



any violation of the VCPA, which includes any violation of the statutes governing payday lenders, in accordance with Virginia Code §§ 6.2-1829 and 59.1-200(A)(36).

2. The Circuit Court for the County of Roanoke has authority to entertain this action and to grant the relief requested herein pursuant to Virginia Code §§ 6.2-1828, 59.1-203, 59.1-205, and 59.1-206.

3. Venue is proper in this Court with regard to this payday loan statute and VCPA action pursuant to Virginia Code § 8.01-262(3), because the Defendant conducts substantial business activity in the County of Roanoke. Venue is preferred in this Court pursuant to Virginia Code § 8.01-261(15)(c) because some or all of the acts to be enjoined are, or were, being done in the County of Roanoke.

4. Prior to the commencement of this action, the Plaintiff gave the Defendant written notice that these proceedings were contemplated and a reasonable opportunity to appear before the Office of the Attorney General to demonstrate that no violations of the VCPA or other statutes referenced above had occurred, or, in the alternative, to execute an appropriate Assurance of Voluntary Compliance, pursuant to Virginia Code § 59.1-203(B). The Defendant agreed to execute an Assurance of Voluntary Compliance that is acceptable to the Commonwealth.

5. Pursuant to Virginia Code § 6.2-1828(A), the Attorney General has authority to seek to enjoin violations of the payday loan statutes after receiving a referral from the State Corporation Commission (“SCC”). On August 15, 2014, the Attorney General received from the SCC a referral outlining Wire Into Cash’s conduct described in this Complaint.

## PARTIES

6. The Plaintiff is the Commonwealth of Virginia, by, through, and at the relation of Mark R. Herring, Attorney General of Virginia.

7. The Defendant, Wire Into Cash, is a Delaware limited liability company, which, upon information and belief, is headquartered in Wood Dale, Illinois. Its Articles of Organization were issued by the Delaware Secretary of State on March 8, 2011.

## FACTS

8. Wire Into Cash makes payday loans over the Internet to consumers via its website, [www.wire.into.cash.greendayloan.com](http://www.wire.into.cash.greendayloan.com). It makes loans to individual consumers for personal, family, household or other non-business purposes. These loans are short term in duration (typically two weeks) and secured by a payment authorization enabling Wire Into Cash to directly debit payments from the borrower's account at a depository institution by Automated Clearing House ("ACH") transfer. Wire Into Cash's contracts require a borrower to authorize payment to Wire Into Cash by ACH transfer. Wire Into Cash's contract is attached as Exhibit A.

9. Wire Into Cash's loans carry high interest rates. To illustrate, in at least one instance, Wire Into Cash made a two-week loan to a Virginia consumer with an annual percentage rate ("APR") of 1,095%. *See* Exhibit A.

10. Wire Into Cash, at all relevant times, was not licensed by the SCC to make payday loans as required by Virginia Code § 6.2-1801. Wire Into Cash also never obtained a certificate of authority to transact business in the Commonwealth, as required by Virginia Code § 13.1-1051.

11. During the period from at least March 8, 2011 to the present ("the Relevant Period"), Wire Into Cash made, without a license, no fewer than four payday loans to Virginia consumers via the Internet with principal amounts of \$300.

## CAUSE OF ACTION

### COUNT – VIRGINIA PAYDAY LOAN STATUTES & VCPA

12. The Commonwealth re-alleges and incorporates by reference the allegations of Paragraphs 1 through 11 above.

13. Wire Into Cash is now, and was at all relevant times mentioned herein, a “supplier” of “goods” or “services,” and engaged in “consumer transactions,” as those terms are defined in § 59.1-198 of the VCPA, by advertising, offering, and providing payday loans to individual consumers residing in Virginia.

14. Virginia Code § 6.2-1801 prohibits any person from making payday loans to any consumer residing in Virginia without having first obtained a license from the SCC.

15. Pursuant to Virginia Code § 6.2-1827, the payday loan statutes apply to persons making payday loans over the Internet to Virginia residents, regardless of whether the person making the loan maintains a physical presence in Virginia.

