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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION

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

Plaintiff,

v.

DOLLAR FINANCIAL GROUP, INC., et al.,

Defendants.

Case No. CV 99-01281 GHK (RZx)

Date:	# Of Pages:	QUICK FAX [™] OfficeMax [™]	
To:	7/24/00	From:	W. J. D.
Co./Dept.		Co./Dept.	
Fax:		Fax:	
Phone:		Phone:	
Note:		E-Mail:	

TO: ALL PERSONS WHO RECEIVED EAGLE NATIONAL BANK PAYDAY LOANS AT STORES OPERATED OR LICENSED BY DOLLAR FINANCIAL GROUP, INC.¹ DURING THE PERIOD FROM FEBRUARY 8, 1995 THROUGH AND INCLUDING JUNE 26, 2000: READ THIS NOTICE CAREFULLY, AS IT MAY AFFECT YOUR RIGHTS.

- NOTE:**
- 1) YOU ARE NOT BEING SUED. YOU ARE BEING CONTACTED ONLY BECAUSE YOU MAY BE ENTITLED TO BENEFITS UNDER THE CLASS ACTION SETTLEMENT DESCRIBED IN THIS NOTICE.**
 - 2) YOU DO NOT NEED TO BE PRESENT AT THE COURT HEARING IN ORDER TO RECEIVE BENEFITS UNDER THIS SETTLEMENT.**

I. INTRODUCTION

This Notice is provided in the above-styled lawsuit (the "Litigation") pursuant to Rule 23 of the Federal Rules of Civil Procedure and the Order of the United States District Court for the Central District of California (the "Court") to advise you of the conditional certification, for purposes of settlement only, of the Settlement Class described below, the proposed settlement of the Litigation with the defendants (the "Settlement"), pursuant to a Stipulation of Settlement dated December 28, 1999 and subsequent amendments (collectively referred to as the "Stipulation"), of the hearing to approve the Settlement (the "Settlement Hearing"), as well as to describe the rights you may have under the Settlement and what steps you may take with respect to the Settlement.

The following description of the Litigation and its background and the summary of the Settlement have been prepared by counsel for the parties to the Settlement based on the provisions of the Stipulation. The Court has made no finding with respect to such matters, and this Notice is not an expression by the Court as to the merits of any claim or defense asserted by the parties in the Litigation.

The Litigation relates to the business of "payday lending" in which defendants are engaged through their CASH 'TIL PAYDAY[®] loan program; the borrowers, Plaintiff claims, have been subjected to excessive loan fees and charges. These claims are discussed below.

The parties to the Settlement are: (i) the representative plaintiff, Josh R. Phanco (the "Plaintiff") and the members of the Settlement Class described below, and (ii) Dollar Financial Group, Inc. and its affiliates ("Dollar") and Eagle National Bank ("Eagle"), who are the defendants in this Litigation. The Stipulation is on file and available for inspection in the office of the Clerk of the Court, United States District Court, Central District of California, United States Courthouse, 312 North Spring Street, Room G-8, Los Angeles, California 90012-4724.

Certain specific terms of the Settlement are summarized below.

II. BACKGROUND AND A DESCRIPTION OF THE LITIGATION

A. Background

Dollar is engaged in the business, among others, of originating "payday loans." In a typical payday-loan transaction pursuant to Dollar's CASH 'TIL PAYDAY[®] program, the borrower writes a check postdated to his next payday (or any date selected by him up to two weeks later). The check is written for the amount of the loan payment (both principal plus finance charge) that will become due at maturity, and the customer receives immediate cash equal to the principal amount of the loan. The CASH 'TIL PAYDAY[®] finance charge is generally \$15 per \$100 borrowed for the two-week period; these charges and the corresponding annual percentage rate are disclosed in the documents signed by borrowers.

