

IN THE CIRCUIT COURT OF PULASKI COUNTY, ARKANSAS  
\_\_\_\_ DIVISION

**3RD DIVISION**

STATE OF ARKANSAS *ex rel.*

DUSTIN MCDANIEL, ATTORNEY GENERAL

PLAINTIFF

vs.

**60 CV 2010 6958**  
CASE NO. \_\_\_\_\_

MO' MONEY TAX SERVICE, LLC,  
MONEY CO. USA, LLC,  
MARKEY GRANBERRY,  
DERRICK ROBINSON,  
AND CANDIS SAULSBERRY

FILED 12/06/10 09:27:41  
Pat O'Brien Pulaski Circuit Clerk  
FB  
**DEFENDANTS**

COMPLAINT

Plaintiff, State of Arkansas *ex rel.* Dustin McDaniel, Attorney General, for its Complaint against the Defendants, states:

PARTIES

1. Plaintiff is the State of Arkansas *ex rel.* Dustin McDaniel, the duly elected Attorney General for the State of Arkansas. This is a consumer protection action. This complaint is brought in the public interest in order to redress and restrain violations of the Arkansas Deceptive Trade Practices Act, Ark. Code Ann. § 4-88-101 *et seq.* (hereinafter "the DTPA") and the Arkansas Refund Anticipation Loan Act, Ark. Code Ann. § 4-116-101 *et seq.* (hereinafter "the RALA").

2. Defendants offer tax preparation services in several states including Arkansas.

3. Mo' Money Tax Service, LLC (hereinafter "Mo' Money") is incorporated in Tennessee. Mo' Money Tax Service, LLC is listed as its own registered agent with Tennessee Secretary of State.

4. Mo' Money Tax Service, LLC was administratively dissolved by the Tennessee Secretary of State on or about August 8, 2010.

5. Mo' Money maintained its principal business office at 5090 Millbranch, Memphis, Tennessee 38116.

6. Markey Granberry and Derrick Robinson are the co-founders and owners of Mo' Money Tax Service. On information and belief, Granberry and Robinson are residents of Tennessee.

7. Mo' Money now operates as Money Co. USA, LLC (hereinafter "MoneyCo"). MoneyCo also has its principle place of business at 5090 Millbranch, Memphis, Tennessee 38116. Its registered agent is Markey Granberry. Granberry is the Chief Executive Officer of MoneyCo. See the attached article from the Memphis Daily News, Exhibit 1. MoneyCo continues to offer tax preparation services.

8. When calling MoneyCo's office on November 9, 2010 in Memphis, TN, a MoneyCo employee answered the phone by saying "[t]hank you for calling Money Co USA formally Mo' Money Taxes."

9. MoneyCo is the successor in interest to Mo' Money and is liable for the violations of law committed while using the name Mo' Money as set out in this complaint.

10. Granberry and Robinson personally formulated, directed, controlled, supervised, managed, participated in, had knowledge of, and acquiesced in the business practices of Mo' Money, now MoneyCo, as outlined in this complaint to such a degree that Defendants are personally liable for the unconscionable and otherwise unlawful acts and practices described below. Defendants are "controlling persons" of Mo' Money and MoneyCo within the meaning of Ark. Code Ann. § 4-88-113(d).

11. Mo' Money, now MoneyCo, offers its tax preparation services through stores operated directly by the company, as well as stores operated by others that offer Mo' Money services through franchise agreements.

12. Candis Saulsberry is the owner and operator of one of those franchises located at 4612 Asher in Little Rock, Arkansas.

13. On information and belief, Saulsberry is a resident of Tennessee.

14. Saulsberry personally formulated, directed, controlled, supervised, managed, participated in, had knowledge of, and acquiesced in the business practices of Mo' Money at the Asher Avenue location as outlined in this complaint to such a degree that she is personally liable for the unconscionable and otherwise unlawful acts and practices described below. Saulsberry is a "controlling person" of Mo' Money and MoneyCo within the meaning of Ark. Code Ann. § 4-88-113(d).

#### **JURISDICTION AND VENUE**

15. This Court has jurisdiction over this matter pursuant to Ark. Code Ann. § 4-88-104 and Ark. Code Ann. § 16-4-101(B), which provides: "The courts of this state shall have personal jurisdiction of all persons, and causes of action or claims for relief, to the maximum extent permitted by the due process clause of the Fourteenth Amendment of the United States Constitution." Defendants operate a tax preparation business in the State of Arkansas and have prepared thousands of Arkansas consumers' tax returns. Defendants have availed themselves of the benefit of conducting business in this State. Based upon their activities in the State of Arkansas, the Defendants should reasonably expect to defend themselves in the courts of this State for violations of applicable laws.

16. Venue is proper pursuant to Ark. Code Ann. § 4-88-104, § 4-88-112, and the common law of the State of Arkansas. The Defendants have transacted business in the State of Arkansas.

### **BUSINESS PRACTICES OF THE DEFENDANTS**

17. In 2009, the Arkansas General Assembly passed the Refund Anticipation Loan Act, Ark. Code Ann. § 4-116-101, *et seq.*, with the purpose of "protect[ing] consumers who enter into a refund anticipation loan and a refund anticipation check transaction." Ark. Code Ann. § 4-116-101(b). The RALA seeks to protect consumers by requiring specific written disclosures of fees and terms (Ark. Code Ann. § 4-116-104), specific written disclosures during the RAL or RAC application process (Ark. Code Ann. § 4-116-105), and specific oral disclosures (Ark. Code Ann. § 4-116-106). The RALA prohibits certain actions at issue here, particularly with regard to the charging of fees (Ark. Code Ann. § 4-116-107). The facilitator or preparer is prohibited from charging additional fees to a consumer obtaining an RAL or RAC, if those fees are not being charged to non-RAL and non-RAC customers.

18. A refund anticipation loan ("RAL") is a high-interest lending product "arranged to be [re]paid directly or indirectly from the proceeds of the consumer's income tax refunds or tax credits." Ark. Code Ann. § 4-116-102 (4).

19. A refund anticipation check ("RAC") is a "check, stored value card, or other payment mechanism, representing the proceeds of the consumer's tax refund, which was issued by a depository institution . . . that received a direct deposit of the consumer's tax refund or tax credit and for which the consumer has paid a fee or other consideration for such payment mechanism." Ark. Code Ann. § 4-116-102 (6).

20. These products are typically offered by financial institutions, but are facilitated by tax preparers like Mo' Money. For the 2009 tax season, Mo' Money offered RAL's and RAC's through JP Morgan Chase Bank.

21. In connection with their tax preparation service, Defendants advertise the availability of quick access to cash; "UP TO \$1800 IN 30 SECONDS OR UP TO \$10,000 THE NEXT DAY." See Exhibit 2 for a Mo' Money Flyer.

22. Defendants provide access to this quick cash by offering RAL's and RAC's.

23. RAL's and RAC's are lending products that carry high fees over a short period of time, resulting in interest rates that often reach triple digits. See Exhibit 3 for a copy of Refund Anticipation Loan Agreement.

24. In addition to the fees charged by the lending institution, many tax preparer's charge additional fees to those consumers that obtain an RAL or RAC.

25. Many consumer advocates label RAL's and RAC's as a form of predatory lending. This is largely because RAL's and RAC's charge high fees for consumers to effectively borrow their own money; money that, if the consumer electronically filed his tax return, would be available in no more than two weeks. The refund for a typical electronically filed Internal Revenue Service ("IRS") return takes eight to fourteen days to be received; a refund for a mailed IRS return may take several weeks.

26. Because of concerns related to the offering of RAL's and RAC's, the Arkansas General Assembly sought to provide some protection to Arkansas consumers by passing the RALA.

27. Defendants processed approximately 1,157 Arkansas consumer's 2009 tax returns at their store at 4612 Asher in Little Rock, Arkansas. Of those returns, 721 received an RAL and 235 received an RAC.

28. Because Defendants provide RAL's and RAC's, the RALA requires Defendants to provide the disclosures set out in Ark. Code Ann. § 4-116-104.

29. On information and belief, the Mo' Money location at 4612 Asher in Little Rock, Arkansas did not provide all of the disclosures required by Ark. Code Ann. § 4-116-104.

30. Defendants failed to post their fee schedule in their 4612 Asher store on a document measuring at least 16" by 20" in no less than 28 point type.

31. Defendants failed to post in their 4612 Asher store the interest rates resulting from loans in the amounts of two hundred fifty dollars (\$250), five hundred dollars (\$500), one thousand dollars (\$1,000), and two thousand five hundred dollars (\$2,500) on a document measuring at least 16" by 20" in not less than 28 point type.

