

against DEFENDANTS for violations of the Texas Identify Theft Enforcement and Protection Act, Chapter 48¹ of the Tex. Bus. & Com. Code Ann § 48.001, *et seq.*, and the Tex. Bus. & Com. Code Ann. §35.48.

3. This action is also brought by the Attorney General through his Consumer Protection and Public Health Division, in the name of the State of Texas and in the public interest under the authority granted him by §17.47 of the Texas Deceptive Trade Practices-Consumer Protection Act, Tex. Bus. & Com. Code §§17.41, *et seq.* (hereafter the "DTPA") upon the ground that DEFENDANTS have engaged in false, deceptive, and misleading acts and practices in the course of trade and commerce as defined in, and declared unlawful by, §§ 17.46(a) and (b) of the DTPA.

4. Additionally, this action is also brought by the Attorney General pursuant to the Texas Credit Services Organizations Act, Tex. Fin. Code §§ 393.301, *et seq.* (hereafter the "CSOA") upon the ground that DEFENDANTS directly or indirectly engaged in a fraudulent or deceptive act, practice, or course of business relating to the offer or sale of the services of a credit services organization as declared unlawful by §393.305 of the CSOA.

III. DEFENDANTS

5. Defendant TEXAS EZPAWN L.P. is a Texas limited partnership whose certificate of limited partnership is filed with the Texas Secretary of State pursuant to the laws of Texas and is doing business in Texas as alleged specifically below and may be served with process by serving its registered agent, C T Corporation System at 1021 Main St., Suite 1150, Houston, Texas 77002.

¹ In 2005, the Texas Legislature enacted three Chapters 48. The chapter cited above was titled "Identity Theft Enforcement and Protection Act" by Tex. S.B. 122, 79th Leg. R.S. (2005).

6. Defendant TEXAS EZPAWN MANAGEMENT, INC. is a foreign corporation incorporated pursuant to the laws of Delaware and doing business in Texas as alleged specifically below and may be served with process by serving its registered agent, C T Corporation System at 1021 Main St., Suite 1150, Houston, Texas 77002. Defendant TEXAS EZ PAWN MANAGEMENT, INC. serves as general partner of Defendant TEXAS EZPAWN L.P.

7. Defendant TEXAS EZMONEY L.P. is a Texas limited partnership whose certificate of limited partnership is filed with the Texas Secretary of State pursuant to the laws of Texas and is doing business in Texas as alleged specifically below and may be served with process by serving its registered agent, C T Corporation System at 1021 Main St., Suite 1150, Houston, Texas 77002.

8. Defendant PAYDAY LOAN MANAGEMENT, INC. is a foreign corporation incorporated pursuant to the laws of Delaware and doing business in Texas as alleged specifically below and may be served with process by serving its registered agent, C T Corporation System at 1021 Main St., Suite 1150, Houston, Texas 77002. Defendant PAYDAY LOAN MANAGEMENT, INC serves as the general partner of Defendant TEXAS EZMONEY L.P.

9. Defendant EZCORP, INC. is a foreign corporation incorporated pursuant to the laws of Delaware and doing business in Texas as alleged specifically below and may be served with process by serving its registered agent, C T Corporation System at 1021 Main St., Suite 1150, Houston, Texas 77002. Defendant EZCORP, INC. is the parent corporation of Defendant PAYDAY LOAN MANAGEMENT, INC and of Defendant TEXAS EZ PAWN MANAGEMENT, INC.

10. DEFENDANTS TEXAS EZPAWN L.P. and TEXAS EZMONEY L.P. both do business under the assumed name of EZMONEY LOAN SERVICES.

IV. VENUE

11. Venue of this suit lies in BEXAR County, Texas, for the following reasons:

A. Under Tex. Bus. & Com. Code Ann. §48.201(c)(1), venue is proper in Bexar County because it is a county in which the violation occurred;

B. Under Tex. Bus. & Com. Code Ann. §48.201(c)(2), venue is proper in Bexar County because it is a county in which the victim resides;

C. Under Tex. Civ. Prac. Rem. Code §15.002(a)(1), venue is proper in Bexar County because it is the county in which a substantial part of the events or omissions occurred giving rise to the claim; and

D. Under Tex. Bus. & Com. Code Ann. §17.47(b), venue is proper in Bexar County because Defendants have done business in that county.