¹Dollar's stores currently operate under the following brand names: ABC Check Cashing[™], Almost-A-Banc[®], Any Kind Check Cashing Centers[®], C&C Check Cashing[™], Cash-N-Dash Check Cashing[™], Check Mart[®], Chex\$Cashed[®], Financial Exchange Company[®], Money Mart[®], Quickcash, QwiCash[®], The Service Centers and Loan Mart[®].

At the maturity date, the borrower either allows his check to be collected (the default action, if the borrower does nothing), repays the loan in cash, or extends the loan by entering into a new payday-loan transaction.

In California, Washington, Arizona, Pennsylvania, Virginia, the District of Columbia, Louisiana, Ohio, Texas, Hawaii and Maryland, Dollar acts as an origination and servicing agent for Eagle, which, defendants contend, is the actual lender in those states. Eagle is not affiliated with Dollar. Eagle is a national banking association having its principal place of business in Upper Darby, Pennsylvania. It has one branch office in Pennsylvania and no branches outside of Pennsylvania.

Pursuant to the program, each borrower applies at a Dollar store for credit on an Eagle application form. The application is verified by Dollar and transmitted electronically to Eagle. Eagle uses a computerized system of credit scoring to determine eligibility for loans. All credit decisions are made by computers owned by Eagle and located on Eagle's premises and under its control in Upper Darby, Pennsylvania.

If the credit is approved by Eagle, the borrower enters into a loan agreement with Eagle, Eagle credits Dollar's account for the loan proceeds, and Dollar disburses the loan proceeds to the borrower. Dollar is not a party to any of the loan agreements with the borrower.

On the due date of the loan, if the loan has not been extended, the borrower's check is processed for collection by Dollar. On the same date, Eagle charges Dollar's account for the principal amount of the loan, plus the finance charge (less compensation to Dollar for originating and servicing the loan).

Dollar also acts on behalf of Eagle to collect past-due loans and is compensated for its collection activities based on the amount collected.

B. The Litigation

Plaintiff commenced this Litigation on February 8, 1999 by the filing of a complaint on behalf of former CASH 'TIL PAYDAY® payday-loan customers of Eagle; the borrowers, Plaintiff claims, have been subjected to excessive loan fees and charges. The complaint alleges the understanding between Dollar and Eagle to be an improper arrangement pursuant to which Eagle allows its name and charter to be used by Dollar so that Dollar can avail itself of certain usury defenses available only to a national bank. The complaint contains claims which are variously characterized as violations of the National Bank Act (12 U.S.C. §§ 85-86), the California Check Casher's Statute (CAL. CIV. CODE § 1789.30 *et seq.*), the California Unfair Competition Law (CAL. BUS. & PROF. CODE § 17200 *et seq.*), and the Racketeer Influenced and Corrupt Organizations Act of 1970 (18 U.S.C. § 1961 *et seq.*). The complaint seeks unspecified damages and other relief.

The defendants deny any wrongdoing or liability arising out of or based upon any of the claims and allegations asserted in the Litigation.

Specifically, Plaintiff alleges that Eagle: (i) does not review the borrower's credit qualifications; (ii) does not make the decision whether to advance funds; (iii) does not advance the funds for the loan; (iv) does not bear the risk of nonpayment by the borrower; (v) does not know about any loan at the time it is made; and (vi) is not the actual lender but instead merely lends its name to the transaction.

Defendants vigorously deny these allegations.² In particular, defendants contend that Eagle alone uses the credit information supplied by prospective borrowers to determine loan eligibility and creditworthiness, that Dollar does not make eligibility determinations or pre-screen borrowers, that Dollar does not advance any of its own funds to borrowers, that Dollar does not bear any risk of non-payment, and that Dollar does not derive any periodic interest charges from the loans.

