

1 Q. -- from work?

2 A. From Rapid Cash?

3 Q. Yes.

4 A. 1,600. I think \$1,681, something like  
5 that.

6 Q. Do you know if the debt has been  
7 completely satisfied?

8 A. Yes, sir. They made sure of it.

9 Q. Did you first contact the Legal Aid  
10 Clinic after all the garnishments had been  
11 completed?

12 A. Yes. It -- yes, I believe they were.  
13 Yes.

14 Q. What did PDL tell you when you told them  
15 that your wages were being garnished by Rapid Cash?

16 A. I don't recall what they told me at that  
17 time because I was in shock and I was surprised, so  
18 like I can't remember.

19 Q. Have you lost any money because of the  
20 Rapid Cash lawsuit other than the money that has  
21 been garnished from your wages?

22 A. Have I lost any money pertaining to this?

23 Q. Yes.

24 A. It -- it screwed up my bank account if  
25 that's what you're talking about. Is that what you

1 mean?

2 Q. How did it screw up your bank account?

3 A. Well, because of the way it happened,  
4 some things that I had automatically deducted, that  
5 didn't happen or part of it happened, and because it  
6 just happened so quickly, I didn't -- you know, I  
7 couldn't make reservations about calling them and  
8 telling them what happened because it just happened  
9 so quickly.

10 So as a result of that, some things that  
11 would come out, it didn't happen. My rent didn't  
12 happen. My car insurance didn't happen. Believe it  
13 or not, I pay Palms Mortuary. That didn't happen  
14 either, and the gym didn't happen. You know, I  
15 can't -- those are the main things I know.

16 Q. Did you lose your car?

17 A. No, I didn't lose my car.

18 Q. Did you get evicted from your apartment?

19 A. No, I didn't get evicted from my  
20 apartment.

21 Q. So you caught up and made those payments  
22 that you just talked about missing?

23 A. Angrily, if that is a word, yes.

24 Q. Did you have a few bad check charges  
25 coming out of the bank or anything because of --

1 A. Yes, several.

2 Q. How much are those, 35 apiece?

3 A. Yes, uh-huh.

4 Q. Less than five?

5 A. No, I had more than five because when I  
6 couldn't make up for those items I named, that hit  
7 and it -- it kept hitting until I could get it  
8 together to try to get it settled or just wait until  
9 I had the money, which made it scarce because the  
10 next payday Rapid Cash hit again, so it wasn't once  
11 a month with Rapid Cash. It was every pay period.

12 Q. Do you get a direct deposit or do you get  
13 a check?

14 A. Direct deposit.

15 Q. And did you know -- the first time that a  
16 garnishment happened, did you realize that money had  
17 been deducted from your paycheck?

18 A. When I realized it, I received an E-mail  
19 from my finance department and that was at the end  
20 of the day. I looked at it and then it was just in  
21 a matter of a few days after that that that was the  
22 first -- the first one.

23 Q. So you were notified in advance by your  
24 finance department that your wages were going to be  
25 garnished?

# EXHIBIT D

DISTRICT COURT  
CLARK COUNTY, NEVADA

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

Plaintiffs,

vs.

PRINCIPAL INVESTMENTS,  
INC. d/b/a RAPID CASH;  
GRANITE FINANCIAL  
SERVICES, INC. d/b/a  
RAPID CASH; FMMR  
INVESTMENTS, INC. d/b/a  
RAPID CASH; PRIME GROUP,  
INC. d/b/a RAPID CASH;  
ADVANCE GROUP, INC.  
d/b/a RAPID CASH;  
MAURICE CARROLL,  
individually and d/b/a  
ON SCENE MEDIATIONS;  
VILISIA COLEMAN, and  
DOES I through X,  
inclusive,

Defendants.

**Certified Copy**

Case No. A-10-624982-B

DEPOSITION OF EUGENE VARCADOS

Taken on Monday, November 15, 2010

At 9:38 a.m.

At 3960 Howard Hughes Parkway, Ninth Floor  
Las Vegas, Nevada

Reported by: William C. LaBorde, CCR 673, RPR, CRR  
Job No. 2313-A

1 arbitration. There was no arbitration.

2 Q. Would you like it to go to arbitration?

3 MS. DORSEY: Object to form.

4 A. No. They violated my rights and the  
5 rights of the 1,600 [sic] other people that they did  
6 this to.

7 BY MR. DZARNOSKI:

8 Q. You don't dispute --

9 A. Which is what our case is about.

10 Q. Do you dispute the fact that you owed  
11 them the sum of \$588.24?

12 A. I don't dispute that fact. The  
13 class-action suit is not disputing that fact.

14 Q. So you acknowledge you owe that money?

15 A. I have never disavowed it. I have never  
16 said I didn't. That's not what this action is  
17 about.

18 Q. And after you went on the Internet and  
19 you looked at the things that you say you should  
20 have gotten, what did you do next?

21 MS. DORSEY: Object to form.

22 A. Called an attorney.

23 BY MR. DZARNOSKI:

24 Q. Who did you call?

25 A. My counsel.

000439

000439

# EXHIBIT E

DISTRICT COURT  
CLARK COUNTY, NEVADA

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

Plaintiffs,

vs.

PRINCIPAL INVESTMENTS,  
INC. d/b/a RAPID CASH;  
GRANITE FINANCIAL  
SERVICES, INC. d/b/a  
RAPID CASH; FMMR  
INVESTMENTS, INC. d/b/a  
RAPID CASH; PRIME GROUP,  
INC. d/b/a RAPID CASH;  
ADVANCE GROUP, INC.  
d/b/a RAPID CASH;  
MAURICE CARROLL,  
individually and d/b/a  
ON SCENE MEDIATIONS;  
VILISIA COLEMAN, and  
DOES I through X,  
inclusive,

Defendants.

**Certified Copy**

Case No. A-10-624982-B

DEPOSITION OF CASANDRA HARRISON

Taken on Monday, November 15, 2010

At 1:07 p.m.

At 3960 Howard Hughes Parkway, Ninth Floor  
Las Vegas, Nevada

Reported by: William C. LaBorde, CCR 673, RPR, CRR  
Job No. 2313-B



1 was just where I wanted PDL to handle it.

2 Q. When you hired PDL, did you tell them  
3 that Rapid Cash filed a lawsuit against you?

4 A. That was before I ever knew about a  
5 lawsuit. I didn't know about a lawsuit until August  
6 of this year.

7 Q. So your answer's no, you didn't tell PDL?

8 A. No, I didn't.

9 Q. Do you dispute that you owe -- that you  
10 borrowed the money from Rapid Cash?

11 A. I borrowed the money from Rapid Cash.

12 Q. And you don't dispute that you owe them  
13 the money; right?

14 MR. WULZ: Object to form.

15 A. I was getting PDL to pay off my debt.  
16 They were going to handle my business with Rapid  
17 Cash.

18 BY MR. DZARNOSKI:

19 Q. But you acknowledge you owe Rapid Cash  
20 money?

21 A. Well that's why I hired them, yes.

22 Q. In March -- strike that.

23 In August of 2009, were you working?

24 A. Yes.

25 Q. Where were you working?

# EXHIBIT F

DISTRICT COURT  
CLARK COUNTY, NEVADA

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

Plaintiffs,

vs.

PRINCIPAL INVESTMENTS,  
INC. d/b/a RAPID CASH;  
GRANITE FINANCIAL  
SERVICES, INC. d/b/a  
RAPID CASH; FMMR  
INVESTMENTS, INC. d/b/a  
RAPID CASH; PRIME GROUP,  
INC. d/b/a RAPID CASH;  
ADVANCE GROUP, INC.  
d/b/a RAPID CASH;  
MAURICE CARROLL,  
individually and d/b/a  
ON SCENE MEDIATIONS;  
VILISIA COLEMAN, and  
DOES I through X,  
inclusive,

Defendants.

**Certified Copy**

Case No. A-10-624982-B

DEPOSITION OF MARY DUNGAN

Taken on Monday, November 15, 2010

At 2:53 p.m.

At 3960 Howard Hughes Parkway, Ninth Floor  
Las Vegas, Nevada

Reported by: William C. LaBorde, CCR 673, RPR, CRR  
Job No. 2313-C

1 Q. I'm sorry. They said what?

2 A. I just said I kept getting -- you know, I  
3 kept -- you know, this guy kept -- every time I  
4 talked to him he said he would send me papers and I  
5 never saw any and I was just waiting for the papers  
6 to show up when I got the garnishment papers and  
7 then I, you know, was shocked because I wasn't  
8 expecting it.

9 Q. You did know you owed Rapid Cash money;  
10 right?

11 A. Yes.

12 Q. You don't dispute they gave you a loan?

13 A. No.

14 Q. And you don't dispute that you didn't pay  
15 them back?

16 A. No.

17 Q. At least not till the garnishment where  
18 money was taken; right?

19 A. Yes.

20 Q. And possibly some of those payments that  
21 I've referenced that you don't recall. You owed  
22 them -- you owed them something?

23 A. Oh, yes. That's why I was waiting for  
24 that gentleman to fax me the papers.

25 Q. Do you recall anyone from Rapid Cash

# EXHIBIT G

Electronically Filed  
10/27/2010 02:52:17 PM

**ORIGINAL**

**COPY**

*Alvin L. Harrison*

CLERK OF THE COURT

DISTRICT COURT  
CLARK COUNTY, NEVADA

\* \* \* \* \*

CASANDRA HARRISON, et al.

Plaintiffs

vs.

PRINCIPAL INVESTMENTS, INC.,  
et al.

Defendants

CASE NO. A-624982

DEPT. NO. XI

Transcript of  
Proceedings

BEFORE THE HONORABLE ELIZABETH GONZALEZ, DISTRICT COURT JUDGE

HEARING ON MOTION FOR CLASS CERTIFICATION

THURSDAY, OCTOBER 21, 2010

APPEARANCES:

FOR THE PLAINTIFFS:

DAN I. WULZ, ESQ.  
JENNIFER DORSEY, ESQ.

FOR THE DEFENDANTS:

MARK S. DZARNOSKI, ESQ.  
DANIEL F. POLSENBERG, ESQ.

COURT RECORDER:

JILL HAWKINS  
District Court

TRANSCRIPTION BY:

FLORENCE HOYT  
Las Vegas, Nevada 89146

Proceedings recorded by audio-visual recording, transcript  
produced by transcription service.

RECEIVED  
OCT 27 2010  
CLERK OF THE COURT

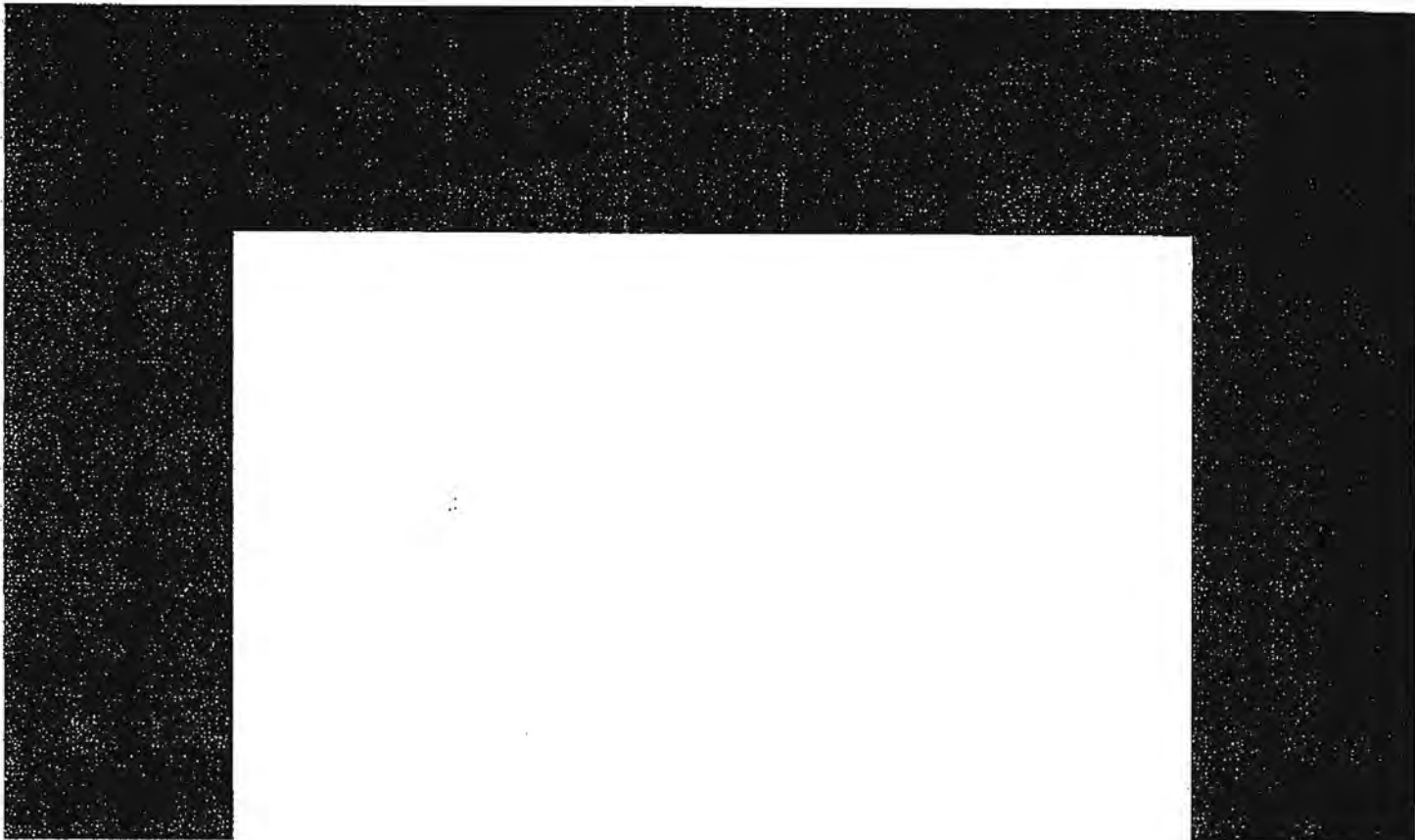
(18)