V. PUBLIC INTEREST

12. This action is brought by Attorney General Greg Abbott, through his Consumer Protection and Public Health Division, in the name of the State of Texas and in the public interest under the authority granted him by §17.47 of the Texas Deceptive Trade Practices-Consumer Protection Act, Tex. Bus. Comm. Code Ann. §§17.41, *et seq.* (hereafter the "DTPA") upon the ground that DEFENDANTS have engaged in false, deceptive, and misleading acts and practices in the course of trade and commerce as defined in, and declared unlawful by, §§17.46(a) and (b) of the DTPA.

13. Additionally, the Texas Attorney General has evidence that DEFENDANTS are engaging in, have engaged in, or are about to engage in acts and practices which violate the State of Texas' identity theft prevention laws, as set forth below, namely failing to protect and safeguard from unlawful use or disclosure of consumers' sensitive personal information, collected or maintained by

DEFENDANTS in the regular course of business. Because these unlawful practices expose DEFENDANTS' customers to the risk of identity theft, these proceedings are in the public interest.

14. In 2005, the Texas Legislature amended §35.48 and also enacted the Identity Theft Enforcement and Protection Act to protect citizens from identity theft. In so doing, the legislature noted that identity theft is one of the fastest growing crimes in the country, and that Texas has one of the highest rates of identity theft in the United States.² Moreover, victims of identity theft spend an average of 600 hours over a two to four year period, as well as \$1,400 or more, trying to clear their names.³ Identity theft also imposes a substantial cost on businesses - in 2002 the total cost of losses to businesses due to identity theft in the United States was estimated at almost \$50 billion⁴. The Legislature specifically recognized "dumpster diving" for discarded business records as a significant means through which identity theft is committed.⁵

VI. TRADE AND COMMERCE

15. DEFENDANTS have, at all times described below, engaged in conduct which constitutes "trade" and "commerce" as those terms are defined by §17.45(6) of the DTPA.

VII. ACTS OF AGENTS

16. Whenever in this petition it is alleged that DEFENDANTS did any act, it is meant that DEFENDANTS performed or participated in the act, or that DEFENDANTS' officers, agents,

²See Tex. C.S.H.B. 698, 79th Leg. R.S. (2005) (Committee Report Substituted), and Tex. S.B. 122, 79th Leg. R.S. (2005) (Committee Report Unamended).

³*Id.*

⁴*Id.*

⁵See Tex. C.S.H.B. 698, 79th Leg. R.S. (2005) (Committee Report Substituted).

representatives, or employees performed or participated in the act on behalf of and under the authority of DEFENDANTS.

VIII. NATURE OF DEFENDANTS' OPERATION

17. At their website, DEFENDANTS describe EZCORP as a market leader operating over 600 storefronts in thirteen states. EZCORP, which is headquartered at 1901 Capital Parkway in Austin, Texas, is traded on NASDAQ.

18. In Texas, DEFENDANTS operate 182 EZPawn stores, and 236 EZMoney Stores. DEFENDANTS sell second hand jewelry, tools, electronics, musical instruments, sports equipment, and miscellaneous household items. These articles are placed in DEFENDANTS' sales inventory when pawn customers do not pay back non-recourse loans collateralized by tangible personal property, commonly known as "pawn loans." DEFENDANTS also collect interest from these pawn loans.

19. In addition, DEFENDANTS through their two credit services organizations, TEXAS EZMONEY, L.P. and TEXAS EZPAWN, L.P., represent to consumers that they will assist customers in arranging for a loan from a third party lender.

IX. STATEMENT OF FACTS

20. In the ordinary course of its business operations, DEFENDANTS collect large amounts of sensitive personal identifying information. For example, DEFENDANTS' "Credit Services and Loan Application" asks consumers to provide personal information including the applicant's address, date of birth, social security number, and driver's license number. In addition, applicants are required to provide information detailing their current employment and to list the names and phone numbers of at least two references. Exhibit 1 is a true and correct copy of the above described

application.

21. Prospective customers are also instructed that in order to apply for a loan, they should bring to DEFENDANTS' store the following documents: most recent bank statement, most recent phone bill, valid driver's license or state photo identification, proof of income by way of a pay stub, and a voided check from the customer's checking account.

22. DEFENDANTS represent to consumers that "information security is one of our highest priorities " and that they maintain "physical, electronic, and procedural safeguards...to protect your personal information." DEFENDANTS further represent to consumers that they have a "Consumer Privacy Policy" which extends to "all of the EZCorp family" and that this policy "applies to all personally identifiable financial information about you." In addition, DEFENDANTS represent that they limit "access to personal information about you to those employees who need to know that information to provide products and services to you."

