

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

RECEIVED

FEB 23 REC'D

THE PEOPLE OF THE STATE OF NEW YORK,
by ERIC T. SCHNEIDERMAN, Attorney General of the
State of New York,

Petitioner,

- against -

SKS ASSOCIATES LLC f/k/a LEASE RESIDUALS
HOLDINGS (OFC), LLC, NORTHERN LEASING
SYSTEMS, INC., LEASE FINANCE GROUP LLC,
MBF LEASING LLC, GOLDEN EAGLE LEASING
LLC, and LEASE SOURCE-LSI, LLC a/k/a LEASE
SOURCE, INC.,

Respondents.

CONSENT AND STIPULATION

IAS Part 58
Assigned to Justice Donna Mills
Index No. 400908/12

IT IS HEREBY ACKNOWLEDGED, STIPULATED, CONSENTED TO AND AGREED,
by and between the undersigned attorneys for the respective parties as follows:

1. Respondents hereby acknowledge receipt of a copy of the Consent Order and Judgment.
2. Respondents consent to the entry of the attached Consent Order and Judgment without further notice.
3. This Consent and Stipulation is entered into by Respondents of their own free and voluntary act, with full knowledge and understanding of this proceeding and the obligations imposed upon them by the Consent Order and Judgment.
4. The Office of the Attorney General ("OAG") has agreed to the terms of the Consent Order and Judgment based on, among other things, the representations made to OAG by Respondents and their counsel. To the extent that any material representations are later found to be inaccurate or misleading, the Court, upon application by the OAG, shall void or modify the Consent

Order and Judgment as appropriate.

5. Respondents enter into this Stipulation consenting to the entry of the attached Consent Order and Judgment to resolve the OAG's civil investigation into its business practices and without admitting or denying any liability, wrongdoing or legal or factual issue alleged in the Petition.

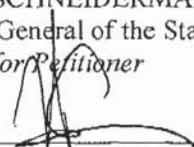
6. Respondents represent and warrant, through the signatures below, that the terms and conditions of this Consent and Stipulation are duly approved and the execution of this Consent and Stipulation is duly authorized.

7. Respondents agree not to take any action or to make or permit to be made any public statement denying, directly or indirectly, any acts alleged in the petition or creating the impression that the acts alleged in the petition are without factual basis. Nothing in this paragraph affects Respondents': (a) testimonial obligations; or (b) right to take legal or factual positions in connection with litigation or other legal proceedings, and/or to deny allegations made by parties, other than OAG, in other legal proceedings to which the OAG is not a party.

8. A facsimile transmission and signatures received by facsimile shall be deemed an original for purposes of this Stipulation.

Dated: New York, New York
February 18, 2013

ERIC T. SCHNEIDERMAN
Attorney General of the State of New York
Attorney for Petitioner

By: 
Tristan C. Snell, Esq.
Bureau of Consumer Frauds & Protection
120 Broadway, 3rd Floor
New York, New York 10271
Tel.: (212) 416-8294

MOSES & SINGER LLP
Attorneys for Respondents

By: 
Scott E. Silberfein, Esq.
The Chrysler Building
405 Lexington Avenue
New York, New York 10174
Tel.: (212) 554-7800

UNFILED JUDGMENT

This judgment has not been entered by the County Clerk and notice of entry cannot be served based hereon. To obtain entry, counsel or authorized representative must appear in person at the Judgment Clerk's Desk (Room 141B).

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK**

THE PEOPLE OF THE STATE OF NEW YORK,
by ERIC T. SCHNEIDERMAN, Attorney General of the
State of New York,

Petitioner,

- against -

SKS ASSOCIATES LLC f/k/a LEASE RESIDUALS
HOLDINGS (OFC), LLC, NORTHERN LEASING
SYSTEMS, INC., LEASE FINANCE GROUP LLC,
MBF LEASING LLC, GOLDEN EAGLE LEASING
LLC, and LEASE SOURCE-LSI, LLC a/k/a LEASE
SOURCE, INC.,

Respondents.

