

VIRGINIA:

IN THE CIRCUIT COURT FOR THE CITY OF RICHMOND
John Marshall Courts Building

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

Plaintiff,

v.

EQUITABLE ACCEPTANCE CORPORATION,
a Minnesota corporation,

Defendant.

Civil Action No. _____

COMPLAINT

The Plaintiff, Commonwealth of Virginia, by, through, and at the relation of the Attorney General of Virginia, Mark R. Herring (the "Plaintiff" or the "Commonwealth"), petitions this Court to declare that the activities in which the Defendant, Equitable Acceptance Corporation ("Equitable"), has engaged constitute violations of § 59.1-200(A)(5) and (14) of the Virginia Consumer Protection Act ("VCPA"), Virginia Code §§ 59.1-196 to 59.1-207.

PRELIMINARY STATEMENT

And higher education cannot be a luxury reserved just for a privileged few. It's an economic necessity for every family, and *every family should be able to afford it.* - President Barack Obama, *Remarks by the President on College Affordability* (June 21, 2012) (emphasis added).

The dream of college affordability remains elusive in the United States, with student loan indebtedness passing \$1.7 trillion in the third quarter of 2020.¹ The ever-increasing level of student loan debt continues to provide fertile ground for scammers seeking to profit from

¹ Bd. of Governors of the Fed. Reserve, *Consumer Credit* (Jan. 8, 2021), available at <https://www.federalreserve.gov/releases/g19/current/> (last accessed Jan. 22, 2021).

consumers' financial distress. That is why the Federal Trade Commission ("FTC") reminds student loan borrowers that "Some companies promise to help reduce student loan debt, but *there's nothing they can do for you that you can't do yourself for free.*"² But borrowers, struggling to repay their loans and needing help, continue to fall victim to various student loan debt relief ("SLDR") scams.

That was the case for nearly 2,200 Virginia consumers Equitable and its SLDR partners deceived in a scheme in which it provided financing for the purchase of *sham* SLDR services. From February 2015 through August 2018, Equitable partnered with various companies (the "Dealers") who lured Virginia's student loan borrowers with false promises to enroll them in loan forgiveness or repayment plans—without ever verifying that they qualified for those plans. Worse, the Dealers offered services that, in fact, already were *free of charge* through the United States Department of Education ("ED") or student loan servicers. Equitable then offered loans borrowers could use to pay for services already free to them.

With full knowledge of, and complicity in, the Dealer's deceptive misconduct, Equitable financed the purchase of sham SLDR services with loans it called "revolving credit plans"—purported open-end credit plans with fewer disclosures and restrictions on the manner and amount of annual interest Equitable could charge. But, in fact, Equitable offered and made closed-end installment loans. Because Equitable offered and made closed-end installment loans without obtaining a license from the State Corporation Commission's ("SCC") Bureau of Financial Institutions ("BFI"), or coming within any other usury law exception, Equitable was required to comply with Virginia's usury cap— 12% annual interest under Virginia Code § 6.2-

² Fed. Trade Comm'n, *Student Loans*, available at <https://www.consumer.ftc.gov/articles/1028-student-loans> (last accessed Jan. 22, 2021).

303(A). Nonetheless, for over three years, Equitable charged and collected annual interest at rates ranging from 17.99% to 20.99%.

Accordingly, Virginia consumers affected by Equitable's VCPA violations and its violation of Virginia's usury laws are entitled to relief, and the Commonwealth is entitled to injunctive relief, its attorneys' fees and costs, and civil penalties to punish Equitable's misconduct and to deter future, similar misconduct by other predatory lenders. The Commonwealth therefore asks that this Court grant the relief requested in its Complaint and states the following in support thereof:

JURISDICTION AND VENUE

1. The Commonwealth brings this action pursuant to its authority in Virginia Code § 59.1-203, which provides, among other things, that the Attorney General may bring an action to enjoin any violation of the VCPA.
2. The Circuit Court for the City of Richmond has authority to entertain this action and to grant the relief requested pursuant to Virginia Code §§ 8.01-620, 17.1-513, 59.1-203, 59.1-205, and 59.1-206.
3. 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 City of Richmond. Venue is permissible in this Court pursuant to Virginia Code § 8.01-262(4) because portions of the Commonwealth's cause of action arose in the City of Richmond.
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 it had not violated the VCPA, or, in the alternative, to execute an Assurance of Voluntary Compliance ("Assurance"), pursuant to

Virginia Code § 59.1-203(B). The Defendant agreed to execute an Assurance that is acceptable to the Commonwealth.

PARTIES

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

6. Defendant Equitable Acceptance Corporation is a Minnesota Corporation with a principal office located at 1200 Ford Road, Minnetonka, Minnesota 55305.

FACTS

7. From February 20, 2015 through August 24, 2018, Equitable actively participated in a fraudulent SLDR scheme designed to lure financially-distressed student loan borrowers into financing the purchase of services already available to them at no cost.

8. In this SLDR scheme, Equitable conspired with its Dealers—companies with which Equitable contracted to serve as the financier of Virginia consumers' purchase of purported SLDR services from the Dealers. Indeed, the Executive Director of one federal student loan servicer wrote the following in an e-mail to Equitable's President and CEO:

I remain of the opinion and have reason to believe that *you are actually working with companies that are misleading borrowers, taking advantage of borrowers, offering services to borrowers that are already on the best repayment plan available to them, and more.*

Mot. for Preliminary Injunction at Ex. 55, *Williams v. Equitable Acceptance Corp. et al.*, No. 1:18-cv-7537 (S.D.N.Y. July 20, 2020) (emphasis added).

9. For example, one Virginia consumer ("R.S.") was lured by a Dealer's promise that she would be enrolled in the Public Service Loan Forgiveness ("PSLF") program. PSLF is a federal program that forgives the balance on certain federal student loans after borrowers make "120 qualifying monthly payments under a qualifying repayment plan while working for a full-

time qualifying employer.”³ At that time, R.S. was employed part-time and would not have qualified for PSLF.

10. Nonetheless, on December 16, 2016, R.S. spoke with one of the Dealer’s representatives who informed her that she could enroll in the PSLF program. The Dealer failed to confirm any of the information required for R.S. to qualify for PSLF, misleadingly told R.S. that she would qualify for PSLF, and intentionally concealed the fact that R.S. could apply for PSLF for free through the ED or her student loan servicer.

11. After speaking with the Dealer’s representative, R.S. executed an “Equitable Acceptance Revolving Credit Plan” with Equitable.⁴ It was only after R.S. executed her agreement with Equitable that the Dealer sent her information about applying for PSLF.

12. So, from her first contact with the Dealer to the time she took out a loan from Equitable, R.S. was never told that she was financing the purchase of an otherwise *free* enrollment service for a loan forgiveness program for which she did *not* qualify.

13. Having purchased a worthless service from the Dealer, R.S. was then required to make payments on Equitable’s usurious loan. Her loan identified an interest rate of 20.99%, when, in fact, the maximum annual interest Equitable legally could charge was limited to 12% under Virginia Code § 6.2-303(A), Virginia’s general usury cap.

14. Virginia Code § 6.2-303(A) applied to R.S.’s loan and all other loans Equitable made to Virginia consumers for two reasons.

15. First, Equitable misrepresented that its loans were “revolving credit plans”—a type of open-end credit that may qualify for an exception to Virginia’s general usury cap under Virginia Code § 6.2-312. For Equitable’s loans to have qualified as open-end credit, Equitable

³ U.S. Dept. of Educ., *Public Service Loan Forgiveness (PSLF)*, available at <https://studentaid.gov/manage-loans/forgiveness-cancellation/public-service> (last accessed Jan. 22, 2021).