23. In truth and in fact, DEFENDANTS fail to safeguard sensitive personal information. Its stores in locations throughout Texas, including Austin, Hidalgo, Houston, Lubbock, McAllen, Mercedes, Pharr, San Antonio, and Weslaco, have dumped hundreds of documents containing sensitive personal identifying information of DEFENDANTS' customers into publicly accessible dumpsters.

24. The records dumped by DEFENDANTS and the sensitive personal identifying information contained in them, can be described generally as follows:

- loan applications (Form CSO-1) with social security and driver's license numbers;
- promissory notes (Form CSO-4, attached hereto as Exhibit 2) with lending disclosures and bank account numbers;

- names and dates of birth tied to social security numbers and driver's licenses;
- credit applications with names, social security and driver's license numbers;
- employment applications with name and social security numbers;
- pay stubs with name and social security numbers;
- voided checks with bank information and account numbers;
- bank statements tying customer names with other documents;
- bank statements with names, addresses, bank names, and account numbers; and
- outstanding loan summaries with lists of customer names, account numbers, loan numbers, social security numbers, loan amounts, and payment due dates.

25. Although the above described information could be used to steal the identities of DEFENDANTS' customers, DEFENDANTS failed to shred, erase, or otherwise make the sensitive personal information unreadable. Instead, records were placed in trash dumpsters that were readily accessible to the public.

X. DECEPTIVE TRADE PRACTICES ACT VIOLATIONS

26. Plaintiff hereby incorporates the preceding paragraphs one through 25 as if fully set out herein.

27. DEFENDANTS, as alleged above and detailed below, have in the course of trade and commerce engaged in false, misleading, and deceptive acts and practices declared unlawful in §§17.46(a) and (b) of the DTPA as follows:

A. By representing to consumers that DEFENDANTS' Privacy Policy protected consumers' financial privacy, DEFENDANTS misled consumers and caused confusion regarding the protection and security used to protect the sensitive and personal identifying information which

DEFENDANTS required consumers to provide to them, as alleged more specifically in paragraphs 17 through 25 above, in violation of §§17.46(a), (b)(5) and (b)(7) of the DTPA;

B. By representing to consumers that DEFENDANTS "protect your financial privacy" and "all personally identifiable financial information about you," and then dumping its customers' sensitive and personal identifying information into trash receptacles making it easily accessible to the public, DEFENDANTS violated §17.46(a), (b)(5) and (b)(7) of the DTPA as alleged more specifically in paragraphs 17 through 25 above;

C. By representing to consumers that "We limit access to personal information about you to those employees who need to know that information to provide products and services" and then dumping sensitive and personal identifying information into trash receptacles making it easily accessible to the public, DEFENDANTS violated §17.46(a), (b)(5) and (b)(7) of the DTPA, as alleged more specifically in paragraphs 17 through 25 above; and

D. By representing to consumers that "We maintain physical, electronic, and procedural safeguards...to protect your personal information," DEFENDANTS violated §17.46(a), (b)(5) and (b)(7) of the DTPA, as alleged more specifically in paragraphs 17 through 25 above;

E. By failing to disclose that the sensitive and personal identifying information that it required consumers to provide before proceeding with the transaction would be discarded into trash receptacles, as alleged more specifically in paragraphs 17 through 25 above, DEFENDANTS failed to disclose information concerning goods or services which was known at the time of the transaction, and DEFENDANTS' failure to disclose such information, was intended to induce the consumer into a transaction into which the consumer would not have entered had the information been disclosed in violation of §17.46(a) and (b)(24) of the DTPA.

XI. IDENTITY THEFT PREVENTION VIOLATIONS

28. Plaintiff hereby incorporates the preceding paragraphs one through 25 as if fully set out herein.

29. DEFENDANTS, as alleged above and detailed below, have engaged in practices declared unlawful as follows:

A. DEFENDANTS failed to implement and maintain reasonable procedures to protect and safeguard from unlawful use or disclosure any sensitive personal information that it collected or maintained in the regular course of business, as alleged more specifically in paragraphs 21 through 25, in violation of Tex. Bus. & Com. Code Ann § 48.102(a).

B. DEFENDANTS failed to destroy or arrange for the destruction of its customer records containing sensitive personal information within its control that were not retained by it, as alleged more specifically in paragraphs 21 through 26, in violation of Tex. Bus. & Com. Code Ann § 48.102(b).

