

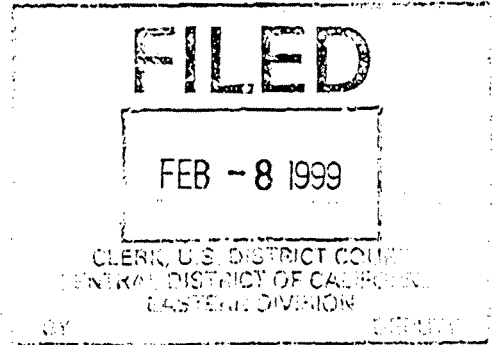
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11 Plaintiff Josh R. Phanco, on behalf of himself
 12 and all others similarly situated



13 UNITED STATES DISTRICT COURT

14 FOR THE CENTRAL DISTRICT OF CALIFORNIA -- ~~EASTERN DIVISION~~

15 JOSH R. PHANCO, on behalf of himself and all
 16 others similarly situated,

17 Plaintiff,

18 v.

19 DOLLAR FINANCIAL GROUP, INC., a New York
 20 corporation; JEFFREY ALLAN WEISS, an
 21 individual; MONETARY MANAGEMENT OF
 22 CALIFORNIA, INC., a California corporation;
 23 PACIFIC RING ENTERPRISES, INC., a California
 24 corporation; ANY KIND CHECK CASHING
 25 CENTERS, INC., an Arizona corporation; CHECK
 26 MART OF LOUISIANA, INC., a Louisiana
 27 corporation; CHECK MART OF PENNSYLVANIA,
 28 INC., a Pennsylvania corporation; CHECK MART
 OF TEXAS, INC., a Texas corporation; CHECK
 MART OF UTAH, INC., a Utah corporation;
 CHECK MART OF WASHINGTON D.C., INC., a
 Washington D.C. corporation; CHECK MART OF
 WISCONSIN, INC., a Wisconsin corporation;
 FINANCIAL EXCHANGE COMPANY OF OHIO,
 INC., an Ohio corporation; FINANCIAL
 EXCHANGE COMPANY OF PENNSYLVANIA,
 INC., a Pennsylvania corporation; FINANCIAL
 EXCHANGE COMPANY OF PITTSBURGH,
 INC., a Delaware corporation; FINANCIAL
 EXCHANGE COMPANY OF VIRGINIA, INC., a
 Delaware corporation; MONETARY
 MANAGEMENT OF MARYLAND, INC., a
 Maryland corporation; L.M.S. DEVELOPMENT
 CORPORATION, an Arizona corporation; and
 EAGLE NATIONAL BANK, a national bank
 incorporated in Pennsylvania; and DOES 1
 through 10, inclusive,

Defendants.

Case No. CV 99-1281 JDP (RZx)

CLASS ACTION

COMPLAINT FOR MONEY
 DAMAGES, INJUNCTIVE RELIEF
 AND RESTITUTION BASED ON
 VIOLATIONS OF 18 U.S.C. §1962
 (subsecs. [c], [a] & [d]), 12 U.S.C.
 §§85-86, CAL. CIV. CODE §1789.35
 (subsecs. [b], [d], [g] & [h]), AND
 CAL. BUS. & PROF. CODE §17200

[DEMAND FOR JURY TRIAL]

1 Plaintiff Josh R. Phanco ("plaintiff"), on behalf of himself and all others similarly
2 situated, and invoking this Court's jurisdiction under 18 U.S.C. §1964(a),(c), 28 U.S.C.
3 §1331 and 28 U.S.C. §1337(a), hereby complains and alleges as follows, with
4 paragraphs 1, 4, 8-11, 16-17, 20-22, 27, 31-34, 41-45, 51-55, 60, and 69 being alleged
5 on information and belief:
6

7 PRELIMINARY OVERVIEW

8 1. Defendant Dollar Financial Group, Inc. ("DFG"), and its national network
9 of check-cashing affiliates operate a \$100-million-a-year loan-sharking enterprise at the
10 expense of poor folks in this and other States.