16. Virginia Code § 6.2-1800 defines “payday loan” as “a small short-maturity loan on the security of (i) a check, (ii) any form of assignment of an interest in the account of an individual at a depository institution, or (iii) any form of assignment of income payable to an individual, other than loans based on income tax refunds.”

17. Wire Into Cash’s loans are short term in duration and its contracts require the borrowers to assign an interest in the borrowers’ depository financial institution accounts. The borrowers’ payments are debited directly from the borrowers’ accounts by ACH transfer. Because Wire Into Cash made payday loans over the Internet to persons residing in Virginia without a valid payday loan license, Wire Into Cash has operated in violation of Virginia Code § 6.2-1801.

18. Pursuant to §§ 6.2-1828(B) and (C) of the Virginia payday loan statutes, the Attorney General is authorized to seek, among other relief, damages and restitution to the extent available to individual borrowers and reasonable attorneys' fees and costs.

19. Unless otherwise exempt (e.g., by extending credit as a licensee pursuant to the payday loan statutes), a lender may not contract to receive interest in excess of 12% per year on any loan. Va. Code § 6.2-303(A). At all relevant times, Wire Into Cash was not exempt from the 12% interest rate cap.

20. Pursuant to Virginia Code § 6.2-305(A)(1), an individual borrower may recover restitution in the amount of the total interest paid, in excess of what is allowed by statute, on a contract for the payment of interest in excess of 12% per year. *See also* § 6.2-303(A).

21. Pursuant to Virginia Code § 6.2-305(A)(2), an individual borrower may recover, in addition to the restitution provided in Virginia Code § 6.2-305(A)(1), restitution in the amount of twice the total interest paid within two years preceding the date of the filing of an action on a contract for the payment of interest in excess of 12% per year. *See also* § 6.2-303(A).

22. During the Relevant Period, all contracts entered into by the Defendant with Virginia consumers obligated consumers to pay interest at rates greatly in excess of 12% annually.

23. Pursuant to Virginia Code § 6.2-1829, any violation of the Virginia statutes applicable to payday lenders (including § 6.2-1801) constitutes a prohibited practice in accordance with § 59.1-200(A)(36) of the VCPA and is subject to the enforcement and remedy provisions of the VCPA.

24. The VCPA authorizes the Attorney General to seek injunctive relief, restitution for any amounts that might have been acquired from persons by means of a violation of § 59.1-200(A)(36), civil penalties of not more than \$2,500 per violation, investigative costs and

reasonable expenses not to exceed \$1,000 per violation, and attorneys' fees, pursuant to Virginia Code §§ 59.1-203(A), 59.1-205, and 59.1-206(A) and (C).

25. The Defendant willfully did the acts described herein in violation of §§ 6.2-1801 and 59.1-200(A)(36).

26. Individual consumers have suffered monetary damages as a result of the aforesaid violations by Wire Into Cash.

**PRAYER FOR RELIEF**

WHEREFORE, the Plaintiff, Commonwealth of Virginia, prays that this Court enter the Order Approving and Adopting Assurance of Voluntary Compliance filed herewith.

COMMONWEALTH OF VIRGINIA,  
*EX. REL.* MARK R. HERRING,  
ATTORNEY GENERAL

By: 

Mark S. Kubiak

Mark R. Herring  
Attorney General

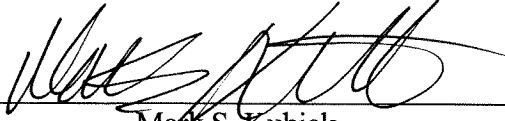
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**CERTIFICATE OF SERVICE**

I hereby certify that on this 25<sup>th</sup> day of March, 2015, a true copy of the foregoing Complaint was mailed, postage prepaid, to Michael D'Ambrose, President, MD Financial, LLC d/b/a Wire Into Cash, 1931 W. Wolfram Street, Chicago, Illinois 60657.