Prior to the execution of the Stipulation, Plaintiff's counsel had conducted an extensive informal investigation. This informal investigation included, among other things: (i) review of defendants' public filings, annual reports and other public statements; (ii) inspection of documents obtained from non-parties; (iii) review of documents voluntarily produced by defendants in aid of the parties' settlement negotiations pursuant to a Consent Protective Order; (iv) consultation with prospective witnesses and potential experts; (v) reliance on written information provided by defendants, subject to discovery and verification as hereinafter set forth; and (vi) research of the applicable law with respect to the claims asserted in the Litigation and the potential defenses thereto. After the execution of the Stipulation but prior to the distribution of this Notice, Plaintiff's counsel also engaged in formal discovery pursuant to the Federal Rules of Civil Procedure, including the production by defendants of documents, sworn testimony and verified responses to interrogatories.

Plaintiff's counsel also engaged in arm's-length settlement negotiations with counsel for defendants, including discussions concerning key liability and damage issues underlying Plaintiff's claims.

Following extensive preliminary discussions, the parties submitted their respective claims and defenses to mediation by The Honorable John G. Davies, a retired judge of the United States District Court for the Central District of California. The Stipulation reflects the product of such mediation.

All of the defendants named in the complaint are parties to the Stipulation.

The complaint and the Stipulation, together with all other pleadings of record, are on file and available for inspection during normal business hours in the office of the Clerk of the Court, United States District Court, Central District of California, 312 North Spring Street, Room G-8, Los Angeles, California 90012-4724.

²Plaintiff further alleges that Eagle: (i) does not meet or interview prospective borrowers; (ii) does not itself hold the borrower's check for deferred deposit; and (iii) does not own any of the accounts into which the checks are deposited by Dollar. These allegations are uncontroverted; however, defendants deny that these facts are sufficient to establish a lender-borrower relationship between the makers of the checks and Dollar.

III. THE PROPOSED SETTLEMENT

A proposed Settlement of the Litigation has been reached by Plaintiff's counsel (identified in Section V) and counsel for the defendants. Defendants have vigorously denied, and continue to deny, all liability with respect to any and all of the facts or claims alleged in the complaint, but consider it desirable to settle and dismiss this Litigation on the merits and with prejudice, thereby eliminating the substantial expense, inconvenience and distraction of continued litigation.

The following description of the proposed Settlement is intended as a summary only. For a complete understanding of all provisions, reference should be made to the full text of the Stipulation (including its Exhibits). Additional copies of this notice and supporting materials are available on the internet through hyperlinks located at www.dfg.com.

The Stipulation provides generally for the following:

A. \$1,500,000 Cash Payment

The cash portion of the Settlement Fund proposed to be distributed to the Class is \$1,500,000 in cash plus interest thereon less any amounts awarded by the Court to Plaintiff's counsel as attorneys' fees, reimbursement of expenses and expenses incurred in giving notice and in the administration of the Settlement and the Settlement Fund. To be entitled to share in the cash portion of the Settlement Fund, a Class Member must file a Proof of Claim and Release. It is not possible to calculate in advance exactly how much each Class Member will receive because that amount will depend upon (i) how many Class Members submit a Proof of Claim and Release; (ii) how much each Claimant paid to the defendants in connection with CASH 'TIL PAYDAY® loan transactions during the Class Period; and (iii) the size of the cash residue remaining after administrative expenses and attorneys' fees have been paid.

B. \$4,000,000 in Account Credits

It is proposed that the Class Members will also receive account credits with an aggregate value of \$4,000,000. Each Class Member shall receive credits entitling him or his transferees to a refund of a portion of the finance charges to be paid on one or more CASH 'TIL PAYDAY® loans to be obtained from Eagle. To enable the Court to monitor the redemption of these credits, defendants will prepare and issue to the Court an accounting every six (6) months during the redemption period.