32. Defendants failed to post in their store the following notice in no less than 28 point type on a document measuring at least 16" by 20" the following:

**"NOTICE CONCERNING REFUND ANTICIPATION LOANS"**

"When you take out a refund anticipation loan, you are borrowing money against your tax refund. If your tax refund is less than expected, you will still owe the entire amount of the loan. If your refund is delayed, you may have to pay additional costs. **YOU CAN USUALLY GET YOUR REFUND IN 8 TO 15 DAYS WITHOUT PAYING ANY EXTRA FEES AND TAKING OUT A LOAN.** You can have your tax return filed electronically and your refund direct deposited into your own bank account without obtaining a loan or paying fees for an extra product."

33. On information and belief, the Mo' Money location at 4612 Asher in Little Rock, Arkansas did not provide any of the disclosures required by Ark. Code Ann. § 4-116-105 on a

colored piece of paper separate from the application prior to consumers completing their RAL or RAC transactions.

34. On information and belief, the Defendants failed to orally disclose to consumers that if the consumer's refund was less than expected, then the consumer would be responsible for repaying the full amount of the loan. Defendants are required to advise consumers of this fact by Ark. Code Ann. § 4-116-106.

35. Defendants charge a number of fees to consumers in connection with the preparation of tax returns and for facilitating RALs and RACs. Fees charged for tax preparation are exempted from the fee provisions of the RALA. Some fees are mandated by the facilitators' agreement with the financial institution providing the RAL, and those are not subject to the fee provisions of the RALA so long as the fees are paid to the financial institution. The RALA prohibits a facilitator from charging a fee to an RAL or RAC customer if that same fee is not also charged, in the same amount, to a non-RAL or non-RAC customer.

36. Upon information and belief, Defendants charge a \$29 Service Bureau Fee to all RAL and RAC customers, but only charged a \$5 Service Bureau Fee to non-RAL and non-RAC customers.

37. Such a fee is mandated by Defendants' License Agreement. Paragraph 12 of the agreement states, "Payment of fees to Licensor from Licensee will be a royalty of \$29. . . On all federal e-filed tax returns with a bank product attached (RAL), the minimum fee is \$29 . . . All royalty fees shall be paid to CAYMAU SERVICE BUREAU." See Exhibit 4.

38. After diligent effort and inquiry of the Defendants, the Attorney General's Office cannot identify any entity called Caymau Service Bureau, nor can the State determine what exactly this service bureau is supposed to do. It is clear, however, from the License Agreement

that Caymau Service Bureau purports to be the recipient of royalty fees to be paid from the Licensee to Mo' Money Taxes, and as such is connected to Mo' Money Taxes and its principals.

39. According to Defendants' franchise agreement this \$29 fee is a royalty fee paid to Mo' Money, who is the licensor, and is only charged to those consumers who obtained a RAL. This is exactly the type of fee that the RALA prohibits.

40. Further, since it appears that the royalty fee language is standard language in Mo' Money Taxes License Agreements, it is probable that all Mo' Money locations within the State of Arkansas violated the RALA, specifically its fee provisions.

41. Mo' Money Taxes, now MoneyCo., controls and provides to its franchises the materials provided to Arkansas consumers seeking to obtain tax services and RAL's. These are the same materials that failed to provide the required disclosures pursuant to the RALA.

42. Mo' Money Taxes, now MoneyCo, pursuant to its franchise agreement, paragraph 11, requires its franchises to "produc[e] a minimum of 500 funded [RAL] tax returns in the third tax season." Further, Mo' Money Taxes, now MoneyCo, contractually compels its franchises to charge the \$29 fee that is in violation of the RALA.

43. Mo' Money Taxes, now MoneyCo, and its principals, Granberry and Robinson, are directly responsible for their own conduct and vicariously liable for the conduct of their franchises.

### **VIOLATIONS**

44. "A facilitator who violates a provision of this chapter is in violation of the Deceptive Trade Practices Act, § 4-88-101 *et seq.*, and a consumer shall have all rights and remedies provided under this law." Ark. Code Ann. § 4-116-108(a).

45. The business practices of the Defendants constitute the sale of “goods” or “services” within the meaning of Ark. Code Ann. § 4-88-102(3) and (6). The same business practices constitute business, commerce, or trade within the meaning of Ark. Code Ann. § 4-88-107.

46. The conduct engaged in by Defendants violates the Arkansas Refund Anticipation Loan Act and the Deceptive Trade Practices Act.

47. Defendants failed to provide the posted written disclosures required by Ark. Code Ann. § 4-116-104. This section provides:

(a) A facilitator shall display a schedule showing the current fees for refund anticipation loans or refund anticipation checks facilitated at the office.

(b) A facilitator also shall prominently display on each fee schedule the following information:

(1) Examples of the interest rates charged for refund anticipation loans in the amounts of:

(A) Two hundred fifty dollars (\$250);

(B) Five hundred dollars (\$500);

(C) One thousand dollars (\$1,000); and

(D) Two thousand five hundred dollars (\$2,500);

(2) A legend, centered, in bold capital letters, and in one-inch letters stating: "NOTICE CONCERNING REFUND ANTICIPATION LOANS"; and

(3) The following statement: "When you take out a refund anticipation loan, you are borrowing money against your tax refund. If your tax refund is less than expected, you will still owe the entire amount of the loan. If your refund is delayed, you may have to pay additional costs. **YOU CAN USUALLY GET YOUR REFUND IN 8 TO 15 DAYS WITHOUT PAYING ANY EXTRA FEES AND TAKING OUT A LOAN.** You can have your tax return filed electronically and your refund direct deposited into your own bank account without obtaining a loan or paying fees for an extra product."

(c)(1) The postings required by this section shall be made in no less than 28-point type on a document measuring no less than sixteen inches by twenty inches (16" by 20").

(2) The posting required in this section shall be displayed in a prominent location at each office where the facilitator is facilitating refund anticipation loans.

(d) A facilitator shall not facilitate a refund anticipation loan or refund anticipation check unless;

(1) The disclosures required by this section are displayed; and

(2) The fee charged for the refund anticipation loan or refund anticipation check is the same as the fee displayed on the schedule.

Ark. Code Ann. § 4-116-104.

48. Defendants violated Arkansas law by not posting the fee schedule in their 4612 Asher store on a document measuring at least 16" by 20" in no less than 28 point type; by not posting in their 4612 Asher store the interest rates resulting from loans in the amounts of two hundred fifty dollars (\$250), five hundred dollars (\$500), one thousand dollars (\$1,000), and two thousand five hundred dollars (\$2,500) on a document measuring at least 16" by 20" in not less than 28 point type; and by not posting the specific language of Ark. Code Ann. § 4-116-104(b)(3).

49. Defendants failed to provide the written disclosures required by Ark. Code Ann. § 4-116-105. This section provides:

(a) When a consumer applies for a refund anticipation loan, the facilitator shall disclose to the consumer on a colored-paper form separate from the application in 14-point type face, the following information:

(1) The fee for the refund anticipation loan, including the fee for the tax preparation and other fees charged the consumer;

(2) The time within which the proceeds of the refund anticipation loan will be paid to the consumer if the loan is approved;

(3) For refund anticipation loans, the following disclosures:

(A) A legend, centered, in bold, capital letters, and in 18-point type stating: "NOTICE"; and

(B) The statement: "This is a loan. You are borrowing money against your tax refund. If your tax refund is less than expected, you will still owe the entire amount of the loan. If your refund is delayed, you may have to pay additional costs. **YOU CAN USUALLY GET YOUR REFUND IN 8 TO 15 DAYS WITHOUT GETTING A LOAN OR PAYING EXTRA FEES.** You can have your tax return filed electronically and your refund direct deposited into your bank account without obtaining a loan or other paid product."; and

(4)(A) For refund anticipation loans, disclosure of the refund anticipation loan interest rate.

(B) The refund anticipation loan interest rate shall be calculated utilizing the guidelines established under the federal Truth in Lending Act, 15 U.S.C. § 1601 et seq., as it existed on January 1, 2009.

(b) If a consumer applies for a refund anticipation check, the facilitator shall disclose to the consumer on a colored-paper form separate from the application in 14-point type face, the following information:

(1) The fee for the refund anticipation check, including the fee for tax preparation and other fees charged the consumer;

(2) The time within which the proceeds of the refund anticipation check will be paid to the consumer; and

(3) The following disclosures:

(A) A legend, centered, in bold, capital letters, and in 18-point type stating: "NOTICE"; and

(B) The statement: "You are paying [amount of refund anticipation check fee] to get your refund check through [name of issuer of the refund anticipation check]. **YOU CAN AVOID THIS FEE AND STILL RECEIVE YOUR REFUND IN THE SAME AMOUNT OF TIME BY HAVING YOUR REFUND DIRECTLY DEPOSITED INTO YOUR BANK ACCOUNT.** You can also wait for the Internal Revenue Service to mail you a check."