⁴ A redacted copy of R.S.’s agreement is attached as Exhibit A.

must have expected more than a "one-time credit extension." 12 C.F.R. § 1026.2(a)(20), cmt. 3. But that is precisely what occurred on each of Equitable's loans—a one-time extension of credit used for the purchase of purported SLDR services. Thus, Equitable did not offer open-end credit, but instead offered closed-end installment loans.

16. Second, as a closed-end installment loan lender, Equitable could have attempted to apply for a consumer lending license from BFI that may have enabled it to charge more than the annual interest provided by Virginia's general usury cap. *See* VA. CODE ANN. §§ 6.2-1500 to 6.2-1543 and 6.2-1800 to 6.2-1829. Equitable never did so.

17. Upon information and belief, all Virginia consumers who took out loans from Equitable to purchase SLDR services from Dealers were harmed through the same or similar misrepresentations made by Equitable and its Dealers.

CAUSE OF ACTION

Virginia Consumer Protection Act

18. The Commonwealth re-alleges and incorporates by reference the allegations of Paragraphs 1 through 17 of this Complaint.

19. Pursuant to Virginia Code § 59.1-197, the VCPA is to be applied as remedial legislation to promote fair and ethical standards of dealing between suppliers and the consuming public.

20. In connection with consumer transactions, the VCPA prohibits suppliers from, among other things:

- a. Misrepresenting that goods or services have certain quantities, characteristics, ingredients, uses, or benefits pursuant to Virginia Code § 59.1-200(A)(5); and
- b. Using any other deception, fraud, false pretense, false promise, or misrepresentation in connection with a

consumer transaction pursuant to Virginia Code § 59.1-200(A)(14).

21. During all relevant times, Equitable was a "supplier" of "goods" or "services" in connection with "consumer transactions" as those terms are defined in Virginia Code § 59.1-198, by advertising, offering, and making closed-end, installment loans to Virginia consumers.

22. Equitable violated the VCPA through the acts and practices described in this Complaint, including without limitation:

- a. Misrepresenting that a "characteristic" of its loans is that they are open-end credit, rather than closed-end installment loans, in violation of Virginia Code § 59.1-200(A)(5) and (14);
- b. Misrepresenting that a "characteristic" of its loans is the legality of their stated interest rates, in violation of Virginia Code § 59.1-200(A)(5) and (14); and
- c. Conspiring with its Dealers, and actively participating in a scheme, to misrepresent that one "characteristic" of the Dealers' SLDR services is that there is a cost associated with enrolling consumers in free student loan forgiveness and repayment programs, in violation of Virginia Code § 59.1-200(A)(5) and (14).

23. Equitable willfully engaged in the acts and practices described in this Complaint in violation of the VCPA.

24. Individual consumers have suffered losses as a result of the aforesaid violations of the VCPA by Equitable.

PRAYER FOR RELIEF

WHEREFORE, the Plaintiff, Commonwealth of Virginia, prays that this Court:

A. Permanently enjoin Equitable and its officers, directors, employees, agents, successors, and assigns from violating § 59.1-200 of the VCPA pursuant to Virginia Code § 59.1-203;

B. Grant judgment against Equitable and award to the Commonwealth, as trustee, all sums necessary to restore to any consumers the money or property acquired from them by Equitable in connection with its violations of § 59.1-200 of the VCPA pursuant to Virginia Code § 59.1-205;

C. Enter any additional orders or decrees as may be necessary to restore to any consumers the money or property acquired from them by Equitable in connection with its violations of § 59.1-200 of the VCPA pursuant to Virginia Code § 59.1-205;


D. Grant judgment against Equitable and award to the Commonwealth civil penalties of \$2,500.00 per violation for each willful violation of § 59.1-200 of the VCPA pursuant to Virginia Code § 59.1-206(A);

E. Grant judgment against Equitable and award to the Commonwealth its costs, reasonable expenses incurred in investigating and preparing the case up to \$1,000.00 per violation of § 59.1-200 of the VCPA, and attorneys' fees pursuant to Virginia Code § 59.1-206(C); and

F. Grant such other and further relief as this Court deems equitable and proper.

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

By:


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CERTIFICATE OF SERVICE

I hereby certify that, on this 2nd day of March, 2021, a true copy of the foregoing Complaint was sent via first class and electronic mail to Stanley P. Wellman, Esq., Harman Claytor, Corrigan & Wellman, P.C., P.O. Box 70280, Richmond, Virginia 23255, counsel for Defendant Equitable Acceptance Corporation.