To be entitled to make use of these account credits, the borrower shall: (i) on or before a date which is not more than eighteen (18) months following the effective date of the Settlement, apply for one or more CASH 'TIL PAYDAY® loans at any office of Dollar at which such loans are then customarily originated, using the application forms then customarily promulgated by Eagle, and, upon such application, call to Dollar's attention the borrower's desire to use account credits in connection with the finance charges on the proposed loan(s); (ii) qualify for such loan(s) at the time of such application in accordance with the *bona fide* credit standards for such loans then in effect; (iii) timely repay such loan(s) in full upon the maturity thereof, or upon any extension of such maturity as may be granted by Eagle from time to time in accordance with its then customary policies, including payment in cash of the customary finance charge on such loan(s) to the extent such finance charge in any case exceeds the unused value of such credits or \$10 per loan, whichever shall be less. The account credits shall not entitle the borrower to forebear from paying, to offset against, to a defense to payment, or otherwise to avoid payment of any amount of principal or finance charge (except as set forth above) payable under any such loan, it being an express condition that the borrower shall have timely repaid the principal and finance charge (except as set forth above) of such loan in full.

No more than \$10 of the finance charge on any one loan may be paid by the redemption or application of any account credits, with the balance of such finance charge being required to be paid in cash; the unused portion, if any, of any account credits may be applied against up to \$10 of the finance charge on each of any one or more subsequent loans until the account credits shall have been fully applied. The \$4,000,000 in account credits shall be allocated on a per capita basis to all members of the Settlement Class.

To be entitled to account credits, a Class Member is *not* required to file a Proof of Claim and Release.

C. Allocation of Cash Payment

The cash portion of the Settlement Fund will be allocated among Class Members in proportion to the finance charges paid by them. However, there shall not be included in the computation of any such share the finance charges paid in respect of any loan if such finance charges were collected following the return for insufficient funds or otherwise of any check given in payment of such loan. This means that a borrower who has paid finance charges on a CASH 'TIL PAYDAY® loan will not be entitled to have those finance charges included in the computation of his share of the Settlement Fund unless he repaid his loan on time (including any extensions) in accordance with the terms of the loan. A borrower who received multiple loans will have only those loans not timely repaid excluded from the computation of his ratable share of the Settlement Fund.

D. Loan Practices

Defendants have agreed that, following the effective date of the Settlement, no arbitration clause included by Eagle in its forms of promissory notes evidencing loans (or other final document used in connection with loans) will incorporate by reference the arbitration provisions of any other document or agreement. Defendants have also agreed that, following the effective date of the Settlement, they will not engage in any communication with any loan debtor that constitutes a false or misleading representation or unfair practice for purposes of any applicable statute governing the conduct of debt collectors. Nothing in the foregoing undertaking shall be deemed as an admission by Eagle or any other

defendant of any defect in any prior or present form of loan documentation employed by any defendant, nor shall the foregoing be deemed to constitute an admission of any wrongdoing or liability in connection with defendants' debt-collection practices.

THE ABOVE DESCRIPTIONS ARE INTENDED TO HIGHLIGHT CERTAIN ASPECTS OF THE SETTLEMENT AND ARE NOT COMPLETE. COPIES OF THE DOCUMENTS PURSUANT TO WHICH THE SETTLEMENT IS DESCRIBED IN SUMMARY FORM IN THIS NOTICE ARE ON FILE WITH THE CLERK OF THE COURT AND ARE AVAILABLE FOR INSPECTION.

As part of the Settlement, participating Class Members will release the defendants from Released Claims (as defined in the Stipulation), which include any claims which were, or which could have been, asserted in the Litigation. The release provisions of the Stipulation are discussed in further detail in Section VI hereof.

Consummation of the Settlement is subject to a number of conditions, including the limited right, on conditions set forth in the Stipulation, of defendants to terminate the Stipulation.

IV. DISTRIBUTIONS FROM THE FUND

Portions of the assets now held by Plaintiff's counsel may be used for certain administrative expenses, including but not limited to the costs of photocopying and mailing of this Notice. In addition, an amount may be awarded by the Court to Plaintiff's counsel for attorneys' fees and disbursements incurred in connection with the Litigation and the achievement of the Settlement, to be paid solely from the Settlement Fund. Plaintiff's counsel intends to make application to the Court for an award of attorneys' fees and the reimbursement of costs and expenses incurred in connection with the Settlement. See Section X below. No person will have any entitlement to any portion of the Settlement Fund, except as presently provided by the Stipulation, until the effective date of the Settlement (as defined in the Stipulation).