RAPX 62

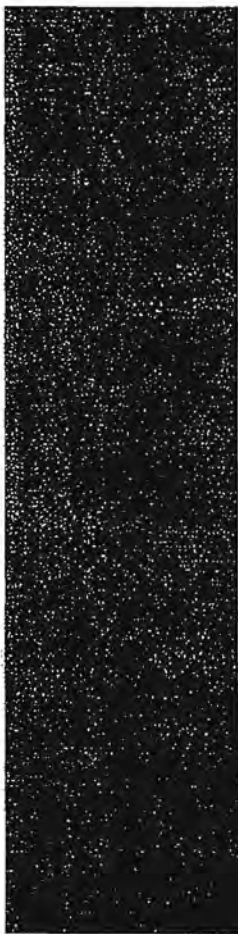
1 been a request to certify under 23(b)(2) in this case, and I  
2 want to highlight just briefly -- we have made the argument in  
3 the brief that that is appropriate mainly for equitable relief  
4 and not for claims of damages and that if you look at the  
5 complaint, you've got seven causes of action, abuse of  
6 process, negligent hiring, negligence, civil conspiracy,  
7 violation of 604A, NRS 598, and all of those are predominantly  
8 damages claims. I imagine, and we're researching this now,  
9 when we are put in a position where we need to answer or file  
10 a responsive pleading that there'd certainly be challenges  
11 also on the basis of subject matter jurisdiction here;  
12 because, although there has been some allegations that were  
13 freely made in the complaint that the amount in controversy is  
14 in excess of \$10,000 worth of damages, I think just looking at  
15 the remainder of the complaint you can clearly see that  
16 somebody has a \$300 loan that has been made in this case and  
17 that the judgment that was entered in the Justice Court was  
18 for \$300 plus attorney fees of 150, and maybe service of  
19 process of \$50 or \$60 or something like that.

20 THE COURT: The interest isn't included in the  
21 judgment?

22 MR. DZARNOSKI: Most of these judgments don't have  
23 anywhere near a judgment that, it is my understanding, over --  
24 about \$500 is the amount of the judgments that we have at  
25 issue, I believe.



16

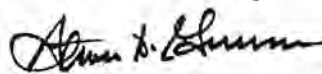


16





Electronically Filed  
01/06/2011 05:01:37 PM



CLERK OF THE COURT

**OPP**

Dan L. Wulz, Esq. (5557)  
Venicia Considine, Esq. (11544)  
**LEGAL AID CENTER OF SOUTHERN NEVADA, INC.**  
800 South Eighth Street  
Las Vegas, Nevada 89101  
Telephone: (702) 386-1070 x 106  
Facsimile: (702) 388-1642  
[dwulz@lacsnc.org](mailto:dwulz@lacsnc.org)

J. Randall Jones, Esq. (1927)  
Jennifer C. Dorsey, Esq. (6456)  
Eric M. Pepperman, Esq. (11679)  
**KEMP, JONES & COULTHARD, LLP**  
3800 Howard Hughes Pkwy, 17<sup>th</sup> Floor  
Las Vegas, Nevada 89169  
Telephone: (702) 385-6000  
Facsimile: (702) 385-6001  
[irj@kempjones.com](mailto:irj@kempjones.com)  
Attorneys for Plaintiffs/Putative Class Counsel

**DISTRICT COURT**

**CLARK COUNTY, NEVADA**

Casandra Harrison; Eugene Varcados;  
Concepcion Quintino; and Mary Dungan,  
individually and on behalf of all persons  
similarly situated,

Plaintiffs,

v.

Principal Investments, Inc. d/b/a Rapid Cash;  
Granite Financial Services, Inc. d/b/a Rapid  
Cash; FMMR Investments, Inc., d/b/a Rapid  
Cash; Prime Group, Inc., d/b/a Rapid Cash;  
Advance Group, Inc., d/b/a Rapid Cash;  
Maurice Carroll, individually and d/b/a On  
Scene Mediations; W.A.M. Rentals, LLC  
and d/b/a On Scene Mediations; Vilisia  
Coleman, and DOES I through X,  
inclusive,

Defendants.

Case No.: A-10-624982-B  
Dept. No.: XI

**OPPOSITION TO MOTION TO  
DISMISS FOR LACK OF SUBJECT  
MATTER JURISDICTION AND FOR  
FAILURE TO STATE A CLAIM UPON  
WHICH RELIEF MAY BE GRANTED**

Date of Hearing: January 25, 2010

Time of Hearing: 9:00 a.m.

## I.

## INTRODUCTION

This class action seeks to redress the fraud perpetrated on the courts and perhaps thousands of defendants in the Clark County, Nevada, judicial system through "sewer service," the despicable practice by which a process server attests to having served a summons and complaint upon a defendant when, in fact, the defendant was never served and is unaware that his legal rights are being adjudicated. Payday lender Rapid Cash, with sewer-service affidavits provided by its unlicensed process server On Scene Mediations, obtained potentially thousands of default judgments against allegedly defaulting borrowers, eviscerating their due process rights while destroying their credit. While Class Plaintiffs seek monetary damages for Defendants' egregious conduct against them, their claims for equitable relief are the thrust of this class action that seeks, inter alia, to set aside these illegally obtained judgments.

The Court's exercise of jurisdiction over this entire matter is wholly consistent with Nevada's Constitution and case law. The Rapid Cash Defendants contend that this Court lacks jurisdiction because the various fraudulent default judgments entered against the Class Plaintiffs do not individually meet the district court's \$10,000 jurisdictional limit. But Rapid Cash ignores Class Plaintiffs' equitable claims, which by themselves confer original jurisdiction upon the district court over the entire case, as well as the fact that aggregation of small claims is the hallmark of consumer class actions. Rapid Cash also asks this Court to determine that Plaintiffs' individual tort claims absolutely cannot meet the jurisdictional minimum. But the facts of this case not only demonstrate the possibility that Plaintiffs' damages can exceed \$10,000, it is likely that they will. Finally, Rapid Cash moves for dismissal of the NRS 604A claim as a matter of law, using a highly contorted interpretation of that law that is just plain unsupportable. Because this Court has original jurisdiction over this action on multiple grounds, and Defendants cannot satisfy their burden under NRCP 12(b)(5), Defendants' motion must be denied.

## II.

## ARGUMENT

Class Plaintiffs' Complaint seeks two separate and distinct forms of relief. First, and foremost, Plaintiffs ask this Court to exercise its equitable power to set aside all of the default judgments entered against them that were procured by the fraudulent "sewer service" affidavits. Secondly, Class Plaintiffs seek monetary damages that both compensate them for Defendants' tortious conduct and punish the Defendants for their fraudulent, oppressive, and malicious actions. Both of these forms of relief independently confer proper jurisdiction over this entire class action upon this Court.

**A. This Court has Jurisdiction over this Entire Case Because it has Original Jurisdiction Over Class Plaintiffs' Independent Action in Equity for Fraud Upon the Court.**

Nevada law holds, "if a court of equity obtain[s] jurisdiction of a controversy on any ground and for any purpose, it will retain jurisdiction for the purpose of administering complete relief." *Parascandolo v. Christensen*, 65 Nev. 578, 583, 199 P.2d 629, 631 (1948), quoting *Seaborn v. District Court*, 55 Nev. 206, 222, 29 P.2d 500, 505 (1934). This Court has original jurisdiction over this equitable action to set aside Rapid Cash's default judgments. Therefore, under clear Nevada law, it has supplemental jurisdiction over all claims in this class action, preventing dismissal under NRCP 12(b)(1).

**I. Plaintiffs Have Pled Equitable Claims over which this Court has Original Jurisdiction.**

Two of the primary goals of this class action are to set aside Rapid Cash's legion of default judgments procured through Defendants' fraud upon the court and judicially compel Rapid Cash to disgorge the substantial sums that it has collected from the Class Members under the purported force and effect of those illegally obtained judgments.<sup>1</sup> Thus, the Class's equitable

---

<sup>1</sup> See Complaint at ¶ 2 ("The Class seeks declaratory relief pursuant to NRS 30.010 *et seq.* for a declaration of the rights, status, or other legal relations of the parties. They also seek injunctive relief pursuant to Article 6, Section 6 of the Nevada Constitution, NRS 33.010 *et seq.*, and NRCP

1 action to set aside Rapid Cash's default judgments and obtain the equitable remedy of  
2 disgorgement lies at the heart of this case.

3           *a. Nevada's District Courts have original jurisdiction over equitable claims.*

4           Nevada's district courts have original jurisdiction over actions in equity to set aside  
5 default judgments. Nevada's Constitution gives its district courts original jurisdiction in all cases  
6 excluded by law from the original jurisdiction of the justice courts. Nev. Const. Art. 6 § 6(1).  
7 NRS 4.370 carves out the matters in which the justice court has original jurisdiction. Nowhere in  
8 that statute's exhaustive list of justice court matters are actions to set aside judgments for fraud  
9 upon the Court. In fact, NRS 4.370 does not include any equitable actions, tacitly leaving them  
10 to the district courts. *Edwards v. Emperor's Garden Restaurant*, 122 Nev. 317, 130 P.3d 1280,  
11 1284 (2006) ("the District Court possesses original jurisdiction . . . over claims for injunctive  
12 relief") and *id.* at 1285 n. 14 (citing *Jasper County Lumber Co. v. Biscamp*, 77 S.W.2d 571, 572  
13 (Tex. Civ. App. 1934) (noting that a district court's jurisdiction over suits for injunctive relief  
14 "does not necessarily depend upon the amount in controversy")).

15           *b. The Nevada Supreme Court has acknowledged the District Courts'*  
16 *jurisdiction over independent actions in equity to set aside judgments*

17           This Court's original jurisdiction over independent actions in equity to set aside  
18 improperly procured judgments like the ones that Rapid Cash obtained against the Class  
19 members is also demonstrated by the Nevada Supreme Court's decisions in *Nevada Indus. Dev.*  
20 *v. Benedetti*, 103 Nev. 360, 741 P.2d 802 (1987), and *Savage v. Salzmann*, 88 Nev. 193, 495 P.2d  
21 367 (1972). In *Benedetti*, the Court held that Nevada has two methods for seeking to set aside a  
22 judgment: NRCP 60(b) and an independent action in equity to set aside the judgment. *Benedetti*,  
23 741 P.2d at 805 ("A court, in an independent action, may modify a final judgment in a former  
24 proceeding on the ground of mistake as well as fraud"). Nowhere in the *Benedetti* decision does  
25

26 \_\_\_\_\_  
27 65 against Rapid Cash with respect to enforcement of the void default judgments obtained, as  
28 well as equitable remedies.").

1 the Court question or deny the district court's jurisdiction over that independent action in equity  
2 to set aside the judgment and for the equitable remedy of restitution.

3 The same holds true for *Savage*. Salzmann obtained a default judgment in a separate  
4 action against Savage in violation of the parties' agreement. *Id.* at 194. Savage filed an  
5 independent action to set aside the judgment for fraud, but the district court dismissed Savage's  
6 action on the basis that Savage failed to act within the six month time limit of NRCP 60(b). *Id.*  
7 at 195. In reversing the district court's decision, the Nevada Supreme Court recognized that  
8 NRCP 60(b) does not limit the district court's power to entertain an independent action to set  
9 aside a judgment for fraud upon the court. *Id.* The Court held that the purpose of the rule is to  
10 allow parties to set aside judgments obtained by extrinsic fraud. "Extrinsic fraud has been held  
11 to exist when. . . the other party to the suit [] *prevents the losing party either from knowing*  
12 *about his rights or defenses, or from having a fair opportunity of presenting them upon trial.*"  
13 *Id.*, quoting *Murphy v. Murphy*, 65 Nev. 264, 271, 193 P.2d 850, 854 (1948) (emphasis added).  
14 The Court concluded that Savage had alleged facts which, if proved, would support a finding of  
15 extrinsic fraud. *Id.* 195-96. And not once did the Court question the district court's power to  
16 hear the plaintiff's independent action in equity to set aside the judgment. Indeed, the amount in  
17 controversy, or any dollar amount for that matter, is never mentioned throughout the entire  
18 opinion.

19 From a jurisdictional standpoint, the instant case is materially similar to *Savage* and  
20 *Benedetti*. Class Plaintiffs allege that Defendants attested to having served them with process,  
21 but in fact never really even attempted to serve them. These allegations, when proven, will  
22 demonstrate *Defendants prevented Plaintiffs from knowing about their rights or defenses, or*  
23 *from having a fair opportunity to present them upon trial.* As our High Court has already  
24 considered this type of independent action in equity to set aside default judgments for fraud and  
25 has never dismissed one for want of original jurisdiction, it is clear that Nevada's district courts  
26 have jurisdiction over independent actions in equity to set aside default judgments.