11 2. These defendants regularly make short-term consumer loans at interest
12 rates of three-hundred-and-ninety percent (390%) per annum, or higher.

13 3. These short-term loans take the form of "deferred deposit" check-
14 cashing: i.e., to obtain a loan, the borrower gives the check casher a personal check for
15 the full amount of both the principal and the interest on the loan, and the check casher
16 in turn agrees not to deposit the check until some specified date typically 14 days into
17 the future.

18 4. Because the typical borrowers in such transactions are low-income
19 consumers who lack financial sophistication and resources, they often end up having to
20 "roll over" their loans and thus obtain a second loan (again at exorbitant interest rates)
21 in order to pay off the first, and later a third to pay off the second, when the time comes
22 for their postdated checks to be deposited. The result is a frenzied spiral in which the
23 loan sharks feast while their prey sinks ever deeper into debt.

24 5. Some States in which the defendants operate (such as Virginia and
25 Pennsylvania) expressly prohibit short-term loans made by "deferred deposit" check-
26 cashing, while other States in which the defendants operate (such as California,
27 Louisiana and Ohio) expressly allow such transactions but impose certain limitations
28 and require certain disclosures which these defendants routinely ignore.

1 outlets that do business as "Check Mart" in California, Washington and Utah,
2 and in Washington also as "Loan Mart," and in California also under its own
3 name and under the names "Any Kind Check Cashing," "Any Kind," "C&C,"
4 "C&C Check Cashing," "Cash-N-Dash," "Loan Mart," and "Quikcash."

5 b. Pacific Ring Enterprises, Inc., is a California corporation
6 headquartered at 1436 Lancaster Ave., Suite 210, Berwyn, Pa. Pacific Ring
7 Enterprises, Inc., is owned and dominated by DFG and/or Weiss and is the
8 nominal owner of a number of DFG check cashing outlets that do business in
9 California under its own name and under the names "Chex \$ Cashed" and
10 "Check Mart."

11 c. Any Kind Check Cashing Centers, Inc., is an Arizona corporation
12 headquartered at 1436 Lancaster Ave., Suite 210, Berwyn, Pa. Any Kind Check
13 Cashing Centers, Inc. is owned and dominated by DFG and/or Weiss and is the
14 nominal owner of numerous check cashing outlets that do business in California,
15 Maryland, Texas, Washington D.C. and Virginia under the names "Anykind
16 Check Cashing," "Check Mart," "Chex \$ Cashed Check Mart," and "Chex
17 Cashed Checkmart."

18 d. Check Mart of Louisiana, Inc., is a Louisiana corporation
19 headquartered at 1436 Lancaster Ave., Suite 210, Berwyn, Pa. Check Mart of
20 Louisiana, Inc., is owned and dominated by DFG and/or Weiss and is the
21 nominal owner of check cashing outlets that do business as "AnyKind Check
22 Cashing" in the State of Louisiana.

23 e. Check Mart of Pennsylvania, Inc., is a Pennsylvania corporation
24 headquartered at 1436 Lancaster Ave., Suite 210, Berwyn, Pa. Check Mart of
25 Pennsylvania, Inc., is owned and dominated by DFG and/or Weiss and is the
26 nominal owner of check cashing outlets that do business in Pennsylvania as
27 "AnyKind Check Cashing Centers" and as "Money Mart."

28 ///

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25 "Financial Exchange," "Financial Exchange Company," "Money Mart" and
26 "Quikcash."

27 ///

28 ///

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1 cashier's own account, each such transaction is memorialized by means of a pre-printed
2 promissory note purportedly payable by the customer to "Eagle National Bank."

