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9 SUPERIOR COURT OF THE STATE OF CALIFORNIA
10 FOR THE COUNTY OF SAN MATEO

11
12 EDUARDO DE LA TORRE, on behalf of all
others similarly situated and the general
13 public,

14 Plaintiff,

15 v.

16 CASHCALL, INC., a California corporation;
17 and DOE 1 through DOE 25, inclusive,

18 Defendants.

ENDORSED FILED
SAN MATEO COUNTY

MAR 07 2019

Clerk of the Superior Court
By UNA FINAU
DEPUTY CLERK

CASE NO. **19 CIV 01285**

CLASS ACTION COMPLAINT

**COMPLAINT FOR VIOLATIONS OF
UNFAIR COMPETITION LAW, CAL.
BUS. & PROF. CODE § 17200 ET SEQ.;
DEMAND FOR JURY TRIAL**

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COMPLAINT FOR VIOLATIONS OF UNFAIR COMPETITION LAW, CAL. BUS. & PROF. CODE § 17200 ET SEQ.; DEMAND FOR JURY TRIAL

1 **INTRODUCTION**

2 1. Plaintiff Eduardo De La Torre brings this case for himself, on behalf of the
3 proposed 135,000-member Class of CashCall borrowers, and on behalf of the general public,
4 challenging defendant CashCall, Inc.’s 96% and 135% \$2500 installment loan product during
5 the Class Period as unconscionable, and therefore in violation of California Civil Code §
6 1670.5, California Financial Code § 22302, and California Business & Professions Code §
7 17200 (the “UCL”).

8 2. This is the successor case to *De La Torre v. CashCall, Inc.*, Case No. 3:08-cv-
9 03174-TSH in the United States District Court for the Northern District of California. Plaintiff
10 (together with another plaintiff who is not a party to this action) filed that case on July 1, 2008,
11 and the parties actively litigated it for over ten years.

12 3. During the federal lawsuit, the district court certified a class for Plaintiff’s loan
13 unconscionability claim under the UCL, and at first denied CashCall’s motion for summary
14 judgment, finding triable issues of fact whether CashCall’s loan product was unconscionable.
15 On reconsideration, the court reversed and granted summary judgment to CashCall on the
16 ground that the relief sought under the UCL would require the court to engage in impermissible
17 “economic policymaking.”

18 4. Plaintiff appealed the grant of summary judgment Order to the Ninth Circuit
19 (Case Nos. 14-17571 & 15-15042). The Ninth Circuit certified a question of state law to the
20 California Supreme Court. The Supreme Court, among other things, held that California’s
21 unconscionability laws (Civil Code § 1670.5 and Financial Code § 23302) apply to CashCall’s
22 loans; that these statutes may serve as a predicate for an action under the UCL; and that judicial
23 application of California’s unconscionability statutes to loan interest rates in particular is not
24 impermissible “economic policymaking” and does not require the courts to ascertain an
25 “appropriate interest rate.” *De La Torre v. CashCall, Inc.* (2018) 5 Cal. 5th 966.

26 5. Based on the California Supreme Court opinion, the Ninth Circuit reversed the
27 grant of summary judgment in favor of CashCall and remanded the case to the District Court.

1 **PARTIES**

2 12. Plaintiff Eduardo De La Torre (“Plaintiff” or “De La Torre”) is a natural person
3 who currently resides in East Palo Alto, California, in the County of San Mateo. On or about
4 February 16, 2006, he borrowed \$2,525 from Defendant CashCall, Inc., for personal, family or
5 household purposes. For ease of reference, CashCall’s installment loans in principal amounts
6 varying in minor amounts between \$2500 and \$2600 (*e.g.*, Plaintiff’s \$2,525 loan) are referred
7 throughout this complaint to as CashCall’s “\$2500 installment loan product.”

8 13. Defendant CashCall, Inc. (“CashCall”), is a California corporation and has its
9 principal place of business located in California.