(c) The facilitator shall provide to the consumer before completing the loan or check transaction in a form that can be kept by the consumer the following:

- (1) The disclosures required by this subsection;
- (2) A copy of the completed loan or check application and agreement; and
- (3) For refund anticipation loans, the disclosures required by the federal Truth in Lending Act.

(d) The disclosures required by this section shall be provided in English and in the language used primarily for oral communication between the facilitator and the consumer.

Ark. Code Ann. § 4-116-105.

50. Defendants violated Arkansas law by not did not provide any of the disclosures required by Ark. Code Ann. § 4-116-105 on a separate colored piece of paper in 14-point type prior to consumers completing their RAL or RAC transactions. Among other items Defendants failed to disclose where the fees to be charged; the resulting APR of the RAL or RAC; and the required statement concerning the availability of tax refunds without the use of an RAL or RAC.

51. Defendants failed to provide the oral disclosures required by ARK. CODE ANN. § 4-116-106. Among other disclosures, this section provides that a facilitator must orally inform the consumer that if the consumer's tax refund is less than expected, the consumer is liable for the full amount of the loan and must repay any difference. Defendants are in violation of Arkansas law by not disclosing to consumers that if the consumer's refund was less than expected, then the consumer would be responsible for repaying the full amount of the loan

52. Defendants charged fees prohibited by Ark. Code Ann. § 4-116-107. Defendants charged a \$29 fee, purportedly paid to Caymau Service Bureau, an entity whose identity and purpose is unknown, and whose existence is doubtful. This fee was only charged to RAL and RAC customers.

### **RELIEF REQUESTED**

53. The acts and practices of the Defendants constituting violations of the Arkansas Refund Anticipation Loan Act and the Deceptive Trade Practices Act, and the Plaintiff hereby seeks, the following relief:

(a) Injunction – Pursuant to Ark. Code Ann. § 4-88-113(a)(1), the Court should enter such orders or judgments as may be necessary to prevent the use or employment by the Defendants of the practices described herein which are violations of the Arkansas Refund Anticipation Loan Act and the Deceptive Trade Practices Act.

(b) Damages – Pursuant to Ark. Code Ann. § 4-116-108(b) and Ark. Code Ann. § 4-88-113(a)(2), this Court should enter an award for actual and consequential damages; at a minimum this Court should order the Defendants to disgorge the \$29 fee improperly collected from all of the Defendants RAL and RAC customers. Additionally, the Defendants are liable for statutory damages of one thousand dollars (\$1000) for each violation of the RALA.


(c) Civil Penalties – Pursuant to Ark. Code Ann. § 4-88-113(a)(3), the Attorney General seeks the imposition of civil penalties to be paid to the State. Plaintiff seeks civil penalties against the Defendants in the amount of \$10,000.00 for each violation of the Arkansas Deceptive Trade Practices Act. The total recovery sought by the Plaintiff for damages and civil penalties is in an amount in excess of that required for federal court jurisdiction in diversity of citizenship cases.

(d) Attorneys fees and costs – Pursuant to Ark. Code Ann. § 4-116-108(b)(3) and Ark. Code Ann. § 4-88-113(e), the Plaintiff seeks the reimbursement of all expenses reasonably incurred in the investigation and prosecution of this matter, together with attorneys fees and costs.

WHEREFORE, Plaintiff requests that this Court permanently restrain and enjoin the Defendants from engaging in acts which constitute violations of the RALA and the DTPA; that the Defendants be ordered to disgorge any fees prohibited by the RALA, together with statutory damages for each violation of the RALA; that the Defendants be assessed civil penalties; that the Plaintiff be awarded from the Defendants reimbursement for all expenses reasonably incurred in the investigation and prosecution of this matter, together with reasonable attorneys fees and costs, and for all other relief to which the Plaintiff may be entitled.

Respectfully submitted,

DUSTIN MCDANIEL,  
Attorney General

By:  \_\_\_\_\_

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# **Exhibit 1**

## Mo Money Taxes Rebrands as MoneyCO USA

Friday, October 08, 2010, Vol. 125, No. 196  
TOM WILEMON | The Daily News

Mo Money Taxes, the Memphis-based tax preparation and rapid refund loan service that used over-the-top humor to grow into a franchise across 13 states, is now MoneyCO USA.

The rebranding is part of a bigger initiative to expand beyond urban markets and broaden the scope of financial services offered.

The change took effect Oct. 1. All franchise locations will have signs posted with the new name by the beginning of tax season. A new sign is already up at the Millbranch Road headquarters of the privately-held company.

“This is an extremely exciting time for our company,” said Markey Granberry, CEO of MoneyCO USA. “We started our company as a vehicle for quality service and prompt tax preparation for every man, and now we are expanding our services to serve and empower the community. During our time of change and growth, we look forward to serving our returning clientele and adding to our family with new clients.”

Granberry and Derrick Robinson, co-founders of the company, opened the first Mo Money in 1995. Fifteen years later, there are about 300 locations.

MoneyCO USA today employs about 1,500 people. Of those employees, 10 work at the corporate headquarters. Another 90 people work at Memphis-area locations wholly owned by Granberry. The rest are employed by the various franchises.

The company grew by identifying an under-served market and devising a message that resonated. Its television commercials featured stereotypical characters acting out plots where Mo Money representatives came to the rescue like super heroes.

“There was a missing component,” said Dominique Pryor-Anderson, communications specialist for MoneyCO USA. “You had your H&R Block. You had your Jackson Hewitt and you had all these other companies that were going after a certain clientele, but there was a blue-collar, hardworking demographic that felt like their needs weren’t being met.”

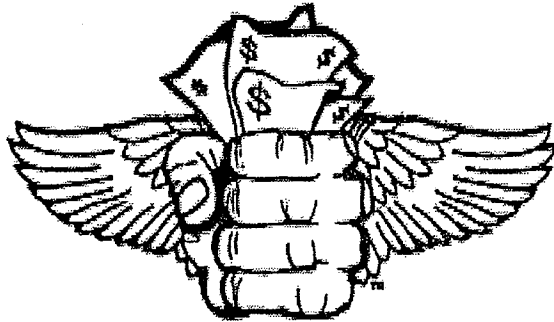
The commercials have won advertising awards, including a Telly.

“They don’t just wake up and say let’s do a commercial,” Pryor-Anderson said. “They are culturally relevant and they tie into what’s going on in the community.”

The company is broadening its line of services to offer life insurance, health insurance and credit restoration, she said. The rebranding will help it move into new markets.

# **Exhibit 2**

# ATTENTION!!!!



**MO MONEY**  
**TAXES**

ESTABLISHED • 1995

## CUSTOMERS

**"UP TO \$1800 IN 30 SECONDS OR  
UP TO \$10,000 THE NEXT DAY"**

Please be informed that we do not guarantee refunds. We guarantee to prepare your taxes and electronically file your taxes. We are not responsible for computer errors or **BANK** loans (next day). All next day loans will be back the next day only if the **BANK APPROVES** it. If your next day loan is declined your taxes will automatically change to an electronic file and your fees will be adjusted as such.