3 20. Notwithstanding the existence of such notes, the reality is that Eagle
4 National (1) does not meet, interview or otherwise speak with any prospective borrower,
5 (2) does not approve or even review the prospective borrower's credentials or
6 qualifications, (3) does not make the decision as to whether to advance the funds, (4)
7 does not advance the funds for the loan, (5) does not bear the risk of nonpayment that
8 is characteristically a lender's risk to bear, (6) does not hold the borrower's check for
9 deferred deposit, (7) does not own any of the accounts into which such checks are
10 ultimately deposited, (8) does not even know about any such loan at any time at or near
11 the time it is made, and (9) is not the actual lender in such transactions but instead
12 merely lends its name to DFG so as to allow the DFG check cashers to complete these
13 transactions in the guise of a "national bank."

14 21. On information and belief, the real lender in fact and in law in all of the
15 DFG check cashers' "Loans 'Til Payday" is DFG and/or the DFG check cashers, and
16 the real nature of these transactions is nothing more nor less than a "deferred deposit"
17 check casher loan of the kind that is strictly unlawful in some of the States in which
18 these defendants operate and restricted in other States, including California.

19 22. On information and belief, the DFG check cashers merely pretend Eagle
20 National is the lender, and Eagle National in turn authorizes and abets the subterfuge,
21 for no other purpose than to cover their usury and to frustrate other laws (including
22 consumer finance laws and State statutes governing check cashers) that are designed
23 to protect vulnerable consumers.

24 CLASS ALLEGATIONS

25
26 23. Plaintiff brings this action on behalf of himself, as an individual, and on
27 behalf of all other persons similarly situated pursuant to Rule 23 of the Federal Rules of
28 Civil Procedure.

1 24. Class members as to plaintiff's first, second and third causes of action
2 include all persons nationwide who, within the past four years, have repaid debts to one
3 or more of the defendants where such debts were incurred by means of the "deferred
4 deposit" check casher loans that are the subject of this lawsuit.

5 25. Subclass members as to plaintiff's fourth cause of action include all
6 persons nationwide who, within the past two years, have paid interest and/or fees to
7 Eagle National in connection with the "deferred deposit" check casher loans that are the
8 subject of this lawsuit.

9 26. Subclass members as to plaintiff's fifth cause of action include all persons
10 who, within the State of California and within the past three years, have paid to DFG or
11 to any of the DFG check cashers interest and/or fees in connection with the "deferred
12 deposit" check casher loans that are the subject of this lawsuit.

13 27. On information and belief, the exact numbers and identities of all class
14 and subclass members, as well as all Californians entitled to restitution under plaintiff's
15 sixth cause of action, are readily ascertainable from the records of the defendants.
16 Accordingly, and with Local Rule 18.2.2(g) in mind, plaintiff anticipates and alleges that
17 effective notice can be accomplished by direct mail.

18 28. This action has been brought and may properly be maintained as a class
19 action pursuant to the provisions of the FRCP Rule 23 because there is a well-defined
20 community of interest in the litigation and the proposed class is easily ascertainable:

21 a. Numerosity: On information and belief, the plaintiff class and
22 subclasses are so numerous that the individual joinder of all members would be
23 impracticable. While the exact number of class and subclass members is
24 unknown to plaintiff at this time, plaintiff is informed and believes that class and
25 subclass members as to each of plaintiff's first five causes of action number in
26 excess of 20,000.

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1 b. Common Questions Predominate: Common questions of law and
 2 fact exist as to all members of the plaintiff class and subclasses, and those
 3 questions clearly predominate over any questions which might affect members
 4 individually. These common questions of law and fact include, for example,