**CONSENT ORDER &
JUDGMENT**

IAS Part 58
Assigned to Justice Donna Mills
Index No. 400908/12

Upon the Verified Petition dated April 20, 2012; the affirmation of Assistant Attorney General Tristan C. Snell dated April 20, 2012, together with the exhibits thereto; the Answer of Respondents SKS Associates LLC f/k/a Lease Residuals Holdings (OFC), LLC, Northern Leasing Systems, Inc., Lease Finance Group LLC, MBF Leasing LLC, Golden Eagle Leasing LLC, and Lease Source-LSI, LLC a/k/a Lease Source, Inc., dated June 20, 2012, together with the affidavits and exhibits thereto; and the Reply Affirmation of Tristan C. Snell dated July 26, 2012, together with the exhibits thereto:

IT NOW APPEARS that SKS Associates LLC f/k/a Lease Residuals Holdings (OFC), LLC ("SKS"), Northern Leasing Systems, Inc. ("NLS"), Lease Finance Group LLC ("LFG"), MBF Leasing LLC ("MBF"), Golden Eagle Leasing LLC ("GEL"), and Lease Source-LSI, LLC a/k/a Lease Source, Inc. ("LSI"), are willing to enter into this Consent Order and Judgment ("Consent Order") to resolve all outstanding issues with respect to the above-referenced proceeding and to avoid the further expense, time and uncertainty of litigation.

NOW, on motion of Eric T. Schneiderman, Attorney General for the State of New York, attorney for petitioner (Laura J. Levine and Tristan C. Snell, Assistant Attorneys General, of counsel) and upon the consent of SKS, NLS, LFG, MBF, GEL, and LSI (Robert D. Lillienstein and Scott E. Silberfein, of counsel), it is hereby:

PARTIES SUBJECT TO JUDGMENT

1. **ORDERED, ADJUDGED AND DECREED** that this Consent Order shall extend to SKS, NLS, LFG, MBF, GEL, and LSI, or anyone acting on their behalf, including but not limited to their principals, directors, officers, shareholders, employees, successors, assignees, and agents acting in concert or in participation with any of the foregoing who are involved in the conduct of business which is the subject of this litigation; and to any corporation, company, business entity, or other entity or device through which SKS, NLS, LFG, MBF, GEL, and LSI may now or hereafter act or conduct business which is the subject of this litigation (collectively, "Respondents").

DEFINITIONS

2. **ORDERED, ADJUDGED AND DECREED** that for purposes of this Consent Order, the following terms shall have the following meanings:

- a) "Effective Date" shall mean the date this Consent Order is entered in the Clerk's Office of the Supreme Court, New York County;
- b) "Eligible Restitution Customer" shall mean any customer whose bank account was debited by SKS for taxes and/or administrative fees after the expiration of the customer's lease, with the funds retained by Respondents, and who is not an Automatic Restitution Customer as defined below;
- c) "Automatic Restitution Customer" shall mean any customer whose bank account was debited by SKS for taxes and/or administrative fees after the expiration of the customer's lease, with the funds retained by Respondents, and whose names appear on Appendix A pursuant to paragraph 11, *infra*;

- d) "Schedule I Lease" shall mean any lease transferred to SKS pursuant to the December 15, 2010 Purchase Agreement among SKS, NLS and LFG; and
- e) "Final Termination Date" shall mean that date on which the lessee shall have made all monthly lease payments to the lessor.

PROHIBITED PRACTICES & PROSPECTIVE RELIEF

3. **ORDERED, ADJUDGED AND DECREED** that Respondents are permanently enjoined from engaging in any deceptive, fraudulent, or illegal practices in violation of Executive Law § 63(12), and General Business Law §§ 130, 133, and 349 in connection with any collection or attempted collection of taxes and/or related administrative fees through any means from lessees or former lessees; and it is further

4. **ORDERED, ADJUDGED AND DECREED** that Respondents are permanently enjoined from collecting, or attempting to collect, taxes and/or related administrative fees through any means with regard to any Schedule I Lease; and it is further

5. **ORDERED, ADJUDGED AND DECREED** that, as soon as practicable, but in no event later than 180 days from the Effective Date, Respondents shall ensure that all future lease agreements clearly and conspicuously disclose in the "Schedule of Lease Payments" section (or similar section, however titled, in which the monthly lease payments and length of lease term are disclosed) on the first page of any such lease agreement (a) the dollar amount of any administrative fee related to the payment, collection, reimbursement, or recoupment of taxes that will be charged or collected under the terms of the lease, (b) that taxes and related administrative fees may be collected prior to payment of those taxes to a taxing authority, and (c) the section of the lease agreement that sets forth in greater detail the manner in which such taxes and/or fees are collected provided, however, that this provision shall only apply to those leases in which a Respondent is named as lessor; and it is further