The account credits and cash portion of the Settlement Fund, after payment of administrative expenses and such fees and expenses as may be awarded to Plaintiff's counsel by the Court, will be distributed as set forth in the Stipulation, except that no distribution will be made to any Class Member who timely and validly requests exclusion from the Settlement Class. It is not necessary for a Class Member to submit any proof of claim in order to participate in the account credits portion of the Settlement Fund. Any Class Member who does not request exclusion from the Settlement Class will have no further opportunity to do so, but will have an opportunity to appear before the Court to enter any objections to the consummation of the Settlement. All Class Members who do not timely and validly request exclusion will be bound by the Settlement.

There is included with this Notice a form of Proof of Claim and Release.

IN ORDER TO BE ELIGIBLE TO RECEIVE A CASH DISTRIBUTION FROM THE SETTLEMENT FUND, A CLASS MEMBER MUST COMPLETE, EXECUTE AND CAUSE THE CLAIMS ADMINISTRATOR (AT THE ADDRESS INDICATED IN SECTION XI BELOW) TO RECEIVE, NOT LATER THAN DECEMBER 8, 2000, A PROOF OF CLAIM AND RELEASE IN THE FORM ACCOMPANYING THIS NOTICE.

V. THE SETTLEMENT CLASS

On June 26, 2000, the Court determined that, for settlement purposes only, the Litigation may be maintained as a class action with respect to the settlement of claims asserted against the defendants on behalf of a settlement class consisting of all persons who received any extension of credit in a transaction originated and/or serviced by Dollar in which Eagle is designated or referred to in any of the transaction documents as the lender, during the period from February 8, 1995 through that date, inclusive (the "Settlement Class" or "Class").

On August 8, 2000, the Court also approved the provisions of this Notice and appointed Majors & Fox as counsel for the Class ("Plaintiff's counsel").

VI. RELEASE OF CLAIMS, COVENANT NOT TO SUE AND TERMINATION OF THE LITIGATION

If the proposed Settlement is approved by the Court, then the Litigation, the complaint, and each and every claim set forth therein, and all claims that might have been asserted in the Litigation, shall be dismissed against the defendants with prejudice as to Plaintiff and other members of the Class. Furthermore, Plaintiff and each Class Member, other than Class Members who validly request exclusion from the Class, shall be fully and forever permanently barred and enjoined from, either directly or indirectly, instituting, prosecuting or continuing any action or proceeding of any kind against any and all of the defendants or other Released Persons (as defined in the Stipulation) which in any way involves, is based upon, relates to or arises out of any Released Claims (as defined in the Stipulation), including without limitation all claims, allegations, litigations, causes of action or rights that have been or could have been asserted in the Litigation, including known or unknown claims, which any such Class Member may have, directly or indirectly, against the defendants or any other Released Person.

All Class Members who remain in the Class will be deemed to have granted such covenants not to sue and such releases by virtue of the final judgment entered by the Court approving the Settlement and dismissing the Litigation as to the defendants (the "Final Order").

If the Court disapproves the proposed Settlement, or if it is terminated in accordance with the terms of the Stipulation, or if, for any other reason, it fails to take effect or remain in effect, then the rights and duties of the parties will continue as if no Stipulation had been entered into (except as otherwise provided in the Stipulation), and the Class Members will have no rights to participate in the Settlement Fund.

This Notice does not describe fully all claims which a Class Member must release in order to share in distributions pursuant to the Settlement and other benefits thereof, and does not describe fully all claims which a Class Member shall be forever permanently barred and enjoined from asserting. The Stipulation on file and available for inspection in the office of the Clerk of the Court, United States District Court, Central District of California, 312 North Spring Street, Room G-8, Los Angeles, California 90012-4724, should be referred to for a complete description of the claims, allegations, causes of action or rights, whether known or unknown, that will be released by Class Members and whose assertion will be permanently barred and enjoined once the Settlement is approved by the Court.