- 5 i. whether Eagle National is or is not the lender in the "Loans
 6 "Til Payday" that are provided through the DFG check cashers,
 7 ii. whether the interest rates charged in those short-term
 8 "Loans 'Til Payday" are usurious or otherwise unlawful,
 9 iii. whether the defendants together form an association-in-fact
 10 constituting an "enterprise" within the meaning of 18 U.S.C. §1961(4),
 11 iv. whether that enterprise is engaged in activities affecting
 12 interstate commerce,
 13 v. whether the debts arising from the short-term "Loans 'Til
 14 Payday" offered by the defendants are "unlawful debts" within the
 15 meaning of 18 U.S.C. §1961(6),
 16 vi. whether the defendants have violated subsection (a) and/or
 17 subsection (c) and/or subsection (d) of 18 U.S.C. §1962 in connection
 18 with their money-lending operations,
 19 vii. whether the DFG check cashers operating in California are
 20 subject to California's check casher statute, and
 21 viii. whether the DFG check cashers operating in California have
 22 violated this State's Unfair Competition Act by, for example,
 23 • failing and refusing to post in each of their check cashing
 24 stores a complete, accurate and unambiguous fee schedule
 25 as required under Civ. Code §1789.30 and §1789.32;
 26 • using written agreements that do not conform to the
 27 requirements of Civ. Code §1789.33(a) and do not otherwise
 28 make the required disclosures;

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- failing and refusing to comply with California's Contract Awareness Act (Civ. Code §1799.202) when entering into agreements with customers for "deferred deposit" check casher loans;
- purposely misleading customers as to the identity of the true lender in the short-term consumer loans known as "Loans 'Til Payday";
- charging fees above and beyond the maximum allowable by statute for returned checks, in violation of Civ. Code §1789.35(g);
- charging "set up" charges or "origination fees" in excess of those allowed by statute;
- violating California's Consumer Legal Remedies Act (Civ. Code §1770[a][19]) by making use of an unconscionable interest rate in transactions not exempt from the doctrine codified in Civ. Code §1670.5; and
- charging usurious interest rates in excess of 390% per year in transactions not exempt from the usury laws.

c. Typicality: On information and belief, plaintiff's claims are typical of the claims of the members of the plaintiff class and subclasses. Plaintiff and all members of the plaintiff class and subclasses sustained damages arising out of the defendants' common course of conduct complained of herein.

d. Adequacy: Plaintiff will fairly and adequately protect the interest of the members of the plaintiff class and subclasses, since plaintiff has no interests which are adverse to the interests of absent class or subclass members and since plaintiff has retained counsel who have substantial experience and success in the prosecution of class actions and violations of consumer statutes.

///

1 e. Superiority: A class action is superior to other available means for
 2 the fair and efficient adjudication of this controversy since individual joinder of all
 3 members would be impracticable. Class action treatment will permit a large
 4 number of similarly situated persons to prosecute their common claims in a
 5 single forum simultaneously, efficiently, and without the unnecessary duplication
 6 of effort and expense that numerous individual actions would engender.
 7 Furthermore, since most class and subclass members' individual claims for
 8 damages are likely to be modest, the expenses and burdens of litigating
 9 individual actions would make it difficult or impossible for individual members of
 10 the class to redress the wrongs done to them. An important public interest will
 11 be served by addressing the matter as a class action, substantial economies to
 12 the litigants and to the judicial system will be realized, and the potential for
 13 inconsistent or contradictory judgments will be avoided.

14 FIRST CAUSE OF ACTION

15 (Against All Defendants For Treble Damages
 16 Under 18 U.S.C. §1964[c] Based On Said
 17 Defendants' Violation Of 18 U.S.C. §1962[c])

18 29. Plaintiff refers to and incorporates by this reference all allegations set
 19 forth in paragraphs 1-28 above.

20 30. The named plaintiff, the putative class members and the defendants are
 21 all "persons" within the meaning of 18 U.S.C. §1961(3).

22 31. Defendants DFG, Weiss, and the DFG check cashers, together with
 23 defendant Eagle National, form an association-in-fact constituting an enterprise within
 24 the meaning of 18 U.S.C. §1961(4).

25 32. At all relevant times, the enterprise described in paragraph 31 above was
 26 an enterprise engaged in, and/or whose activities affected, interstate or foreign
 27 commerce within the meaning of 18 U.S.C. §§ 1961-1962.