C. DEFENDANTS failed to safeguard sensitive personal identifying information by shredding, erasing, or by other means making it unreadable or undecipherable, before disposing of its business records, as alleged more specifically in paragraphs 21 through 26, in violation of Tex. Bus. & Com. Code Ann. § 35.48(d).

XII. CREDIT SERVICES ORGANIZATIONS ACT VIOLATIONS

30. Plaintiff hereby incorporates the preceding paragraphs one through twenty-seven as if fully set out herein.

31. DEFENDANTS, as alleged above and detailed below, have in the course of selling credit services, engaged in deceptive acts declared unlawful in the Credit Services Organizations Act, Tex.

Fin. Code §393.001 et seq. (West 2007) as follows:

A. By misrepresenting the quality and degree of security and protection afforded to the sensitive personal identifying information which customers provided to DEFENDANTS in order to purchase credit services, DEFENDANTS directly and indirectly engaged in a fraudulent or deceptive act, practice, or course of business relating to the offer or sale of the services of a credit services organization, as alleged more specifically in paragraphs 17 through 25 above, in violation of Tex. Fin. Code §§393.305, 393.504 and DTPA §17.46(a).

B. By representing to consumers in defendants' privacy policy that DEFENDANTS would "protect your financial privacy" and "all personally identifiable information about you" in selling credit services to consumers, and then dumping such information into trash receptacles, making it easily accessible to the public, DEFENDANTS made and used a false or misleading representation in the offer or sale of the services of the organization, as alleged more specifically in paragraphs 17 through 25 above, in violation of Tex. Fin. Code §§393.304(1), 393.504 and DTPA §17.46(a);

C. By representing to consumers in defendant's privacy policy that "We limit access to personal information about you" and that "We maintain physical, electronic, and procedural safeguards that comply with federal regulations to protect your personal information," and then dumping such information into trash receptacles making it easily accessible to the public, DEFENDANTS made and used a false or misleading representation in the offer or sale of the services of the organization, as alleged more specifically in paragraphs 17 through 25 above, in violation of Tex. Fin. Code §§393.304(1), 393.504 and DTPA §17.46(a).

XIII. INJURY TO CONSUMERS

32. DEFENDANTS have, by means of these unlawful acts and practices, obtained money or

other property from identifiable persons to whom such money or property should be restored or who, in the alternative, are entitled to an award of damages.

XIV. PRAYER

33. WHEREFORE, Plaintiff requests that DEFENDANTS be cited according to law to appear and answer herein; that after due notice and hearing a TEMPORARY INJUNCTION be issued; and upon final hearing a PERMANENT INJUNCTION be issued, restraining and enjoining DEFENDANTS, their officers, agents, servants, employees and attorneys, and any other person in active concert or participation with DEFENDANTS from engaging in the following acts or practices:

A. using false, misleading, or deceptive representations to describe its privacy policies or the security measures used to collect, store, maintain, or dispose of sensitive personal information or personal identifying information;

B. disposing of business records containing personal identifying information or sensitive personal information without first shredding, erasing, or by other means making this information unreadable or undecipherable;

C. violating DEFENDANTS' duty to protect and safeguard sensitive personal identifying information from unlawful use or disclosure by exposing such data to the risk of identity theft, including but not limited to: disposing of un-shredded records in any kind of waste receptacle which is accessible to the public, allowing computer hard drives or electronic storage devices upon which DEFENDANTS store their data to be recycled without first physically destroying the hard drive or bulk storage device; transmitting such data over telephone lines or satellite communication channels without first encrypting such data; and

D. directly or indirectly engaging in a fraudulent or deceptive act, practice, or course of

business relating to the offer or sale of the services of a credit services organization, including but not limited to misrepresenting the quality and degree of security and protection afforded to the sensitive personal identifying information provided by customers.

34. As an alternative to the relief requested in Paragraph 32.B, Plaintiff requests that DEFENDANTS be ordered to dispose of business records containing sensitive personal identifying information by contracting with a business that is engaged in the disposal of confidential business records.

35. Plaintiff further requests that DEFENDANTS be ordered to adopt, implement, and maintain a comprehensive information security program that is fully documented and in writing, and which protects and safeguards from unlawful use, disposal, or disclosure any personal identifying information or sensitive personal information collected, maintained, or accessible by DEFENDANTS' employees or agents in the regular course of business.