\_\_\_\_\_ date \_\_\_\_/\_\_\_\_/\_\_\_\_

*Customer Signature*

**P.S. TO ALL CUSTOMERS PLEASE CHECK BACK THE NEXT DAY  
TO MAKE SURE THE IRS HAS ACCEPTED YOUR INFORMATION.**

# **Exhibit 3**

# Refund Anticipation Loan and/or Bonu\$ Deposit Account

# 2010



## Application/Agreement for Chase Refund Anticipation Loan and/or Bonu\$ Deposit Account

Creditor: JPMorgan Chase Bank, N.A. ("Chase")

### Important information about your anticipated tax refund and Chase tax related products:

- **A Refund Anticipation Loan ("RAL") is not a tax refund. It is a loan based upon your anticipated tax refund.** If you receive a RAL, you will be obligated to repay it even if you do not receive a tax refund or your refund is less than expected. None of the IRS, a State taxing authority or Chase guarantees that a tax refund will be issued, when a tax refund might be issued or the amount of any tax refund.
- **You can apply for a Bonu\$ Deposit Account without a RAL.** However, if you apply for a RAL (by checking one of the boxes on page 4,) you will also receive a Bonu\$ Deposit Account. Be sure to instruct your tax preparer regarding your choice.
- **You can file your tax return and receive your refund directly from the IRS for free, without applying for a product from Chase or paying any fees to Chase.** Tax preparation fees and electronic filing fees, if any, charged by your tax preparer, and transmission fees charged by the transmitter who electronically files your return, would still apply. A transmitter is an authorized IRS e-file provider that transmits the electronic portion of a return directly to the IRS. Filing options include:

<u>Filing Method</u>	<u>Refund Method</u>	<u>Approximate Time</u>
Mail a paper tax return	Paper check in the mail	About 4-6 weeks
Mail a paper tax return	Direct deposit from IRS	About 4-5 weeks
File electronically	Paper check in the mail	About 15-22 days
File electronically	Direct deposit from IRS	About 8-15 days

- The time it takes to get your refund with a Bonu\$ Deposit Account is about 8-15 days. If you are approved for a RAL, you can get a RAL check or Chase can initiate a direct deposit to your pre-existing account in 1-4 days. It may take additional time for your bank to make those funds available to you. If you are approved for a First Advance RAL you can expect to receive a check before you leave the tax office after applying.
- You may choose to receive all of your RAL and/or Bonu\$ proceeds by either a Cashier's Check or an electronic funds transfer ("direct deposit") to your pre-existing checking or savings account. First Advance RAL proceeds are available only by Cashier's Check.
- You can choose the amount of the RAL fee (Finance Charge) you pay by selecting the amount of your RAL. You do not have to get a RAL for the maximum amount for which you are eligible. You can choose a lesser loan amount and pay a smaller Finance Charge.
- If you owe money to Chase for RAL(s) received in a prior year, and you complete this Application, Chase will establish a Bonu\$ Deposit Account but may decline your RAL application, if any, and Chase will apply any tax refund received into your Bonu\$ Deposit Account to your outstanding RAL debt(s) with Chase. Chase will send you any remaining balance.
- Chase may compensate transmitters and eligible tax preparers for referring you and other applicants to Chase.
- If you apply for a RAL and your RAL application is not approved or you do not accept the loan, your tax refund, if any, still will be deposited into a Bonu\$ Deposit Account, the Bonu\$ Deposit Account fee and other terms of this Application still will apply, but you will not be charged a Finance Charge.
- Chase's fees are in addition to fees charged by your tax preparer and the transmitter who electronically files your return.

### Refund Anticipation Loan (RAL) and Chase Fee Schedule

<u>Loan Amount Range</u>	<u>Bonu\$ Deposit Account Fee*</u>	<u>RAL Fee (Finance Charge)</u>	<u>Total Fee* (RAL only)</u>	<u>First Advance RAL Fee (Finance Charge)</u>	<u>Total Fee* (with First Advance)</u>
\$300-\$10,000	\$32.00	+ 1% of Loan Amount	= \$35.00-\$132.00	+ \$39.00	= \$86.87**-\$171.00

\*Add \$10.00 if you direct both a Federal and State refund to your Bonu\$ Deposit Account, and an additional \$10.00 for refunds from each additional State after the first.

\*\*The loan amount for a First Advance RAL is \$1,586.87, therefore the RAL Fee is \$15.87 and the minimum total fee is \$86.87. Please see the box on Page 2 for information about the Annual Percentage Rates (APR) and how they are estimated.

**CHASE REFUND ANTICIPATION LOAN DISCLOSURE STATEMENT**

The chart below estimates a range of APRs using the Chase RAL Fee. This chart does not include other fees you have authorized Chase to deduct from the RAL proceeds. The estimated APRs provided for the RAL with the First Advance RAL feature have been calculated based on the combined loan amount and RAL fees.

If approved for a RAL, you will receive specific Truth-in-Lending Disclosures, either on the check stub of your RAL check(s) or on a separate sheet for a direct deposit. These disclosures will provide you with the actual APR associated with your loan and may be higher or lower than the ranges shown here. In addition, these disclosures will list the Finance Charge, which you prepay when Chase deducts the fee from your RAL proceeds, and other fees assessed on your RAL transaction.

Loan Amount	Chase's RAL Fee (Finance Charge)	Estimated Repayment Period (Days)	Annual Percentage Rate ("APR")
<b>RAL only</b>			
\$300-\$10,000	\$3.00-\$100.00	12	30.72%
<b>First Advance RAL (only)</b>			
\$1,586.87	\$54.87	12	108.94%
<b>RAL with First Advance RAL feature</b>			
\$1,586.88-\$10,000	\$54.87-\$139.00	12	108.94%-42.88%

**RAL ELIGIBILITY** – To be eligible for a RAL, all filers must be 18 years of age, and you must file your income tax return electronically. The anticipated Federal income tax refund, minus any First-time Homebuyer Credit must be at least \$300 for a RAL or \$2,500 for a First Advance RAL. Some recipients of the Making Work Pay credit may have that credit deducted from the refund. In addition, your anticipated Federal tax refund minus any First-time Homebuyer Credit and Earned Income Credit ("EIC"), must be \$0 or greater, and the RAL proceeds, after deduction of all fees and finance charges, must be at least \$100. You may apply for a RAL between \$300 and \$10,000, but in any event no more than the amount of your anticipated Federal tax refund to be direct deposited to your Bonu\$ Deposit Account. You may not apply for a RAL on behalf of any party that is deceased. If you are a member of the Armed Forces on active duty, or a dependent of such a member, you are not eligible to apply for a RAL. If you have filed a tax return at any time in the past that included a First-time Homebuyer Credit, you are not eligible to apply for a RAL.

**FIRST ADVANCE<sup>SM</sup> RAL FEATURE** – A First Advance RAL is a loan based upon a finalized income tax return with a standard Form W2. You can apply for the **optional** First Advance RAL feature for a fee in addition to the RAL fee that corresponds to your loan amount (see table on page 1). If you are approved for the First Advance RAL, you can expect to receive a check before you leave the tax office after applying. The check amount will be \$1,500. You can apply for the First Advance RAL by itself or with a RAL, in which case each application will be reviewed separately—you may be approved for either, both, neither or approved for a lesser amount. If you are approved for both the First Advance RAL and the RAL, you will receive a First Advance RAL check today and a second RAL check within 1-4 days of approval. The First Advance RAL may not be available in all tax offices that offer Chase tax related products. As used throughout this Application/Agreement, references to RALs include RALs and First Advance RALs.

**LOAN AGREEMENT** – NOTE: You are not obligated under this Loan Agreement unless and until (i) Chase offers to lend you money, and (ii) you accept Chase's offer. If you receive your loan proceeds by Cashier's Check, Chase will offer to lend you money by issuing a RAL check to you, and you accept Chase's offer by endorsing the check (or otherwise transferring it for value). If you receive your loan proceeds by direct deposit, Chase will offer to lend you money by approving your application for a RAL and transfer the loan proceeds via direct deposit to the pre-existing account you designate. You accept Chase's offer by submitting this application and receiving the RAL deposit. Your acceptance of Chase's offer constitutes acceptance of the terms of this Loan Agreement. If you do not accept Chase's offer, then you are not obligated under this Loan Agreement; however, the other terms in this Application will continue to apply. By accepting the terms of this Loan Agreement, you promise to pay to Chase the Amount Financed plus the Finance Charge under the terms of this Loan Agreement and those terms disclosed on the Truth-in-Lending Disclosure statement. Payment is due ON DEMAND or when Chase receives your income tax refund from the IRS (or State taxing authority, if applicable). You agree that Chase has the right to withdraw from your Bonu\$ Deposit Account sufficient funds to repay your outstanding RAL at any time. Chase will notify you promptly if your tax refund

received does not equal or exceed the amount of your RAL. You agree that you are fully responsible for payment under this Loan Agreement. Chase can delay enforcing any of its rights under this Loan Agreement without losing them. Chase can excuse one obligor from certain responsibilities any number of times without losing rights against you or any other obligor. You hereby grant Chase a security interest in the anticipated refund to be paid to you by the IRS (and State taxing authority, if applicable) for the tax year on which the RAL is based, and in the Bonu\$ Deposit Account. If, for any reason, any part of your anticipated refund is disallowed or offset by the IRS (or State taxing authority, if applicable) or if you should receive a refund check in the mail, you agree to promptly repay your RAL to Chase.