28 ///

1 40. The named plaintiff, the putative class members and the defendants are
2 all "persons" within the meaning of 18 U.S.C. §1961(3).

3 41. Defendants DFG, Weiss, and the DFG check cashers, together with
4 defendant Eagle National, form an association-in-fact constituting an enterprise within
5 the meaning of 18 U.S.C. §1961(4).

6 42. At all relevant times, the enterprise described in paragraph 41 above was
7 an enterprise engaged in, and/or whose activities affected, interstate or foreign
8 commerce within the meaning of 18 U.S.C. §§ 1961-1962.

9 43. Defendants DFG and Weiss have derived income, directly or indirectly,
10 through collection of the usurious short-term loans described in paragraphs 17-18
11 above.

12 44. The debts incurred by plaintiff and class members by means of the short-
13 term loans described in paragraphs 17-18 above are "unlawful debts" within the
14 meaning of 18 U.S.C. §1961(6) inasmuch as all such debts arose in connection with
15 defendants' business of lending money at interest rates well over twice the allowable
16 rates.

17 45. Part or all of the income referenced in paragraph 43 above has been used
18 or invested by defendants DFG and Weiss, directly or indirectly, in the operation of the
19 enterprise described in paragraph 41 above.

20 46. By and through their actions, including the actions detailed above, those
21 defendants have violated 18 U.S.C. §1962(a).

22 47. As a direct and proximate result of the defendants' violation of 18 U.S.C.
23 §1962(a), plaintiff and other class members have been injured in their property in that
24 they have lost money in the form of usurious interest payments which would not have
25 been made but for the defendants' expansive enterprise financed in part through the
26 collection of unlawful debts.

27 ///

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1 48. Therefore, by this cause of action, the representative plaintiff seeks to
 2 recover, on his own behalf and on behalf of the national class, statutorily trebled
 3 damages in an amount presently unknown but estimated to be not less than
 4 \$75 million, plus costs and attorney fees in accordance with 18 U.S.C. §1964(c).

5

6

THIRD CAUSE OF ACTION

7

(Against All Defendants For Treble Damages
 Under 18 U.S.C. §1964[c] Based On Said
 Defendants' Violation Of 18 U.S.C. §1962[d])

8

9 49. Plaintiff refers to and incorporates by this reference each and every
 10 allegation set forth in paragraphs 1-48 above.

11 50. The named plaintiff, the putative class members and the defendants are
 12 all "persons" within the meaning of 18 U.S.C. §1961(3).

13 51. Defendants DFG, Weiss, and the DFG check cashers, together with
 14 defendant Eagle National, form an association-in-fact constituting an enterprise within
 15 the meaning of 18 U.S.C. §1961(4).

16 52. At all relevant times, the enterprise described in paragraph 51 above was
 17 an enterprise engaged in, and/or whose activities affected, interstate or foreign
 18 commerce within the meaning of 18 U.S.C. §§ 1961-1962.

19 53. By and through their actions, including the actions detailed in paragraphs
 20 29-48 above, defendants have violated 18 U.S.C. §1962(a) and/or 18 U.S.C. §1962(c).

21 54. Each and all of the defendants named in this cause of action agreed to
 22 conduct or participate in the affairs of the enterprise referenced in paragraph 51 above,
 23 and furthermore did so with the specific intent and agreement to the commission of at
 24 least one of the predicate offenses described herein, thereby violating 18 U.S.C.
 25 §1962(d).

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1 interest calculation an unauthorized service charge or "loan origination fee" which
2 constitutes more than 95% of the total finance charge.

3 62. On information and belief, the real interest rate being charged and
4 collected by Eagle National on all such loans is upwards of 390% per annum.

5 63. On information and belief, the actual interest rate being received, reserved
6 or charged by Eagle National on all of its "Loans 'Til Payday" far exceeds the usury limit
7 in the State in which Eagle National is located and all other States in which Eagle
8 National does business.