36. Further, the STATE OF TEXAS respectfully requests that this Court will:

A. Adjudge civil penalties in favor of Plaintiff STATE OF TEXAS in the amount of up to \$500 against each DEFENDANT for each record containing personal identifying information which was dumped without shredding or making the record undecipherable, pursuant to Tex. Bus. & Com. Code §35.48(f);

B. Adjudge civil penalties in favor of Plaintiff STATE OF TEXAS of at least \$2,000, but not more than \$50,000, against each DEFENDANT per each violation of the Texas Identity Theft Enforcement and Protection Act, pursuant to Tex. Bus. & Com. Code §48.201(a);

C. Adjudge civil penalties in favor of Plaintiff STATE OF TEXAS of not more than \$20,000 against each DEFENDANT per each violation of the DTPA pursuant to Tex. Bus. & Com. Code

17.47(c);

D. Adjudge civil penalties in favor of Plaintiff STATE OF TEXAS of not more than \$20,000 against each DEFENDANT per violation of the CSOA pursuant to Tex. Fin. Code §393.504 and Tex. Bus. & Com. Code 17.47(c);

E. Award judgment for damages to identifiable consumers whose personal identifying information was unlawfully dumped in the amount of not less than the amount the consumer paid the credit services organization pursuant to Tex. Fin. Code §393.503(a)(1), and Tex. Bus. & Com. Code §17.47(d);

F. Order DEFENDANTS to pay the State's reasonable attorney's fees, investigatory costs, and court costs pursuant to Tex. Bus. & Com. Code §48.201(e) and Tex. Gov't. Code Ann. §402.006 (c); and

G. Order such other relief to which Plaintiff may be justly entitled.

Respectfully submitted,

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EXHIBIT 1

Credit Services and Loan Application

We're Here When You Need Us.

You work hard to support your family. When you need a little extra help to make ends meet, we are here to help. We will make sure you:

- Work with friendly professionals who respect you and your needs.
- Get fast answers. Approvals in as little as 15 minutes.
- Have every opportunity to get the cash you need – up to \$1,000.
- Leave with cash.
- Get future loans even faster.

It's EZ To Apply

1. Simply fill out this EZ application and bring in your:

- Most recent bank statement
- Most recent phone bill
- Valid driver's license or government photo ID
- Most recent pay stub
- A voided check from your checking account

2. Take your completed application, along with the items listed above, to one of our friendly customer service representatives.*



*Other requirements may apply. EZMONEY Loan Services is a registered credit services organization. Loans made by third party lender.

CUSTOMER DISCLOSURES

Our credit services are intended to assist you in evaluating, arranging, processing, and servicing a loan from a third party lender. Our credit services help you get the cash you need to meet your immediate financial needs. This application will be used by us for underwriting our credit services as well as by a third party lender. Our credit services and any third party loan made pursuant to this Application may not be at the lowest rate or best terms available. You may shop for credit services and loans from other providers and lenders without any obligation to us. We encourage you to discuss your financial situation with a non-profit credit counseling service that may be available to consumers in your community if you feel the need.

YOU WILL BE CHARGED ADDITIONAL FEES IF YOU RENEW THIS LOAN. As an example, suppose you borrow \$300.00 for 14 days at an APR of 529.9667%. The FINANCE CHARGE would be \$61.15. If you did not repay the loan at maturity but chose instead to extend the due date for an additional 14-day period, you would incur an additional FINANCE CHARGE of \$61.15. So, if you renew the \$300.00 loan 4 times, the total FINANCE CHARGE you would be required to pay would be \$244.60. Moreover, if there were insufficient funds in your bank account on the date we attempted to effect an ACH debit entry to pay all or part of what you owe, you would incur a Return Item Fee of \$30.00. Your bank may also impose fees for returning ACH debit entries unpaid and, if this practice persists, may even close your deposit account.

PRIVACY POLICY. Protecting your privacy is important to EZMONEY Loan Services, our employees, and the third party lender, who may make a loan to you. We, collectively EZMONEY Loan Services and the third party lender when used in this Privacy Policy, want you to understand what information we collect and how we use it. In order to provide our customers with credit services and assist them in arranging a loan as effectively and conveniently as possible, we use technology to manage and maintain customer information. The following policy serves as a standard for all EZMONEY Loan Services employees and any third party lender who may make a loan to you regarding the collection, use, retention, and security of non-public personal information related to our credit services and a loan.