**RIGHT TO CANCEL** – You have the right to cancel this loan within the same calendar year by returning the uncashed RAL check to your tax preparer. If you have accepted the loan by cashing the RAL check or by receiving the RAL funds in your pre-existing account, within 72 hours you may cancel the loan by mailing a written request and a check or money order to Chase for the amount of the loan at the address on page 4. If you cancel the loan, the Finance Charge will be refunded to you. However, your tax refund, if any, still will be deposited into a Bonu\$ Deposit Account and the Bonu\$ Deposit Account fee and other terms of this Application will still apply.

**BONU\$ DEPOSIT ACCOUNT** – You authorize and request Chase to establish a Bonu\$ Deposit Account, which is a special purpose non-interest bearing deposit account in your name for the purpose of receiving the direct deposit of your anticipated Federal and/or State tax refund(s) and repaying your RAL, if any. You are not permitted to make any deposits to or withdrawals from the Bonu\$ Deposit Account at any time nor are you permitted to close the Bonu\$ Deposit Account at any time. If you apply for a Bonu\$ Deposit Account only without a RAL, the sections of this Application/Agreement that reference RALs and apply exclusively to the terms of a RAL will not apply to you, including the following sections: Chase Refund Anticipation Loan Disclosure Statement; RAL Eligibility; First Advance RAL Feature; and Loan Agreement.

**RECEIVING REFUND AND APPLYING PROCEEDS** – When Chase receives your tax refund, Chase will promptly credit it to your Bonu\$ Deposit Account. Chase will then deduct (i) the amount you owe on your RAL, if applicable, (ii) the applicable Chase fees described on page 1 and any amounts still owed to Chase for RALs from prior years, (iii) any unpaid fees or charges owed to your tax preparer, service bureau and transmitter, which Chase will forward to your tax preparer, service bureau and/or the transmitter on your behalf. Chase will then issue you a check or make a direct deposit to your pre-existing account for any remaining balance. At Chase's discretion, all or part of your refund(s) may be returned to the IRS and/or State taxing authority.

**PRE-EXISTING ACCOUNT INFORMATION** – If you are receiving your Bonu\$ Deposit Account and/or RAL proceeds by direct deposit, you must provide your tax preparer with the Routing Transit Number (RTN) and Account Number for your pre-existing checking or savings account. This information must be accurate to ensure that you receive your Bonu\$ and/or RAL proceeds. If we are not able to successfully make a direct deposit to the account using the account information provided, you will receive your proceeds via a Cashier's Check.

**COLLECTION OF OUTSTANDING RAL DEBT** – If you owe money for a RAL from any prior year to Chase (including Bank One), you acknowledge such prior obligations and authorize Chase to deduct the amount of the outstanding RAL obligation(s) from your Bonu\$ Deposit Account and apply such funds to your outstanding RAL obligation(s) with Chase. This provision applies to any Bonu\$ Deposit Account, whether or not you apply for a RAL. If you have an outstanding RAL, you understand that Chase will be acting as a debt collector under the terms of this Application/Agreement and that any information obtained will be used for that purpose. You can call Chase at 1-800-934-3983 to see if you have any outstanding RAL debt(s) with Chase.

**JOINT FILERS** – If you have filed a joint tax return, both taxpayers may apply jointly for a loan or either taxpayer may apply individually for a loan. If both taxpayers apply jointly for a loan, each will be personally responsible for the loan and any RAL proceeds will be issued jointly in both taxpayers' names. If a joint taxpayer applies individually for a loan, that person ("Applicant") will be personally responsible for the loan, and any RAL proceeds will be issued solely in that person's name. The other taxpayer ("Joint Filer") will not be personally responsible for the loan, but must complete and sign this Application/Agreement to indicate their agreement to the provisions applicable to Joint Filers, as described below.

A Joint Filer agrees that the Applicant may rely on the refund from a jointly filed tax return in applying for a RAL and that the refund of such jointly filed tax return may be used to repay a RAL provided to the Applicant or as otherwise

provided in this Application/Agreement. A Joint Filer hereby agrees to be bound by the following sections of this agreement: RAL Eligibility, Bonu\$ Deposit Account, Collection of Outstanding RAL Debt, Receiving Refund and Applying Proceeds, Arbitration, Disclosure of Information, Transmittal of Application, Armed Forces, and hereby makes the certifications in the Certification section. The term "I", "me", or "my" in those Sections shall include a Joint Filer as well as an Applicant. A Joint Filer hereby authorizes Chase to obtain a consumer report on the Joint Filer and other information from third parties in connection with evaluating this Application/Agreement.

**STATE NOTICES – California residents:** Married persons may apply for credit separately. **New York residents:** A consumer report may be requested in connection with this Application/Agreement, and upon your request, we will inform you if a consumer report was requested and the name and address of the consumer reporting agency that furnished the report. **Ohio residents:** Ohio laws against discrimination require that all creditors make credit equally available to all credit worthy customers and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law. **Wisconsin residents:** Wisconsin law provides that no agreement, court order, or individual statement applying to marital property will affect a creditor's interest unless, prior to the time credit is granted, the creditor is furnished with a copy of the agreement, court order, or statement, or has actual knowledge of the adverse provision.

**ARBITRATION – PLEASE READ THIS PROVISION CAREFULLY. IT PROVIDES THAT ANY DISPUTE WILL BE RESOLVED BY BINDING ARBITRATION. ARBITRATION REPLACES THE RIGHT TO GO TO COURT. YOU WILL NOT BE ABLE TO BRING, OR BE A PART OF OR REPRESENTED IN, A CLASS ACTION OR OTHER REPRESENTATIVE ACTION IN COURT OR IN ARBITRATION. IN THE ABSENCE OF THIS ARBITRATION AGREEMENT, YOU AND WE MIGHT OTHERWISE HAVE HAD A RIGHT OR OPPORTUNITY TO BRING CLAIMS IN A COURT, BEFORE A JUDGE OR JURY, AND/OR TO PARTICIPATE OR BE REPRESENTED IN A CASE FILED IN COURT BY OTHERS (INCLUDING CLASS ACTIONS). EXCEPT AS OTHERWISE PROVIDED BELOW, THOSE RIGHTS ARE WAIVED.**

Any claim, dispute or controversy by either you or Chase against the other, or against the employees, agents, parents, subsidiaries, affiliates, beneficiaries, agents or assigns of the other, arising from or relating in any way to this Application/Agreement or our relationship ("Claim"), including Claims regarding the applicability or validity of this arbitration clause, shall be resolved exclusively and finally by binding arbitration.

All Claims are subject to arbitration, no matter what theory they are based on or what remedy they seek. This includes Claims based on contract, tort (including intentional tort), fraud, agency, negligence, statutory or regulatory provisions, or any other sources of law. Claims made and remedies sought as part of a class action, private attorney general or other representative action are subject to arbitration on an individual (non-class, non-representative) basis.

The party bringing the Claim may select either one of two national arbitration organizations to administer the arbitration of the Claim: the National Arbitration Forum ("NAF"), or the American Arbitration Association ("AAA"). The arbitration organization that is selected will apply its code of procedures in effect at the time the arbitration is filed, subject to this Application/Agreement. The arbitration will be conducted before a single arbitrator and will be limited solely to the Claim between you and us. The arbitration, or any portion of it, will not be consolidated with any other arbitration and will not be conducted on a class action or representative basis.

Chase will reimburse you for any initial arbitration filing fee up to \$500 upon receipt of proof of payment. Additionally, if there is a hearing, Chase will pay any fees of the arbitrator and arbitration administrator for the first two days of that hearing. The payment of any such hearing fees by us will be made directly to the arbitration administrator selected by you or us pursuant to this Application/Agreement. All other fees will be allocated in keeping with the rules of the arbitration administrator and applicable law. Each party will bear the expense of the fees and costs of that party's attorneys, experts, witnesses, documents and other expenses, regardless of which party prevails, for arbitration and any appeal, except that the arbitrator shall apply any applicable law in determining whether a party should recover any or all fees and costs from another party. Any decision rendered in such arbitration proceedings will be final and binding on the parties, and judgment may be entered in a court of competent jurisdiction. Rules and forms may be obtained from, and Claims may be filed with either of the two organizations, as follows: the NAF at P.O. Box 50191, Minneapolis, Minnesota 55405, website at [www.arb-forum.com](http://www.arb-forum.com); or the AAA at 335 Madison Avenue, Floor

10, New York, New York 10017, website at [www.adr.org](http://www.adr.org). Any arbitration hearing at which you wish to appear will take place at a location within the federal judicial district that includes your residential address at the time the Claim is filed. This arbitration agreement is made pursuant to a transaction involving interstate commerce, and shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1-16.