10 14. CashCall was at all relevant times was engaged in making consumer loans
11 throughout California and licensed as a California Finance Lender subject to the California
12 Financing Law, California Financial Code sections 22000 *et seq.*

13 15. Defendants Does 1 through 25 are persons or entities whose true names and
14 identities and liability to Plaintiff and the proposed Class are now unknown to Plaintiff, who
15 therefore are sued by such fictitious names. Plaintiff will amend this complaint to allege the
16 true names and liabilities of these fictitiously named Defendants when they are ascertained.
17 Each of the fictitiously named Defendants is liable for the conduct alleged in this complaint.

18 **FACTUAL ALLEGATIONS**

19 16. On or about February 16, 2006, Plaintiff obtained a loan for \$2,525 from
20 CashCall at an interest rate of 96% and an APR of 98.95% over a prescribed 42-month loan
21 term. A true and correct copy of the CashCall Promissory Note and Disclosure Statement
22 containing the terms and conditions of this loan is attached as Exhibit 1. This loan was “a loan
23 or extension of credit intended primarily for personal, family or household use” within the
24 meaning of Code of Civil Procedure § 395(b). To pay off this loan on CashCall’s terms, Plaintiff
25 was required to pay CashCall more than \$9,000, or 3.5 times the actual amount he borrowed.
26 Plaintiff became unable to make the payments and defaulted, subjecting him to aggressive and
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1 intrusive collection measures by CashCall. Plaintiff continued to make payments, primarily
2 interest, to CashCall on this loan through June 2008.

3 17. For the reasons alleged below, the loan as a whole—including but not limited to
4 the interest rate, the length of the loan, and monthly payments—was unconscionable at the time
5 and under the circumstances it was made, in violation of Civil Code § 1670.5, Financial Code §
6 22302, subd. (a), and the UCL.

7 **CLASS ACTION ALLEGATIONS**

8 18. Pursuant to California Code of Civil Procedure § 382, Plaintiff brings this
9 action as a class action for himself and on behalf of all others similarly situated as members of a
10 proposed Class and on behalf of the general public.

11 19. This proposed class (hereinafter the “Class”) is defined as follows:

12 All individuals who, while residing in California, borrowed from \$2,500 to
13 \$2,600 from CashCall, Inc., for personal, family or household use at any time
from August 1, 2005 to July 10, 2011.

14 This action is brought as a class action under California Code of Civil Procedure § 382. This
15 action satisfies the numerosity, ascertainability, commonality, typicality, adequacy, and
16 superiority requirements of California Code of Civil Procedure § 382.

17 a. Numerosity. In response to the federal court’s Order certifying substantially the
18 same class as proposed here, CashCall identified 135,288 class member loans. This
19 demonstrates that Class membership in this case is likely to number well in excess of 100,000,
20 such that the Class is so numerous that joinder of their individual claims is impracticable.

21 b. Ascertainability. The identities of the members of the Class are reasonably
22 ascertainable from the business records of CashCall. CashCall provided a class list for class
23 notice purposes after the federal court certified a class substantially the same as the Class
24 proposed here.

25 c. Commonality. Questions of law and fact common to the Class exist and
26 predominate over questions affecting only individual class members. These common legal and
27 factual questions include, but are not limited to the following:

1 i. Whether CashCall's uniform loan agreements, uniform loan modeling and
2 underwriting practices, uniform business and profitability model, and uniform
3 marketing practices, alleged below, in offering its \$2500 installment loan
4 product to California consumers during the Class Period were, taken as a whole,
5 procedurally and substantively unconscionable and therefore violate Civil Code
6 §1670.5, Financial Code § 22302, and the UCL; and

7 ii. The nature and extent of statutory relief to Plaintiff and the Class, including
8 restitution and injunctive relief under Business & Professions Code §17203,
9 recovery under Financial Code §§22750-52, restitution of interest paid,
10 declaratory relief, cancellation of outstanding interest, and other remedies to
11 which Plaintiff and the other members of the Class are entitled.

12 d. Typicality. Plaintiff's claims are typical of the claims of the Class. Each of the
13 members of the Class borrowed money from CashCall and was issued a Promissory Note and
14 Disclosure Statement on forms that are the same or substantially similar to the Promissory
15 Note and Disclosure Statement form issued to Plaintiff, and each of the members of the Class
16 was subject to the same or substantially similar uniform lending practices followed by
17 CashCall. Accordingly, each of the members of the Class has the same or substantially similar
18 claims to Plaintiff for relief against these practices. As described above and below, the claims
19 arise from the same course of conduct by CashCall, and the relief sought is common.