6. **ORDERED, ADJUDGED AND DECREED** that any Automatic Clearing House authorization possessed by Respondents to debit funds from a customer's bank account for taxes and/or related administrative fees shall expire six months after the Final Termination Date of the lease agreement that provided the authorization; and it is further

7. **ORDERED, ADJUDGED AND DECREED** that, in any instance in which Respondents debit or attempt to otherwise collect taxes and/or related administrative fees from a customer in connection with a lease, Respondents shall in fact pay or have paid said taxes to a taxing authority and provide substantiation or documentation to that effect after the taxes are paid to a taxing authority forthwith to the Office of the Attorney General ("OAG") upon request, or to an individual customer forthwith upon that customer's request; and it is further

8. **ORDERED, ADJUDGED AND DECREED** that, within fourteen (14) days of the Effective Date, Respondents shall designate an employee as a liaison whom the OAG may contact regarding complaints made by customers regarding Respondents, and this liaison will have the authority to address and resolve any such complaints; and it is further

RESTITUTION

Automatic Restitution Customers

9. **ORDERED, ADJUDGED AND DECREED** that, as set forth hereafter, Respondents shall pay restitution for the total amount debited by SKS from Automatic Restitution Customers without any requirement that the Automatic Restitution Customer participate in the claims process described in paragraphs 14 through 25 of this Consent Order; and it is further

10. **ORDERED, ADJUDGED AND DECREED** that Respondents shall, within fourteen (14) days of the Effective Date of this Consent Order, (a) retain A.B. Data, Ltd. or such

other claims administrator approved in advance by the OAG (“Administrator”) to administer restitution pursuant to this Consent Order and (b) issue a check payable to the Administrator in the amount of \$650,000 that the Administrator shall deposit in an interest bearing account (the “Restitution Account”). The Administrator shall use the Restitution Account for restitution to Automatic Restitution Customers and Eligible Restitution Customers and shall request additional funds as necessary to meet Respondents’ restitution obligations under paragraphs 9 through 25. Respondents shall be responsible for paying all costs and fees incurred or charged by the Administrator; and it is further

11. **ORDERED, ADJUDGED, AND DECREED** that Respondents shall, within fourteen (14) days of the Effective Date of this Consent Order, deliver to the Administrator the list of all Automatic Restitution Customers (denominated as Appendix A), including, for each customer, the customer’s name, last-known address, telephone number (if available), and personal guarantor’s name, last-known address, and telephone number (if available), and the amount debited from each customer by SKS, along with a total amount due to all of the Automatic Restitution Customers (“Total Automatic Restitution”). Prior to the Effective Date, Appendix A has been delivered to OAG by Respondents and shall not be attached hereto; and it is further

12. **ORDERED, ADJUDGED AND DECREED** within fourteen (14) days thereafter, the Administrator shall mail checks drawn on the Restitution Account to all Automatic Restitution Customers together with the letter attached hereto as Appendix B.¹ The envelope shall contain the words “Attorney General of the State of New York” and “SKS Associates LLC Settlement.” The return address on the envelope shall name the Administrator

¹ Appendix B may be modified at a later date, by agreement of the parties, to include dates and/or substituted Administrator information where appropriate.

“as Settlement Administrator for the Attorney General of the State of New York.” Prior to said mailing, the Administrator shall process the mailing address of each Automatic Restitution Customer through the National Change of Address database (“NCOA”) and shall mail the checks to the most recent address. For mailings that are returned as addressee unknown, the Administrator shall process the address through another trace process, such as LexisNexis, and mail the check to another address, if one is identified. If another address is not identified, the guarantor’s home address shall be processed through the NCOA and the check mailed to the most recent home address; and it is further;

13. **ORDERED, ADJUDGED AND DECREED** that any Automatic Restitution Customer that contacts OAG or Respondents within one hundred eighty (180) days of the Effective Date and has not received and/or cashed a check from the Administrator (because the customer’s address could not be located or for other good cause) shall be mailed a check drawn on the Restitution Account together with the letter attached hereto as Appendix B within thirty (30) days of contact. The payment, mailing, and envelope shall comport with paragraph 12. If necessary due to insufficient funds in the Restitution Account, Respondents shall issue checks payable to the Administrator for these amounts as requested by the Administrator, within ten (10) days of the delivery of the Administrator’s written request.