This arbitration provision applies to all Claims which arose in the past, which may presently be in existence, or which may arise in the future. This arbitration provision shall survive termination of your RAL or Bonu\$ Deposit Account as well as voluntary payment of the debt in full by you or any bankruptcy by you.

***As an exception to arbitration, you and Chase retain the right to file in a small claims court any Claim that is within that court's jurisdiction. If a Claim is brought in a small claims court, it must be asserted on an individual basis.***

**GOVERNING LAW –** This Application/Agreement shall be governed in accordance with all applicable Federal laws and the laws of the State of Ohio, except that the Arbitration section above shall be governed solely by Federal law.

**ASSIGNMENT –** Chase may assign its rights and obligations under this Application/Agreement in whole or in part.

**DISCLOSURE OF INFORMATION –** You acknowledge you previously and separately authorized your tax preparer to disclose all your tax return information to Chase. You hereby also authorize Chase, your tax preparer, and the transmitter to disclose to each other (a) your tax return information and other information related to the evaluation and processing of this Application, (b) information related to your RAL and/or Bonu\$ Deposit Account, and (c) any information related to the collection of prior RALs owed to Chase. If Chase is legally required to give you any specific notices or disclosures, Chase may provide such information to your tax preparer for the tax preparer to forward to you. You authorize Chase to disclose information regarding your Application/Agreement (including tax information), Bonu\$ Deposit Account and/or RAL to other RAL lenders for product eligibility purposes. Chase may inquire of the IRS (and the State, if applicable) as to the status of your tax refund(s) and may receive from or supply to the IRS (and State, if applicable) information to expedite the issuance of your refund(s). Also, Chase, your tax preparer, and any transmitter who processes information in connection with your Bonu\$ Deposit Account or RAL, will screen your tax return information for indicators of potential fraud or abuse and may forward such information/indicators to the IRS. You authorize Chase to obtain a consumer report on you and other information from third parties in connection with evaluating this Application/Agreement. If you provide your tax preparer or Chase with your phone number (including cell phone number) as a contact number for you, you agree that Chase may call that number with service messages, including calls via an autodialer or prerecorded calls, notwithstanding any state or federal law or regulation that would otherwise prevent us from engaging in this activity without your consent.

**VERIFICATION OF IDENTITY –** Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. This means when you open an account, we will ask for your name, residential address, date of birth and social security number which will allow us to verify your identity.

**TRANSMITTAL OF APPLICATION –** Once you have signed this Application and any IRS required form to authorize electronic filing of your return (and any equivalent State form, if applicable), your tax preparer will electronically submit your tax return(s) to the IRS and/or State and to Chase, along with this Application. If you are applying for a RAL and your application is submitted after the last date that RALs are available, or if we are not accepting RAL applications from your tax preparer, your tax refund, if any, will still be deposited into a Bonu\$ Deposit Account and the Bonu\$ Deposit Account fee and other terms of this Application will still apply. We will not accept applications from a tax preparer who becomes ineligible to offer Chase tax related products. If you were approved for a First Advance RAL and your tax preparer is not able to successfully file your return electronically with the IRS, you agree that Chase's Routing Transit Number and your Bonu\$ Deposit Account number will be included on any paper return you may file.

**NOTE:** Bonu\$ Deposit Accounts and RALs are available only to taxpayers who list a tax return address within the United States, one of its possessions, or from a U.S. Military Post Office (APO or FPO).

**NOTICE TO CONSUMER –** Do not sign this paper before you read it. You are entitled to a copy of this paper. You may prepay the unpaid balance at any time without penalty.

CHECK ONE OF THESE BOXES TO APPLY FOR A RAL. Leave all boxes blank to apply for a Bonu\$ Deposit Account without a RAL.

- Refund Anticipation Loan of \$ (if left blank, the maximum eligible amount)
First Advance RAL AND Refund Anticipation Loan for a total of \$ (if left blank, the maximum eligible amount)
First Advance RAL (ONLY) of \$ 1,586.87

By checking one of these boxes, you are applying for a Refund Anticipation Loan with or without a First Advance RAL and a Bonu\$ Deposit Account. If any RAL application is not approved or you do not accept the loan, the Bonu\$ Deposit Account fee and the other terms of this Application will still apply.

INFORMATION: The information below must be completed for all taxpayers requesting a RAL and/or a Bonu\$ Deposit Account. If the tax return is being filed as Married Filing Joint, it must be completed for both taxpayers.

Primary Taxpayer: Name (First, MI, Last): Social Security Number:
Date of Birth: Daytime Phone: Evening Phone:
Physical Address:
Joint Taxpayer: Name (First, MI, Last): Social Security Number:
Date of Birth: Daytime Phone: Evening Phone:
Physical Address:

IDENTIFICATION - In accordance with IRS ERO Guidelines, verify two forms of ID-AT LEAST ONE MUST BE A CURRENT PICTURE ID. Acceptable picture IDs include: Driver's License, BMV/DMV State ID, Military ID, US Passport, Resident Alien ID, Employee ID or Student ID.

NAME/SOCIAL SECURITY NUMBER VALIDATION - Verify that the taxpayer(s) has provided one of the following documents as proof of Name and Social Security Number, and that the information identified above matches the document exactly.

Acceptable documents are: 2009 IRS Mailing Label (Use whenever possible), Valid Social Security Card, Current Military ID, a picture ID from the list above that also has the taxpayer's SSN, or if the taxpayer is a prior client.

ARMED FORCES - Federal law provides important protections to active duty members of the Armed Forces and their dependents. To ensure that these protections are provided to eligible applicants, we require you to indicate which one of the following statements is applicable.

- I AM NOT a member of the Armed Forces on active duty (or a dependent of such a member).
I AM a member of the Armed Forces on active duty.
I AM a dependent of a member of the Armed Forces on active duty because I am the member's spouse, the member's child under the age of eighteen years old, or I am an individual for whom the member provided more than one-half of my financial support for 180 days immediately preceding today's date.

CERTIFICATION - By signing this Application for a RAL, I hereby certify that I do not owe any tax, am not subject to any tax liens from prior tax years, have not previously filed a Federal (or State, if applicable) Income Tax Return for tax year 2009, do not owe any delinquent child support and/or alimony payments, do not owe any delinquent student loans, VA loans or other Federally guaranteed loans, do not have a petition (whether voluntary or involuntary) currently filed, nor do I anticipate filing, under any State or Federal bankruptcy or insolvency laws, have not paid any estimated tax, did not have any amount of my 2008 refund applied to my 2009 return, and have not had a RAL with Chase (including Bank One) or any other RAL lender which has been discharged in bankruptcy.

DEBT COLLECTION NOTICE: If you owe money to Chase (including Bank One) for Refund Anticipation Loan(s) received in a prior year, and you complete this Application, Chase will establish a Bonu\$ Deposit Account but may decline your Refund Anticipation Loan application, if any, and Chase will apply any tax refund received into your Bonu\$ Deposit Account to those outstanding RAL debt(s) with Chase. You can call Chase at 1-800-934-3983 to see if you have any outstanding RAL debt(s) with Chase.

I certify that I have read and understand this Application/Agreement, including the IMPORTANT INFORMATION on page 1, the CHASE REFUND ANTICIPATION LOAN DISCLOSURE STATEMENT on page 2, ARBITRATION on page 3, DISCLOSURE OF INFORMATION on page 3, and the DEBT COLLECTION NOTICE on page 4. I further certify that all my information in this Application/Agreement is correct to the best of my knowledge, that this Application/Agreement is based upon a bona fide 2009 Federal (and State, if applicable) income tax return, that the tax return is true and accurate in all respects, and that I have received the CHASE PRIVACY POLICY.

Applicant Signature: Date:

For a joint tax return, both taxpayers must sign this Application/Agreement. If both taxpayers are jointly applying for a RAL or Bonu\$ Deposit Account, check "Joint Applicant" and sign above and below. If only one taxpayer is applying for a RAL, that taxpayer must sign by "Applicant Signature" above, and the other taxpayer must check "Joint Filer" and sign below.

Signature of Joint Filer or Joint Applicant: Date:

As ERO/Tax Preparer, I hereby certify that I followed the verification steps listed in the Identification section and that I witnessed the above signature(s).

Witness Signature: Date:

Please contact your tax preparer and call Chase toll free at 1-800-365-1040 If: (1) you have any questions about this Application/Agreement or your RAL or Bonu\$ Deposit Account, (2) you are contacted by the IRS or State regarding your income tax refund, (3) the amount of your refund turns out to be less than you anticipated, or (4) you receive a refund check in the mail.