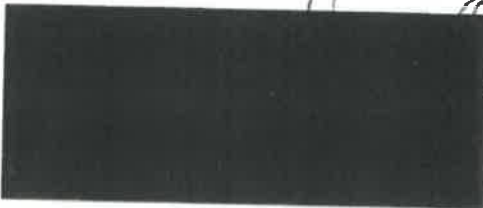

James E. Scott



**Equitable
Acceptance**
CORPORATION

Credit Request Authorization

I hereby certify that the information has been furnished with the understanding that it is to be used to determine the amount and conditions of my contract. Furthermore, I hereby authorize the financial institutions listed in this credit application to release necessary information to the company for which credit is being applied for in order to verify the information contained herein.



Copy of
12-16-2016
Date

Original



Equitable Acceptance Revolving Credit Plan

Student Advocates

By signing below, I (or "we", hereafter, if more than one purchase) agree to authorize you to obtain credit report and any other information about my (our) creditworthiness from credit bureaus and other sources which you consider necessary and appropriate. Further, I authorize you to obtain verification of my salary level(s) from my employer(s). I authorize you to give information concerning your credit experience with me (us) to others including credit bureaus. I authorize you to furnish information about my account to credit reporting agencies and anyone else who may lawfully receive such information. By signing below, I am executing my Revolving Credit Plan with you (the "Credit Plan") as well as signing my Credit Application. I agree to be bound by all of the terms and conditions of Credit Plan as stated on the reverse. I understand that you will rely on the information stated in my Credit Application in granting me credit under the Credit Plan and therefore, I warrant that all statements made in Credit Application are to the best of my knowledge true and correct. Upon signing this, I acknowledge receipt of a true and complete copy including a copy of the important notice regarding errors or inquiries about my billing statements.

See page 2 for Purchaser copies for important information regarding rights to dispute billing statements

NOTICE TO BUYER

- 1) You are entitled to a copy of this Credit Application at the time you sign it.
- 2) You may pay off the full unpaid balance under your Revolving Credit Plan at any time. The unpaid balance is the amount listed on your current month's billing titled 'New Balance'.

Created date: 12/16/2016

Date: 12-16-2016

Student Advocates
(Seller-Company Name)

Rep ID: 30761

Date: 12/16/2016

REVOLVING CREDIT PLAN

1. **PURCHASES UNDER THIS AGREEMENT.** This Revolving Credit Plan governs all purchases of authorized products or merchandise made by me from Seller. This Revolving Credit Plan and all purchases authorized products or merchandise are subject to acceptance by Seller and its assigns. I may make future purchases under the terms of this agreement by written Sales Orders, mail or telephone to the amount of credit extended under this agreement. These purchases will be debited against the line of credit that you (meaning only Equitable Acceptance Corporation or any other sales organization to which this agreement is assigned and accepted) may establish hereunder based, in part, on the information I (meaning each person who signs as Purchaser or Co-Purchaser) provided on the front side of this agreement. If my initial purchase is approved and a line of credit established for me, provided that I am not in default of any of my obligations under this agreement, I will be able to make said future purchases under this agreement from time to time only of authorized products by written Sales Orders, mail or telephone up to the amount of credit extended under this agreement. Additional purchases may be made in excess of the credit extended me under this agreement only upon written application and advance approval by you. I understand may be required to reapply for This Revolving Credit Plan if I want to use it for additional purchases and that this requirement will be exercised at the sole discretion of Equitable Acceptance Corporation. I hereby authorize you to periodically notify me of authorized merchandise, which I may purchase.