1  
2 c. *Plaintiffs clearly seek equitable relief, as disgorgement and restitution are equitable – not legal – remedies.*

3 Rapid Cash acknowledges that the Class seeks “all equitable relief that arises from or is  
4 implied by the facts, whether or not specifically requested, including but not limited to  
5 disgorgement or restitution of or imposition of a constructive trust on all funds collected under  
6 void default judgments against the Class.” Motion at 12:25-27. Rapid Cash nevertheless argues  
7 – without citing any authority – that this is really just a request for monetary relief and  
8 jurisdiction cannot be created “merely because one calls the monetary relief prayed for in the  
9 Complaint ‘restitution’ rather than ‘damages.’” *Id.* at 13:18-24. The notion that equitable  
10 remedies of disgorgement or restitution are the same thing as “damages” or other remedies at  
11 law was specifically rejected by the Ninth Circuit in *SEC v. Rind*, 991 F.2d, 1486 (9<sup>th</sup> Cir., 1993).  
12 Rind argued that when the SEC sued for disgorgement it was looking for money damages, but  
13 the Court disagreed, explaining that the crux of this equitable remedy is deterrence, not  
14 compensation:

15 The fact that disgorgement involves money does not change the  
16 nature of the remedy. The Commission seeks disgorgement in  
17 order to deprive the wrongdoer of his or her unlawful profits and  
thereby eliminate the incentive for violating the securities laws.

18 *Id.* at 1490.

19 Thus, contrary to Rapid Cash’s bald assertion, disgorgement is not a legal remedy at all,  
20 but a form of injunctive and equitable relief. *Id.* at 1493, citing *SEC v. Clark*, 915 F.2d 439, 453  
21 (9<sup>th</sup> Cir. 1990) (disgorgement of profits is a way to obtain injunctive relief), *Chauffeurs,*  
22 *Teamsters and Helpers Local No. 391 v. Terry*, 494 U.S. 558, 570, 108 L.Ed. 2d 519, 110 S. Ct.  
23 1339 (1990), and *SEC v. Commonwealth Chem. Sec., Inc.*, 574 F.2d 90, 95-96 (2<sup>nd</sup> Cir. 1978)  
24 (the fact that disgorgement involves money does nothing to change its nature as an equitable  
25 remedy).<sup>2</sup> This district court clearly has jurisdiction over this equitable action. However, should

26  
27 <sup>2</sup> See also *Golden v. Kelsy-Hayes Co.*, 73 F.3d 648, 661 (6<sup>th</sup> Cir. 1996); *Broussard v. Foti*, 2001  
28 U.S. Dist. LEXIS 8564, 2001 WL 699525 (E.D. La. June 18, 2001) (finding that action by

1 this Court believe that the Class has not sufficiently pled this equitable claim or requested this  
 2 equitable relief, the Class alternatively moves this Court for leave to amend its complaint to cure  
 3 that deficiency. See NRCP 15(a) ("leave shall be freely given when justice so requires").

4  
 5 **2. This Court's Original Jurisdiction over Plaintiffs' Independent Action in Equity gives it Jurisdiction over All of the Plaintiffs' Claims.**

6 Because this Court has original jurisdiction over Plaintiffs' equitable claim to set aside  
 7 the judgments, it has jurisdiction over all of Plaintiffs' claims in this case. *Parascandolo v.*  
 8 *Christensen*, 65 Nev. 578, 583, 199 P.2d 629, 631 (1948) ("[I]f a court of equity obtain[s]  
 9 jurisdiction of a controversy on any ground and for any purpose, it will retain jurisdiction for the  
 10 purpose of administering complete relief.") (quoting *Seaborn v. District Court*, 55 Nev. 206, 222,  
 11 29 P.2d 500, 505 (1934)). The Nevada Supreme Court recently applied this rule in *Edwards v.*  
 12 *Emperor's Garden Restaurant*, 122 Nev. 317, 130 P.3d 1280 (2006), with a discussion that  
 13 squarely defeats Rapid Cash's instant motion. Edwards sued a Chinese restaurant under the  
 14 federal Telephone Consumer Protection Act (TCPA) asserting claims for injunctive relief and  
 15 seeking \$3,000 in compensatory damages for the alleged TCPA violations. Emperor's Garden  
 16 successfully moved to dismiss the complaint for lack of subject matter jurisdiction, contending  
 17 that (1) plaintiff's purported damages did not meet the \$7,500 jurisdictional minimum<sup>3</sup>, and (2)  
 18 injunctive relief was unavailable because the restaurant had discontinued the allegedly violative  
 19 conduct. *Id.*

20 The Nevada Supreme Court reversed the dismissal on appeal. The Court found that the  
 21 district court had original jurisdiction over the equitable claim for injunctive relief, even though  
 22 it eventually agreed with the district court that an injunction was ultimately unavailable. *Id.* at  
 23 324-25. The Court found that Edwards properly alleged an equitable claim for injunctive relief  
 24 and in doing so invoked the district court's original jurisdiction because NRS 4.370, the statute

25 \_\_\_\_\_  
 26 prisoner class seeking restitution of a surcharge they were required to pay was primarily equitable  
 27 and certifying the class under Rule 23(b)(2)).

28 <sup>3</sup> NRS 4.370 has since been amended and the current jurisdictional threshold is \$10,000.

1 delineating matters within the justice court's original jurisdiction, did not include equitable  
2 remedies. *Id.* at 325. The Court concluded:

3           Thus, as Edwards' request for monetary damages and his request  
4           for injunctive relief arose out of the same two [ ] events, **the**  
5           **district court properly acquired jurisdiction over the entirety**  
6           **of Edwards' complaint, regardless of whether the monetary**  
7           **threshold was met.**

8 *Id.* (emphasis added).

9           Like Edwards, the Class has alleged a mixed bag of claims seeking both monetary and  
10          equitable relief. Whatever their nature, all of these claims arise "out of the same" sewer-service  
11          events, and thus, this court "properly acquired jurisdiction over the entirety of" the Class's  
12          complaint, "regardless of whether the monetary threshold was met." *Id.* Accordingly, Nevada  
13          law requires this Court to deny Defendants' motion to dismiss Plaintiffs' claims for lack of  
14          subject matter jurisdiction.

15 **B.     Class Plaintiffs' Individual Monetary Damages Sufficiently Satisfy the Minimum**  
16 **Jurisdictional Amount.**

17          Dismissal is unavailable for the independent reason that Plaintiffs' damages  
18          claims potentially exceed the \$10,000 jurisdictional minimum. "In order to dismiss a case based  
19          on lack of subject matter jurisdiction, it must appear to a **legal certainty** that the claim is worth  
20          less than the jurisdictional amount." *Morrison v. Beach City, LLC*, 116 Nev. 34, 38, 991 P.2d  
21          982, 984 (2000) (emphasis added). And as the Nevada Supreme Court has warned, dismissal  
22          must be denied unless the district court is confident that the individual claim cannot reach the  
23          jurisdictional threshold:

24               A court should be cautious about dismissing a complaint for failing  
25               to meet the jurisdictional requirement[.] Under the "legal certainty"  
26               test, it should be emphasized, the plaintiff must establish merely  
27               that it does not appear to a legal certainty that the claim is below  
28               the jurisdictional minimum. Thus, under this standard, **courts**  
              **must be very confident that a party cannot recover the**  
              **jurisdictional amount before dismissing the case for want of**  
              **jurisdiction.**



1 *Id.* (citing 15 *Moore's* § 102.106(1)) (emphasis added). Thus, even if this Court did not have  
2 original jurisdiction over this entire case, Class Plaintiffs would only be required to demonstrate  
3 the possibility that their individual damages could reach \$10,000 – including punitive damages,  
4 *see Gibson v. Chrysler Corp.*, 261 F.3d 927, 946 (2001) – in order to avoid dismissal.

5  
6 ***I. Class Plaintiffs' Individual Claims for Abuse of Process Alone Demonstrate  
that Each Plaintiff's Damages Are Not Below \$10,000 to a Legal Certainty.***

7 Defendants contend that it is legally certain that Plaintiffs' individual claims cannot meet  
8 the jurisdictional limit because none of the fraudulent defaults entered against them exceed  
9 \$10,000. But Defendants fail to consider all of the avenues by which compensatory damages are  
10 available to each Plaintiff. For example, the compensatory damages recoverable for Plaintiffs'  
11 abuse of process claim “*include compensation for fears, anxiety, and emotional distress.*” *Bull*  
12 *v. McCuskey*, 96 Nev. 706, 710, 615 P.2d 957, 960 (1980), abrogated in part on other grounds by  
13 *Ace Truck v. Kahn*, 103 Nev. 503, 746 P.2d 132 (1987) (emphasis added).

14 Attorney Bull instituted a medical malpractice action against Dr. McCuskey on behalf  
15 Catherine Doucette, an 86-year-old-woman injured in a car accident and cared for by Dr.  
16 McCuskey. *Id.* at 708. Before filing suit, Bull did not examine or even obtain Ms. Doucette's  
17 medical records. *Id.* He did not confer with a doctor, submit his claim to a Joint Screening  
18 Panel, which was required by the Washoe County Bar Association, or even retain an expert. *Id.*  
19 Instead, he sought to resolve the case for \$750. *Id.* When Dr. McCuskey refused, the matter  
20 proceeded to trial where Bull verbally abused McCuskey while he was questioning him, calling  
21 him an idiot. *Id.* The jury returned a verdict in McCuskey's favor. *Id.*

22 Thereafter, McCuskey filed a Complaint against Bull for abuse of process *in the district*  
23 *court.* *Id.* at 709. The jury returned a verdict in Dr. McCuskey's favor, awarding him *\$35,000 in*  
24 *compensatory damages* and \$50,000 in punitive damages. *Id.* at 710. Bull appealed the jury's  
25 award, claiming that the evidence did not establish the elements of the tort of abuse of process  
26 and did not support the jury's award of damages. *Id.* The Nevada Supreme Court upheld both.  
27 *Id.* When addressing the damages, the Nevada Supreme Court held that “compensatory damages  
28

1 recoverable in an action for abuse of process are the same as in an action for malicious  
2 prosecution (citation omitted), and include compensation for fears, anxiety, [and] mental and  
3 emotional distress.” *Id.* (citing *Spellens v. Spellens*, 49 Cal.2d 210, 317 P.2d 613 (1957)).  
4 Additionally, the Court relied on *Miller v. Schnitzer*, 78 Nev. 301, 371 P.2d 824 (1962), a  
5 malicious prosecution case in which the Court held:

6 [T]he plaintiff may recover general money damages to  
7 compensate for injury to reputation. . . , humiliation  
8 embarrassment, mental suffering, and inconvenience, provided  
9 they are shown to have resulted as the proximate consequence of  
10 the defendant’s act. These elements of damage are wholly  
subjective. *The monetary extent of damage cannot be calculated  
by reference to an objective standard. The extent of such  
damage, by its very nature, falls peculiarly within the province  
of the trier of fact.*

11 *Id.* (emphasis added). Thus, the potential compensatory damages for an abuse of process claim  
12 are not limited to any actual out-of-pocket amounts, but can include various other factors such as  
13 humiliation and inconvenience, and must be determined by the trier of fact.

14 It is hardly a legal certainty that the trier of fact will conclude that Class Plaintiffs’ abuse  
15 of process claims cannot satisfy the jurisdictional minimum. The Court’s inquiry is not restricted  
16 to the actual value of the judgments, but it must include and consider all of the Plaintiffs’  
17 individual hardships before deciding, to a legal certainty, that Class Plaintiffs cannot meet the  
18 jurisdictional minimum.

19 Class Plaintiffs have suffered more than minimal damages as a result of Defendants’  
20 tortious conduct. Even looking at the deposition testimony of some of the Class Representatives,  
21 cited in Rapid Cash’s Motion, the Court can tell that these plaintiffs have suffered humiliation  
22 and inconvenience as a result of Defendants’ fraudulent judgments and improper garnishments.  
23 Mary Dungan testified about the “havoc” caused in her life:

24 Q. Other than the money that was garnished out of your wages, have you lost any  
25 money because of anything Rapid Cash has done?

26 A. As far as money lost, I would say probably no, but *it caused some havoc with my  
finances.*

27 Q. How so?  
28

1 A. *They took so much out of each paycheck that there was not enough for bills,*  
2 *made it difficult to pay my bills.*

3 Similarly, Cassandra Harrison's bank account was "screwed up" resulting in her inability  
4 to pay bills:

5 Q. Have you lost any money because of the Rapid Cash lawsuit other than the money  
6 that has been garnished from your wages?

7 A. *It screwed up my bank account* if that's what you're talking about.

8 Q. How did it screw up your bank account?

9 A. Well, because of the way it happened, *some things that I had automatically*  
10 *deducted, that didn't happen or part of it happened. . . My rent didn't happen.*  
11 *My car insurance didn't happen. Believe it or not, I pay Palms Mortuary. That*  
12 *didn't happen either, and the gym didn't happen.*

13 Q. Did you have a few bad check charges coming out of the bank or anything  
14 because of

15 A. Yes, several.

16 Q. Less than five?

17 A. No, I had more than five. . .

18 Regardless of the validity of the debts owed, Plaintiffs were denied the opportunity to  
19 repay their obligations. Instead, Defendants fraudulently swore that Plaintiffs were served with  
20 process and procured default judgments without ever notifying Plaintiffs of the claims against  
21 them. As a result, Plaintiffs were embarrassed, suffered anxiety, and had their wages improperly  
22 garnished. Regardless of whether the jury will return damages in excess of \$10,000 for this  
23 abuse of process, it is possible that they might. It is simply not possible to determine to a legal  
24 certainty that Plaintiffs' individual compensatory damages will not reach the jurisdictional  
25 requirement.