Eligible Restitution Customers

14. **ORDERED, ADJUDGED, AND DECREED** that Respondents shall, within fourteen (14) days of the Effective Date of this Consent Order, deliver to the OAG, in electronic form and hard copy, a list of all Eligible Restitution Customers, including, for each customer, the customer’s name, last-known address, telephone number (if available), personal guarantor’s

name, last-known addresses, and telephone number (if available), and the total amount debited by SKS from all Eligible Restitution Customers; and it is further

15. **ORDERED, ADJUDGED AND DECREED** that within thirty (30) days of the Effective Date of this Consent Order, the Administrator shall mail to all Eligible Restitution Customers a notice and claim form attached as Appendix C (“Claims Notice”),² along with a return envelope with postage prepaid, in an envelope containing the words “Important Claims Notice from Attorney General of the State of New York” and “SKS Associates LLC.” The return address on the envelope name Administrator “as Settlement Administrator for the Attorney General of the State of New York.” Prior to said mailing, the Administrator shall process the mailing address of each Eligible Restitution Customer through the NCOA, and shall mail the Claims Notice to the most recent available mailing address. For Claims Notices that are returned as addressee unknown, the Administrator shall process the addresses through another trace process, such as LexisNexis, and mail the Claims Notice to another address, if one is identified. If another address is not identified, the guarantor’s home address shall be processed through the NCOA and the check mailed to the most recent home address; and it is further

16. **ORDERED, ADJUDGED AND DECREED** that claim forms completed by Eligible Restitution Customers must be postmarked within sixty (60) days of the date of mailing by the Administrator to be eligible for restitution pursuant to this Consent Order, which date may be extended by the Administrator for up to forty-five (45) additional days for good cause; and it is further

17. **ORDERED, ADJUDGED AND DECREED** that the Administrator shall review all the returned claim forms within fourteen (14) days of the last date for Eligible Restitution

² Appendix C may be modified by the same terms as Appendix B. See note 1, *supra*.

Customers to return said claim forms to the Administrator (which date may be extended for good cause based upon the volume of claim form responses) and calculate the amount due Eligible Restitution Customers as restitution pursuant to this Consent Order (“Total Participant Restitution”); and it is further

18. **ORDERED, ADJUDGED AND DECREED** that if the amount in the Restitution Account is sufficient to pay the Total Participant Restitution, the Administrator shall mail checks drawn on the Restitution Account to all Eligible Restitution Customers entitled to restitution pursuant to this Consent Order within seven (7) days of calculating the Total Participant Restitution; and it is further

19. **ORDERED, ADJUDGED AND DECREED** that if the amount in the Restitution Account is insufficient to pay the Total Participant Restitution, within three (3) days of calculating the Total Participant Restitution, the Administrator shall write to Respondents requesting that Respondents issue a check for the difference (“Supplemental Participant Restitution”), with a copy of such correspondence to the OAG; and it is further

20. **ORDERED, ADJUDGED AND DECREED** that Respondents shall issue a check payable to the Administrator for the Supplemental Participant Restitution, as requested by the Administrator, within ten (10) days of the delivery of Administrator’s request; and it is further

21. **ORDERED, ADJUDGED AND DECREED** that the Administrator shall deposit the check for Supplemental Participant Restitution in the Restitution Account; and it is further

22. **ORDERED, ADJUDGED AND DECREED** within thirty (30) days of receipt of a check from Respondents for the Supplemental Participant Restitution if such a check is

necessary, the Administrator shall mail checks drawn on the Restitution Account to all Eligible Restitution Customers entitled to restitution pursuant to this Consent Order; and it is further

23. **ORDERED, ADJUDGED AND DECREED** that Eligible Restitution Customers that contact OAG or Respondents within one hundred eighty (180) days of the Effective Date and that have not returned Claims Forms (because the customer's address could not be located or for other good cause) shall promptly be mailed a Claims Notice by the Administrator, with the envelope comporting with paragraph 15. The Administrator shall follow the timing requirements set forth in paragraphs 15 to 22. Respondents are obligated to issue a check payable to the Administrator for the total amount due said customers as requested by the Administrator, within ten (10) days of the delivery of Administrator's written request; and it is further