Under certain circumstances, the defendants have the right to terminate the Settlement. The defendants will notify Plaintiff's counsel and the Court in writing should they decide to exercise this right.

VII. DENIAL OF LIABILITY

The defendants have denied any wrongdoing or liability arising out of or based upon any of the claims and allegations asserted in the Litigation. The Court has not ruled on the merits of the contentions of the parties, including Plaintiff's claims and any of the defenses to those claims which the defendants have or could potentially assert. This Notice is not to be construed as an expression by the Court as to the merits of any claims or potential defenses in the Litigation. Specifically, the giving of this Notice and the defendants' agreement to settle the Litigation does not mean, and is not meant to imply, that there has been any violation of law, or that recovery (in any amount) after trial could be obtained from the defendants if this Litigation is not settled.

VIII. CLASS PARTICIPATION IN THE SETTLEMENT

If you fall within the Class as defined in this Notice, you are a member of the Settlement Class unless you timely and properly request exclusion therefrom.

If you are a member of the Class and you do not validly request exclusion therefrom, you will be eligible to receive certain benefits of and will be bound by the terms of the proposed Settlement described in this Notice, by the terms of the Stipulation, by the terms of the Final Order and by the terms of any other order entered by the Court relating to the proposed Settlement or the Agreement. All Class Members who do not validly request exclusion from the Class shall be deemed to have consented to the terms set forth in the Stipulation.

If you wish to remain a member of the Class, you need do nothing at this time, and your rights as a Settlement Class member will be represented by Majors & Fox. If you wish, you may enter an appearance in this Litigation individually or through your own counsel at your own expense. To participate in the distribution of the cash portion of the Settlement Fund, your complete and executed Proof of Claim and Release form must be received by the Claims Administrator not later than December 8, 2000.

IX. REQUEST FOR EXCLUSION FROM THE CLASS

If you validly request exclusion from the Class, you will not be entitled to share in the distributions from the Settlement Fund. Any person or entity in the Class may request to be excluded from the Class by submitting a signed, written request for exclusion postmarked on or before October 3, 2000, in an envelope marked "Request for Exclusion." Such request must be addressed to Phanco Litigation Committee, c/o Majors & Fox, 401 West "A" Street, Suite 2350, San Diego, California 92101-7921, with a copy to counsel for each of the other parties as set forth in Section XI hereof, must refer to *Phanco v. Dollar Financial Group, Inc. et al.*, and must include a statement that such person or entity requests to be excluded from the Class and from participation in the proposed Settlement. The request for exclusion must also include the name, social security number, address and telephone number of the person requesting exclusion. If you wish to be excluded from the Class, you must request exclusion in the manner set forth above, even if you have filed your own lawsuit based on any Released Claims (as fully defined in the Stipulation on file with the Court).

Any persons or entities electing to exclude themselves from the Class shall be left to their own individual remedies, if any, as against the defendants, at their own cost and expense. All members of the Class who do not file a valid request for exclusion in the time and manner set forth in this Section shall have no further opportunity to do so and shall be bound by the Final Order and by the terms of the Stipulation.

X. REIMBURSEMENT OF CERTAIN EXPENSES AND APPLICATION FOR ATTORNEYS' FEES AND EXPENSES

The Settlement Fund may be reduced by allowances authorized by the Court for (i) the costs and expenses incurred by Plaintiff's counsel and their designees in the photocopying and mailing of this Notice, (ii) such other fees and expenses as may be ordered by the Court to be paid from the Settlement Fund, and (iii) the fees and expenses awarded by the Court to Plaintiff's counsel in connection with the Litigation and in achieving the Settlement.