20 e. Adequacy of Representation. Plaintiff is an adequate representative of the Class
21 because: (a) his interests do not conflict with the interests of the individual members of the
22 Class he seeks to represent; (b) he has retained counsel who are competent and experienced in
23 complex class action litigation; and (c) he intends to prosecute this action vigorously. The
24 interests of the members of the Class will be fairly and adequately protected by Plaintiff and
25 his counsel. Moreover, both Plaintiff and his counsel were appointed class representative and
26 class counsel in the federal case and represented the Class effectively for more than seven
27 years in the federal case. *See O'Donovan v. CashCall, Inc.* (N.D. Cal. 2011) 278 F.R.D. 479,
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1 492.

2 f. Superiority. The class action device is superior to other available means for the
3 fair and efficient adjudication of the claims of Plaintiff and the Class. Because the economic
4 damages suffered by the individual class members may be relatively modest, albeit significant
5 to each of them, compared to the expense and burden of individual litigation, it would be
6 impracticable for members of the Class to seek redress individually for the wrongful conduct
7 alleged herein. There will be no undue difficulty in the management of this litigation as a class
8 action. Plaintiff's and the Class members' common claims can be economically adjudicated
9 only in a class action proceeding, thus promoting judicial efficiency and avoiding multiple
10 trials and inconsistent judgments.

11 **FIRST CAUSE OF ACTION**
12 **Violation of Cal. Bus. & Prof. Code § 17200**
13 **AGAINST ALL DEFENDANTS**

14 20. Plaintiff individually, and on behalf of the Class and the general public,
15 realleges each allegation above as if fully set forth in this cause of action.

16 21. CashCall marketed its \$2500 installment loan product during the Class Period to
17 California consumers under uniform loan agreements substantially identical to the Promissory
18 Note and Disclosure Statement issued to Plaintiff (except for the interest rate and APR as
19 explained below), using uniform loan design, modeling, and underwriting practices, and based
20 on the same, uniform business and profitability model alleged below.

21 22. CashCall's \$2500 installment loan product during the Class Period constituted an
22 unlawful business practice in violation of Business & Professions Code § 17200. CashCall's
23 \$2500 installment product violated Civil Code § 1670.5 and Financial Code § 22302, which
24 prohibit unconscionable loans made under the California Financing Law.

25 23. CashCall's \$2500 installment loan product was procedurally oppressive during
26 the Class Period.

1 24. CashCall’s loan agreements during the Class Period were consumer adhesion
2 contracts CashCall imposed on Class Members on a take-it-or-leave it basis, without any
3 opportunity for negotiation.

4 25. Class Members did not have any meaningful choice of reasonably available
5 alternative sources to CashCall’s \$2500 installment loan product, free of its unconscionable
6 terms, during the Class Period. CashCall faced no significant competitors or competition for its
7 \$2500 installment loan product during the Class Period, and \$2500 subprime installment loans
8 were not reasonably available from any source other than CashCall. The market for \$2500
9 subprime installment loan products was not competitive during the Class Period. CashCall’s
10 loan terms, including but not limited to the interest rate, length of the loan repayment period, and
11 the amount of monthly payments, were not determined by competitive market conditions, but
12 instead by CashCall’s unchallenged market dominance and monopolization during the Class
13 Period.

14 26. Other “alternative loan products” available to subprime borrowers, including but
15 not limited to payday loans, tax refund anticipation loans, auto title loans, and pawn loans, were
16 not comparable financial products to CashCall’s \$2500 installment loan product during the Class
17 Period.

18 27. CashCall dominated and saturated the market for \$2500 subprime installment
19 loans through constant and pervasive advertising on television and the internet during the Class
20 Period. Subprime borrowers did not shop for and compare loans for the best loan terms.
21 Instead, they impulsively responded to CashCall’s pervasive advertising messaging, urging
22 consumers to “call us” to “get cash fast.”