26 2. *This Court Must Also Consider the Potential Punitive Damages Attributed to*  
27 *Each Individual Plaintiff Before Determining Plaintiffs Cannot Meet the*  
28 *Jurisdictional Minimum to a Legal Certainty.*

Rapid Cash's argument also ignores the potential that it could get tagged with substantial  
punitive damages by each Class Member. NRS 42.005 provides that "[a] plaintiff, in addition to  
compensatory damages, may recover damages for the sake of example and by way of punishing

1 the defendant.” These damages may not exceed \$300,000 if the amount of compensatory  
2 damages awarded is less than \$100,000, or three times the amount of compensatory damages if  
3 the award is more. NRS 42.005(1)(a) & (b). If punitive damages are claimed, “*the trier of fact*  
4 *shall make a finding of whether such damages will be assessed.*” NRS 42.005(3) (emphasis  
5 added). Because these damages do not compensate for harm, plaintiffs cannot precisely calculate  
6 the amount of any potential award. *Gibson*, 261 F.3d at 946. But the amount may be influenced  
7 by the presence of a large class of plaintiffs, each of whom was wronged by the defendant in  
8 some way. *Id.*

9 Given Defendants’ reprehensible conduct of obtaining – and oftentimes collecting –  
10 judgments against the Plaintiffs through sewer service, the potential for punitive damages is very  
11 real and must be taken into account. Even considering a potentially large class and the statutory  
12 limits, these damages are not inconsequential. Because any punitive damages would be  
13 considered in addition to Plaintiffs’ potential compensatory damages, it is far from a legal  
14 certainty that Plaintiffs’ individual damages will not reach \$10,000. Accordingly, this Court has  
15 proper jurisdiction and Defendants’ motion to dismiss for lack of subject matter jurisdiction must  
16 be denied.

17 **C. Public Policy Requires the District Courts to Be Given Jurisdiction over Consumer**  
18 **Class Actions.**

19 Rapid Cash’s argument that this Court lacks jurisdiction over this consumer-class action  
20 because the class members’ claims are worth less than \$10,000 each is also antithetical to the  
21 purpose of the class action vehicle. As Newberg on Class Actions explains, “aggregation of  
22 claims of members to meet the federal jurisdictional amount may be permitted in certain class  
23 actions certified under Rule 23(b)(1) or (2), but rarely in Rule 23(b)(3) actions.” Newberg on  
24 Class Actions at § 4:1, citing *Gallagher v. Continental Ins. Co.*, 502 F.2d 827 (10<sup>th</sup> Cir. 1974)  
25 (Plaintiffs’ individual claims for rent in a housing class action were allowed to be aggregated,  
26 since the complaint sought enforcement of a single right in which plaintiffs had a common and  
27 undivided interest). And Nevada courts have allowed claims to be aggregated to confer  
28



jurisdiction upon the district court. *See, e.g., El Ranco, Inc. v. New York Meat & Provision Co.*, 88 Nev. 111, 493 P.2d 1318 (1972) (supplier sold meat in 26 separate transactions where the price of the goods were less than the jurisdictional threshold; court found the plaintiff had a right to aggregate separate claims to meet district court requirement and was not required to bring separate actions in justice court); *Hartford Mining Co. v. Home Lumber & Coal Co.*, 61 Nev. 17, 107 P.2d 132 (1941) (complaint alleged two causes of action each for less than the jurisdictional minimum for the district court but in aggregate met the minimum; the Nevada Supreme Court held that the district court properly had jurisdiction because, in aggregate, the amounts sued for were greater than the jurisdictional minimum).

Aggregation of claims is the hallmark of the class action as most class actions consist of claims too small to pursue on an individual basis. *See e.g. Phillips Petroleum Co. v. Shutts*, 472 U.S. 797, 809, 105 S. Ct. 2965, 86 L.Ed. 2d 628 (1985) ("Class actions also may **permit the plaintiffs to pool claims** which would be uneconomical to litigate individually. For example, this lawsuit involves claims averaging about \$100 per plaintiff; most of the plaintiffs would have no realistic day in court if a class action were not available.") (emphasis added). Indeed, satisfaction of the requirement that a class action is superior to other litigation often includes a demonstration that the members of the class have claims with small value or are unaware of the violation of their rights and that a failure of justice will occur without the class action. *Hayes v. Logan Furniture Mart, Inc.*, 503 F.2d 1161 (7<sup>th</sup> Cir. 1974). As the United States Supreme Court explained in the seminal case of *Amchem Products, Inc. v. Windsor*, 521 U.S. 591 (1997):

The policy at the very core of the class action mechanism is to overcome the problem that small recoveries do not provide the incentive for any individual to bring a solo action prosecuting his or her own rights. **A class action solves this problem by aggregating the relatively paltry potential recoveries** into something worth someone's (usually an attorney's) labor.

521 U.S. at 617 (quoting *Mace v. Van Ru Credit Corp.*, 109 F.3d 388, 344 (7<sup>th</sup> Cir. 1997)) (emphasis added). Moreover, "[a] proper class action prevents identical issues from being 'litigated over and over thus avoiding duplicative proceedings and inconsistent results.'" *Shuette*

1 *v. Beazer Homes Holding Corp.*, 121 Nev. 837, 852, 124 P.3d 530, 540-541 (2005), *quoting*  
2 *Ingram v. Coca-Cola Co.*, 200 F.R.D. 685 (N.D. Ga. 2001). And it is within a court's discretion  
3 to proceed as a single action instead of many individual actions in order to address a single  
4 fundamental wrong." *Deal v. 999 Lake Shore Association*, 94 Nev. 301, 306, 579 P.2d 775,  
5 778-779 (1978). As the alternative to finding that this Court has jurisdiction would be to send  
6 this case to the justice court to handle this complex litigation, which the justice court would be  
7 unfamiliar with and far less equipped to handle than this Court, permitting the class members'  
8 claims to be aggregated to satisfy jurisdictional concerns is entirely consistent with the nature,  
9 goals, and purpose of class actions.

10 **D. Plaintiffs Have Sufficiently Stated a Claim for Violation of NRS Chapter 604A.**

11 Finally, Rapid Cash argues – without citation to authority – that the Class's claim for  
12 violation of NRS Chapter 604A fails to state a claim upon which relief may be granted. Rapid  
13 Cash correctly notes that Plaintiffs allege a violation of NRS 604A.415(1) which provides that a  
14 payday loan licensee "may collect the debt owed to the licensee only in a professional, fair and  
15 lawful manner." It then claims that the remainder of subsection (1) makes the federal Fair Debt  
16 Collections Practices Act (FDCPA) applicable to licensees in collecting a debt even when it is  
17 not otherwise applicable. Rapid Cash then leaps to the conclusion that it is "clear" that NRS  
18 604A.415(1) and the FDCPA are intended to cover and address "*non-judicial*" collection  
19 procedures, Motion at 14:16-17, and because Rapid Cash is alleged to have obtained default  
20 judgements using false affidavits of service (which are judicial procedures), NRS 604A.415(1)  
21 has not been violated.

22 The premises underlying this argument are just plain wrong, and without them, Rapid  
23 Cash's argument fails. First, there is nothing whatsoever in NRS 604A.415(1) distinguishing  
24 between judicial and non-judicial collection activities. Second, the FDCPA *does* cover and  
25 address judicial collection activities.<sup>4</sup> Therefore, there can be no imagined inference that the

26 \_\_\_\_\_  
27 <sup>4</sup> The Act applies to lawyers engaged in litigation. *Heintz v. Jenkins*, 514 U.S. 291, 115 S.Ct.  
28 1489, 131 L.Ed.2d 395 (1995); *see also Todd v. Weltman, Weinberg & Reis, Co., L.P.A.*, 434

1 second sentence in NRS 604A.415(1) dealing with the FDCPA means that the first sentence was  
2 not meant to cover judicial collection activities. Third, NRS 604A.930, which provides the right  
3 to bring a civil action for certain violations of NRS Chapter 604A, including NRS 604A.415,  
4 makes no distinction whatsoever between judicial and non-judicial acts.

5 Rapid Cash is asking the Court to read something into NRS Chapter 604A that is simply  
6 not there. For the purpose of considering a Rule 12(b)(5) motion, a court must "regard all factual  
7 allegations in the complaint as true and draw all inferences in favor of the non-moving party."  
8 *Stockmeier v. Nevada Dep't of Corrections Psych. Review Panel*, 124 Nev. 30, 183 P.3d 133,  
9 135 (2008). "Such a motion should not be granted unless it appears to a certainty that plaintiff is  
10 entitled to no relief under any set of fact which could be proved in support of the claim."  
11 NEVADA CIVIL PRACTICE MANUAL § 12.07. Rapid Cash has not met its burden, and its motion  
12 to dismiss this claim must be denied.

### 13 III.

### 14 CONCLUSION

15 Nevada law clearly gives this Court jurisdiction over this independent action in equity,  
16 and that original jurisdiction also gives this Court the full authority over Plaintiffs' damages  
17 claims. Were that not sufficient, Plaintiffs' claims for compensatory and punitive damages will  
18 likely exceed the \$10,000 jurisdictional threshold, and the strong public policies behind class  
19

20 F.3d 432 (6<sup>th</sup> Cir., 2006), *cert den.*, 549 U.S. 886 (2006) (the FDCPA was violated by an affidavit  
21 filed by a collection lawyer in court falsely swearing that the consumer's bank account contained  
22 no exempt funds); *Kimber v. Financial Corp.*, 668 F. Supp. 1480 (M.D. Ala. 1987) (it is unfair  
23 under the FDCPA to file a time-barred suit collection suit); *Druther v. Hamilton*, 75  
24 Fed.R.Serv.3d 316, 2009 U.S. Dist. LEXIS 112187 (D.Wa. 2009) (Defendants' motion to dismiss  
25 denied where Plaintiff alleged Defendants violated FDCPA in failing to serve Plaintiff with legal  
26 notice of the garnishment proceeding and failing to make a reasonable attempt to locate and serve  
27 Plaintiff); *Sayyed v. Wolpoff & Abramson*, 485 F.3d 226 (4<sup>th</sup> Cir., 2007) (litigation activities  
28 involving interrogatories and motion for summary judgment in debt collection action may violate  
FDCPA).

1 actions necessitate that this case be maintained in this Court. As this Court has multiple bases  
2 for exercising jurisdiction over this case, its dismissal for lack of subject jurisdiction would be  
3 clear error. And as Rapid Cash's motion to dismiss Plaintiffs' Chapter 604A claim is based on  
4 faulty legal premises, that, too, must be denied. Accordingly, and for all the foregoing reasons,  
5 Rapid Cash's motion to dismiss must be denied in its entirety.

6 DATED this 6<sup>th</sup> day of January, 2011.

7 Respectfully Submitted by:

8 **LEGAL AID CENTER OF**  
9 **SOUTHERN NEVADA, INC.**

10 By: /s/ Jennifer Dorsey

11 Dan L. Wulz, Esq. (5557)  
12 Venicia Considine, Esq. (11544)  
13 800 South Eighth Street  
14 Las Vegas, Nevada 89101

15 J. Randall Jones, Esq. (1927)  
16 Jennifer C. Dorsey, Esq. (6456)  
17 KEMP, JONES & COULTHARD, LLP  
18 3800 Howard Hughes Pkwy, 17<sup>th</sup> Floor  
19 Las Vegas, Nevada 89169  
20 *Class Counsel*

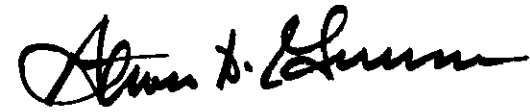


1  
2  
3  
4  
5  
6  
7  
8  
9  
0  
1  
2  
3  
4  
5  
6  
7  
8  
9  
0  
1  
2  
3  
4  
5  
6  
7  
8

**OPPOSITION TO MOTION TO DISMISS FOR LACK OF SUBJECT MATTER JURISDICTION AND FOR FAILURE TO STATE A CLAIM UPON WHICH RELIEF MAY BE GRANTED** was served on the following person(s) by U.S. Mail:

Craig Mueller, Esq.  
Mueller, Hinds & Associates  
600 South Eighth Street  
Las Vegas, Nevada 89101

Page 17 of 17



CLERK OF THE COURT

**NEOJ**

Dan L. Wulz, Esq. (5557)

Venicia Considine, Esq. (11544)

**LEGAL AID CENTER OF SOUTHERN NEVADA, INC.**

800 South Eighth Street

Las Vegas, Nevada 89101

Telephone: (702) 386-1070 x 106

Facsimile: (702) 388-1642

[dwulz@lacsnc.org](mailto:dwulz@lacsnc.org)

J. Randall Jones, Esq. (1927)

Jennifer C. Dorsey, Esq. (6456)

**KEMP, JONES & COULTHARD, LLP**

3800 Howard Hughes Pkwy, 17<sup>th</sup> Floor

Las Vegas, Nevada 89169

Telephone: (702) 385-6000

Facsimile: (702) 385-6001

[jjr@kempjones.com](mailto:jjr@kempjones.com)

**Class Counsel**

**DISTRICT COURT**

**CLARK COUNTY, NEVADA**

Cassandra Harrison; Eugene Varcados;  
Concepcion Quintino; and Mary Dungan,  
individually and on behalf of all persons  
similarly situated,

Plaintiffs,

v.

