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8 **IN THE SUPERIOR COURT OF THE STATE OF ARIZONA**
9 **IN AND FOR THE COUNTY OF MARICOPA**

10 In re Double C's, LLC, d/b/a Lowrate.com
11 Respondent.

Case No: CV2012-010680

**APPROVAL OF ASSURANCE OF
DISCONTINUANCE**

13
14 Pursuant to A.R.S. § 44-1530, the Assurance of Discontinuance is approved by the
15 Superior Court of the State of Arizona in and for the County of Maricopa.

16 DATED this 20th day of July, 2012.
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19 **NORMAN J. DAVIS**
20 **JUDGE OF THE SUPERIOR COURT**
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ASSURANCE OF DISCONTINUANCE

17 The Attorney General of the State of Arizona and Respondent, Double C's, LLC,
18 d/b/a Lowrate.com, agree to the entry of the following Assurance of Discontinuance
19 pursuant to Arizona Revised Statutes ("A.R.S.") § 44-1530, a provision of the Arizona
20 Consumer Fraud Act ("Act").

21 1. Respondent Double C's, LLC ("Double C's") is an Arizona limited liability
22 company that does business as Lowrate.com, and in that capacity owned and operated an
23 internet website from approximately February, 2012, to April, 2012 that solicited
24 consumers looking for payday loans, *i.e.*, supposedly short-term, high interest loans for
25 which repayment is deferred until the borrower's payday.

26 2. Double C's did not make payday or other consumer loans itself, but rather
posted an unrelated third party's loan application on its website that required consumers to
provide personally identifiable information, including the consumer's name, address, e-
mail address, telephone number, date of birth, social security number, driver's license
number, employer's name, income amount, dates of pay days, and bank account number

1 and ABA/routing number.

2 3. Once a consumer filled out the loan application on the Lowrate.com website
3 the information was transmitted to an unrelated third party that owns and operates a "lead
4 marketplace" where various payday lenders or other lead buyers can purchase consumer's
5 personally identifiable information.

6 4. Double C's represented and implied on its Lowrate.com website that
7 Lowrate.com itself would show the consumer's loan application to various lenders and,
8 moreover, that Lowrate.com would protect the consumer's personally identifiable
9 information from unauthorized access or use. For example, Double C's stated on the
10 Lowrate.com website:

11 "[A]pply by Phone or Complete the 100% Secure Application
12 Below"

13 "Lowrate values all of our customers, and the security of your
14 personal information is very important to us. Submit your
15 information with confidence-we'll treat it as if it was our own
16 personal information."

17 "Your security is vital to us, so we protect your personal
18 information with 128-bit encryption."

19 "Lowrate.com uses powerful, up-to-date security software to make
20 sure your information remains secure."

21 5. Double C's did not screen, have access to, or forward consumers' personally
22 identifiable information to any lender, but rather simply provided a location on the internet
23 for an unrelated third party to collect consumers' personally identifiable information and
24 market it as a lead to payday lenders and other lead buyers.

25 6. Contrary to Double C's representations that it would protect consumers'
26 information, it had no knowledge or control over the information's ultimate dissemination.

7. Contrary to Double C's representations that it would protect consumers'

1 information, it failed to require or obtain from the third party to whom it transmitted
2 consumers' personally identifiable information any promise that the information would be
3 protected from unauthorized disclosure or use.

4 8. As of July 1, 2010, the authority for lenders to offer or make payday loans to
5 Arizona consumers expired.

6 9. The Lowrate.com website solicited and accepted completed consumer
7 applications from Arizona consumers whose personally identifiable information was sold
8 to payday lenders who, as a result thereof, directly offered illegal payday loans to those
9 Arizona consumers.

10 NOW, THEREFORE, Double C's, LLC agrees, undertakes and assures:

11 10. Double C's shall comply with the Arizona Consumer Fraud Act, as it is now
12 written and as it may be amended;

13 11. Double C's shall not, on its own behalf or on behalf of any third party, solicit,
14 collect, sell, or transmit any consumer's personally identifiable information without having
15 beforehand clearly and conspicuously informed the consumer that Double C's (or whatever
16 dba it is using in the relevant context) will not control how or to whom the information is
17 ultimately transmitted or used, unless such representation is true, and;

18 12. Double C's shall not, on its own behalf or that of any third party, solicit,
19 collect, sell or transmit any Arizona consumers' personally identifiable information in
20 connection with the application for or receipt of any type of consumer loan, including so-
21 called payday loans.

22 13. The injunctive relief contained in this Assurance of Discontinuance applies to
23 Double C's, LLC, any successor entity or entities, whether by acquisition, merger or
24 otherwise, to the extent they are engaging in activities involving the solicitation and/or
25 receipt of consumers' personally identifiable information, and to Double C's current or
26 future officers, directors, managerial or supervisory employees, and to any other employees

1 or agents having responsibilities with respect to the subject matter of this Assurance, but
2 not in any individual capacity.

3 14. Double C's shall pay to the Attorney General's Office the amount of five
4 thousand dollars (\$5,000.00) for attorneys' fees and costs of investigation, pursuant to
5 A.R.S. § 44-1530. The payment described herein does not constitute an admission of
6 wrongdoing, fine or penalty and, further, shall be made by cashier's check, payable to the
7 Office of the Arizona Attorney General, to be delivered to this office upon execution of
8 this Assurance of Discontinuance, said amount to be deposited by the Attorney General
9 into the consumer protection-consumer fraud revolving fund in accordance with A.R.S.
10 § 44-1531.01 and used for the purposes specified therein.

11 15. The parties understand and agree that this Assurance of Discontinuance shall
12 not be construed as an approval of or sanction by the Attorney General of Double C's
13 business or of its past, present or future business practices, and Double C's is prohibited
14 from making any representations to the contrary.

15 16. Double C's understands that a willful violation of this Assurance of
16 Discontinuance within six (6) years of the filing thereof constitutes prima facie evidence of
17 a violation of A.R.S. § 44-1522. This court therefore retains jurisdiction over the parties
18 and the subject matter for purposes of enabling the State of Arizona to apply to this court
19 for the enforcement of and Respondent's compliance with the Assurance of
20 Discontinuance.

21 17. The parties agree that this Assurance of Discontinuance shall not be
22 considered an admission of any violation for any purpose.

23 18. Double C's is entering into this Assurance of Discontinuance as a means of
24 efficiently closing the Attorney General's investigation into this matter and not out of any
25 admission of guilt, wrongdoing, violation or sanction.

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