2. **ASSIGNMENT.** I understand that seller may assign this agreement to Equitable Acceptance Corporation. I further understand that this agreement will be effective whether or not it is assigned to Equitable Acceptance Corporation or to any other sales finance organization. If this agreement is assigned to and accepted by Equitable Acceptance Corporation, I will make my payments directly to Equitable Acceptance Corporation. If this agreement is not assigned to and accepted by Equitable Acceptance Corporation, I will make my payments directly to seller or any other sales finance organization to which this agreement has been assigned and accepted, which will be the owner of this agreement.

3. **BILLING STATEMENTS.** You will send me a monthly billing statement if I have an undisputed debt or credit balance of \$1.00 or more at the end of the billing period, unless you have started proceedings against me.

4. **MONTHLY PAYMENTS.** (a) **Date, Amount Due and Application of Payments.** I agree to pay you within 15 days after each statement closing date, at least the Minimum Payment shown on my billing statement. You will credit payments when received and apply them first to finance charges. I HAVE THE RIGHT TO PAY IN ADVANCE THE FULL AMOUNT DUE. (b) **Determining the Amount of the Minimum Payment.** I make my first purchase under this agreement, I will, unless otherwise agreed pay a minimum of 3%, or more if I choose, of the total price of the products or services purchased under this agreement as my monthly Minimum Payment. The dollar amount of the monthly Minimum Payment will remain the same until my next purchase, if any, of authorized products. At that time, you will apply same percentage to my new balance. All monthly Minimum Payments are rounded up to the next whole dollar. (Example: \$49.05 will be rounded up to \$50.00).

5. **FINANCE CHARGES.** (a) **Agreement and Calculation of Finance Charges.** I will pay the finance charge calculated by applying a periodic rate to the Average Daily Balance as shown on the chart. There is no minimum finance charge. (b) **Determining the Average Daily Balance.** To determine the Average Daily Balance, first you will take the beginning balance of my account each day, unless prohibited by my state of residence (CA, LA, ME, MD, MN, MS, NY, NC, NE, VA, VT, WA, WI, WY, and others), be added to my beginning balance on its date of posting. In the states of CA, ME, MD, MN, MS, NY, NC, NE, VA, VT, WA, WI, WY, and others, the first day of a new billing period will not be imposed on those purchases until such date. Third, you will subtract any payments or credits to arrive at the daily balance. Finally, you will add up all of the daily balances for the billing period and the total by the number of days in the billing period. This determines the Average Daily Balance. (c) **Period for which Finance Charges are Assessed.** If finance charges are imposed on new purchases, finance charges for my purchases will not be assessed until 15 days after the Closing Date shown on the statement, you will not charge me any finance charges for the first 15 days after the Closing Date and the date I make my payment. (d) **Effect of Failure to Make Minimum Payment.** If I fail to make a Minimum Payment for a billing period, my Minimum Payment for next billing period will be the amount of the Minimum Payment due, plus any unpaid previous Minimum Payments, Late Charges and any other charges provided for under this agreement or applicable law.

6. **TERMINATION/MODIFICATION.** You may limit or cancel my right to make further purchases of authorized products under this agreement at any time I am in default. Any other change in my credit or termination of the agreement, which is not due to my default, will take effect 30 days following your giving me notice as required by law. You may limit or cancel my right to make further purchases under this agreement.

7. **NSF CHARGES.** Reference Table above for detailed NSF charges.

8. **LATE FEES.** Reference Table above for detailed Late Fee charges.

9. **DEFAULT.** Unless otherwise provided by law, I will be in default if I fail to pay at least the Minimum Payment on time twice in any 12-month period, and if I am in default, you can make pay my entire balance (including unpaid finance charges) without demand or notice of any kind whatsoever, unless you are required by law to give me notice of my default and an opportunity to cure it. In that case, if you give me notice and I do not cure my default, at that time you can make me pay my entire balance (including unpaid finance charges) without demand or notice of any kind whatsoever.