Principal Investments, Inc. d/b/a Rapid  
Cash; Granite Financial Services, Inc. d/b/a  
Rapid Cash; FMMR Investments, Inc., d/b/a  
Rapid Cash; Prime Group, Inc., d/b/a Rapid  
Cash; Advance Group, Inc., d/b/a Rapid  
Cash; Maurice Carroll, individually and  
d/b/a On  
Scene Mediations; W.A.M. Rentals, LLC  
and d/b/a On Scene Mediations; Vilisia

Case No.: A-10-624982-B

Dept. No.: XI

**NOTICE OF ENTRY OF ORDER**

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 0
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 0
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8

DATED this 1<sup>st</sup> day of December, 2011.

By: /s/ Venicia Considine  
DAN L. WULZ, ESQ. (5557)  
VENICIA CONSIDINE, ESQ. (11544)  
800 South Eighth Street  
Las Vegas, Nevada 89101

J. RANDALL JONES, ESQ. (1927)  
JENNIFER C. DORSEY, ESQ (6456)  
KEMP, JONES & COULTHARD, LLP  
3800 Howard Hughes Parkway  
Seventeenth Floor  
Las Vegas, Nevada 89169  
Class Counsel

Mark S. Dzarnoski, Esq.  
Gordon & Silver, Ltd.  
3960 Howard Hughes Parkway 9th Floor  
Las Vegas, NV 89169

2

ORIGINAL

Electronically Filed  
11/30/2011 04:39:01 PM

1 **ORDD**

2 Dan L. Wulz, Esq. (5557)

3 Venicia Considine, Esq. (11544)

4 **LEGAL AID CENTER OF SOUTHERN NEVADA, INC.**

5 800 South Eighth Street

6 Las Vegas, Nevada 89101

7 Telephone: (702) 386-1070 x 106

8 Facsimile: (702) 388-1642

9 [dwulz@lacsu.org](mailto:dwulz@lacsu.org)

10 J. Randall Jones, Esq. (1927)

11 Jennifer C. Dorsey, Esq. (6456)

12 **KEMP, JONES & COULTHARD, LLP**

13 3800 Howard Hughes Pkwy, 17<sup>th</sup> Floor

14 Las Vegas, Nevada 89169

15 Telephone: (702) 385-6000

16 Facsimile: (702) 385-6001

17 [jjrj@kempjones.com](mailto:jjrj@kempjones.com)

18 *Class Counsel*

**DISTRICT COURT**

**CLARK COUNTY, NEVADA**

19 CASANDRA HARRISON; EUGENE  
20 VARCADOS; CONCEPCION QUINTINO;  
21 and MARY DUNGAN, individually and on  
22 behalf of all persons similarly situated,

23 Plaintiff,

24 vs.

25 PRINCIPAL INVESTMENTS, INC. d/b/a  
26 RAPID CASH; GRANITE FINANCIAL  
27 SERVICES, INC. d/b/a RAPID CASH; FMMR  
28 INVESTMENTS, INC. d/b/a RAPID CASH;  
PRIME GROUP, INC. d/b/a RAPID CASH;  
ADVANCED GROUP, INC. d/b/a RAPID  
CASH; MAURICE CARROLL, individually  
and d/b/a ON SCENE MEDIATIONS; VILISIA  
COLEMAN, and DOES I through X, inclusive,

Defendants.

Case No. A624982  
Dept. XI

**ORDER DENYING MOTION TO  
COMPEL ARBITRATION OF THE  
FIRST AMENDED COMPLAINT**

Defendants PRINCIPAL INVESTMENTS, INC. d/b/a RAPID CASH; GRANITE  
FINANCIAL SERVICES, INC. d/b/a RAPID CASH; FMMR INVESTMENTS, INC. d/b/a  
RAPID CASH; PRIME GROUP, INC. d/b/a RAPID CASH; and ADVANCED GROUP, INC.

1 d/b/a RAPID CASH (hereafter "Rapid Cash") brought this "Motion to Compel Arbitration of  
2 First Amended Complaint and Stay All Proceedings" (the "Motion") on for hearing before this  
3 Court on October 25, 2011. The Class appeared by and through Class Counsel, J. Randall Jones,  
4 Esq., Kemp, Jones and Coulthard, LLP, and Dan L. Wulz, Esq., Legal Aid Center of Southern  
5 Nevada, Inc.; the Rapid Cash defendants appeared by counsel Mark S. Dzarnoski, Esq., Gordon  
6 & Silver, Ltd. The Court, having reviewed the Motion, the Class's Opposition, Defendants'  
7 Reply, the file, and the pleadings on file herein, and having heard and considered the arguments  
8 of the parties, hereby FINDS and ORDERS as follows:


10 The Motion is **DENIED**. Despite an arguable jurisdictional issue, the filing of the First  
11 Amended Complaint raises some separate issues that allow Rapid Cash to file and the Court to  
12 adjudicate the instant motion.

13 The Court finds that *AT&T Mobility LLC v. Concepcion*, 131 S. Ct. 1740 (Apr. 27, 2011),  
14 is not dispositive of this case. The decision by the United States Supreme Court in the  
15 Concepcion case would not have countenanced the arbitration provision in this case being  
16 applied to these particular circumstances where Rapid Cash has utilized the Justice Court system  
17 repeatedly with the filing of false affidavits of service, securing of default judgments, and  
18 garnishing of wages. To do so would violate the public policy of the State of Nevada. This  
19 Court denied a previous motion by Rapid Cash to compel arbitration of the Class Members'  
20 claims, and the Court deemed Rapid Cash' arbitration clause unenforceable not under a state-  
21 wide policy declaring such clauses unenforceable but because Rapid Cash's own actions resulted  
22 in a waiver of its arbitration rights and permitting the Rapid Cash defendants to enforce any  
23 portion of their long-ignored arbitration provisions would violate public policy. The Court  
24 continues to find that Rapid Cash's conduct in its collection efforts constitutes a waiver of the  
25 right to elect arbitration of the claims in this action. Rapid Cash waived its ability to compel  
26  
27  
28

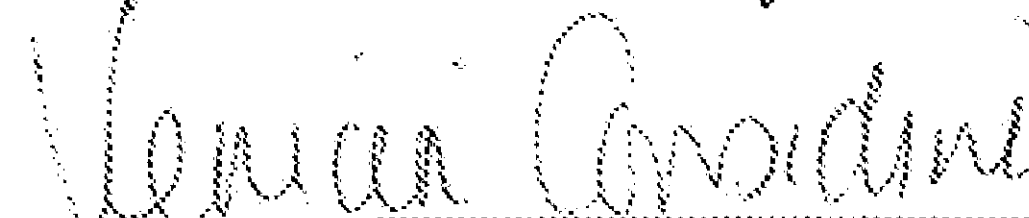
1 arbitration because, *inter alia*, it knew of its right to arbitrate, acted inconsistently with that right  
2 in filing thousands of justice court cases against the Class members, and prejudiced the Class  
3 members by its inconsistent acts in taking default judgments and pursuing collections. In  
4 making that prior determination, and again in issuing this decision and order, this Court has  
5 placed, and continues to place, the Rapid Cash contracts on equal footing with other contracts to  
6 reach this case-specific conclusion that Rapid Cash's own conduct invalidated and/or resulted in  
7 the unenforceability of its arbitration clauses, as *Concepcion* expressly permits. The Court  
8 further finds that the Class members' claims fall outside the scope of the arbitration agreement.  
9

10 **IT IS SO ORDERED.**

11 DATED this 30<sup>th</sup> day of November, 2011.  
12

13  
14   
DISTRICT COURT JUDGE  
15

16 Prepared and submitted by:

17 

18 Dan L. Wulz, Esq. (5557)

19 Venicia Considine, Esq. (11544)

20 **LEGAL AID CENTER OF  
SOUTHERN NEVADA, INC.**

21 800 South Eighth Street

22 Las Vegas, Nevada 89101

Telephone: (702) 386-1070 x 106

Facsimile: (702) 388-1642

[dwulz@lacsnn.org](mailto:dwulz@lacsnn.org)

23 J. Randall Jones, Esq. (1927)

24 Jennifer C. Dorsey, Esq. (6456)

**KEMP, JONES & COULTHARD, LLP**

25 3800 Howard Hughes Pkwy, 17<sup>th</sup> Floor

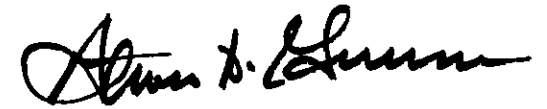
Las Vegas, Nevada 89169

26 Telephone: (702) 385-6000

Facsimile: (702) 385-6001

27 [jjr@kempjones.com](mailto:jjr@kempjones.com)

28 ***Class Counsel***



CLERK OF THE COURT

1 **NOAS**  
GORDON SILVER  
2 WILLIAM M. NOALL  
Nevada Bar No. 3549  
3 Email: [wnoall@gordonsilver.com](mailto:wnoall@gordonsilver.com)  
MARK S. DZARNOSKI  
4 Nevada Bar No. 3398  
Email: [mdzarnoski@gordonsilver.com](mailto:mdzarnoski@gordonsilver.com)  
5 3960 Howard Hughes Pkwy., 9th Floor  
Las Vegas, Nevada 89169  
6 Tel: (702) 796-5555  
Fax: (702) 369-2666  
7 Attorneys for Defendants  
Principal Investments, Inc., d/b/a Rapid  
8 Cash, Granite Financial Services, Inc., d/b/a  
Rapid Cash, FMMR Investments, Inc., d/b/a  
9 Rapid Cash, Prime Group, Inc., d/b/a Rapid  
Cash and Advance Group, Inc., d/b/a Rapid  
10 Cash  
11

12 **DISTRICT COURT**

13 **CLARK COUNTY, NEVADA**

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

16 Plaintiffs,

17 vs.

18 PRINCIPAL INVESTMENTS, INC. d/b/a  
19 RAPID CASH; GRANITE FINANCIAL  
SERVICES, INC. d/b/a RAPID CASH; FMMR  
20 INVESTMENTS, INC. d/b/a RAPID CASH;  
PRIME GROUP, INC. d/b/a RAPID CASH;  
21 ADVANCE GROUP, INC. d/b/a RAPID CASH;  
MAURICE CARROLL, individually and d/b/a  
22 ON SCENE MEDIATIONS; VILISIA  
COLEMAN, and DOES I through X, inclusive,

23 Defendants.  
24

CASE NO. A624982  
DEPT. XI

**NOTICE OF APPEAL**

25 ...

26 ...

27 ...  
28

1 TO: ALL PARTIES.

2 NOTICE IS HEREBY GIVEN that Defendants Principal Investments, Inc., d/b/a Rapid  
3 Cash, Granite Financial Services, Inc., d/b/a Rapid Cash, FMMR Investments, Inc., d/b/a Rapid  
4 Cash, Prime Group, Inc., d/b/a Rapid Cash and Advance Group, Inc., d/b/a Rapid Cash (the  
5 "Rapid Cash Defendants") hereby appeal to the Supreme Court of Nevada from the Order  
6 entered on November 30, 2011, in the Eighth Judicial District Court, Clark County, Nevada,  
7 attached hereto as **Exhibit "A"**, and the Notice of Entry of Order was served on December 1,  
8 2011, and is attached hereto as **Exhibit "B"**.

9 DATED this 9 day of December, 2011.

10 GORDON SILVER

11   
12 GORDON SILVER

13 WILLIAM M. NOALL

14 Nevada Bar No. 3549

15 MARK S. DZARNOSKI

16 Nevada Bar No. 3398

17 3960 Howard Hughes Pkwy., 9th Floor

18 Las Vegas, Nevada 89169

19 Tel: (702) 796-5555

20 Attorneys for Defendants

21 Principal Investments, Inc., d/b/a Rapid  
22 Cash, Granite Financial Services, Inc., d/b/a  
23 Rapid Cash, FMMR Investments, Inc., d/b/a  
24 Rapid Cash, Prime Group, Inc., d/b/a Rapid  
25 Cash and Advance Group, Inc., d/b/a Rapid  
26 Cash  
27  
28

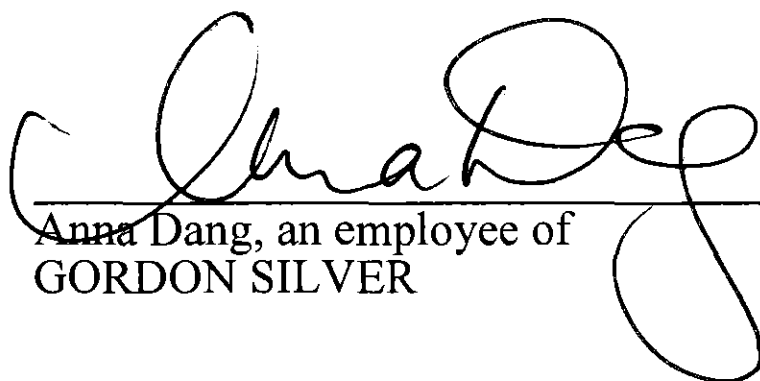


CERTIFICATE OF SERVICE

The undersigned, an employee of Gordon Silver, hereby certifies that on the 9<sup>th</sup> day of December, 2011, she served a copy of the **NOTICE OF APPEAL**, by facsimile, and by placing said copy in an envelope, postage fully prepaid, in the U.S. Mail at Las Vegas, Nevada, said envelope addressed to:

Dan L. Wulz, Esq.  
Venicia Considine, Esq.  
Legal Aid Center of Southern Nevada, Inc.  
800 South Eighth Street  
Las Vegas, NV 89101  
Fax: (702) 388-1642

J. Randall Jones, Esq.  
Jennifer C. Dorsey, Esq.  
Kemp, Jones & Coulthard, LLP  
3800 Howard Hughes Parkway, 17<sup>th</sup> Floor  
Las Vegas, NV 89169  
Fax: (702) 385-6001

  
\_\_\_\_\_  
Anna Dang, an employee of  
GORDON SILVER

# EXHIBIT A

# EXHIBIT A

ORIGINAL

Electronically Filed  
11/30/2011 04:39:01 PM



CLERK OF THE COURT

ORDD

Dan L. Wulz, Esq. (5557)

Venicia Considine, Esq. (11544)

**LEGAL AID CENTER OF SOUTHERN NEVADA, INC.**

800 South Eighth Street

Las Vegas, Nevada 89101

Telephone: (702) 386-1070 x 106

Facsimile: (702) 388-1642

[dwulz@lacsnc.org](mailto:dwulz@lacsnc.org)

J. Randall Jones, Esq. (1927)

Jennifer C. Dorsey, Esq. (6456)

**KEMP, JONES & COULTHARD, LLP**

3800 Howard Hughes Pkwy, 17<sup>th</sup> Floor

Las Vegas, Nevada 89169

Telephone: (702) 385-6000

Facsimile: (702) 385-6001

[irj@kempjones.com](mailto:irj@kempjones.com)

*Class Counsel*

**DISTRICT COURT**

**CLARK COUNTY, NEVADA**

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

Plaintiff,

vs.

