

COMMONWEALTH OF PENNSYLVANIA  
By Attorney General Michelle A. Henry,

Plaintiff,  
vs.

PROG LEASING, LLC d/b/a/ PROGRESSIVE  
LEASING, 256 W Data Dr., Draper, Utah 84020,

Defendant.

: PHILADELPHIA COUNTY  
: COURT OF COMMON PLEAS  
: CIVIL TRIAL DIVISION  
: **CIVIL ACTION—EQUITY**

:  
: Case No. 02798  
: August Term, 2022

**ORDER**

**AND NOW**, this \_\_\_\_\_ day of \_\_\_\_\_, 2023, the attached Consent Petition for Final Decree, agreed to by the Plaintiff, Commonwealth of Pennsylvania, and Defendant, Prog Leasing LLC, is hereby entered as the ORDER and FINAL DECREE of this Court.

BY THE COURT:

\_\_\_\_\_, J.

COMMONWEALTH OF PENNSYLVANIA	:	PHILADELPHIA COUNTY
By Attorney General Michelle A. Henry,	:	COURT OF COMMON PLEAS
	:	CIVIL TRIAL DIVISION
	:	<b>CIVIL ACTION—EQUITY</b>
	:	
Plaintiff,	:	Case No. 02798
vs.	:	August Term, 2022
	:	
PROG LEASING, LLC d/b/a/ PROGRESSIVE	:	
LEASING, 256 W Data Dr., Draper, Utah 84020,	:	
	:	
Defendant.	:	

**CONSENT PETITION FOR FINAL DECREE BETWEEN THE COMMONWEALTH OF PENNSYLVANIA AND DEFENDANT PROG LEASING, LLC**

AND NOW, comes the Commonwealth of Pennsylvania, acting by Attorney General Michelle A. Henry (“the Commonwealth”), and Defendant Prog Leasing LLC d/b/a Progressive Leasing (“Defendant” or “Progressive”) and state the following:

**WHEREAS**, Plaintiff is the Commonwealth of Pennsylvania, by Attorney General Michelle A. Henry;

**WHEREAS**, Defendant is a Delaware limited liability company with its principal place of business in Utah;

**WHEREAS**, Defendant is registered as a foreign business limited liability company with the Pennsylvania Department of State;

**WHEREAS**, Defendant engages in trade or commerce within the Commonwealth of Pennsylvania;

**WHEREAS**, the Commonwealth filed a Complaint against Defendant alleging that Defendant advertised rental-purchase agreements to Pennsylvania consumers and failed to comply with the hang-tag provisions of Section 6908(b) of the Rental-Purchase Agreement Act, 42

Pa.C.S.A. §§ 6901, *et seq.* (“RPAA”) (effective until September 8, 2022) and that Defendant’s practices violated the Unfair Trade Practices and Consumer Protection Law, 73 P.S. § 201-1, *et seq.* (“CPL”), which allegations are incorporated herein;

**WHEREAS**, Defendant has filed an Amended Answer and New Matter to the Complaint denying that Defendant violated the RPAA or the CPL and such Answer is incorporated herein;

**WHEREAS**, by execution of this Consent Petition, Defendant makes no admission regarding any alleged violation of either the RPAA or the CPL for any purpose;

**WHEREAS**, the Commonwealth and Defendant have agreed on a basis for settlement of the matters alleged in the Complaint and hereby stipulate to the entry of this Consent Petition for Final Decree (“Consent Petition”) against Defendant without the need for a trial or a final adjudication of any issue of law or fact;

**WHEREAS**, Defendant desires to comply with the laws of the Commonwealth of Pennsylvania and the provisions of this Consent Petition and have signed it with the intent that, upon approval of the Court, its terms shall constitute the provisions of the Final Decree of the Court in the above-captioned matter and shall be binding upon all parties; and

**WHEREAS**, this Consent Petition does not constitute an approval by the Commonwealth of any of the Defendant’s former or current business practices.

### **SETTLEMENT TERMS**

**NOW THEREFORE**, Defendant and the Commonwealth (“the Parties”) agree for themselves, and their successors and assigns, as follows:

- I. **The above recitals are incorporated by reference, as though fully set forth herein.**
- II. **Injunctive and Affirmative Relief**

A. Defendant shall fully comply with any and all provisions of the CPL and any amendments thereto; and, is permanently enjoined from any violation thereof.

