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IN THE SUPREME COURT OF THE STATE OF NEVADA

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Tracie K. Lindeman

PRINCIPAL INVESTMENTS, INC.,  
dba RAPID CASH, GRANITE  
FINANCIAL SERVICES, INC., dba  
RAPID CASH, FMMR  
INVESTMENTS, INC., dba RAPID  
CASH, PRIME GROUP, INC., dba  
RAPID CASH, AND ADVANCE  
GROUP, INC., dba RAPID CASH,

Appellants

v.

CASANDRA HARRISON, EUGENE  
VARCADOS, CONCEPCION  
QUINTINO, AND MARY DUNGAN,  
individually and on behalf of all  
persons similarly situated,

Respondents

Case No.: 57625

(District Court Case #: A624982)

**RESPONSE TO DOCKETING STATEMENT**

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Attorneys for Respondents

Respondents offer the following Response to Appellants' Issues on Appeal (#9) and Other Issues (#12):

#12 - Issues on Appeal

Appellants grossly understate the magnitude of their conduct that caused the District Court to conclude that they waived their right to enforce the arbitration clauses in their contracts with their short-term loan customers. The specific, principal issues considered by Judge Gonzalez in denying Rapid Cash's Motion to Compel Arbitration were the following:

**Rapid Cash's Profuse Disregard for its own Arbitration Clause Resulted in a Waiver of its Right to Arbitrate:** Rapid Cash exclusively used the justice court system as its personal collection agency in tens of thousands of lawsuits, obtaining more than 16,000 default judgments, and never once invoking its own arbitration clause. Did Rapid Cash's categorical disregard for its own arbitration clause result in a waiver of its right to compel these judgment debtors to arbitrate their class action to set aside these default judgments for fraud on the court based in part on the recent criminal conviction of Rapid Cash's process server for widespread sewer-service practices?

**Enforcement of the arbitration clause would violate public policy.** Whether it is against public policy to allow Rapid Cash to litigate its collection actions against its customers and then require those customers to arbitrate the claims that rise from the alleged tortious and fraudulent conduct of Rapid Cash and its agents in the course of those collection lawsuits.

The jurisdictional issue was never presented below. It only arose because Appellant chose to file a Petition for Writ of Mandamus to challenge the denial of its motion to compel arbitration instead of filing a timely appeal in accordance with NRS 38.247(2). Respondents have offered their arguments in this regard in their Motion to Dismiss Untimely Appeal, which was denied without prejudice when this case was sent to the Supreme Court Settlement Program. They intend to renew it if settlement fails.

#12 - Other Issues

Appellants misstate the emphasis the District Court placed on the public policy issue. As the order reflects, waiver was the primary basis for the Judge's refusal to enforce Rapid Cash's long-ignored arbitration clause, and she could have also relied upon

1 other valid bases for denial including unconscionability, the issues in this case exceed the  
2 scope of the arbitration clause, and the arbitration clause is against the public interest.

3 DATED this 28<sup>th</sup> day of February, 2011.

4 Respectfully submitted by:

5 KEMP, JONES & COULTHARD, LLP

6 /s/ Jennifer Dorsey

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14 **CERTIFICATE OF SERVICE**

15 I hereby certify that on the 28<sup>th</sup> day of January, 2011, the foregoing **RESPONSE**  
16 **TO DOCKETING STATEMENT** was served on the following person(s) by U.S.

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