24. **ORDERED, ADJUDGED AND DECREED** that all checks mailed by the Administrator must be cashed or deposited within ninety (90) days of issuance, and this fact shall be clearly and conspicuously marked on each check; and it is further

25. **ORDERED, ADJUDGED AND DECREED** that the Administrator shall administer the Restitution Account for a period of two hundred ten (210) days from the Effective Date, which period the Administrator may extend for any reasonable additional time period that the Administrator may reasonably need to complete its administration of the Restitution Account. Upon cessation of administration of the Restitution Account, the Administrator shall, within fourteen (14) days, pay by check payable as directed by Respondents, any remaining balance, less the total amount of all outstanding checks drawn on the Restitution Account. Once any remaining outstanding checks can no longer be cashed or deposited in accordance with paragraph 24, the Administrator shall, within fourteen (14) days, pay by check payable as

directed by Respondents, any remaining balance and the Restitution Account shall be closed; and it is further

PAYMENT

26. **ORDERED, ADJUDGED AND DECREED** that Respondents shall pay to the OAG by certified or bank check or wire transfer \$575,000 for costs, penalties, and fees within three (3) business days after the Effective Date. Such check shall be delivered to the OAG, in care of Tristan C. Snell, Assistant Attorney General, Bureau of Consumer Frauds and Protection, at 120 Broadway, 3rd Floor, New York, New York 10271, or such other place as the OAG may designate and shall reference the caption, People v. SKS Associates LLC, et al., New York State Supreme Court, Index No. 400908/12; and it is further

COMPLIANCE & ENFORCEMENT

27. **ORDERED, ADJUDGED AND DECREED** that upon application by the OAG showing that Respondents have failed to make any payments required by this Consent Order, the Court shall enter a money judgment in the amount outstanding due plus interest at a rate of nine (9) percent per annum from the date of violation or nonpayment against Respondents, and the OAG shall have execution thereof; and it is further

28. **ORDERED, ADJUDGED AND DECREED** that within sixty (60) days after the Administrator has completed mailing restitution checks to customers, the Administrator shall deliver to the OAG and to Respondents, in electronic form and hard copy, a compilation of the results of the restitution process, including the total numbers of Eligible Restitution Customers and Automatic Restitution Customers, the total number of executed claim forms timely received by the Administrator, the total number of undeliverable claims forms, the total number of

restitution checks issued and cashed, the total number of checks not cashed, the total number of claims denied and the total amount of money disbursed through the restitution process; and it is further

29. **ORDERED, ADJUDGED AND DECREED** that any notices, statements or other written documents required by this Consent Order shall be provided by first class mail to the intended recipient at the addresses set forth below, unless a different address is specified in writing by the party changing such address, and as to Respondents, by first class mail and email: For petitioner, the People of the State of New York, to

Eric T. Schneiderman
Attorney General of the State of New York
Bureau of Consumer Frauds and Protection
120 Broadway, 3rd Floor
New York, New York 10271
Attn: Tristan C. Snell, Assistant Attorney General
tristan.snell@ag.ny.gov

For respondents SKS, NLS, LFG, MBF, GEL, and LSI, to

Moses & Singer LLP
The Chrysler Building
405 Lexington Avenue
New York, New York 10174-1299
Attn: Arnold N. Bressler, Esq.
abressler@mosessinger.com

Such notices, statements and documents shall be deemed to have been given upon mailing and shall reference the caption, People v. SKS Associates LLC, et al., New York State Supreme Court, Index No. 400908/12; and it is further

CONTINUING JURISDICTION

30. **ORDERED, ADJUDGED AND DECREED** that this Court shall retain jurisdiction of this proceeding for the purpose of carrying out the terms of this Consent Order, and any party to this Consent Order may apply to this Court for such other and further relief as

may be necessary to effectuate the terms of this Consent Order, upon five (5) days notice to all other parties; and it is further

GENERAL PROVISIONS

31. **ORDERED, ADJUDGED AND DECREED** that any failure of the OAG to exercise any right under this Consent Order shall not constitute a waiver of any rights of the Attorney General hereunder; and it is further