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Mark S. Kubiak



**LOAN NOTE AND DISCLOSURE Wire into Cash**  
(This document must carry your electronic SIGNATURE AT THE BOTTOM or you will not receive your funds)

<b>Borrower's Name:</b>	<b>Date:</b> June 20, 2013	<b>Bank Routing Number:</b>
<b>Loan #:</b>	<b>Depository:</b> ROANOKE	<b>Checking Account #:</b>

Parties: In this Loan Note and Disclosure ("Note"), you are the person named as Borrower above. We are the lender, MD Financial LLC (DBA Wire into Cash).  
DISCLOSURE OF CREDIT TERMS: The information in the following disclosure box is part of this Note.

**FEDERAL TRUTH-IN-LENDING DISCLOSURES**

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of your credit as an annual percentage 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.
1095%	\$90.00	\$300.00	\$390.00
<b>Your Payment Schedule will be:</b>			
One Payment in the Amount of	\$390.00	is due July 1, 2013	

You request that your loan will auto-renew on the next due date, you will pay the finance charge of \$90.00 only, on July 1, 2013. You will accrue new finance charges with every refinancing of this loan. You may request to pay on the principal balance of your loan by calling customer service 3 to 4 business days before the scheduled due date. See below for any additional information about annual percentage rate, prepayment and default.

ITEMIZATION OF AMOUNT FINANCED: \$300.00 Paid Directly to You, \$300.00  
SECURITY: Unsecured Consumer Loan.

SCHEDULE OF PAYMENTS: You must make one payment of \$390.00 on July 1, 2013 if you decline the option of refinancing your loan. You will accrue new finance charges of \$90.00 with every refinancing of your loan. On your loan due date you will be charged only your loan fee and the principal will be rolled over into a new loan contract. This new loan will carry with it an additional fee. Extension, partial payment, and early payoff requests must be received at least 3 business days prior to your due date. You may request these changes by logging into your personal account or calling our customer service team.

NOTICE: YOU MUST CALL US AT 8776221084 BETWEEN 9:00 A.M. AND 5:00 P.M. EST AT LEAST 3 TO 4 BUSINESS DAYS PRIOR TO THE DUE DATE TO FACILITATE THE PAYMENT OF YOUR LOAN. IF YOU DO NOT CALL WE SHALL AUTOMATICALLY REFINANCE THE LOAN, PER YOUR REQUEST HEREIN.

PREPAYMENT: The Finance Charge consists solely of a loan fee that is earned in full at the time your loan is funded. Although you may pay all or part of your loan in advance without penalty, you will not receive a refund of part or all of the Finance Charge. However, you may rescind this Loan Agreement by the close of the next business date following the date your loan is funded at no charge. You may pay all or part of what you owe prior to the due date, without penalty. However, you will still be obligated to pay the entire finance charge set forth above.

The Annual Percentage Rate is computed as of the date the loan proceeds are paid to you or, if you are refinancing a prior loan, as of the date it is anticipated the loan proceeds will be paid on your account.

PROMISE TO PAY: You promise to pay to us the Total of Payments in 1 payment on the due date indicated and other charges, if any, as provided in this Note. If the name of your Depository Institution and Checking Account number is inserted in this Note, then you authorize us to initiate one or more ACH debit entries to your Checking Account for the payment of the loan on or after the due date. You also authorize us to prepare and submit on your behalf checks drawn against the Checking Account for payment of the loan. You also authorize us to collect payment by Debit or Credit card where such information has been given to us. While you may revoke the authorization to effect ACH debit entries at any time up to 3 business days prior to the due date, you may not revoke the authorization to prepare and submit checks, Debit or Credit Card payments on your behalf until such time as the loan is paid in full.

RETURN ITEM FEE: You agree to pay \$26 if an item in payment of what you owe is returned unpaid or an ACH debit entry, the authorization for which was not properly revoked by you, is rejected by the Bank for any reason.

LATE PAYMENT: If a payment is late, you agree to pay 6% of the unpaid portion or \$10 per day in late fees, whichever is greater, until the balance is paid in full.

GOVERNING LAW: The agreement shall be constructed in accordance with and governed by federal law with respect of the arbitration agreement, and the laws of the state of Utah code 70C without giving effect to any choice of law rule.

WAIVER OF JURY TRIAL AND ARBITRATION PROVISION: Arbitration is a process in which persons with a dispute: (a) waive their rights to file a lawsuit and proceed in court and to have a jury trial to resolve their disputes; and (b) agree, instead, to submit their disputes to a neutral third person.