WHAT INFORMATION WE COLLECT. We may collect "non-public personal information" about you from the following sources:

- Information we receive from you on applications or loan forms, such as your name, address, social security number, assets and income;
- Information about your transactions with us, such as your credit history, creditworthiness, borrowing history, and outstanding credit; and
- Information we receive from third parties, such as consumer reporting agencies and other lenders, regarding your creditworthiness and credit history.

"Non-public personal information" is non-public information about you that we obtain in connection with providing credit services and assisting you in obtaining a loan.

WHAT INFORMATION WE DISCLOSE. We are permitted by law to disclose non-public personal information about you to third parties in certain circumstances. For example, we may disclose non-public personal information about the credit services we provide to you to lenders, consumer reporting agencies, or to government entities in response to subpoenas. Moreover, we may disclose all of the non-public personal information about you that we collect, as described above, to financial service providers such as the lender, the servicer of any loan, and to financial institutions with which we have joint marketing arrangements. Such disclosures are made as necessary to effect, administer, and enforce the loan you request or authorize.

If you become an inactive customer, we will continue to adhere to the privacy policies and practices described in this notice.

OUR SECURITY PROCEDURES. We also take steps to safeguard customer information. We restrict access to non-public personal information about you to those of our employees, agents, and servicers who need to know that information to provide the credit services and loan to you. We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard your non-public personal information.

CREDIT SERVICES and LOAN APPLICATION



Patriot Act Disclosure

NOTICE: WE ARE REQUIRED BY LAW TO ADOPT PROCEDURES TO REQUEST AND RETAIN IN OUR RECORDS INFORMATION NECESSARY TO VERIFY YOUR IDENTITY.

Federal law requires us to obtain, verify, and record identity information for each person with whom we do business. As a result, we will ask for your name, address, date of birth, and other information that will allow us to verify your identity, including asking to see your driver's license or other identifying documents.

YOU MAY BE APPROVED FOR UP TO \$1000 IF YOU MEET THESE SIMPLE REQUIREMENTS

- You must have a steady income.
- You must be able to show a verifiable source of recurring income payments.
- You must have a checking account with your name printed on the checks.
- You must be able to be contacted after work until 9:00p.m.
- You must be at least 18 years old.
- You must have a gross income of at least \$1,000 per month, or a minimum of \$800 per month Social Security or other benefits income.
- You must not be delinquent or have an unpaid loan with us with the third party lender or Letter of Credit with us.

Directions: Do not leave any blanks. Print neatly in ink.

Current Personal Information

Customer Name:		Home Phone: ()	Cell Phone: ()
Residence Address:		Mailing Address:	
City:	State:	Zip:	
How long have you lived at this address?		Rent ()	Own ()
Social Security Number:		Birth Date:	
Are you currently a debtor in a bankruptcy case or are you planning to file for bankruptcy relief?			
<input type="checkbox"/> Yes <input type="checkbox"/> No			
Driver's License Number:		State:	
Is this your first loan with us? <input type="checkbox"/> Yes <input type="checkbox"/> No / If yes, how did you find out about us?			
<input type="checkbox"/> TV <input type="checkbox"/> Radio <input type="checkbox"/> Billboard <input type="checkbox"/> Yellow Pages <input type="checkbox"/> Mail <input type="checkbox"/> Internet <input type="checkbox"/> Community Event			
<input type="checkbox"/> Flyer/Brochure <input type="checkbox"/> Newspaper Ad <input type="checkbox"/> Passing By <input type="checkbox"/> Referral <input type="checkbox"/> Other _____			

Current Work and Bank Information

Employer:	Phone: ()
Address:	Your Extension:
City:	State:
Zip:	Shift/Hours:
What is your position?	Superv. Phone:
What is your supervisor's name?	
How much is your salary each pay period? * \$	
What are your next two pay dates?	Next Pay Date:
Second Pay Date:	
Do you have a checking account? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Is your paycheck deposited directly into your checking account? <input type="checkbox"/> Yes <input type="checkbox"/> No	
E-mail address:	
Can we contact you regarding our services and any extension of credit including communications to collect a debt by e-mail: <input type="checkbox"/> Yes <input type="checkbox"/> No	

*Or other source of income received periodically. Alimony, child support or separate maintenance income need not be revealed if you do not wish to have it considered as a source of repaying this obligation.