23 28. CashCall’s \$2500 installment loan product during the Class Period, taken as a
24 whole and in the business context in which CashCall offered the product, was substantively
25 unconscionable at the time the loans were made.

26 29. CashCall began making \$2500 loans at 96% based on a 42-month loan term in
27 August 2005. CashCall increased the interest rate from 96% to 135% based on a 35-month loan
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1 term in July 2009. CashCall added a forced arbitration provision and class action waiver to its
 2 loan agreements in July 2011. The federal court ruled that the inclusion of arbitration provisions
 3 disabled borrowers from participating in a classwide adjudication based on loans obtained after
 4 July 10, 2011.

5 30. Because of the combination of loan interest rate, length of the loan repayment
 6 schedule, and the amount of monthly payments, a borrower had to pay 3.6 to 4.3 times the
 7 principal amount over the life of the loan in order to repay it, \$9,184 for a \$2,525 loan at 96%
 8 and \$10,918 at 135%:

	96% Loan (42 month term)		135% Loan (35 month term)	
APR	99.07%	Times Loan Principal Amount	138.43%	Times Loan Principal Amount
Loan Principal Amount	\$2,525	1.00 x loan principal	\$2,525	1.00 x loan principal
Total Interest & Fees	\$6,659	2.64 x loan principal	\$8,393	3.33 x loan principal
Total Payments	\$9,184	3.64 x loan principal	\$10,918	4.32 x loan principal

21 31. The cost of this credit was unconscionably high, 3.6-4.3 times the amount
 22 borrowed. California caps interest at 28% on a loan of \$2,499 under Financial Code § 22303.
 23 By evading California's rate ceiling by increasing the loan principal amount to a small amount
 24 over \$2500 (\$2525 in Plaintiff's case), CashCall increased the borrower's interest burden over
 25 the life of the loan by \$5,000 to \$7,000, four to six times the amount that would be due on a
 26 \$2,499 loan.

1 32. CashCall targeted and made these loans to subprime borrowers. Subprime
2 borrowers are often identified as individuals having a FICO credit score below 640. The FICO
3 scores for CashCall borrowers during the Class Period ranged as low as 500 and averaged barely
4 above 600, with about ¾ below 640. Borrower FICO scores are the primary predictor of loan
5 defaults.

6 33. CashCall strategically lent to create massive loan defaults but made its \$2500
7 loans profitable by charging 96% and 135% interest during the Class period to the borrowers
8 who paid—and even those who eventually defaulted, but whom CashCall’s collectors hounded
9 to pay for as much as they could, for as long as they could.

10 34. During the Class Period, CashCall engaged in intentional, systematic,
11 irresponsible, and predatory lending by modeling its \$2500 installment loan product by building
12 in an expected 35-40% “acceptable default rate.” By designing the product so that
13 approximately 4-in-10 borrowers of the \$2500 installment loan product would default, CashCall
14 knew at the time it made the loans that nearly half of the individuals and families who accepted
15 its \$2500 installment loan product would be unable to repay the loan according to its terms,
16 would suffer increased personal, financial, and family stress, would be subjected to CashCall’s
17 aggressive collection process, and would be set back even further in establishing their worthiness
18 for future credit.

19 35. During the Class Period, 45%—or nearly half—of the Class Members defaulted,
20 and CashCall’s dollar write-offs were astoundingly high. “Default” means that a loan is
21 delinquent for at least 150 days, at which point CashCall writes a loan off as uncollectible.
22 CashCall measures the default rate in terms of the total dollars written off as a ratio of the total
23 amount loaned. Thus, during the Class Period, CashCall wrote off as uncollectible 45% of the
24 \$2500 installment loan products it loaned, or \$1,125 on average out of every \$2500 it loaned. In
25 class-wide dollar terms, CashCall wrote off more than \$170,000,000 on 135,288 Class Member
26 loans. By comparison, credit card charge-off rates historically average less than 5% and never
27 reached 10% even during the Great Recession.