10. **DEFENSE AGAINST HOLDER; NOTICE.** Any holder of this consumer credit contract is subject to all claims and defenses which the debtor could assert against the seller of goods or services purchased hereunder or with the proceeds hereof. Recovery hereunder by the debtor shall not exceed amounts paid by the debtor hereunder.

11. **CREDIT INFORMATION.** By your signature on the front side of this agreement, I authorize you to obtain a credit report and any other credit information about my credit worthiness.

12. **CHANGES IN TERMS.** You may make changes in the rates and other terms of this agreement as permitted by law upon my receipt of prior notice of such changes. Any changes of rates or other terms may apply both to new purchases of authorized products and to the outstanding balance of my account. I will be notified at least 15 days in advance of any such changes, and such notice be sent to my current address as shown in the records of my account. Such notices will be sent first class regular mail and will, for purposes of this agreement, be deemed received by me mailed to my address as shown in the records of my account.

13. **RETURN POLICY.** Except as provided in the Notice of Cancellation on the Sales Order, all sales are final and purchases may not be returned or unwound.

14. **ENTIRE AGREEMENT AND SEVERABILITY.** This agreement is the entire agreement between us. If any of its provisions are found unenforceable for any reason under the law, that finding will not affect the validity of any other provisions herein.

15. **ATTORNEY FEES AND COLLECTION COSTS.** If this contract is referred to my attorney or third party collection agent for collection, I agree to pay the amounts actually incurred by you for collection costs and attorney fees to the extent permitted by the law of my state.

16. **SECURITY INTEREST.** I understand you retain a security interest in all goods purchased, if any, until they are fully paid for under the terms of this agreement.

17. **PRIVACY ACT PROVISIONS.** I hereby authorize the Department of Defense and its various departments and commands to verify my social security number and disclose my home address to the extent that you may contact me in connection with my financial business relationship with the holder of this contract and for no other purpose. I hereby authorize communication to the extent that you may contact me in connection with my financial business relationship with the holder of this contract and for no other purpose. I hereby authorize communication to the extent that you may contact me in connection with my financial business relationship with the holder of this contract and for no other purpose.

18. **JOINT AND SEVERAL LIABILITY.** My obligations under this agreement are joint and several. "I," "my" and "me" include each person who signs this agreement as a purchaser of any kind, and each of their heirs, assigns, personal representatives, and estate.

19. **VENUE/JURISDICTIONS.** I agree that you may, as determined within your sole discretion, sue me for any default and/or breach of any term of this agreement, and may do so in the courts of the State of Minnesota. I further agree by signing this agreement to submit personally to the jurisdiction of any such Minnesota court.

20. **CUMULATIVE REMEDIES.** All remedies available to you and against me shall be cumulative.

21. **APPLICABLE LAW.** This agreement shall be governed by the laws of the State of Minnesota to the extent permitted by law.

22. **ASSIGNMENT.** For value received, the undersigned assigns to Equitable Acceptance Corporation this contract. The assignment is governed by and made subject to a Master Dealer Agreement or similar document between Seller and Equitable Acceptance Corporation.

Purchase Agreement

Seller Student Advocates

No. Pieces	Product Description	Unit Price	Total Price
1	Doo Preparation + 2 years Additional Case Monitoring and Reenrollment	\$1,377.00	\$1,377.00

Sale Price	Freight/Handling	Sales Tax	Total Sale Price	Down Payment	Unpaid Balance	Monthly Payment	1st Month Payment
\$1,377.00	\$0.00	\$0.00	\$1,377.00	\$0.00	\$1,377.00	\$49.00	02/25/2017