Also, if you receive a refund check in the mail-which should not happen since you have chosen direct deposit for your refund(s)-and you have an unpaid RAL, you agree to sign the check, write "Pay to the order of Chase Bank" on the back of the check, and immediately mail it to:

CHASE, PO BOX 272, WORTHINGTON OHIO 43085

# **Exhibit 4**

Mo Money Taxes, LLC. – License Agreement  
Terms & Conditions  
Mo' Money Taxes

**By signing this agreement (the “License Agreement” or “Agreement”), Licensee acknowledges that Licensee has read, understands, and agrees to the terms set forth below. Mo Money Taxes, LLC (the “Licensor”) is willing to license the Licensed Program and Mo' Money Taxes marketing brand to Licensee only upon the condition that Licensee accepts all of the terms contained in this agreement.**

1. Definitions

“Licensee” shall mean the person or entity that acquires the Licensed Program(s) pursuant to execution and acceptance of this License Agreement by the Licensor.

“Licensed Program(s)” shall mean (i) any software program(s) provided, for use by Licensee; (ii) related materials such as operating instructions provided for use in connection with the software program(s) and the system’s tax office procedures; and (iii) any marketing programs, commercials, intellectual property, and “know how” related to the Mo' Money Taxes Service System and Marks.

“RAL Guidelines” shall mean Licensor’s General Refund Anticipation Loan (“RAL”) Participation Guidelines as revised from time to time.

“Service Bureau” shall mean the transaction support, in-season service and the collection and disbursement of preparation fees operation of Mo Money Taxes, LLC

“Tax Season” shall mean December 27<sup>th</sup> through April 16<sup>th</sup>.

“Marks or Brands” shall mean any reference to the Tax Service Brand marketing names(s), likeness, images, logos, layouts, or similar reproduction thereof.

2. License

Grant. Licensor hereby grants Licensee a personal, nonexclusive, nontransferable right and license to use Licensed Programs at the single location designated on the signature page. All proprietary rights in the Licensed Programs and legal title thereto shall remain in Licensor and its suppliers and licensors, as applicable. Licensee shall not modify any Licensed Program in any way. Any modifications to any Licensed Program by or on behalf of Licensee, without the express written consent of Licensor, shall result in cancellation of this License Agreement as well as possible civil damages and criminal penalties.

Without limiting the foregoing, Licensor and its suppliers and licensors, as applicable, reserve all patent, copyright, bank incentives, service bureau incentives, trade secret, trade name, trademark, and other proprietary rights related to the Licensed Patent and Trademark Office, and Licensee will not infringe or violate such rights. Unauthorized use of the Licensed Programs shall result in cancellation of License Agreement as well as possible civil damages and criminal penalties.

3. Warranties

Limited Warranty. THE LICENSED PROGRAM(S) AND SERVICES OF LICENSOR ARE PROVIDED “AS IS” WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE ENTIRE RISK AS TO THE QUALITY AND PERFORMANCE OF THE LICENSED PROGRAMS AND SERVICES IS WITH LICENSEE. LICENSOR DOES NOT WARRANT THAT THE SOFTWARE WILL PROPERLY OPERATE ON ANY SPECIFIC OPERATING SYSTEM OR COMPUTER HARDWARE OR CONFIGURATIONS OR BEFORE OR AFTER ANY SPECIFIC DATE OR TIME PERIOD. LICENSOR SHALL IN NO EVENT BE LIABLE TO LICENSEE OR ANY OTHER PERSON FOR CONSEQUENTIAL, EXEMPLARY, INCIDENTAL OR TORT DAMAGES OR FOR ANY LOST PROFITS ARISING OUT OF THE USE OF OR INABILITY TO USE THE LICENSED PROGRAM(S) AND/OR SERVICES OF LICENSOR, EVEN IF LICENSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR FOR ANY OTHER CLAIM BY LICENSEE OR ANY OTHER PERSON.

Limitation of Liability and Remedy. Licensee agrees that regardless of the form of any claim, Licensor’s entire liability and Licensee’s exclusive remedy for damages arising out of or connected with this Agreement (including but not limited to damages due to performance or non-performance of the Licensed Programs and/or services of Licensor) shall be limited.

Licensor is not an insurer with regard to performance of the Licensed Programs or services of Licensor. The terms of this Agreement, including but not limited to the license fee, the royalty percentage, the limited warranties and the limitation of liability and remedy are a reflection of the risks assumed by the parties in order to obtain the Licensed Programs. Licensee agrees to assume the risk for: (i) all liabilities disclaimed by Licensor contained herein; and (ii) all alleged damages in excess of the amount of the limited remedy provided hereunder. The essential purpose of the limited remedy provided Licensee hereunder is to allocate the risks as provided above.

**4. Termination**

This Agreement may be terminated by Licensor as to all or any of the Licensed Programs immediately upon notice to Licensee if Licensee breaches this Agreement or any other agreement between Licensor or any affiliate of Licensor and Licensee or fails to comply with and of its terms or conditions. Upon termination of the license, Licensee shall immediately return the Licensed Programs to Licensor or at Licensor's request, destroy the Licensed Programs and certify to Licensor that the Licensed Programs and all copies have been destroyed. Termination of the Agreement shall not affect the sums due or paid hereunder or any additional remedies provided by law or equity and shall not require any refund.

**5. Refund Policy**

All other refunds shall be granted in the sole discretion of the Licensor.

**6. Updates**

Licensor may, if practical and appropriate, update the Licensed Programs from time to time and offer such updated Licensed Programs to Licensee.

**7. Protection and Security of Licensed Programs**

Without Licensor's prior written permission, Licensee will not provide or otherwise make available any Licensed Programs in any form to any party other than Licensee and its employees and only in accordance with the terms of this Agreement.

All copies of Licensed Programs made by Licensee, including, without limitation, translations, compilations and partial copies are the property of Licensor and its suppliers and Licensors.

**8. Professional Responsibility**

Licensee understands and agrees that all decisions regarding the tax treatment of items reflected on tax returns prepared by Licensee using a Licensed Program(s) are made solely by Licensee and that use of a Licensed Program(s) does not relieve Licensee of responsibility for the preparation, content, accuracy, and review of such returns.

Licensee accepts full responsibility for: (i) selection of adequate and appropriate Licensed Programs to satisfy Licensee's business needs and achieve Licensee's intended results; (ii) use of the Licensed Programs; (iii) all results obtained from the Licensed Programs; and (iv) selection, use of, and results obtained from any other programs, computer equipment or services used with the Licensed Programs. Licensee acknowledges it must retrieve in a timely manner electronic communications made available to Licensee by Licensor (for example, electronic filing transaction data such as acknowledgments and e-mail messages in the Licensee's mailbox). Such communications may become unavailable if not retrieved within 5 business days of being made available by Licensor.

Licensee agrees to take full responsibility for any and all liability arising from preparation of the returns processed using a Licensed Program(s) provided under this Agreement and Licensee agrees to indemnify Licensor and hold it harmless against any and all liability to the United States government or other parties arising out of the use by Licensee of a Licensed Program(s) under this Agreement, including damages, recoveries, deficiencies, interest, penalties and reasonable attorney's fees. Licensee is responsible for complying with all applicable rule, regulations and procedures of the United States government and all applicable state authorities.

9. Product Support

Licensor may offer, in its discretion, product support for the Licensed Programs.

10. Miscellaneous

This Agreement constitutes the entire and exclusive agreement, understanding and representation, express or implied, between Licensee and Licensor with respect to the Licensed Programs and services to be furnished hereunder; it is the final expression of that agreement and understanding, and it supersedes all prior communications between the parties (including all oral and written proposal). The Ral guidelines delivered to Licensee by Licensor are guidelines only and not a contract between Licensor and Licensee. Licensor, and its suppliers and licensors may change the RAL Guidelines at any time and from time to time without notice to Licensee. Sections 3, 8, and 10 shall survive termination of this Agreement.

Neither the license granted hereunder nor any of the Licensed Programs may be sublicensed, assigned, sold, hypothecated, or transferred by Licensee without the prior written consent of Licensor. Any attempt to sublicense, assign or transfer any of the rights, duties or obligations under this Agreement without the prior written consent of Licensor shall terminate the license at the Licensor's discretion.

Licensee acknowledges that the Licensed Programs and other proprietary information of Licensor are unique and that, in the event of any breach of the Agreement by Licensee, Licensor may not have an adequate remedy at law, and shall be entitled to enforce its rights hereunder by an action for damages and/or specific performance and/or injunctive or other equitable relief without the necessity of proving actual damages.