B. Defendant shall fully comply with any and all provisions of the RPAA and any amendments thereto, including but not limited to Section 6908(b.2) of the RPAA pertaining to advertisements for rental-purchase agreements. Defendant is permanently enjoined from any violation of the RPAA.

### **III. Monetary Relief**

A. **Payment** – Progressive shall be liable for and shall pay the Commonwealth the sum of \$950,000 (nine hundred fifty thousand dollars) (“Payment”) to be used by the Commonwealth for restitution as set forth in Paragraph III(D) below, or for any other lawful purpose. Any payments to borrowers under Paragraph III(D), and all lease balance cancellations provided under Paragraph III(B), are being made in settlement of the Commonwealth’s claim that Pennsylvania consumers were harmed by Defendant’s alleged failure to comply with the RPAA and CPL.

B. **Lease Cancellation** – Defendant shall, within 15 days of the Effective Date, cancel the remaining balance on the agreed upon 972 delinquent accounts of particular Pennsylvania consumers who entered into rental purchase agreements (referred to herein as “leases”) with Defendant between March 2, 2022 and September 8, 2022. The parties acknowledge and agree that the aforementioned accounts do not include every lease that Defendant entered into with a Pennsylvania consumer during the time period set forth above. In carrying out this provision:

1. Defendant shall provide consumers with written notice of lease balance cancellation using the model language in Appendix A. The notice may be provided via electronic mail if the consumer has consented to receive

electronic communications. Defendant shall send the notice to the consumers within 30 days of the Effective Date.

2. Within forty-five (45) days of the Effective Date, Defendant shall provide the Commonwealth with a report in the form of an Excel spreadsheet listing the following for each account subject to lease balance cancellation: (1) the full names of the consumer; (2) the total amount of lease balance cancellation.

C. **Payment Terms** – Within ten (10) business days of the Effective Date of this Consent Petition, Defendant shall submit the Payment to the Commonwealth by wire transfer to an account designated by the Commonwealth.

D. **Administrator** – The Commonwealth may use the funds paid by Progressive as restitution to (1) distribute funds to consumers as the Commonwealth directs, and (2) pay for the Commonwealth's costs and expenses, including the cost of the Settlement Administrator. The amount, timing, and manner of distribution of any payments to consumers shall be in the sole discretion of the Commonwealth. Defendant agrees to provide the Commonwealth within ten (10) days of the Effective Date current consumer account data for all Pennsylvania consumers who entered into a lease with Defendant between August 1, 2019 and September 8, 2022, and paid more to Defendant than one hundred and thirty percent (130%) of the cash price. Specifically, Defendant agrees to provide each consumer's first and last name, last-known address, phone number, email address, the cash price of the leased goods, and the total amount paid by the consumer to Defendant. Defendant further agrees to provide the Commonwealth, within 14 days of the Commonwealth's request, the social security numbers of consumers for whom the Settlement Administrator will need to perform a skip trace. The Settlement Administrator shall

abide by the Stipulated Confidentiality and Protective Order entered on June 15, 2023 in this action and shall sign and date Exhibit A to the Protective Order (“Exhibit A”). The Commonwealth shall provide Defendant with the signed and dated Exhibit A, prior to the transmission of any consumer account data to the Settlement Administrator. After the Commonwealth or its Settlement Administrator has completed the distribution of restitution funds to consumers, including making reasonable attempts to contact payees of uncashed checks and waiting a reasonable period of time not less than ninety (90) calendar days, all uncashed checks may be voided. Once such uncashed checks have been voided, any remaining funds in the restitution account (including any accrued interest) will be distributed to the Commonwealth to be deposited in an interest-bearing account from which both principal and interest shall be expended for public protection and education purposes. After the Commonwealth or its Settlement Administrator has completed the distribution of restitution funds to consumers, and within ten (10) business days of any written request from the Defendant, the Commonwealth agrees to provide Defendant with the total amount of restitution distributed to Pennsylvania consumers pursuant to this Paragraph.