I agree to purchase and Seller agrees to sell the listed items, provided this Purchase Agreement accepted under the Revolving Credit Plan for purchases of products (the "Credit Plan"). I request that this Purchase Agreement be accepted under the Credit Plan, and I agree to pay the Unpaid Balance in accordance with the terms of the Credit Plan. Unless otherwise agreed (see specific instruction) The Minimum Payment under the Credit Plan, to be made each month by me, will be 3.0% of unpaid balance plus previous unpaid, Minimum Payments. BUYER'S RIGHT TO CANCEL: YOU MAY CANCEL THE PURCHASE MADE UNDER THIS AGREEMENT WITHOUT PENALTY OR OBLIGATION WITHIN 3 DAYS (ALASKA RESIDENT - 5 DAYS) AFTER THE DATE OF THIS ORDER IF IT HAS BEEN SIGNED BY YOU AT A PLACE OTHER THAN THE ADDRESS OF THE SELLER WHICH MAY BE ITS MAIN OFFICE OR A BRANCH OFFICE. PLEASE SEE NOTICE OF CANCELLATION FORM BELOW FOR A FULL EXPLANATION OF THIS RIGHT.

NOTICE TO BUYER

(1) Do not sign this agreement if any of the above mentioned for the agreed terms hereof is blank or not clearly legible. (2) You are entitled to two copies of this agreement at the time you sign it and the included Notice of Cancellation. (3) You may pay the full unpaid balance due under this agreement at any time. The unpaid balance is the amount listed on your current month's billing titled 'New Balance'. (4) I acknowledge receipt of completed copies of this purchase agreement and the included Notice of Cancellation form. (5) The seller cannot enter your premises unlawfully or commit any breach of the peace to repossess goods/services under this agreement. (6) SECURITY: are giving a security interest in the goods/services you are purchasing. (7) See reverse for privacy policy. (8) Sign this agreement only if the sales You presentation was given in English. Firmo este contrato solamente si la presentación de ventas fue hecho en inglés.

Representative ID:

30781

Date: 12/16/2016

Date: 12-16-2016

Equitable Acceptance Corporation Privacy Policy

Equitable Acceptance Corporation knows that the privacy of the personal information that we receive about you is important to you. We understand that you trust us to protect the confidentiality and security of that information. This notice informs you of our privacy policy and describes how we treat the information we receive from you.

Information We May Collect About You

We collect nonpublic information about you only in connection with the services you request of us. The types of nonpublic personal information that we collect vary according to the services that we perform for you, and may include: (1) information that we receive from you (such as your name, address, income, assets, social security information, and other financial or household information); (2) information about your relationship and past history with us and others (such as payment history and amounts owed); and (3) information that we receive, with your authorization, from third parties.

How We Handle Your Information

We do not disclose any public or nonpublic personal information about you that you have provided to us to anyone outside our company, except as authorized by you or required by law. We do not sell client information to anyone or disclose client information to marketing companies.

How We Protect Your Information

We restrict access to public and nonpublic personal information about you that you have provided to us to those in our company who need to know the information to provide services to you. All of our personnel are required to maintain the confidentiality of all nonpublic personal information about you.

Questions

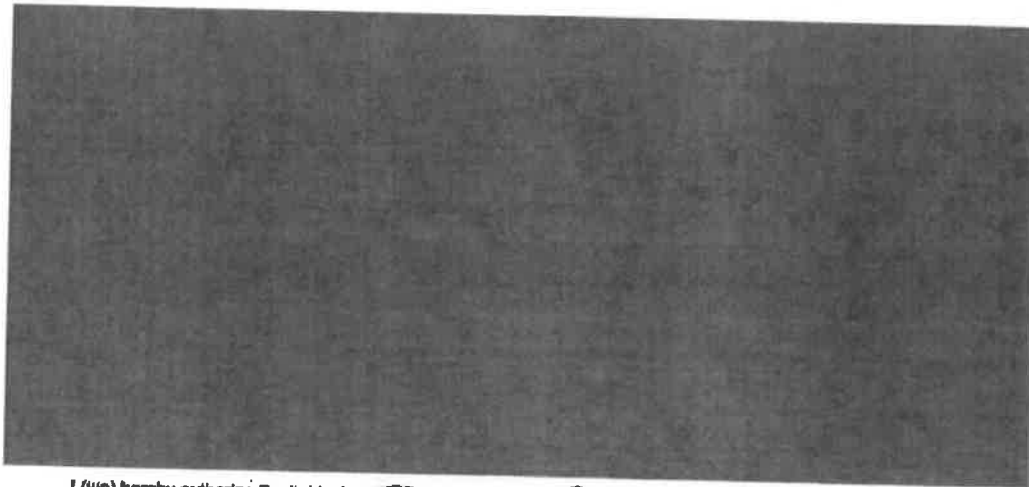
If you have questions or would like additional information about our privacy policy, please call Equitable Acceptance Corporation at 763-797-0241.