9 64. On information and belief, the actual interest rate being received, reserved
10 or charged by Eagle National on all of its "Loans 'Til Payday" also far exceeds a rate of
11 1% in excess of the discount rate on 90-day commercial paper in effect in the federal
12 reserve bank in the federal reserve district in which Eagle National is located.

13 65. By knowingly charging and receiving interest at a rate far in excess of the
14 lawful limit, Eagle National has violated 12 U.S.C. §85 (National Bank Act) in each and
15 all of the "Loans 'Til Payday" it has made and collected through the DFG check cashers
16 within the past two years.

17 66. Therefore, by this cause of action brought pursuant to 12 U.S.C. §86, the
18 representative plaintiff seeks to recover from Eagle National, on his own behalf and on
19 behalf of the national subclass, double the amount of the total interest paid by plaintiff
20 and other subclass members within the two years immediately preceding the filing of
21 this lawsuit.

22
23 **FIFTH CAUSE OF ACTION**

24 **(Against DFG's California Check Cashers And Does 1-10**
25 **For Damages Under Civ. Code §1789.35[k] Based On Said**
26 **Defendants' Violation Of Civ. Code §1789.35[b], [d], [g] & [h])**

26 67. Plaintiff refers to and incorporates by this reference all allegations set
27 forth in paragraphs 1-57 above.

28 ///

1 68. Defendants Monetary Management of California, Inc., Pacific Ring
2 Enterprises, Inc., and Any Kind Check Cashing Centers, Inc. (collectively, "DFG's
3 California check cashers") are "check cashers" within the meaning of California's Civ.
4 Code §1789.31(a).

5 69. DFG's California check cashers have engaged in and continue to engage
6 in "deferred deposit" transactions with their customers in California, including with
7 plaintiff herein, notwithstanding the check cashers' pretense that all such transactions
8 are conducted by defendant Eagle National rather than themselves.

9 70. Under California law, check cashers are authorized to "defer deposit" of a
10 check written by a customer only if they do so "pursuant to the provisions" of the
11 governing statute (Civ. Code §1789.33[a]), including the provision that the customer be
12 given a written agreement "signed [both] by the customer and by the check casher or
13 an authorized representative of the check casher" (Civ. Code §1789.33[a],
14 §1789.35[d]).

15 71. In its above-referenced transaction with the named plaintiff and, on
16 information and belief, in each and all of their "deferred deposit" transactions in
17 California within the past three years, DFG's California check cashers have failed and
18 refused to give the customer a written agreement signed by the check casher or by any
19 representative of the check casher, instead undertaking to bind the customer to the
20 "deferred deposit" transaction without binding themselves to defer deposit of the check.

21 72. In further violation of the governing statute in California, DFG's California
22 check cashers have regularly charged their "deferred deposit" customers in California
23 the sum of \$30 per check for returned checks, notwithstanding the fact that \$15 is the
24 maximum allowable charge under Civ. Code §1789.35(g)-(h).

25 73. In further violation of the governing statute in California, DFG's California
26 check cashers have regularly charged "set up" or origination fees in excess of those
27 authorized under Civ. Code §1789.35(b), including, for example, an origination fee of
28 \$28.62 in connection with the \$200 loan made to the named plaintiff on Dec. 22, 1998.

1 80. By and through their conduct, including the conduct detailed above,
2 defendants Monetary Management of California, Inc., Pacific Ring Enterprises, Inc.,
3 and Any Kind Check Cashing Centers, Inc. (collectively, "DFG's California check
4 cashers") have engaged in activities which constitute unfair competition prohibited by
5 California's Business and Professions Code §17200 *et seq.*

6 81. DFG's California check cashers have engaged in unfair and unlawful
7 business practices by, for example,

8 a. failing and refusing to post in each of its check cashing stores a
9 complete, accurate and unambiguous fee schedule as required under Civ. Code
10 §1789.30 and §1789.32;