32. **ORDERED, ADJUDGED AND DECREED** that Respondents and the OAG further agree to execute and deliver all authorizations, documents and instruments that are necessary to carry out the terms and conditions of this Consent Order; and it is further

33. **ORDERED, ADJUDGED AND DECREED** that nothing contained in this Consent Order shall be construed as to deprive any individual or entity of any private right of action under the law; however, this shall not be construed to permit any such individual or entity to recover the same amount twice for the same practice; and it is further

34. **ORDERED, ADJUDGED AND DECREED** that nothing contained in this Consent Order shall be construed as an admission or denial by Respondents of any liability, wrongdoing or legal or factual issue; and it is further

35. **ORDERED, ADJUDGED AND DECREED** that this Consent Order sets forth all of the promises, covenants, agreements, conditions and understandings between the parties, and supersedes all prior and contemporaneous agreements, understandings, inducements or conditions, express or implied. There are no representations, arrangements, or understandings, oral or written, between the Parties relating to the subject matter of this Consent Order that are not fully expressed herein or attached hereto; and it is further

36. **ORDERED, ADJUDGED AND DECREED** that nothing in this Consent Order shall be construed as relieving Respondents of their obligations to comply with all New York State and federal laws, regulations, and rules, or as granting permission to engage in any acts or practices prohibited by such law, regulation, or rule; and it is further

37. **ORDERED, ADJUDGED AND DECREED** that Respondents shall not state or imply or cause to be stated or implied that the OAG has approved, sanctioned, or authorized any practice, act, or conduct of Respondents; and it is further

38. **ORDERED, ADJUDGED AND DECREED** that Respondents waive any further notice of submission of this Consent Order to and filing thereof with this Court and agree to accept service of a conformed copy by first-class mail; and it is further

39. **ORDERED, ADJUDGED AND DECREED** that this Consent Order shall constitute a complete settlement and release of all claims and causes of action that were raised by Petitioner in this case concerning debits or attempted debits by Respondents of taxes and/or administrative fees after the expiration of the customer's lease from Schedule I lessees that occurred prior to the Effective Date of this Consent Order. The release provision of this paragraph shall take effect upon the fulfillment by Respondents of their obligations under this Consent Order and shall extend to Respondents and all their officers, directors, employees, attorneys, agents, representatives, and their successors and assigns; and it is further

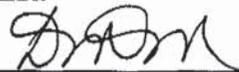
40. **ORDERED, ADJUDGED AND DECREED** that the clerk is hereby directed to enter this Consent Order forthwith; and it is further

41. **ORDERED, ADJUDGED AND DECREED** that this Court's order and judgment dated February 26, 2013 is hereby deemed a decision which shall be entered by the clerk of the court.

SO ORDERED:

Dated: New York, New York
February 26, 2013

ENTER:



Hon. Donna Mills

UNFILED JUDGMENT

This judgment has not been entered by the County Clerk and notice of entry cannot be served based hereon. To obtain entry, counsel or authorized representative must appear in person at the Judgment Clerk's Desk (Room 141B).

APPENDIX A

OMITTED

Previously delivered by Respondents to Petitioner pursuant to paragraph 11, supra

APPENDIX B



STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL

SETTLEMENT PAYMENT NOTICE

TO BUSINESSES DEBITED BY SKS ASSOCIATES LLC

You are receiving this notice and refund check as a result of the settlement of a lawsuit between the New York State Office of the Attorney General ("OAG") and **SKS Associates LLC** ("SKS") and a number of companies affiliated with SKS. According to SKS's records, your business was debited by SKS in 2011 in connection with a lease agreement your business previously had with a company affiliated with SKS, including **Northern Leasing Systems, Inc., Lease Finance Group LLC, MBF Leasing LLC, Golden Eagle Leasing LLC, or Lease Source, Inc.**

On February __, 2013, OAG reached a settlement with the above-named entities concerning the collection by SKS of taxes and/or administrative fees from expired lease agreements. The parties have agreed to resolve all outstanding issues with respect to the collection of taxes and fees from expired leases and to avoid the further expense, time and uncertainty of litigation, without any determination of the merits being made. Under this settlement, you are receiving a full refund of the amount debited. **A check for the amount is enclosed herein.**

Please be advised that by cashing or depositing the enclosed refund check, you and your business are releasing SKS Associates LLC, Northern Leasing Systems, Inc., Lease Finance Group LLC, MBF Leasing LLC, Golden Eagle Leasing LLC, Lease Source, Inc. and all of their respective affiliated companies, officers, directors, and employees (collectively, "Respondents") from all claims and causes of action that were raised by OAG concerning debits or attempted debits by Respondents of taxes and/or administrative fees after the expiration of the Business's lease that occurred prior to April 20, 2012.