(an "arbitrator") for a decision. Each party to the dispute has an opportunity to present some evidence to the arbitrator. Pre-arbitration discovery may be limited. Arbitration proceedings are private and less formal than court trials. The arbitrator will issue a final and binding decision resolving the dispute, which may be enforced as a court judgment. A court rarely overturns an arbitrator's decision. We have a policy of arbitrating all disputes with customers which cannot be resolved in a small claims tribunal, including the scope and validity of this Arbitration Provision and any right you may have to participate in an alleged class action.

**THEREFORE, YOU ACKNOWLEDGE AND AGREE AS FOLLOWS:** For purposes of this Waiver of Jury Trial and Arbitration Provision, the words "dispute" and "disputes" are given the broadest possible meaning and include, without limitation (a) all claims, disputes, or controversies arising from or relating directly or indirectly to the signing of this Arbitration Provision, the validity and scope of this Arbitration Provision and any claim or attempt to set aside this Arbitration Provision; (b) all federal or state law claims, disputes or controversies, arising from or relating directly or indirectly to the Loan Agreement, the information you gave us before entering into this Agreement, including the customer information application, and/or any past agreement or agreements between you and us; (c) all counterclaims, cross-claims and third-party claims; (d) all common law claims, based upon contract, tort, fraud, or other intentional torts; (e) all claims based upon a violation of any state or federal constitution, statute or regulation; (f) all claims asserted by us against you, including claims for money damages to collect any sum we claim you owe us; (g) all claims asserted by you individually against us and/or any of our employees, agents, directors, officers, shareholders, governors, managers, members, parent company or affiliated entities (hereinafter collectively referred to as "related third parties"), including claims for money damages and/or equitable or injunctive relief; (h) all claims asserted on your behalf by another person; (i) all claims asserted by you as a private attorney general, as a representative and member of a class of persons, or in any other representative capacity, against us and/or related third parties (hereinafter referred to as "Representative Claims"); and/or (j) all claims arising from or relating directly or indirectly to the disclosure by us or related third parties of any non-public personal information about you.

1. You acknowledge and agree that by entering into this Arbitration Provision:

(a) YOU ARE GIVING UP YOUR RIGHT TO HAVE A TRIAL BY JURY TO RESOLVE ANY DISPUTE ALLEGED AGAINST US OR RELATED THIRD PARTIES;

(b) YOU ARE GIVING UP YOUR RIGHT TO HAVE A COURT, OTHER THAN A SMALL CLAIMS TRIBUNAL, RESOLVE ANY DISPUTE ALLEGED AGAINST US OR RELATED THIRD PARTIES; and

(c) YOU ARE GIVING UP YOUR RIGHT TO SERVE AS A REPRESENTATIVE, AS A PRIVATE ATTORNEY GENERAL, OR IN ANY OTHER REPRESENTATIVE CAPACITY, AND/OR TO PARTICIPATE AS A MEMBER OF A CLASS OF CLAIMANTS, IN ANY LAWSUIT FILED AGAINST US AND/OR RELATED THIRD PARTIES.

2. Except as provided in Paragraph 6 below, all disputes including any Representative Claims against us and/or related third parties shall be resolved by binding arbitration only on an individual basis with you. THEREFORE, THE ARBITRATOR SHALL NOT CONDUCT CLASS ARBITRATION; THAT IS, THE ARBITRATOR SHALL NOT ALLOW YOU TO SERVE AS A REPRESENTATIVE, AS A PRIVATE ATTORNEY GENERAL, OR IN ANY OTHER REPRESENTATIVE CAPACITY FOR OTHERS IN THE ARBITRATION.