1 36. During the Class Period, CashCall attracted loan prospects through massive
2 saturation television advertising. CashCall designed its ads to capitalize on individual’s need to
3 get money fast to deal with one or more problems and on the financial distress and desperation of
4 borrowers. In its ads, CashCall highlighted low monthly payments and the ease of obtaining
5 ready cash, concealing the high interest rate and high repayment cost from viewers, or unfairly
6 and inconspicuously displaying them so the average viewer could not see or understand them,
7 only the ease of obtaining ready cash.

8 37. CashCall was a “direct response” television advertiser, whose advertising
9 objective was to get television viewers to pick up the telephone and immediately call for a loan.
10 CashCall’s focused its television ad campaigns on “low-involvement programming,” where the
11 viewer would have little reluctance to abandon the program in mid-stream and go to the phone to
12 call. CashCall coordinated its ad campaigns with call center staffing so that CashCall could
13 adequately staff its call centers to field incoming calls in the immediate wake of the ad
14 broadcasts. The tag line of CashCall’s television advertising was “Just make the CashCall.”

15 38. CashCall’s \$2500 installment loan product harmed consumers. The product
16 inflicted inordinately high repayment costs, subjected delinquent borrowers to the stresses of
17 CashCall’s aggressive collection process, and harmed future creditworthiness. The harms
18 inflicted by the \$2500 installment loan product included personal and family stress, humiliation,
19 life disruption, and invasion of privacy. CashCall’s adverse credit reporting further damaged the
20 delinquent and defaulting borrowers’ credit standing and made it even harder for them to obtain
21 credit.

22 39. As a result of these violations and unlawful business practices, Plaintiff suffered
23 injury in fact and lost money and property, including but not limited to payments of interest and
24 other charges collected by CashCall on loans made in violation of these laws.

25 40. Pursuant to California Business and Professions Code § 17203, Plaintiff, for
26 himself and on behalf of the Class and the general public, seeks private and public injunctive
27 relief, restitution of interest paid, cancellation of outstanding interest, and other and further
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1 ancillary relief as may be necessary and appropriate, as more particularly requested below.

2 41. The equitable discretion of the Court in awarding restitution should be guided
3 by discretion the Legislature has given the courts under Civil Code § 1670.5, subd. (a), and the
4 remedial provisions Financial Code §§ 22750-52.

5 **RELIEF SOUGHT**

6 Plaintiff requests the following relief for himself, on behalf of the Class, and on behalf
7 of the General Public:

8 1. An Order certifying the Class under California Code of Civil Procedure § 382
9 and appointing Plaintiff and his counsel to represent the Class;

10 2. A Judgment directing Defendants to make restitution to Plaintiff and the Class
11 of all interest paid under the \$2500 installment loan products issued during the Class Period or,
12 in the alternative, in such amounts as the Court may order in the exercise of its equitable
13 discretion;

14 3. An Injunction permanently enjoining Defendants from collecting or assigning
15 for collection any interest on the \$2500 installment loans of Plaintiff and the Class;

16 4. Orders directing Defendants to adjust all loan accounts and credit reporting to
17 conform with all monetary, injunctive, and relief granted;

18 5. Attorneys' fees, court costs, and expenses of litigation to the extent provided by
19 law;

20 6. Costs of suit;

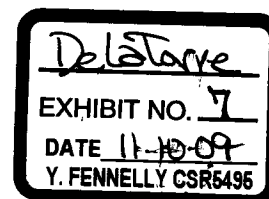
21 7. Prejudgment interest on all monetary amounts awarded; and

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EXHIBIT 1

EDUARDO DE LA TORRE
509 HAMPSHIRE AVE
REDWOOD CITY, CA 94063



Loan Document

CASHCALL PROMISSORY NOTE AND DISCLOSURE STATEMENT

Account No.: XXXXXXXXXX
 Lender: CashCall, Inc.
 Address: 17360 Brookhurst Street
 Fountain Valley, CA 92708

Date of Note: February 16, 2006
 Borrower: EDUARDO DE LA TORRE

TRUTH IN LENDING DISCLOSURE

ANNUAL PERCENTAGE RATE <i>The cost of your credit as a yearly rate</i>	FINANCE CHARGE <i>The dollar amount the credit will cost YOU</i>	AMOUNT FINANCED <i>The amount of credit provided to YOU</i>	TOTAL OF PAYMENTS <i>The amount you will have paid after all payments are made as scheduled</i>
98.95 %	\$6,659.17	\$2,525.00	\$9,184.17

PAYMENT SCHEDULE

You will make one payment of \$306.68 on April 01, 2006.