PRINCIPAL INVESTMENTS, INC. d/b/a  
RAPID CASH; GRANITE FINANCIAL  
SERVICES, INC. d/b/a RAPID CASH; FMMR  
INVESTMENTS, INC. d/b/a RAPID CASH;  
PRIME GROUP, INC. d/b/a RAPID CASH;  
ADVANCED GROUP, INC. d/b/a RAPID  
CASH; MAURICE CARROLL, individually  
and d/b/a ON SCENE MEDIATIONS; VILISIA  
COLEMAN, and DOES I through X, inclusive,

Defendants.

Case No. A624982  
Dept. XI

**ORDER DENYING MOTION TO  
COMPEL ARBITRATION OF THE  
FIRST AMENDED COMPLAINT**

Defendants PRINCIPAL INVESTMENTS, INC. d/b/a RAPID CASH; GRANITE  
FINANCIAL SERVICES, INC. d/b/a RAPID CASH; FMMR INVESTMENTS, INC. d/b/a  
RAPID CASH; PRIME GROUP, INC. d/b/a RAPID CASH; and ADVANCED GROUP, INC.

1 d/b/a RAPID CASH (hereafter "Rapid Cash") brought this "Motion to Compel Arbitration of  
2 First Amended Complaint and Stay All Proceedings" (the "Motion") on for hearing before this  
3 Court on October 25, 2011. The Class appeared by and through Class Counsel, J. Randall Jones,  
4 Esq., Kemp, Jones and Coulthard, LLP, and Dan L. Wulz, Esq., Legal Aid Center of Southern  
5 Nevada, Inc.; the Rapid Cash defendants appeared by counsel Mark S. Dzarnoski, Esq., Gordon  
6 & Silver, Ltd. The Court, having reviewed the Motion, the Class's Opposition, Defendants'  
7 Reply, the file, and the pleadings on file herein, and having heard and considered the arguments  
8 of the parties, hereby FINDS and ORDERS as follows:

10 The Motion is **DENIED**. Despite an arguable jurisdictional issue, the filing of the First  
11 Amended Complaint raises some separate issues that allow Rapid Cash to file and the Court to  
12 adjudicate the instant motion.

13 The Court finds that *AT&T Mobility LLC v. Concepcion*, 131 S. Ct. 1740 (Apr. 27, 2011),  
14 is not dispositive of this case. The decision by the United States Supreme Court in the  
15 Concepcion case would not have countenanced the arbitration provision in this case being  
16 applied to these particular circumstances where Rapid Cash has utilized the Justice Court system  
17 repeatedly with the filing of false affidavits of service, securing of default judgments, and  
18 garnishing of wages. To do so would violate the public policy of the State of Nevada. This  
19 Court denied a previous motion by Rapid Cash to compel arbitration of the Class Members'  
20 claims, and the Court deemed Rapid Cash' arbitration clause unenforceable not under a state-  
21 wide policy declaring such clauses unenforceable but because Rapid Cash's own actions resulted  
22 in a waiver of its arbitration rights and permitting the Rapid Cash defendants to enforce any  
23 portion of their long-ignored arbitration provisions would violate public policy. The Court  
24 continues to find that Rapid Cash's conduct in its collection efforts constitutes a waiver of the  
25 right to elect arbitration of the claims in this action. Rapid Cash waived its ability to compel  
26  
27  
28

1 arbitration because, *inter alia*, it knew of its right to arbitrate, acted inconsistently with that right  
2 in filing thousands of justice court cases against the Class members, and prejudiced the Class  
3 members by its inconsistent acts in taking default judgments and pursuing collections. In  
4 making that prior determination, and again in issuing this decision and order, this Court has  
5 placed, and continues to place, the Rapid Cash contracts on equal footing with other contracts to  
6 reach this case-specific conclusion that Rapid Cash's own conduct invalidated and/or resulted in  
7 the unenforceability of its arbitration clauses, as *Concepcion* expressly permits. The Court  
8 further finds that the Class members' claims fall outside the scope of the arbitration agreement.  
9

10 **IT IS SO ORDERED.**

11 DATED this 30<sup>th</sup> day of November, 2011.

13  
14   
DISTRICT COURT JUDGE

15 Prepared and submitted by:

16 

17 Dan L. Wulz, Esq. (5557)  
18 Venicia Considine, Esq. (11544)  
19 **LEGAL AID CENTER OF**  
20 **SOUTHERN NEVADA, INC.**  
21 800 South Eighth Street  
22 Las Vegas, Nevada 89101  
Telephone: (702) 386-1070 x 106  
Facsimile: (702) 388-1642  
[dwulz@lacsni.org](mailto:dwulz@lacsni.org)

23 J. Randall Jones, Esq. (1927)  
24 Jennifer C. Dorsey, Esq. (6456)  
25 **KEMP, JONES & COULTHARD, LLP**  
26 3800 Howard Hughes Pkwy, 17<sup>th</sup> Floor  
27 Las Vegas, Nevada 89169  
28 Telephone: (702) 385-6000  
Facsimile: (702) 385-6001  
[jjr@kempjones.com](mailto:jjr@kempjones.com)  
**Class Counsel**

# EXHIBIT B

# EXHIBIT B

1 **NEOJ**

2 Dan L. Wulz, Esq. (5557)

3 Venicia Considine, Esq. (11544)

4 **LEGAL AID CENTER OF SOUTHERN NEVADA, INC.**

5 800 South Eighth Street

6 Las Vegas, Nevada 89101

7 Telephone: (702) 386-1070 x 106

8 Facsimile: (702) 388-1642

9 [dwulz@lacsns.org](mailto:dwulz@lacsns.org)

RECEIVED  
FEB 01 2010

10 J. Randall Jones, Esq. (1927)

11 Jennifer C. Dorsey, Esq. (6456)

12 **KEMP, JONES & COULTHARD, LLP**

13 3800 Howard Hughes Pkwy, 17<sup>th</sup> Floor

14 Las Vegas, Nevada 89169

15 Telephone: (702) 385-6000

16 Facsimile: (702) 385-6001

17 [jrj@kempjones.com](mailto:jrj@kempjones.com)

BY: .....

18 ***Class Counsel***

19 **DISTRICT COURT**

20 **CLARK COUNTY, NEVADA**

21 Casandra Harrison; Eugene Varcados;  
22 Concepcion Quintino; and Mary Dungan,  
23 individually and on behalf of all persons  
24 similarly situated,

25 Plaintiffs,

26 v.

27 Principal Investments, Inc. d/b/a Rapid  
28 Cash; Granite Financial Services, Inc. d/b/a  
Rapid Cash; FMMR Investments, Inc., d/b/a  
Rapid Cash; Prime Group, Inc., d/b/a Rapid  
Cash; Advance Group, Inc., d/b/a Rapid  
Cash; Maurice Carroll, individually and  
d/b/a On  
Scene Mediations; W.A.M. Rentals, LLC  
and d/b/a On Scene Mediations; Vilisia

Case No.: A-10-624982-B

Dept. No.: XI

**NOTICE OF ENTRY OF ORDER**



- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

DATED this 1<sup>st</sup> day of December, 2011.

By: /s/ Venicia Considine  
DAN L. WULZ, ESQ. (5557)  
VENICIA CONSIDINE, ESQ. (11544)  
800 South Eighth Street  
Las Vegas, Nevada 89101

**J. RANDALL JONES, ESQ. (1927)  
JENNIFER C. DORSEY, ESQ (6456)  
KEMP, JONES & COULTHARD, LLP  
3800 Howard Hughes Parkway  
Seventeenth Floor  
Las Vegas, Nevada 89169  
Class Counsel**

Mark S. Dzarnoski, Esq.  
Gordon & Silver, Ltd.  
3960 Howard Hughes Parkway 9th Floor  
Las Vegas, NV 89169

2

Electronically Filed  
11/30/2011 04:39:01 PM

**CLERK OF THE COURT**

**RAPX 97**

1 d/b/a RAPID CASH (hereafter "Rapid Cash") brought this "Motion to Compel Arbitration of  
2 First Amended Complaint and Stay All Proceedings" (the "Motion") on for hearing before this  
3 Court on October 25, 2011. The Class appeared by and through Class Counsel, J. Randall Jones,  
4 Esq., Kemp, Jones and Coulthard, LLP, and Dan L. Wulz, Esq., Legal Aid Center of Southern  
5 Nevada, Inc.; the Rapid Cash defendants appeared by counsel Mark S. Dzarnoski, Esq., Gordon  
6 & Silver, Ltd. The Court, having reviewed the Motion, the Class's Opposition, Defendants'  
7 Reply, the file, and the pleadings on file herein, and having heard and considered the arguments  
8 of the parties, hereby FINDS and ORDERS as follows:

10 The Motion is **DENIED**. Despite an arguable jurisdictional issue, the filing of the First  
11 Amended Complaint raises some separate issues that allow Rapid Cash to file and the Court to  
12 adjudicate the instant motion.

13 The Court finds that *AT&T Mobility LLC v. Concepcion*, 131 S. Ct. 1740 (Apr. 27, 2011),  
14 is not dispositive of this case. The decision by the United States Supreme Court in the  
15 Concepcion case would not have countenanced the arbitration provision in this case being  
16 applied to these particular circumstances where Rapid Cash has utilized the Justice Court system  
17 repeatedly with the filing of false affidavits of service, securing of default judgments, and  
18 garnishing of wages. To do so would violate the public policy of the State of Nevada. This  
19 Court denied a previous motion by Rapid Cash to compel arbitration of the Class Members'  
20 claims, and the Court deemed Rapid Cash' arbitration clause unenforceable not under a state-  
21 wide policy declaring such clauses unenforceable but because Rapid Cash's own actions resulted  
22 in a waiver of its arbitration rights and permitting the Rapid Cash defendants to enforce any  
23 portion of their long-ignored arbitration provisions would violate public policy. The Court  
24 continues to find that Rapid Cash's conduct in its collection efforts constitutes a waiver of the  
25 right to elect arbitration of the claims in this action. Rapid Cash waived its ability to compel  
26  
27  
28

1 arbitration because, *inter alia*, it knew of its right to arbitrate, acted inconsistently with that right  
2 in filing thousands of justice court cases against the Class members, and prejudiced the Class  
3 members by its inconsistent acts in taking default judgments and pursuing collections. In  
4 making that prior determination, and again in issuing this decision and order, this Court has  
5 placed, and continues to place, the Rapid Cash contracts on equal footing with other contracts to  
6 reach this case-specific conclusion that Rapid Cash's own conduct invalidated and/or resulted in  
7 the unenforceability of its arbitration clauses, as *Concepcion* expressly permits. The Court  
8 further finds that the Class members' claims fall outside the scope of the arbitration agreement.  
9


10 **IT IS SO ORDERED.**

11 DATED this 30<sup>th</sup> day of November, 2011.

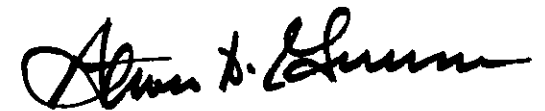
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

  
DISTRICT COURT JUDGE

Prepared and submitted by:

  
Dan L. Wulz, Esq. (5557)  
Venicia Considine, Esq. (11544)  
**LEGAL AID CENTER OF  
SOUTHERN NEVADA, INC.**  
800 South Eighth Street  
Las Vegas, Nevada 89101  
Telephone: (702) 386-1070 x 106  
Facsimile: (702) 388-1642  
[dwulz@lacsnn.org](mailto:dwulz@lacsnn.org)

J. Randall Jones, Esq. (1927)  
Jennifer C. Dorsey, Esq. (6456)  
**KEMP, JONES & COULTHARD, LLP**  
3800 Howard Hughes Pkwy, 17<sup>th</sup> Floor  
Las Vegas, Nevada 89169  
Telephone: (702) 385-6000  
Facsimile: (702) 385-6001  
[jri@kempjones.com](mailto:jri@kempjones.com)  
**Class Counsel**



CLERK OF THE COURT

**SR**  
GORDON SILVER  
WILLIAM M. NOALL  
Nevada Bar No. 3549  
Email: [wnoall@gordonsilver.com](mailto:wnoall@gordonsilver.com)  
MARK S. DZARNOSKI  
Nevada Bar No. 3398  
Email: [mdzarnoski@gordonsilver.com](mailto:mdzarnoski@gordonsilver.com)  
JEFFREY HULET  
Nevada Bar No. 10621  
Email: [jhulet@gordonsilver.com](mailto:jhulet@gordonsilver.com)  
3960 Howard Hughes Pkwy., 9th Floor  
Las Vegas, Nevada 89169  
Tel: (702) 796-5555  
Fax: (702) 369-2666  
Attorneys for Defendants  
Principal Investments, Inc., d/b/a Rapid  
Cash, Granite Financial Services, Inc., d/b/a  
Rapid Cash, FMMR Investments, Inc., d/b/a  
Rapid Cash, Prime Group, Inc., d/b/a Rapid  
Cash and Advance Group, Inc., d/b/a Rapid  
Cash

**DISTRICT COURT**

**CLARK COUNTY, NEVADA**

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

Plaintiffs,

vs.