**IV. Release**

A. Upon the Effective Date, the Commonwealth shall release and discharge Defendant from all civil claims that the Commonwealth could have brought against Defendant under Section 6908(b) of the RPAA (effective until September 8, 2022) and Section 6908(b.2) of the RPAA (effective as of September 9, 2022) based on Defendant’s conduct prior to the Effective Date. Nothing contained in this paragraph shall be construed to limit the ability of the Commonwealth to enforce the obligations of Defendant under this Consent Petition. Further, nothing in this Consent Petition shall be construed to waive, limit, or release any private rights of action held by non-parties to the Consent Petition.

**V. Miscellaneous Terms**

A. This Consent Petition may be executed in any number of counterparts and by different signatories on separate counterparts, each of which shall constitute an original counterpart hereof and all of which together shall constitute one and the same document. One or more counterparts of this Consent Petition may be delivered by facsimile or electronic transmission with the intent that it or they shall constitute an original counterpart hereof.

B. The Effective Date of this Consent Petition shall be the date of approval and docketing of this Consent Petition by the Court of Common Pleas of Philadelphia County, Pennsylvania.

C. The Court of Common Pleas of Philadelphia County, Pennsylvania shall maintain jurisdiction over the subject matter of this Consent Petition.

D. Defendant shall not represent or imply that the Pennsylvania Office of Attorney General acquiesces in, or approves of, Defendant's past or current business practices, efforts to improve their practices, or any future practices that Defendant may adopt or consider adopting.

E. The parties acknowledge that the Commonwealth has entered into certain Assurances of Voluntary Compliance with Defendant's merchants relating to hang-tag requirements under the RPAA. The Commonwealth hereby agrees to interpret the terms of any such Assurances of Voluntary Compliance as requiring compliance with Section 6908(b.2).

F. This Consent Petition sets forth all the promises, covenants, agreements, conditions and understandings between the parties relating to this Consent Petition, and supersedes all prior and contemporaneous agreements, understandings, inducements or conditions, express or implied relating to this Consent Petition. There are no representations, arrangements, or understandings, oral or written, between the parties relating to the subject matter of this Consent Petition that are

not fully expressed herein or attached hereto. Each party specifically warrants that this Consent Petition is executed without reliance upon any statement or representation by any other party hereto, except as expressly stated herein.

G. Nothing in this Consent Petition shall be construed or used as a waiver or limitation of any defense otherwise available to Defendant in any other matter. Nothing in this Consent Petition shall create or give rise to a private right of action of any kind or create any right in a non-party to enforce any aspect of this Consent Petition or claim any legal or equitable injury for a violation of this Consent Petition.

H. The Commonwealth and Defendant hereby stipulate that this Consent Petition shall act as a permanent injunction issued under Section 201-4 of the CPL.

**[Signatures on following page.]**



**WITNESSETH**, that the parties, intending to be legally bound, have hereto set their hands

and seals:


**FOR THE PLAINTIFF:**  
Commonwealth of Pennsylvania  
Michelle A. Henry  
*Attorney General*

Date: January 23, 2024

Nicholas Smyth  
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*Attorney for Plaintiff*

**FOR THE DEFENDANT:**  
Prog Leasing LLC

Date: 1/9/2024

  
\_\_\_\_\_  
Todd King

Date: 1/9/2024

/s/ Jenny N. Perkins  
Jenny N. Perkins, Esq. (I.D. No. 306498)  
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*Attorneys for Defendant*

*Appendix A*

[Progressive Leasing Letterhead]

Dear [Customer],

Progressive Leasing recently entered into a settlement to resolve a lawsuit that the Pennsylvania Office of Attorney General filed regarding Progressive Leasing's compliance with the Pennsylvania Rental-Purchase Agreement Act. As part of that settlement, Progressive Leasing has agreed to cancel the remaining balance on your Lease No. \_\_\_\_\_ ("Lease") and transfer ownership of the property identified in the Lease to you. You do not owe any further payments or other charges for the Lease. If you made any payments after December 6, 2023, they will be returned to you.

If you have any questions concerning your account or this letter, please contact our office at (877) 898-1970. We appreciate your business and hope that we can be of service to you again in the near future.

Sincerely,

Progressive Leasing