You will make 41 monthly payments of \$216.55 beginning on May 01, 2006.

Late Charge: If a payment is late, you will be charged \$15.00.

Prepayment: If you pay off this loan early, you will not have to pay any penalty.

Please see the remainder of this document for additional information about nonpayment, default and any required repayment in full before the scheduled date.

ITEMIZATION OF AMOUNT FINANCED

Amount Financed:	\$2,525.00
Amount Paid to Borrower Directly:	\$2,525.00
Prepaid Finance Charge/Origination Fee:	\$75.00

In this Promissory Note & Disclosure Statement ("Note"), the words "I" and "me" mean the person signing as a
<http://intranet.cashcall.com/LoanAdmin/Application/ViewLoanDocument.aspx?publicLoanId=459122> 10/31/2008

borrower. The boxed-in disclosures above are part of the terms and conditions of your agreement with us.

FOR VALUE RECEIVED, I promise to pay to the order of CashCall, Inc., or any subsequent holder of this Note (the "Holder"), the sum of **\$2,600.00**, together with interest calculated at **96.00 %** and any outstanding charges or late fees, until the full amount of this Note is paid.

I understand that my payments will be applied first to any outstanding charges or late fees, then to earned interest and finally to principal. The payment schedule described above is only an estimate and may change in the event I do not make all payments as scheduled.

I understand that I may prepay all or any part of the principal without penalty.

I understand that I will be subject to a fee not to exceed the legally permitted amount if any payment I make is returned for non-sufficient funds.

I understand that if I fail to make any payment due hereunder, the Holder of this Note shall have the right, after a 30-day grace period, to declare this Note to be immediately due and payable. I further understand that if I file for an assignment for the benefit of creditors, bankruptcy, or for relief under any provisions of the United States Bankruptcy Code, the Holder of this Note shall have the right to declare this Note to be immediately due and payable.

I understand that in the event that Holder is required to employ an attorney at law to collect any amounts due under this Note, I will be required to pay the reasonable fees of such attorney to protect the interest of Holder or to take any other action required to collect the amounts due hereunder.

I agree that all payments not made within fifteen (15) days of the due date shall be subject to a late fee of \$15. Any late fee assessed shall be collected by the Holder on behalf of the Holder and shall inure to the exclusive benefit of the Holder.

The origination fee included in the prepaid finance charge/origination fee disclosed above is fully earned upon loan origination, is not subject to rebate upon prepayment or acceleration of this Note and is not considered interest.

The Holder of this Note may delay or forgo enforcing any of its rights or remedies under this Note without losing them. I hereby, to the extent allowed by law, waive any applicable statute of limitations, presentment, demand for payment, or protest and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability.

The rights of Holder hereof shall be cumulative and not necessarily successive. This Note shall take effect as a sealed instrument and shall be construed, governed and enforced in accordance with the laws of the State of California.

This Note is in original format an electronic document fully compliant with the Electronic Signatures in Global and National Commerce Act (E-SIGN) and other applicable laws and regulations, and that the one, true original Note is retained electronically by Holder on behalf of Holder. All other versions hereof, whether electronic or in tangible format, constitute facsimiles or reproductions only.

I understand that I have previously consented to receive all communications from the Holder, including but not limited to, all required disclosures via electronic mail.

I understand and agree that CashCall, Inc. may obtain credit reports on me on an ongoing basis as long as this loan remains in effect. I also authorize CashCall, Inc. to report information concerning my account to credit bureaus and anyone else it believes in good faith has a legitimate need for such information.