PRINCIPAL INVESTMENTS, INC. d/b/a  
RAPID CASH; GRANITE FINANCIAL  
SERVICES, INC. d/b/a RAPID CASH; FMMR  
INVESTMENTS, INC. d/b/a RAPID CASH;  
PRIME GROUP, INC. d/b/a RAPID CASH;  
ADVANCE GROUP, INC. d/b/a RAPID CASH;  
MAURICE CARROLL, individually and d/b/a  
ON SCENE MEDIATIONS; VILISIA  
COLEMAN, and DOES I through X, inclusive,

Defendants.

CASE NO. A-10-624982-B  
DEPT. XI

**STATUS REPORT**

...

COMES NOW, Defendants Principal Investments, Inc., d/b/a Rapid Cash, Granite Financial Services, Inc., d/b/a Rapid Cash, FMMR Investments, Inc., d/b/a Rapid Cash, Prime Group, Inc., d/b/a Rapid Cash and Advance Group, Inc., d/b/a Rapid Cash (the "Rapid Cash Defendants") by and through their counsel, Mark S. Dzamoski, Esq. of the law firm Gordon Silver, and hereby files this Status Report to update the Court and parties respecting the mailing and publication of the Class Notice.

**I.**  
**MAILINGS**

On Thursday, March 22, 2012, Rust Consulting mailed 13,903 Class Notices to individuals identified by Rapid Cash Defendants as "All customers of Rapid Cash offices in Clark County, Nevada, against whom Rapid Cash obtained default judgments in the Justice Courts of Clark County, Nevada, and for which the only evidence of service of process was an affidavit signed by a representative of On Scene Mediations." The response deadline fixed by the Court was May 30, 2012. As of July 8, 2012, Rust Consulting reports that 5,997 mailings were returned as undeliverable and 71 have been returned with a forwarding address. Additionally, Rust Consulting has received a total of 508 timely postcards. Of the 508 timely postcards processed:

- 79 checked the "Exclusion" box
- 24 checked the "WAS" box
- 449 checked the "Was Not" box

Of the 17 untimely postcards processed, 2 checked the "Exclusion" box and 16 checked the "WAS NOT" box.

Some of the postcards had more than one box checked.

Rust Consulting has received a single piece of correspondence which was a postcard that was damaged while being returned to Rust. Rust reports contacting the Class Member and verifying the information on the postcard as to which boxes were checked.

...

...



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**II.**

**PUBLICATIONS**

The first Class Action Notice published in El Mundo was on Friday, March 23, 2012 and continued each Friday thereafter until publication occurred on six (6) occasions. Rapid Cash Defendants relied exclusively upon the translation provided by Class Counsel. No further publications are scheduled.

The first Class Action Notice published in the Las Vegas Review Journal was on Thursday, March 29, 2012 and continued each Thursday thereafter until publication occurred on six (6) occasions. Rapid Cash Defendants sought and obtained the prior approval of Class Counsel as to format of the publication. No further publications are scheduled.

**III.**

**POSTCARDS**

On July 3, 2012, undersigned counsel received multiple zipped files from Rust Consulting via email that purportedly contain electronic copies of the postcards returned to Rust. Undersigned counsel had other matters to attend to outside the office on July 5, 2012 and July 6, 2012 and did not try to access the files until the week commencing July 9, 2012. Upon trying to access the information in the zipped files, the undersigned learned that his available computer programs do not recognize the program used to zip the files and he therefore cannot unzip them.

...  
...  
...  
...  
...  
...  
...  
...  
...

1 Counsel has requested further information from Rust to access the information contained in the  
2 zipped files.

3 DATED this 10 day of July, 2012.

4 GORDON SILVER



6 GORDON SILVER

7 WILLIAM M. NOALL

8 Nevada Bar No. 3549

MARK S. DZARNOSKI

9 Nevada Bar No. 3398

JEFFREY HULET

10 Nevada Bar No. 10621

Email: [jhulet@gordonsilver.com](mailto:jhulet@gordonsilver.com)

3960 Howard Hughes Pkwy., 9th Floor

11 Las Vegas, Nevada 89169

Tel: (702) 796-5555

12 Attorneys for Defendants

Principal Investments, Inc., d/b/a Rapid

13 Cash, Granite Financial Services, Inc., d/b/a

Rapid Cash, FMMR Investments, Inc., d/b/a

14 Rapid Cash, Prime Group, Inc., d/b/a Rapid

Cash and Advance Group, Inc., d/b/a Rapid

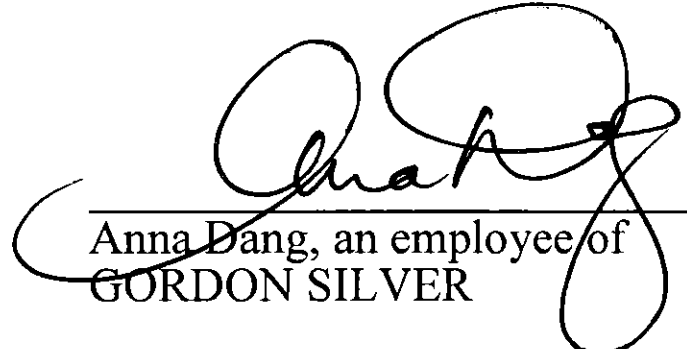
15 Cash

CERTIFICATE OF SERVICE

The undersigned, an employee of Gordon Silver, hereby certifies that on the 10<sup>th</sup> day of July, 2012, she served a copy of the **Status Report**, by facsimile, and by placing said copy in an envelope, postage fully prepaid, in the U.S. Mail at Las Vegas, Nevada, said envelope addressed to:

Dan L. Wulz, Esq.  
Venicia Considine, Esq.  
Legal Aid Center of Southern Nevada, Inc.  
800 South Eighth Street  
Las Vegas, NV 89101  
Fax: (702) 388-1642

J. Randall Jones, Esq.  
Jennifer C. Dorsey, Esq.  
Kemp, Jones & Coulthard, LLP  
3800 Howard Hughes Parkway, 17<sup>th</sup> Floor  
Las Vegas, NV 89169  
Fax: (702) 385-6001

  
\_\_\_\_\_  
Anna Dang, an employee of  
GORDON SILVER

## ***In the Supreme Court of Nevada***

Principal Investments, Inc. d/b/a Rapid Cash;  
Granite Financial Services, Inc. d/b/a Rapid  
Cash; FMMR Investments, Inc. d/b/a Rapid  
Cash; Prime Group, Inc. d/b/a Rapid Cash;  
and Advance Group, Inc. d/b/a Rapid Cash,

Appellants,

vs.

Cassandra Harrison; Eugene Varcados;  
Concepcion Quintino; and Mary Dugan,  
individually and on behalf of all persons  
similarly situated,

Respondents.

Case No. 59837

Electronically Filed  
Apr 09 2013 10:57 a.m.  
Tracie K. Lindeman  
Clerk of Supreme Court

Appeal from the Eighth Judicial District Court, Clark  
County, The Honorable Elizabeth Gonzalez, District  
Court Judge, District Court Case No. A624982

---

### **Respondents' Appendix**

---

Dan L. Wulz, Esq. (5557)  
Venicia Considine, Esq. (11544)  
Sophia A. Medina, Esq. (12446)  
**LEGAL AID CENTER OF SOUTHERN  
NEVADA, INC.**  
800 South Eighth Street  
Las Vegas, Nevada 89101  
Telephone: (702) 386-1070 x 106  
Facsimile: (702) 388-1642  
[dwulz@lacsnc.org](mailto:dwulz@lacsnc.org)

J. Randall Jones, Esq. (1927)  
Jennifer C. Dorsey, Esq. (6456)  
Carol L. Harris (10069)  
**KEMP, JONES & COULTHARD, LLP**  
3800 Howard Hughes Pkwy, 17<sup>th</sup> Floor  
Las Vegas, Nevada 89169  
Telephone: (702) 385-6000  
Facsimile: (702) 385-6001  
[j.dorsey@kempjones.com](mailto:j.dorsey@kempjones.com)

*Attorneys for Respondents*

<b>Description</b>	<b>File Date</b>	<b>Page Number</b>
Excerpt of Rapid Cash Defendants' Submission of Affidavits in Opposition to Motion for Preliminary Injunction	11/01/2010	RAPX 1–2 APX 387–88 <sup>1</sup>
Motion to Dismiss for Lack of Subject Matter Jurisdiction and For Failure to State a Claim Upon Which Relief May Be Granted	12/16/2010	RAPX 21–63 APX 405–447
Notice of Appeal	12/09/2011	RAPX 87–99
Notice of Entry of Order Denying Motion to Compel Arbitration of First Amended Complaint	12/01/2011	RAPX 82–86
Opposition to Motion to Dismiss For Lack of Subject Matter Jurisdiction and For Failure to State a Claim Upon Which Relief May Be Granted	01/06/2011	RAPX 64–81 APX 448–465
Order Denying Motion to Compel Arbitration	11/29/2010	RAPX 19–20
Status Report Regarding Class Notice	07/10/2012	RAPX 100–04
Transcript of Hearing on Status Check for Class Notice and Preliminary Injunction	11/02/2010	RAPX 3–18 APX 389–404

---

<sup>1</sup> All documents that also have an Appellants' Appendix ("APX") page number were identified in table of contents for the APX, but omitted from the body of that appendix.

1 Harrison was not honored by her bank.

2 17. Ultimately, Rapid Cash filed a lawsuit in Justice Court to collect upon this debt.  
3 The affidavit of service indicates that Harrison was served on August 8, 2009.

4 18. Despite leaving twenty (20) voice messages on her answering machine during  
5 April, 2009, Harrison never returned a single call made to her attempting to collect upon her  
6 debt. In fact, the only telephone call Rapid Cash ever received from Harrison occurred on  
7 September 2, 2009, less than one month after service of process had purportedly been made. On  
8 September 2, 2009, Harrison spoke with customer service representative Jessica Tripp. Harrison  
9 advised that Rapid Cash could speak with PDL Assistance as her credit counselor in this matter.  
10 Pursuant to Rapid Cash's standard policies and procedures, Harrison would have been made  
11 aware of her balance and the status of her account at this time including the pendency of the legal  
12 action that had been filed. At no time during this conversation do Rapid Cash's records reflect  
13 that Harrison stated that she had not been served process or didn't know about the lawsuit.

14 19. Rapid Cash records reflect that wage garnishment against Harrison to collect upon  
15 the default judgment started in August 2010. There are no entries in Rapid Cash records

16 ...

17 ...

18 ...

19 ...

20 ...

21 ...

22 ...

23 ...

24 ...

25 ...

26 ...

27 ...

28 ...



1 reflecting that Harrison contacted Rapid Cash to complain about the garnishment, a lack of  
2 service or any other matter.

3 All of the foregoing are true to the best of my knowledge and this Affidavit is made  
4 subject to the penalties of perjury.

5 WHEREFOR AFFIANT SAYETH FURTHER NAUGHT

6 Executed this \_\_\_\_ day of November, 2010 at Las Vegas, Clark County, Nevada.

7

8

\_\_\_\_\_  
Randolph Charles Rhode, Jr.