2 Personal Contacts - At Least 1 Must be a Relative Not Living With You!

	Name	Phone Number	Relationship
1			
2			

This Credit Services and Loan Application ("Application") is not a promise to provide services or obtain a loan. This Application will be used by us for underwriting our credit services as well as by the third party lender for loan underwriting. By signing below, you agree that this Application can be used and relied upon by both us and the third party lender, and treated as a separate application by both. You acknowledge that we may accept or reject, at our sole discretion, your request for credit services, and that the third party lender may accept or reject, at its sole discretion, your request for a loan, subject to applicable law. Until we accept your request and execute a CSO Agreement and any other documents required by the third party lender, we shall have no obligation to provide credit services and the third party lender has no obligation to make a loan.

Assignment: You authorize us to and acknowledge that we may transfer any of our rights, titles, and interests under this Application at our discretion. You may not transfer your rights or obligations under this Application without our prior written consent.

Reporting to Credit Bureaus: We may report information concerning your transactions with us to credit reporting agencies.

CSO Disclosure and Loan Terms: EZMONEY Loan Services is a registered Texas credit services organization. Our services include assisting you in the arranging, processing and servicing of a loan from a third party lender. You acknowledge that you have been advised that our credit services and any third party loan made pursuant to this Application may not be at the lowest rate or best terms available, and that you may shop for credit services and loans from other providers and lenders without any obligation to us.

See reverse side for additional Terms and Conditions

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AGREEMENT TO ARBITRATE ALL DISPUTES: By signing below and to induce us, and the third party lender (hereinafter collectively "us, we"), to process your Application, you and we agree that any and all claims, disputes or controversies that we, any assignee, or any lender that extends credit to you as a result of our services have against you or that you have against us, our servicers, agents, directors, officers and employees or any lender that extends credit to you as a result of our services, that arise out of your Application, the CSO Agreement, the loan documents that govern your obligations for any loan that you obtain or have previously obtained or later obtain, this Agreement To Arbitrate All Disputes, collection of any loan or loans, collection of any Letter of Credit that we may issue on your behalf, or alleging fraud or misrepresentation, whether under the common law or pursuant to federal or state statute or regulation, or otherwise, including disputes as to the matters subject to arbitration, shall be resolved by binding individual (and not class) arbitration by and under the Code of Procedure of the National Arbitration Forum ("NAF") in effect at the time the claim is filed. This Agreement To Arbitrate All Disputes shall apply no matter by whom or against whom the claim is filed. Rules and forms of the NAF may be obtained and all claims shall be filed at any NAF office, on the World Wide Web at www.arb-forum.com, or at "National Arbitration Forum, P.O. Box 50191, Minneapolis, Minnesota 55405-0191." *If you are unable to pay the costs of arbitration, your arbitration fees may be waived by the NAF.* The cost of a participatory hearing, if one is held at your or our request, will be paid for solely by us if the amount of the claims is \$15,000 or less. Unless otherwise ordered by the arbitrator, you and we agree to equally share the costs of a participatory hearing if the claim is for more than \$15,000 and less than \$75,000. Any participatory hearing will take place at a location near your residence. This arbitration agreement is made pursuant to a transaction involving interstate commerce. It shall be governed by the Federal Arbitration Act, 9 U.S.C. Sections 1-16. Judgment upon the award may be entered by any party in any court having jurisdiction. This Agreement To Arbitrate All Disputes is an independent agreement and shall survive the closing, termination of your CSO Agreement, Letter of Credit and the funding, repayment and/or default of the loan for which you are applying.

NOTICE: YOU AND WE WOULD HAVE HAD A RIGHT OR OPPORTUNITY TO LITIGATE DISPUTES THROUGH A COURT AND HAVE A JUDGE OR JURY DECIDE THE DISPUTES BUT HAVE AGREED INSTEAD TO RESOLVE DISPUTES THROUGH BINDING ARBITRATION.

INTENTION NOT TO BRING OR PARTICIPATE IN CLASS OR CONSOLIDATED ACTIONS OR ARBITRATIONS: It is your or our intention in connection with our credit services, the CSO Agreement, Letter of Credit and any loan made pursuant to our credit services not to bring or participate in any class or consolidated action or arbitration as to any claim, dispute or controversy either of us may have against the other (or the employees, officers, directors or assigns of the other) or that you may have against the CSO (or its employees, officers, directors or assigns).