3. Any party to a dispute, including related third parties, may send the other party written notice by certified mail return receipt requested of their intent to arbitrate and setting forth the subject of the dispute along with the relief requested, even if a lawsuit has been filed. Regardless of who demands arbitration, you shall have the right to select any of the following arbitration organizations to administer the arbitration: the American Arbitration Association (1-800-778-7879) <http://www.adr.org> or JAMS (1-800-352-5267) <http://www.jamsadr.com>. The parties may also agree to select an arbitrator who resides within your federal judicial district who is an attorney, retired judge, or arbitrator registered and in good standing with an arbitration association, and arbitrate in accordance with such arbitrator's rules. The party receiving notice of arbitration will respond in writing by certified mail return receipt requested within twenty (20) days. If you demand arbitration, you must inform us in your demand of the arbitration organization you have selected or whether you desire to select a local arbitrator. If related third parties or we demand arbitration, you must notify us within twenty (20) days in writing by certified mail return receipt requested of your decision to select an arbitration organization. If you fail to notify us, then we have the right to select an arbitration organization. The parties to such dispute will be governed by the rules and procedures of such arbitration organization applicable to consumer disputes, to the extent those rules and procedures do not contradict the express terms of this Arbitration Provision, including the limitations on the arbitrator below. You may obtain a copy of the rules and procedures by contacting the arbitration organization listed above.

4. Regardless of who demands arbitration, at your request we will pay your portion of the arbitration expenses, including the filing, administrative, hearing and arbitrator's fees ("Arbitration Fees"). Throughout the arbitration, each party shall bear his or her own attorneys' fees and expenses, such as witness and expert witness fees. The arbitrator shall apply applicable substantive law consistent with the FAA, and applicable statutes of limitation, and shall honor claims of privilege recognized at law. The arbitration hearing will be conducted in the county of your residence. The arbitrator may decide, with or without a hearing, any motion that is substantially similar to a motion to dismiss for failure to state a claim or a motion for summary judgment. In conducting the arbitration proceeding, the arbitrator shall not apply any federal or state rules of civil procedure or evidence. If allowed by statute or applicable law, the arbitrator may award statutory damages and/or reasonable attorneys' fees and expenses. If the arbitrator renders a decision or an award in your favor resolving the dispute, we will reimburse you for any Arbitration Fees you have previously paid. At the timely request of any party, the arbitrator shall provide a written explanation for the award. The arbitrator's award may be filed with any court having jurisdiction.

5. All parties, including related third parties, shall retain the right to seek adjudication in a small claims tribunal in the county of your residence for disputes within the scope of such tribunal's jurisdiction. Any dispute, which cannot be adjudicated within the jurisdiction of a small claims tribunal, shall be resolved by binding arbitration. Any appeal of a judgment from a small claims tribunal shall be resolved by binding arbitration.

6. This Arbitration Provision is made pursuant to a transaction involving interstate commerce and shall be governed by the FAA. If a final non-appealable judgment of a court having jurisdiction over this transaction finds, for any reason that the FAA does not apply to this transaction then our agreement to arbitrate shall be governed by the arbitration law of the State of Utah.

7. This Arbitration Provision is binding upon and benefits you, your respective heirs, successors and assigns. The Arbitration Provision is binding upon and benefits us, our successors and assigns, and related third parties. This Arbitration Provision continues in full force and effect, even obligations have been paid or discharged through bankruptcy. This Arbitration Provision survives any cancellation, termination, amendment, expiration or performance of any transaction between you and us and continues in full force and effect unless you and we otherwise agree in writing. If any of this Arbitration Provision is held invalid, the remainder in effect.

**SURVIVAL:** The provisions of this Note dealing with the Agreement To Arbitrate All Disputes and the Agreement Not To Bring, Join Or Participate In Class Actions shall survive repayment in full and/or default of this Note.

**BANKRUPTCY:** You represent that you have not recently filed nor do you currently intend to file for bankruptcy.

**COLLECTIONS:** You authorize us to collect upon any amounts owing via a 3rd party collection agency, or any other legal means necessary to collect upon a debt owed to us by you. You further authorize to collect any and all amounts owed via ACH, check, draft, debit card, credit card or any other legal means at our disposal and agree to pay all legal and court costs associated with this debt. You also agree to allow us to report to any credit agency of our choice in the event you default on your payment to us for any reason.

