charge may be assessed to a borrower in accordance with an agreement to permit the borrower to defer installment payments of a loan;

3.2.3 delinquency charges - if the agreement governing the loan so provides, a late or delinquency charge may be imposed upon any outstanding unpaid installment payment or portions thereof under the loan agreement which are in default; provided, however, that no more than 1 such delinquency charge may be imposed in respect of any single such installment payment or portion thereof regardless of the period during which it remains in default; and provided further that no such delinquency charge may exceed 5% of the amount of any such installment or portion thereof in default;

3.2.4 returned check charges - if the agreement governing the loan so provides, a returned check charge may be assessed to consumers, for checks that are returned unpaid provided the amount(s) of such charges are customary and reasonable;

3.2.5 charges incurred in connection with real estate secured transactions - in the case of closed end credit secured by real estate such additional charges as outlined in item (3)(c) of this regulation may also be collected within the limitations stated therein.



3.3 Real Estate Secured Transactions - with respect to a borrower, a lender may charge, collect, or receive one or more of the following fees and charges subject to the limitations herein, for loans subject to the provisions of Subchapters II (Revolving Credit) and III (Closed End Credit), Chapter 22, Title 5 of the Delaware Code when such loans are secured by real estate:

3.3.1 loan origination points - points charged to the borrower on the lender's behalf for any purpose other than to reduce the periodic interest rate applicable to the mortgage loan may not exceed 10% of the principal amount of the loan. Such points may be deducted from the gross proceeds of the loan. For purposes of this regulation "gross proceeds" is the amount financed as defined in Federal Reserve Regulation Z;

3.3.2 loan discount points - points charged to the borrower as a function of rate for the purpose of reducing the periodic interest rate applicable to the mortgage loan. Such points may be deducted from the gross proceeds of the loan;

3.3.3 property appraisal fees - property appraisal fees shall be limited to the amount paid to a third party for such appraisal and shall be limited to those amounts that are customary and reasonable;

3.3.4 credit report fees - credit report fees shall be limited to the actual cost of the report if paid to a third party, not an employee of the lender or affiliate. Such amounts shall be customary and reasonable;

3.3.5 mortgage loan broker compensation fees - mortgage loan broker compensation may be deducted from the gross proceeds of the loan. Such amounts shall reasonably reflect the value of the goods, services and facilities provided;

3.3.6 tax certification and service fees - fees for agreements to provide certification of the current tax status of the property as well as fees for ongoing monitoring and notice to the lender of all tax and improvement lien payments as they become due shall be limited to those amounts actually expended for such purposes. Such amounts shall be customary and reasonable;

3.3.7 flood hazard certification or determination fees - determination fees may be charged for determining whether the property is or will be located in a special flood hazard area. This fee may also include the cost of life-of-loan monitoring. Such amounts shall be customary and reasonable;

3.3.8 title abstract/search/examination and title insurance premiums - title insurance and/or cost of a title certificate, search, examination and binder shall be limited to those amounts actually expended for such purposes. Such amounts shall be customary and reasonable and may, at the borrower's discretion, include owner's coverage in addition to lender's coverage;

3.3.9 legal fees - legal fees incurred in securing or closing a loan shall be limited to amounts actually paid to an attorney not in the employ of the lender, its parent, or affiliate, and such charges shall not exceed those which are customary and reasonable;

3.3.10 recording/satisfaction fees - recording/satisfaction fees shall be limited to those actually expended by the lender to any governmental authority for protection of interest in collateral tendered. The State Bank Commissioner may approve the payment of alternative fees for this purpose provided the amount of said fee (payable by the borrower) shall not exceed the amount which would be payable to any governmental authority for protection of interest in collateral tendered;

3.3.11 property survey fees - property survey fees to obtain a drawing that delineates the exact boundaries of a property, including lot lines and placement of improvements on the property, shall be limited to those amounts actually expended for such purposes. Such amounts shall be customary and reasonable;

3.3.12 pest inspection fees - pest inspection fees to cover inspections for termites or other pest infestation on the property shall be limited to those amounts actually expended for such purposes. Such amounts shall be customary and reasonable;

3.3.13 fees incidental to loan closing - other fees and charges including but not limited to: odd days interest, hazard and mortgage insurance premiums, escrow reserves, lender's inspection fees, mortgage insurance application fees, assumption fees, underwriting fees, document preparation fees, settlement or closing fees, notary fees, funding fees, fees for lead based paint or other inspections and overnight mail fees may be charged and such amounts shall be customary and reasonable;

3.3.14 prepayment penalties - a charge in such amount or amounts as the agreement so provides imposed in

connection with the payoff and termination of a revolving credit plan or closed end loan secured by real estate;

3.3.15 notwithstanding the provisions of Item 3.3 of this regulation, Licensed Lenders who are making mortgage loans pursuant to the rules, regulations, guidelines and/or loan forms established by the State of Delaware or federal governmental or quasi-governmental entity (including, without limitation: the Federal Housing Administration, the Department of Veterans Affairs, the Farmers Home Administration, the Government National Mortgage Association, the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation) shall be permitted to charge and collect any fees, charges or sums prescribed to be charged and collected in connection with a mortgage loan originated pursuant to a lending program conducted or supervised by any such entity.