[Specimen Signature of Joseph L. Rotunda]

(Borrower's Signature to the above Agreements Appears Below)



President, EZMONEY Loan Services

By signing this Credit Services and Loan Application you certify that all of the information provided above is true, complete and correct and provided to us, and/or our assigns, and any third party lender to whom we submit this Application that may consider making a loan to you for the purpose of inducing us, any assignee, and/or any lender to provide credit services and/or a loan for which you are applying. By signing below (i) you agree to the Agreement To Arbitrate All Disputes and the Intention Not to Bring Or Participate In Class Or Consolidated Actions Or Arbitrations above; (ii) you acknowledge receiving and reading the Customer Disclosures of this Application 3; (iii) you agree that, should this Application be approved by us, any assignee, or any third party lender that may make a loan and you accept the credit services and the proceeds of any loan, you agree to all of the terms of the CSO Agreement and the loan documents that will be provided to you at the time the loan proceeds are disbursed to you; and (iv) you authorize us to contact you at home, at work, and via email, if authorized, at any time up to 9:00 p.m. regarding our credit services, any Letter of Credit that we may issue on your behalf, or any loan that you obtain.

By signing below you authorize us to share information in your Application with any assignee, servicer or lender with regard to the credit services and the processing, funding, servicing, repayment and collection of any loan or the Letter of Credit.

This Application will be deemed incomplete and will *not* be processed by us unless signed by you below.

Print Name of Applicant

Date

Signature

Page 3 of 3

EXHIBIT 2

3A - [redacted]
 12/10

FEDERAL TRUTH-IN-LENDING DISCLOSURES, PRIVACY POLICY AND PROMISSORY NOTE



Borrower: [redacted]

Lender: [redacted]

Loan #: [redacted]

Loan Date: 4/20/2007

Depository: Bank [redacted]

Checking Account: [redacted]

SAN ANTONIO, TX, 78223

In the following Federal Truth-In-Lending Disclosures, Privacy Policy and Promissory Note (the "Note"), "I", "my" and "me" refer to the Borrower. "You" and "your" refer to [redacted] (the "Lender"). "CSO" refers to EZMONEY Loan Services. "CSO Fee" means the fee I agreed to pay to CSO to provide me brokerage or other credit services. I acknowledge that I have been advised that the CSO's credit services and this loan may not be at the lowest rate or best terms available, and that I had the opportunity to look elsewhere for credit services and a loan. If I want to shop elsewhere for credit, I may keep this note without signing it.

FEDERAL TRUTH-IN-LENDING DISCLOSURES

ANNUAL PERCENTAGE RATE The cost of my credit as a yearly rate.	FINANCE CHARGE The dollar amount the credit will cost me.	AMOUNT FINANCED The amount of credit provided to me or on my behalf.	TOTAL OF PAYMENTS The amount I will have paid after I have made all payments as scheduled.
531.43 %	\$99.88	\$490.00	\$589.88

Payment Schedule: My payment schedule will be one payment of \$491.88 to lender on 5/4/2007 and one payment of \$98.00 to CSO on 5/4/2007.

Prepayment: If I prepay this loan in advance, I will not receive a refund of any Finance Charge.

Security: This Note is secured by a letter of credit and my EFT authorization.

See the remainder of this document for additional information about non-payment, default, any required repayment in full before the scheduled date and prepayment penalties.

Itemization of Amount Financed

Amount given directly to me:	\$ 0
Plus: Amount credited to my account with you:	\$490.00
Equals: Amount Financed/Principal Loan Amount	\$490.00

Amount Paid to Others on My Behalf:

CSO Fee	\$ 0
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Total of Payments = Amount Financed Plus Finance Charge

Amount Financed: \$490.00	Finance Charge = \$99.88	Equals Interest \$1.88	\$589.88	Plus CSO Fee: \$98.00
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LENDER PRIVACY POLICY

I acknowledge and agree that Lender may collect "nonpublic personal information" about me from the following sources:

- Information received from me on applications, loan documents, or other forms (i.e., name, address, social security number, assets, income);
- Information about my transactions with Lender, its affiliates or others, such as payment history and loan balances; and
- Information Lender receives from 3rd parties (consumer reporting agencies, credit services organizations and other lenders), regarding creditworthiness and credit history.
- "Nonpublic personal information" is information Lender obtains in connection with providing me financial services including, but not limited to, short term loans. Examples of nonpublic personal information are my name, social security number, payment history, and credit reports.
- Lender does not disclose any nonpublic personal information about its customers or former customers to anyone except its affiliates, as permitted by law or if the customer authorizes such release in writing. Lender's employees are bound by this Privacy Policy and are educated on implementing Lender's privacy and information security policies. Only employees actively engaged in their assigned duties are authorized to access or use customer information. Lender maintains physical, electronic, and procedural safeguards to comply with federal standards to store and secure information about you.