NOTE TO CALIFORNIA BORROWERS: A married or registered domestic partner applicant may apply for a separate account. As required by law, you are hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations. If Holder takes any adverse action as defined by Section 1785.3 of the California Civil Code and the

<http://intranet.cashcall.com/LoanAdmin/Application/ViewLoanDocument.aspx?publicLoanId=459122> 10/31/2008

adverse action is based, in whole or in part, on any information contained in a consumer credit report, you have the right to obtain within 60 days a free copy of your consumer credit report from the consumer reporting agency who furnished us your consumer credit report and from any other consumer credit reporting agency which compiles and maintains files on consumers on a nationwide basis. You have the right as described by Section 1785.16 of the California Civil Code to dispute the accuracy or completeness of any information in a consumer credit report furnished by the consumer credit reporting agency.

THIS LOAN CARRIES A VERY HIGH INTEREST RATE. YOU MAY BE ABLE TO OBTAIN CREDIT UNDER MORE FAVORABLE TERMS ELSEWHERE. EVEN THOUGH THE TERM OF THE LOAN IS 42 MONTHS, WE STRONGLY ENCOURAGE YOU TO PAY OFF THE LOAN AS SOON AS POSSIBLE. YOU HAVE THE RIGHT TO PAY OFF ALL OR ANY PORTION OF THE LOAN AT ANY TIME WITHOUT INCURRING ANY PENALTY. YOU WILL, HOWEVER, BE REQUIRED TO PAY ANY AND ALL INTEREST THAT HAS ACCRUED FROM THE FUNDING DATE UNTIL THE PAYOFF DATE.

<input checked="" type="checkbox"/>	I CERTIFY THAT NO PERSON HAS PERFORMED ANY ACT AS A BROKER IN CONNECTION WITH THE MAKING OF THIS LOAN.
<input checked="" type="checkbox"/>	I ATTEST THAT THE CHECK SUBMITTED FOR APPROVAL OF MY LOAN IS FROM A LEGAL, OPEN AND ACTIVE ACCOUNT. THE CHECK IS NOT ALTERED, FORGED, STOLEN OR OBTAINED THROUGH FRAUDULENT OR ILLEGAL MEANS.
<input checked="" type="checkbox"/>	I ATTEST THAT (1) THE PAY STUB THAT I SUBMITTED FOR APPROVAL OF MY LOAN IS A VALID STUB FROM A JOB THAT I CURRENTLY HOLD AND THE STUB HAS NOT BEEN ALTERED OR FORGED IN ANY WAY; OR (2) I WAS NOT REQUIRED TO SUBMIT A PAY STUB TO OBTAIN MY LOAN.
<input checked="" type="checkbox"/>	I HAVE READ ALL OF THE TERMS AND CONDITIONS OF THIS PROMISSORY NOTE AND DISCLOSURE STATEMENT AND AGREE TO BE BOUND THERETO. I UNDERSTAND AND AGREE THAT MY EXECUTION OF THIS NOTE SHALL HAVE THE SAME LEGAL FORCE AND EFFECT AS A PAPER CONTRACT.

THIS LOAN IS MADE PURSUANT TO THE CALIFORNIA FINANCE LENDER LAW. FOR INFORMATION, CONTACT THE DEPARTMENT OF CORPORATIONS, STATE OF CALIFORNIA, LICENSE NO. 603-8780.

ELECTRONIC FUNDS AUTHORIZATION AND DISCLOSURE

I hereby authorize CashCall to withdraw my scheduled loan payment from my checking account on or about the FIRST day of each month. I further authorize CashCall to adjust this withdrawal to reflect any additional fees, charges or credits to my account. I understand that CashCall will notify me 10 days prior to any given transfer if the amount to be transferred varies by more than \$50 from my regular payment amount. I understand that this authorization and the services undertaken by CashCall in no way alters or lessens my obligations under the loan agreement. I understand that I can cancel this authorization at any time (including prior to my first payment due date) by sending written notification to CashCall. Cancellations must be received at least seven days prior to the applicable due date.

<input checked="" type="checkbox"/>	I UNDERSTAND CASHCALL'S PAYMENT COLLECTION POLICY AND AUTHORIZE ELECTRONIC DEBITS FROM MY BANK ACCOUNT.
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Click [here](#) to print out a copy of this document for your records.

Sign Document

<http://intranet.cashcall.com/LoanAdmin/Application/ViewLoanDocument.aspx?publicLoanId=459122> 10/31/2008