Plaintiff's counsel intends to make application to the Court for an award of attorneys' fees and reimbursement of costs and expenses incurred in connection with the Settlement in an amount not to exceed \$750,000. The fee application by Plaintiff's counsel will be filed with the Court by September 25, 2000, will be available for inspection at the Office of the Clerk of the Court, and will be heard and considered by the Court before any attorneys' fees may be paid. The procedure for and the allowance or disallowance by the Court of any such fee application by Plaintiff's counsel are not part of the Stipulation, and any order relating thereto shall not operate to terminate the Settlement or affect the finality of the Final Order.

XI. NOTICE OF THE SETTLEMENT HEARING

Pursuant to the Order of the Court entered on August 8, 2000, the Settlement Hearing will be held on October 23, 2000, at 9:30 a.m. o'clock, before the Honorable George H. King, United States District Judge, or such other judge as shall be designated by the Court, at the Roybal United States Courthouse, 255 East Temple Street, Los Angeles, California 90012, Courtroom 660. The purpose of the Settlement Hearing is to determine whether the proposed Settlement described in this Notice and set forth in the Stipulation is fair, reasonable and adequate, and whether the Settlement should be approved by the Court and the Litigation be dismissed against the defendants on the merits and with prejudice, and judgment entered, as described herein, at the conclusion thereof, to consider the application of Plaintiff's counsel for an award of attorneys' fees and reimbursement of the costs and expenses incurred with the Settlement from the Settlement Fund and to consider any other application or motions of the parties to the Settlement as may be addressed to the Court at that time. The Settlement Hearing may be adjourned from time to time by the Court at the Hearing or at any adjourned session thereof, without further notice.

If you are a Class Member and you do not request exclusion as set forth in this Notice, you may be heard, in person or by counsel, at the Settlement Hearing in order to express any objections to the Stipulation. However, no Class Member will be heard or entitled in any way to contest the approval of the Stipulation and the Settlement provided for therein *unless* he, she or it filed with the Clerk of the Court, postmarked or hand delivered no later than October 2, 2000, with copies delivered no later than or if mailed, postmarked no later than October 2, 2000, to all counsel hereinafter listed, the following: (i) written notice of intention to appear at the Settlement Hearing, (ii) written proof that such person or entity is a Class Member, including documents establishing that he, she or it is a Class Member, (iii) a specific statement of such person's or entity's desire to appear and be heard, and (iv) all documents or writings which such person or entity desires the Court to consider at the Settlement Hearing, including a summary of the objection. The Court will not hear any witnesses unless notice is given to Plaintiff's counsel and counsel for the defendants, delivered no later than, or if mailed, postmarked no later than October 2, 2000, containing the names of all such witnesses, a statement as to the matters as to which they wish to testify and a summary of the proposed testimony. Any person or entity who fails to object in the manner set forth herein shall be deemed to have waived such objection and shall be forever barred from raising such objection in this Litigation or in any other litigation or proceeding unless the Court, in its discretion, shall otherwise direct upon application of such person or entity and for good cause shown. The above-mentioned addresses and the names of counsel are as follows:

Claims Administrator:

Phanco v. Dollar Financial Group, Inc. et al.
Claims Administrator
P.O. Box 1572
Minneapolis, MN 55440-1512

Clerk of the Court
United States District Court
312 North Spring Street, Room G-8
Los Angeles, California 90012-4724
Re: Phanco v. Dollar Financial Group, Inc. et al.,
Docket No. CV 99-01281 GHK (RZx)

Attorneys for Plaintiff:

Majors & Fox
Attention: Gary W. Majors, Esq.
401 West "A" Street, Suite 2350
San Diego, California 92101-7921

Attorney for Dollar:

Hilary B. Miller, Esq.
112 Parsonage Road
Greenwich, Connecticut 06830-3942

Attorneys for Eagle:

Ballard Spahr Andrews & Ingersoll, LLP
Attention: Burt M. Rublin, Esq.
1735 Market Street
Philadelphia, Pennsylvania 19103-7599

IF YOU APPROVE OF OR DO NOT OPPOSE THE SETTLEMENT, YOU DO NOT NEED TO APPEAR AT THE SETTLEMENT HEARING OR TAKE ANY OTHER ACTION AT THIS TIME. YOU MUST, HOWEVER, FILE A PROOF OF CLAIM AND RELEASE TO BE ENTITLED TO PARTICIPATE IN THE CASH PORTION OF THE SETTLEMENT FUND.