OAG believes that this settlement is in the public interest. **However, you are not required to participate in this settlement.** If you do not wish to participate, do not cash or deposit the enclosed check.

If you have any questions regarding this notice, please contact Settlement Administrator, c/o A.B. DATA, LTD., P.O. Box 170500, Milwaukee, WI 53217-8092 or by telephone at 866-217-4245.

APPENDIX C



STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL

SETTLEMENT REFUND ELIGIBILITY NOTICE

TO BUSINESSES DEBITED BY SKS ASSOCIATES LLC

You are receiving this notice because you may be entitled to a refund in connection with a settlement between the New York State Office of the Attorney General ("OAG") and **SKS Associates LLC** ("SKS") and a number of companies affiliated with SKS. According to SKS's records, your business was debited by SKS in 2011 in connection with a lease agreement your business previously had with a company affiliated with SKS, including **Northern Leasing Systems, Inc., Lease Finance Group LLC, MBF Leasing LLC, Golden Eagle Leasing LLC, or Lease Source, Inc.** (collectively with SKS, the "Respondents").

On February __, 2013, OAG reached a settlement with Respondents concerning the collection of taxes and administrative fees from expired lease agreements. The parties have agreed to resolve all outstanding issues with respect to the collection of taxes and fees from expired leases and to avoid the further expense, time and uncertainty of litigation, without any determination of the merits being made. Under this settlement, businesses debited by SKS are eligible to receive a full refund of the amount debited minus any amount already refunded by any source, including SKS, one of its affiliated companies, or from your business's bank.

To be eligible to receive this payment, you must fill out, sign and postmark the enclosed claim form by _____, 2013 to A.B. Data, Ltd. as Settlement Administrator at the following address:

**SETTLEMENT ADMINISTRATOR
c/o A.B. DATA, LTD.
PO BOX 170500
MILWAUKEE, WI 53217-8091**

Upon receipt of the claim form, your claim will be evaluated by the Settlement Administrator, and then you will be contacted by mail as to the result of your claim. If your claim is approved, you will be mailed a check.

If you have any questions regarding this notice, please contact Settlement Administrator, c/o A.B. DATA, LTD., P.O. Box 170500, Milwaukee, WI 53217-8092 or by telephone at 866-217-4245.

SKS Associates LLC Refund Eligibility Form

INSTRUCTIONS: You must complete this form, sign at the bottom, and mail it to the following address:

**SETTLEMENT ADMINISTRATOR
c/o A.B. DATA, LTD.
PO BOX 170500
MILWAUKEE, WI 53217-8091**

Refund forms must be received by Month xx, 2013 to be eligible.

Please enter your current contact information and the name of the business that was debited by SKS Associates LLC:

Name: _____ Telephone (day): _____
Address: _____ Current Email address: _____

Business: _____

PLEASE READ THE FOLLOWING BEFORE SIGNING. YOU MUST SIGN BELOW AND RETURN THE COMPLETED FORM BY THE ABOVE DATE TO RECEIVE A REFUND.

I understand that any false statements made in this Refund Eligibility Form are punishable as a Class A misdemeanor under Section 175.30 and/or Section 210.45 of the New York Penal Law. I agree, on behalf of the Business named on this form above, that by cashing or depositing any refund check for the total amount debited by SKS Associates LLC, the Business is releasing SKS Associates LLC, Northern Leasing Systems, Inc., Lease Finance Group LLC, MBF Leasing LLC, Golden Eagle Leasing LLC, Lease Source, Inc. and all of their respective affiliated companies, officers, directors, and employees (collectively, "Respondents") from all claims and causes of action that were raised by the New York State Office of the Attorney General concerning debits or attempted debits by Respondents of taxes and/or administrative fees after the expiration of the Business's lease that occurred prior to April 20, 2012.

Signature: _____ Date: _____

On behalf of: _____
Name of Business Title

If you have any questions regarding this form, please call 866-217-4245.