11 b. using written agreements that do not conform to the requirements
12 of Civ. Code §1789.33(a) and do not otherwise make the required disclosures;

13 c. failing and refusing to comply with California's Contract Awareness
14 Act (Civ. Code §1799.202) when entering into agreements with customers for
15 "deferred deposit" checks;

16 d. purposely misleading customers as to the identity of the true lender
17 in the short-term consumer loans known as "Loans 'Til Payday";

18 e. charging fees above and beyond the maximum allowable by statute
19 for returned checks, in violation of Civ. Code §1789.35(g);

20 f. charging "set up" charges or "origination fees" in excess of those
21 allowed by statute;

22 g. entering into an agreement to defer deposit of multiple checks
23 simultaneously in violation of Civ. Code §1789.35(e);

24 h. violating California's Consumer Legal Remedies Act (Civ. Code
25 §1770[a][19]) by making use of an unconscionable interest rate in transactions
26 not exempt from the doctrine codified in Civ. Code §1670.5; and

27 i. charging usurious interest rates in excess of 390% per year in
28 transactions not exempt from the usury laws.

1 82. Besides being unfair and unlawful, those business practices described in
 2 subsections (a)-(d) of paragraph 81 above are also fraudulent and misleading within the
 3 meaning of Business & Professions Code §17200 and §17500 in that those practices
 4 are likely to deceive members of the general public.

5 83. On information and belief, DFG's California check cashers at all relevant
 6 times either knew or should have known that they were advertising and selling their
 7 "Loans Til Payday" product in a manner that was untrue and/or misleading.

8 84. On information and belief, DFG's California check cashers have engaged
 9 in these unfair and unlawful and deceptive business practices for the purpose of
 10 inducing the public to enter into "deferred deposit" check casher loans.

11 85. DFG's California check cashers have received unearned commercial
 12 benefits, at the expense of their competitors and the public, as a result of their
 13 employment of unfair and unlawful and deceptive business practices, including
 14 repeated and widespread violations of the "check casher" statute and usury laws of
 15 California.

16 86. On information and belief, DFG's California check cashers' unfair and
 17 unlawful and deceptive business practices are ongoing and, unless enjoined under Bus.
 18 & Prof. Code §17203 and/or under §17535, are likely to continue to deceive and harm a
 19 substantial portion of the general public.

20 87. On information and belief, any temporary and/or permanent injunction
 21 directed at DFG's California check cashers must also be directed at defendants DFG
 22 and Weiss and Eagle National because otherwise these defendants, based on their
 23 practice of working through a tangled network of ever-changing affiliates, might be
 24 tempted to simply re-circulate the same mischief in a different corporate guise.

25 88. Besides being enjoined from continuing to make use of the unfair and
 26 unlawful and deceptive business practices alleged herein, DFG's California check
 27 cashers must now be compelled to disgorge their ill-gotten gains and thus to make

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1 restitution to plaintiff and to all others who, within the State of California and within the
2 past four years, have been charged fees and/or usurious interest not authorized by law.

3 89. In prosecuting this action for the enforcement of important rights affecting
4 the public interest, plaintiff seeks to recover attorneys' fees under (i) §1021.5 of the
5 Code of Civil Procedure, and/or (ii) under the "common fund" doctrine available to a
6 prevailing plaintiff who wins restitutionary damages for the general public.

7
8 WHEREFORE, plaintiff prays for judgment as follows:

9
10 On First Cause Of Action

11 1. For a determination that this cause of action may be maintained as a
12 class action;

13 2. For recovery of treble damages for plaintiff and other class members,
14 pursuant to 18 U.S.C. §1964(c), in an aggregate amount presently unknown but
15 estimated to be not less than \$75 million;

16 3. For recovery of reasonable attorney's fees and costs pursuant to 18
17 U.S.C. §1964(c);

18
19 On Second Cause of Action

20 4. For a determination that this cause of action may be maintained as a
21 class action;