**WAGE ASSIGNMENT:** This Wage Assignment is being executed by me ("Assignor") to secure the above-referenced loan given to me by Wire into Cash ("Assignee"). If, 40 days after any payment due date, I am in default under the terms of my loan agreement, Assignee will have the right, pursuant to and in accordance with the Utah Code Annotated, Title 15, Chapter 6-8; Title 70C, Chapter 2-202, to collect the amount due from my present employer or a future employer. I understand that I may revoke this wage assignment at any time. The maximum wages, salary, commissions and bonuses that may be collected by Assignee hereon for any work week shall not exceed the lesser of (1) 15 % of such gross amount paid for that week or (2) the amount by which disposable earnings for a week exceed 45 times the Federal Minimum Hourly Wage prescribed by Section 206(1)(1) of Title 28, U.S.C., as amended, in effect at the time the amounts are payable. The term "disposable earnings" means: that part of the earnings remaining after the deduction from those earnings of any amounts required by law to be withheld. I hereby authorize, empower and direct my employer to pay to Assignee any and all monies due or to become due me hereon, authorize Assignee to receive the same, and release and discharge employer from liability to me on account of monies paid in accordance herein. No copy of the Wage Assignment shall be served on employer except in conformity with applicable law. I acknowledge receipt of an exact copy of this Wage Assignment.

BY SIGNING BELOW, YOU AGREE TO ALL THE TERMS OF THIS NOTE, INCLUDING MD Financial LLC PRIVACY POLICY AND TERMS AND CONDITIONS AS STATED ON THE Wire into Cash WEBSITE, THE AGREEMENT TO ARBITRATE ALL DISPUTES AND THE AGREEMENT NOT TO BRING, JOIN OR PARTICIPATE IN CLASS ACTIONS, AND YOUR REQUEST TO AUTO RENEW YOUR LOAN. YOU ALSO ACKNOWLEDGE RECEIPT OF A FULLY COMPLETED COPY OF THIS NOTE.

**NOTICE:** YOU MAY KEEP THIS NOTE, WITHOUT SIGNING IT, IF YOU STILL WANT TO SHOP ELSEWHERE FOR CREDIT.

**RIGHT TO CANCEL:** YOU MAY CANCEL THIS LOAN WITHOUT COST OR FURTHER OBLIGATION TO US, IF YOU DO SO BY THE END OF BUSINESS ON THE BUSINESS DAY AFTER YOU FAX THE SIGNED NOTE AND DISCLOSURE TO US. To cancel, you must call us at 877-822-1084 to alert us of your intention to cancel and send a signed cancellation fax to us 830-359-3108. If you follow these procedures but there are insufficient funds available in your bank account to enable us to reverse the transfer of loan proceeds at the time we effect an ACH debit entry of your bank account, your cancellation will not be effective and you will be required to pay the loan and our charges on the scheduled maturity date.

**Authorization For Electronic Funds Transfer Payments**

I hereby authorize MD Financial LLC (DBA Wire into Cash) to initiate debit/credit entries to my account for all payments due, including any returned unpaid item fees due, regarding the subject of this agreement and the Financial institution at which my account is held to debit/credit the same to such account. This authority is to remain in full force and effect until Wire into Cash and the subject Financial institution have received written notification from me of its termination in such time and in such manner as to afford Wire into Cash and the Financial institution a reasonable opportunity to act on it. I understand that I may cancel this authorization by providing written notice to Wire into Cash at least three (3) business days prior to the payment due date. I further understand that canceling my authorization does not relieve me of the responsibility of paying all amounts due in full.

Date: June 20, 2013

Bank Account

Bank Name:

Routing No.:

Lender: Wire into Cash

Type your name below to eSign this Agreement:

Borrower's E-Signature:

Borrower:

First Name:

Last Name:

SSN

Date: June 20, 2013

Address: 1857

City: Salem

State: VA

Zip: 24153

PLEASE NOTE YOU SHOULD PRINT AND RETAIN A COPY OF THIS LOAN AGREEMENT FOR YOUR RECORDS.

Any comments or questions may be directed to Wire into Cash Customer Comment Line at the following toll-free number: 8778221064 or via e-mail to [customerservice@wireintocash.com](mailto:customerservice@wireintocash.com).