XII. EXAMINATION OF PAPERS AND INQUIRIES

This Notice is a summary only and does not describe all of the details of the Stipulation. For a more detailed statement of the matters involved in the Litigation and discussed in this Notice, you may desire to refer to the Stipulation (and all of the Exhibits thereto) and to the pleadings and other papers filed with the Court in this Litigation, all of which may be inspected at the Clerk of the Court, United States District Court, Central District of California, United States Courthouse, 312 North Spring Street, Room G-8, Los Angeles, California 90012-4724, during regular business hours of each business day.

IF YOU HAVE ANY QUESTIONS CONCERNING THIS NOTICE OR IF THIS NOTICE REACHED YOU AT AN ADDRESS OTHER THAN THE PRINTED ADDRESS ON THE ENVELOPE IN WHICH IT IS CONTAINED OR IF YOUR ADDRESS HAS CHANGED, PLEASE WRITE TO THE CLAIMS ADMINISTRATOR AT THE ADDRESS LISTED ABOVE. DO NOT CONTACT THE CLERK OF THE COURT OR JUDGE GEORGE H. KING.

Dated: August 8, 2000

Clerk of the Court
United States District Court
Central District of California

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION

Phanco v. Dollar Financial Group, Inc. et al., CV 99-01281 GHK (RZx)

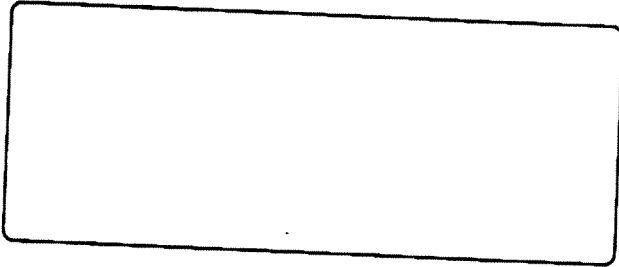
PROOF OF CLAIM AND RELEASE

Must Be Received No Later Than December 8, 2000

PLEASE SEND MY SHARE¹ OF THE NET SETTLEMENT PROCEEDS IN THIS CLASS ACTION LAWSUIT.

Make sure to affix your mailing label and include any address corrections in the spaces provided.

▼ PLEASE PEEL LABEL FROM MAILING PANEL AND AFFIX HERE. ▼



ADDRESS CORRECTIONS

Name _____

Street Address _____

City _____

State ____ Zip Code _____

(_____) _____
Area Code Telephone Number (home)

Social Security Number

SUBMISSION TO JURISDICTION, RELEASE AND ACKNOWLEDGMENTS

I submit this Proof of Claim and Release under the Stipulation of Settlement described in the Notice (the "Stipulation"). I also submit to the jurisdiction of the United States District Court for the Central District of California regarding my claim as a Class Member. If the Court approves the settlement, I release and discharge all Defendants and all of the Related Parties from any and all Released Claims (as defined in the Stipulation). I warrant that I have not assigned, voluntarily or involuntarily, any Released Claim. I certify under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

(Signature of Claimant)

____ / ____ / ____
(Date)

No payment can be made unless and until the Court gives final approval to the proposed settlement. Therefore, you should not expect to receive any money until at least February, 2001.

¹It is not possible to calculate in advance exactly how much each Class Member will receive because that amount will depend upon (i) how many Class Members submit a Proof of Claim and Release; (ii) how much each Claimant paid to the defendants in connection with CASH 'TIL PAYDAY[®] Loan transactions during the Class Period; and (iii) the size of the cash residue remaining after administrative expenses and attorneys' fees have been paid.