The parties hereto, and each of them, acknowledge that they have had the opportunity to be represented by independent counsel of their choice prior to entering this Agreement. Licensee agrees that this Agreement shall be interpreted and enforced according to the laws of the State of Tennessee and shall be treated as if executed and performed in Shelby County, Tennessee. All disputes surrounding the performance of this Agreement and related services shall be instituted and prosecuted in Shelby County, Tennessee with Licensee specifically consenting to extraterritorial service of process for that purpose. Licensee shall pay all of the Licensor's attorney's fee of not less than fifteen (15%) percent of the amount placed for collection if the same is collected by or through an attorney at law.

All notices, demands, consents, or requests (which may be or are required to be given by any party to another party), shall be in writing. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by all parties hereto. In the event that any of the provisions, or portions thereof, of this Agreement is held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions and portions thereof of the Agreement shall not be affected thereby.

Delivery of the Licensed Program(s) to Licensee shall take place at a future date, when the products become available to the entire client base of Licensor. The Tax Service Brand and marks shall become available upon return receipt of the signed and executed agreement from the Licensor.

Neither party hereto shall be held liable for failure to perform any obligation, or for the delay in performing any obligation, arising out of or connected with this Agreement if such failure or delay results from or is contributed to by any cause beyond the reasonable control of such party including, but not limited to, failures or delays caused beyond the reasonable control of such party including, but not limited to, failures or delays caused by the act or omission of any government authority, fire, flood, war, terrorist attack, or other event beyond such party's reasonable control.

11. Length of Term

The term of this agreement is for three (3) years, and for the Licensee to continue past this term, Licensee must then sign the then current license agreement by June the 15<sup>th</sup> of that third tax season. Otherwise this agreement is automatically renewed.

Licensee must also be producing a minimum of 500 funded Ral tax returns in the third tax season of this term, by the afore mentioned date.

At the end of the term of the agreement, should the Licensee choose not to continue forwards in the operation of a stand-alone Mo Money Taxes, LLC tax branded location, the customer base records will become the property of the licensor; and the licensee, its agents, relatives and employee's agree that they shall not compete in tax preparation market for a period of three years following the end of the term. This is a formal non-compete agreement pertaining to the tax preparation industry for all of the United States for a period of three (3) years following the termination of this agreement. The brand and marks, customer base and operating system shall remain in the property of the Licensor, and Licensee will sign all required documents to fulfill the IRS requirements for transfer of an e-file customer base and EFIN responsibility.

12. Payment of Fees & Royalties

Payment of fees to Licensor from Licensee will be a royalty of \$29 (twenty-nine dollars of all gross sales collected for the preparation of Federal and State income tax returns and tax school revenue. On all federal e-filed tax returns with a bank product attached (RAL), the minimum fee is \$29 (twenty-nine dollars per return that is funded by loan or paid upon IRS payment to taxpayer through the RAL bank. All royalty fees shall be paid to CAYMAU SERVICE BUREAU.

Licensee will collect all preparation fees with attached "bank products returns" when the preparation fees are deducted from the taxpayers refund proceeds through the Licensor's designated "Ral" bank and Service Bureau. There is a \$5 fee for each e-filed tax return, tax return without a bank product, or tax returns in data base.

Licensee will pay an initial License fee of \$10,000.00, which shall be attached to this, signed but not executed agreement. Each office added in the market place shall be an additional \$2500.00 office. All additional office must be agreed upon by the Licensor.

13. Other Requirements

Licensee must maintain an active EFIN with the IRS. Licensee must notify Licensor within one (1) hour of notification of suspension or termination from the Authorized IRS E-file Program during tax season, and within 48 hours after April 26<sup>th</sup>. If in loss of EFIN, Licensor has the option to take over active management and control of the location until an appeal or final ruling from the IRS in regards to the suitability of the Licensee within the Electronic Filing Program.

13.1A Licensee shall operate the Licensed business in compliance with all applicable laws, rules and regulations of all government authorities; shall prepare and file necessary tax returns; and shall comply with the code of ethics of the Internal Revenue Service E-file Program and the national Association of Tax Preparers (NATP).

Licensee must maintain a separate, year-round phone number and listing for the tax service and provide within 24-hours (excluding Saturday and Sunday), response to client needs. Licensee must be open to the public at minimum eight (8) hours per day during Tax Season, excluding Sundays and New Years Day.

Licensee shall make no express or implied agreements, warranties, guaranties or representations or incur any debt in the name or on behalf of Licensor or represent that the relationship of all parties hereto is anything other than that of independent contractors. All employees hired by the Licensee shall not for any purpose be deemed employees neither of Licensor nor subject to Licensor's control.

Licensee must not have any involvement in any other tax service, collection point service location, or at anytime be in possession of any other tax operating system, or use a second party processor, that will circumvent the Licensor's operating procedures, Service Bureau and system. Additionally, Licensee agrees to adhere to all operating procedures of the Licensor, which may update said procedures from time to time.

Licensee cannot use any variation of Licensor's trade or corporate name in signing of leases, incorporation of tax ID, or in any way represent their operation in conjunction with the Licensor, other than this license. This also applies to the Brand Name.

Licensor will at all times have the right of inspection of premises, tax files, and financial records as they pertain to this license agreement. Licensee will adhere to procedures of

Licensors for recording cash or fee for service transactions, and Licensor may change said procedures of recording from time to time

The submission of this agreement to Licensee does not constitute an offer. This agreement shall not be binding on Licensor unless until it is accepted by Licensor, that is, signed by the Licensor's authorized officer and returned to Licensee.

Licensee's Best Effort: Licensee agrees to conduct the Licensed Business strictly in accordance with this agreement and to exercise its continuous best efforts to maintain and develop the licensed business to its greatest potential.

14. The Mo Money Taxes Service Marks

14.1 Notification of infringements and Claims: Licensee shall immediately notify Licensor of any apparent infringement of, or challenge to, Licensee's use of any of the Mo' Money Taxes marks or any claim by another person of any rights to any of the Mo' Money marks. Licensee shall not communicate with any person, other than the Licensor and its counsel, in connection with any such infringement, challenge or claim. Licensor shall have sole discretion to take any such action as it deems appropriate and the right to control exclusively any litigation, any US Patent and Trademark Office proceeding or any other administrative proceeding arising out of any such infringement, challenge or claim or otherwise relating to any of the Mo' Money Taxes marks. Licensee shall execute any and all instrument and documents, render such assistance and so such acts and things as may be necessary or advisable, in the option of Licensor's counsel, to protect and maintain the Licensor's interests in the Mo' Money marks.

14.2 Licensee shall not use any of the Mo' Money Taxes marks as part of a corporate or legal business name or in any manner not expressly authorized in writing by the Licensor. Licensee agrees to supervise all of its employees and agents to ensure proper use of the Mo' Money Marks and compliance with this agreement.

15. Conditions for acceptance transfer of license

Licensor's acceptance of a proposal to Transfer of the Licensed office shall be effective only when it is granted in writing. If granted, paragraph 11.2 endures.

The proposed transferee or, if the proposed transferee is legal entity, its owners must be individuals who are of good character and reputation; who have sufficient business experience, aptitude and financial resources to operate the Licensed office; and otherwise meet the licensor's standards.

The transferee must agree to be bound by all of the terms and conditions of this agreement for the remainder of the Term or, at Licensor's option, execute Licensor's then-current standard form of License Agreement.

The transferee shall pay to licensor a transfer fee of not more than \$5,000.

16. Additional Provisions

Excusable delay: Neither party shall be deemed to be in breach of the Agreement if its failure to perform its obligations results from acts of God, fires, strikes, embargoes, war, terrorism, riot, or any other similar event or cause.

Binding Effect: This Agreement is binding upon the parties hereto and their permitted heirs, personal representatives, successors and assigns. Except as expressly permitted herein, this Agreement shall not be modified except by a subsequent written agreement signed by both Licensee and Licensor.

Additional requirements or exceptions: \_\_\_\_\_

Office Location: 4612 ASHER LITTLE ROCK, ARKANSAS 72204

Licensee name or entity name: CANDIS SAULSBERRY

Name of EFIN Holder: CANDIS SAULSBERRY

EFIN number: Applied For

If a corporate entity, please list below all shareholders and their percentage of ownership:

Licensee :  
Please print

Conds Santsberry

licensee signature:

Maria Santsberry

Date: 9-10-2005

Licensee:  
Please print

\_\_\_\_\_

Date: 9-10-2005

Licensor signature:

Maria Santsberry

Licensor

Maria Santsberry

Please print