22 5. For recovery of treble damages for plaintiff and other class members,
23 pursuant to 18 U.S.C. §1964(c), in an aggregate amount presently unknown but
24 estimated to be not less than \$75 million;

25 6. For recovery of reasonable attorney's fees and costs pursuant to 18
26 U.S.C. §1964(c);

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1 On Third Cause Of Action

2 7. For a determination that this cause of action may be maintained as a
3 class action;

4 8. For recovery of treble damages for plaintiff and other class members,
5 pursuant to 18 U.S.C. §1964(c), in an aggregate amount presently unknown but
6 estimated to be not less than \$75 million;

7 9. For recovery of reasonable attorney's fees and costs pursuant to 18
8 U.S.C. §1964(c);

9
10 On Fourth Cause Of Action

11 10. For a determination that this cause of action may be maintained as a
12 class action;

13 11. For recovery of double interest for plaintiff and other subclass members,
14 pursuant to 12 U.S.C. §§85-86, in an aggregate amount that cannot presently be
15 estimated;

16
17 On Fifth Cause Of Action

18 12. For a determination that this cause of action may be maintained as a
19 class action;

20 13. For recovery of treble damages for plaintiff and other subclass members,
21 pursuant to Cal. Civ. Code §1789.35(k), in an aggregate amount currently estimated at
22 \$10 million;

23 14. For recovery of punitive damages, pursuant to Civ. Code §1789.35(k), in
24 an amount of not less than \$5 million;

25 15. For an injunction forbidding the defendants named in this cause of action
26 from continuing to use the unlawful check-cashing practices alleged herein;

27 16. For recovery of reasonable attorney's fees and costs pursuant to Civ.
28 Code §1789.35(k);

1 On Sixth Cause of Action

2 17. For a preliminary and permanent injunction forbidding the defendants
3 named in this cause of action from continuing to make use of the unfair and unlawful
4 business practices alleged herein;

5 18. For disgorgement of ill-gotten gains DFG's California check cashers have
6 procured by use of such unfair and/or unlawful and/or deceptive business practices;

7 19. For restitution to all Californians from whom, within the past four years,
8 DFG's California check cashers have wrongfully collected fees and/or usurious interest
9 by means of its unfair and/or unlawful and/or deceptive business practices;

10 20. For the recovery of reasonable attorneys' fees (i) under §1021.5 of the
11 Code of Civil Procedure, and/or (ii) under the "common fund" doctrine available to a
12 prevailing plaintiff who wins restitutionary damages for the general public;

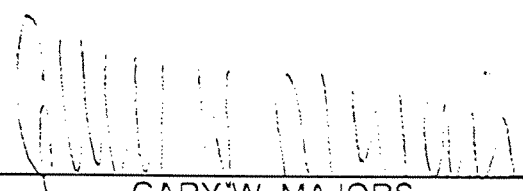
13
14 On All Causes of Action

15 21. For costs of suit herein; and

16 22. For such other and further relief as the Court may deem just and proper.

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18 DATED: February 5, 1999

MAJORS & FOX

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21 By: 
22 GARY W. MAJORS

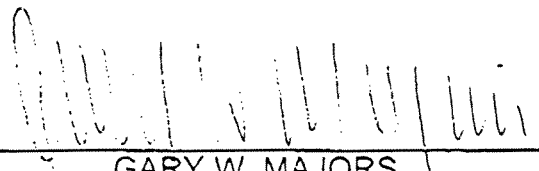
23 Attorneys for Plaintiff Josh R. Phanco, on
24 behalf of himself and all others similarly
25 situated

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2
3 DEMAND FOR JURY TRIAL

4 PLAINTIFF hereby demands a trial by jury on all issues suitable for jury
5 determination.

6 DATED: February 5, 1999

MAJORS & FOX

7
8 By: 
9 GARY W. MAJORS

10 Attorneys for Plaintiff Josh R. Phanco, on
11 behalf of himself and all others similarly
12 situated