Equitable Acceptance Auto Pay Terms Of Use

Important Please Read

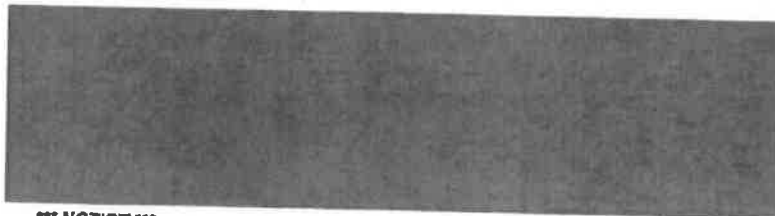
With Auto-Pay your payment is automatically charged to your [REDACTED] and applied to your Equitable Acceptance Corporation account on your due Date. Give us a call if you have any questions @ 1.866.646.8659.

Sign the form below



I (we) hereby authorize Equitable Acceptance Corporation to initiate ACH debit entries to my (our) account on a monthly basis. I (we) agree that any ACH debit entry to my (our) account returned unpaid, may be collected in the same manner and unpaid paper check or credit card would be collected. All ACH or NACHA or National Automated Clearing House Association regulations and fees set forth by the originator will be enforced. This authority is to remain in full force and effect until EAC and I (we) have received written notification from me (or either of us) of its termination in such time and in such manner as to afford EAC a reasonable opportunity to get on it.

By signing below, you confirm you have reviewed and agree to Equitable Acceptance Auto Pay Terms Of Use



Date: 12-16-2016

*** NOTICE ***

To cancel or stop any recurring auto pay payments, please log into your Equitable Acceptance website account portal @ <https://www.equitableacceptance.com/user/login>

CUSTOMER COPY

NOTICE OF CANCELLATION

Student Advocates

Date of Transaction: 12/16/2016

You may cancel this transaction, without any penalty or obligation within 3 business days from the above date. (Alaska Residents 5 days)

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 business days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods/services delivered to you under this contract or sale; or you may if you wish, comply with the instructions of the seller regarding the return shipment of the goods/services at the seller's expense and risk.

If you do make the goods/services available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods/services without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods/services to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram to

Student Advocates

3100 Bristol St

Costa Mesa, CA 92626

(800) 279-9319

Not later than midnight of 12/20/2016

*** (If Alaska 12/22/2016)

I HEREBY CANCEL THIS TRANSACTION

(DATE)

(PURCHASER'S SIGNATURE)

CUSTOMER COPY

NOTICE OF CANCELLATION

Student Advocates

Date of Transaction: 12/16/2016

You may cancel this transaction, without any penalty or obligation within 3 business days from the above date. (Alaska Residents 5 days)

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 business days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods/services delivered to you under this contract or sale; or you may if you wish, comply with the instructions of the seller regarding the return shipment of the goods/services at the seller's expense and risk.

If you do make the goods/services available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may return or dispose of the goods/services without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods/services to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram to

Student Advocates

3100 Bristol St

Costa Mesa, CA 92626

(800) 278-9319

Not later than midnight of 12/20/2016

*** (If Alaska 12/22/2016)

I HEREBY CANCEL THIS TRANSACTION

(DATE)

(PURCHASER'S SIGNATURE)