9

10 CLARK COUNTY }  
11 STATE OF NEVADA } ss.

12 This instrument was acknowledged before me on \_\_\_\_ day of \_\_\_\_\_, 2010 by  
13 Randolph Charles Rhode, Jr..

14

15 SUBSCRIBED AND SWORN to before me  
16 this \_\_\_\_ day of November, 2010.

16

17 NOTARY PUBLIC in and for said  
18 County and State

18

19

20

21

22

23

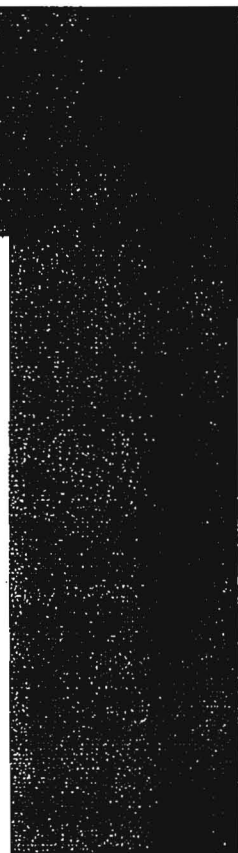
24

25

26

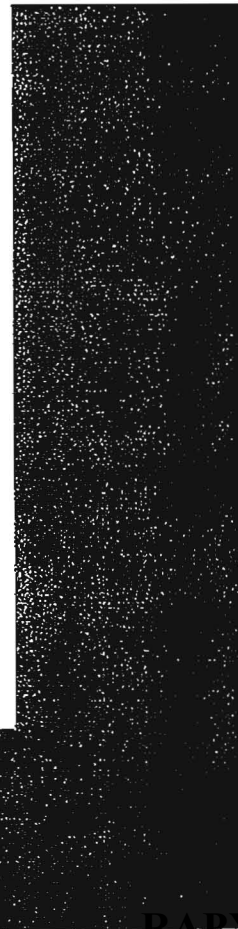
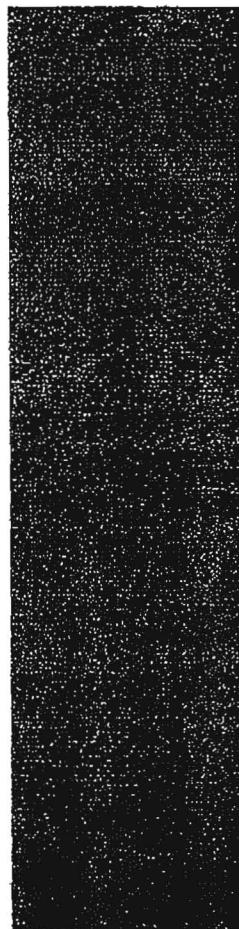
27

28



14

14



Electronically Filed  
01/10/2012 04:14:32 PM



ORIGINAL

CLERK OF THE COURT

DISTRICT COURT  
CLARK COUNTY, NEVADA  
\* \* \* \* \*

CASANDRA HARRISON, et al.

Plaintiffs

vs.

FMMR INVESTMENTS, INC.,  
et al.Defendants  
\* \* \* \* \*

CASE NO. A-624982

DEPT. NO. XI

Transcript of  
Proceedings

BEFORE THE HONORABLE ELIZABETH GONZALEZ, DISTRICT COURT JUDGE

STATUS CHECK RE CLASS NOTICE PRELIMINARY INJUNCTION

TUESDAY, NOVEMBER 2, 2010

## APPEARANCES:

FOR THE PLAINTIFFS:

DAN I. WULZ, ESQ.  
JENNIFER DORSEY, ESQ.

FOR THE DEFENDANTS:

MARK S. DZARNOSKI, ESQ.  
DANIEL F. POLSENBERG, ESQ.

COURT RECORDER:

TRANSCRIPTION BY:

JILL HAWKINS  
District CourtFLORENCE HOYT  
Las Vegas, Nevada 89146

Proceedings recorded by audio-visual recording, transcript  
produced by transcription service.

RECEIVED  
JAN 10 2012  
CLERK OF THE COURT

33

RAPX 4

1 LAS VEGAS, NEVADA, TUESDAY, NOVEMBER 2, 2010, 9:04 A.M.

2 (Court was called to order)

3 THE COURT: Good morning. Is there anybody who's  
4 appearing on a pro bono basis?

5 That would be Harrison versus Principal Investments,  
6 A-624982.

7 MR. DZARNOSKI: Good morning, Your Honor. Mark  
8 Dzarnoski on behalf of the Rapid Cash defendants.

9 MR. POLSENBERG: And Dan Polsenberg, also, Your  
10 Honor.

11 MS. DORSEY: Good morning, Your Honor. Jennifer  
12 Dorsey and Dan Wulz on behalf of the plaintiffs.

13 THE COURT: Did everybody get a copy of the  
14 affidavit that I was handed this morning of --

15 MS. DORSEY: We did get that yesterday --

16 THE COURT: -- Mr. Gonzalez? No relation.

17 MS. DORSEY: -- yesterday afternoon. But we're  
18 going to be quick for you today here, Your Honor.

19 THE COURT: Okay.

20 MS. DORSEY: I think that we're in agreement that  
21 what we're going to do -- the TRO hasn't actually gone into  
22 effect yet because we've had a snafu with the Constable's  
23 Office. Without an order basically terminating the  
24 garnishments from you they wouldn't stop the garnishments.  
25 So, so far we don't have any relief. So --

1 THE COURT: Why's that?

2 MR. DZARNOSKI: Your Honor, the -- I contacted the  
3 Las Vegas Constable's Office, and their position is they have  
4 a duly issued order from a court and that therefore they  
5 didn't care much what I said or what my clients wanted, that  
6 unless they had an order from the -- a court, that they would  
7 not stop garnishments.

8 I spoke with counsel for the plaintiffs immediately  
9 after that, and we figured that we couldn't go forward and  
10 file in front of Justice Court, so we thought we thought we'd  
11 come back to you.

12 THE COURT: You could. It just wouldn't be  
13 practical.

14 MR. DZARNOSKI: That's correct. I do have an order,  
15 by the way, for you to sign today. And we've also agreed to  
16 extend the relief for two weeks, if we could, for you to set  
17 a preliminary injunction evidentiary hearing. So there's  
18 some --

19 MS. DORSEY: Two weeks from now.

20 MR. DZARNOSKI: So there's some fill-in-the-blanks  
21 here.

22 MS. DORSEY: Yes.

23 THE COURT: Okay. Let me ask a couple questions.  
24 Does anybody feel the need to do any discovery prior to having  
25 the preliminary injunction hearing?

1 MS. DORSEY: One of the other things that we're  
2 hopeful in doing, Your Honor, is possibly sitting down in the  
3 next two weeks and figuring out where we're at and Rapid Cash  
4 is at in determining if they're able to obtain information  
5 about our class members. And we've been talking about that  
6 and through their progress, also. So we're sort of conducting  
7 informal discovery in that way right now.

8 THE COURT: Here is my problem, and it is a problem  
9 that I face because of the nature of the cases assigned to me.  
10 I have scheduled the CityCenter litigation for a hearing  
11 related to whether something is in substantial compliance with  
12 my CMO. I've already had two and a half days of hearings,  
13 I've scheduled five more hearings on that single issue for the  
14 week of November 15th. I can schedule you on the 19th of  
15 November, hoping they will be able to finish this what should  
16 be a very discrete issue in four more days.

17 MR. DZARNOSKI: Okay. That's fine with me, Your  
18 Honor.

19 MS. DORSEY: 19th?

20 MR. WULZ: We'll make it work.

21 MS. DORSEY: We'll make it work. That works for us.

22 THE COURT: And instead of the day that it's going  
23 to remain in, I'm going to say the conclusion of the hearing  
24 scheduled here.

25 MS. DORSEY: Okay.

1 THE COURT: Because my practice is to leave the  
2 restraining order in practice until we conclude the hearing,  
3 because I can only give you a day we're going to start. I  
4 can't guess when you're going to finish.

5 MR. DZARNOSKI: May we have an expedited discovery  
6 in case we decide to take the depositions of the plaintiffs?

7 THE COURT: Certainly. Why don't you tell me what  
8 you want to do.

9 MR. DZARNOSKI: At this point we would probably just  
10 limit it to depositions of the plaintiffs.

11 THE COURT: The class member plaintiffs?

12 MR. DZARNOSKI: Yes.

13 THE COURT: Okay. Ms. Dorsey.

14 MS. DORSEY: Before the hearing? Is that what the  
15 request is?

16 THE COURT: Yes.

17 MR. DZARNOSKI: Yeah.

18 MS. DORSEY: On limited topics, or on the topics  
19 related specifically to the preliminary injunction relief?

20 THE COURT: I usually permit it on the issues  
21 related to the preliminary injunction because I want everybody  
22 to be ready and nobody to argue there's a due process issue  
23 after I've had a lengthy preliminary injunction hearing.

24 MR. POLSENBERG: Touche.

25 THE COURT: Remember who you got sitting over here.



1 MR. POLSENBERG: Yeah, Mr. Due Process.

2 THE COURT: I was pointing to Mr. Polsenberg.

3 MS. DORSEY: I -- could -- I would have known that  
4 with a blindfold, Your Honor. That's fine.

5 THE COURT: And, Ms. Dorsey, I'm going to leave you  
6 as the individual in charge of coordinating with my staff  
7 about how we're doing for the 19th.

8 MS. DORSEY: I will.

9 THE COURT: I have put you in at 9:30, because  
10 that's probably a better time than others.

11 MS. DORSEY: Right.

12 THE COURT: Okay. 9:30. Preliminary injunction  
13 hearing.

14 MR. DZARNOSKI: Would you like an update on some  
15 other matters?

16 THE COURT: Anything else?

17 MR. DZARNOSKI: Yes, Your Honor. You had asked for  
18 some -- basically on a status check some information.

19 THE COURT: Yes.

20 MR. DZARNOSKI: I wanted to advise the Court that I  
21 have contacted the three attorneys who did file collection  
22 actions on behalf of Rapid Cash during 2004 to 2010, those  
23 three being Mr. Hillin --

24 THE COURT: You okay?

25 MR. DZARNOSKI: -- excuse me -- Mr. Hillin, Mr.

1 Callister, and Lizzy Hatcher. I have received a spreadsheet  
2 from Mr. Hillin's office that has approximately 14,000 entries  
3 on it. We're sorting through that data now. Unfortunately,  
4 it does not include the years 2005, 2006, and part of 2007.  
5 So we are missing probably at this point, I'm estimating,  
6 5,000 cases that were probably sent to Mr. Hillin's office  
7 during that time frame. He's indicated that he has some data  
8 in his offices but it would require hiring temporary help to  
9 input information into his computer spreadsheet.

10 As to Mr. Callister, I've received a spreadsheet  
11 indicating that Mr. Callister's office had approximately  
12 1,847 lawsuits that had been filed on behalf of -- excuse me,  
13 I do have a little bit of a cold.

14 THE COURT: It's okay.

15 MR. DZARNOSKI: 1,175 of them were served by Mr.  
16 Carol, 650 have not finished service. So those would be  
17 reserved. So it looks like we have a universe of somewhere in  
18 a neighborhood of 1,175 cases out of Mr. Callister's office,  
19 although we haven't identified that they're all default  
20 judgments.

21 As to Ms. Hatcher's --

22 THE COURT: Hold on a second. For Callister's  
23 office you have 1,175?

24 MR. DZARNOSKI: 1,175 served.

25 THE COURT: By On Scene Mediations.

1 MR. DZARNOSKI: Correct.

2 THE COURT: Okay. Thank you.

3 MR. DZARNOSKI: As to Ms. Hatcher, I received a  
4 notice that -- from Ms. Hatcher's office indicating she  
5 couldn't give me any numbers, that the files are in  
6 alphabetical order and it will take temporary help in order to  
7 go through all of her files to accumulate any data. And we  
8 haven't determine whether to move forward with that at this  
9 point in time.

10 As to Rapid Cash's records, they do not have a  
11 records retention policy that involves destroying records,  
12 fortunately. Those documents are all inputted into databases  
13 and computer systems. There was at some point between 2004  
14 and 2010 a migration of data from one computer system to  
15 another, and we haven't confirmed that that didn't corrupt  
16 anything as of yet. But it looks like there is a computer  
17 database that has at least all of the customers of Rapid Cash.

18 The difficulty we have right now is the only place I  
19 have seen in any of the data that identifies whether a  
20 judgment had been issued is in a note section of a history  
21 report, and it's amongst a whole bunch of other text. And  
22 Rapid Cash, it has hired or is hiring a computer IT consultant  
23 to determine whether or not it is possible to sort those  
24 fields by --

25 THE COURT: It is possible.

1 MR. DZARNOSKI: -- the word "judgment."

2 THE COURT: It is possible.

3 MR. DZARNOSKI: Okay.

4 THE COURT: I know this from other cases.

5 MR. DZARNOSKI: Maybe it will be possible. I don't  
6 what's entailed in it. But that's what they -- where they're  
7 hiring somebody to do so that I can report back to you what  
8 success they have had and what form the data may come out in.

9 THE COURT: Let me ask the question a different way.  
10 So the Rapid Cash records that were kept include in a note  
11 section the entry of whether a judgment is or is not in place.

12 MR. DZARNOSKI: As a policy, yes.

13 THE COURT: Right.

14 MR. DZARNOSKI: I can't tell you 100 percent right  
15 now.

16 THE COURT: Right. That's the goal.

17 MR. DZARNOSKI: Yes.

18 THE COURT: Does the Rapid Cash information for each  
19 customer include who served the summons?

20 MR. DZARNOSKI: No. It shows the summons was  
21 served, but it is --

22 THE COURT: Not by whom.

23 MR. DZARNOSKI: It is my information that the sole  
24 person who -- or sole entities that did serve during the  
25 relevant time frame is On Scene Mediation.

1 THE COURT: Okay. So we're just going to make the  
2 assumption at this point that all of them that have a judgment  
3 were served by On Scene Mediation --

4 MR. DZARNOSKI: Correct, Your Honor.

5 THE COURT: -- except for those Mr. Callister has  
6 that hadn't been served yet.

7 MR. DZARNOSKI: Correct. And there are 1,000 -- out  
8 of the 14,000 entries for Mr. Hillin, there's something in the  
9 neighborhood of 1400 entries where On Scene Mediations  
10 reported that they could not effectuate service and as a  
11 result those cases were dismissed for non service. There's an  
12 additional 1,700-and some cases that were pending service that  
13 had not yet been made. So there's a large group, maybe 20-  
14 some percent of the 14,000 that are entered in the Hillin  
15 files that have not been served, some of them have been  
16 dismissed for non service, and some of them will be out for  
17 re-service.

18 THE COURT: Okay.

19 MR. DZARNOSKI: We have also contacted an entity  
20 called Russ Consulting that are apparently settlement or class  
21 action administrators regarding sending out of notices. It's  
22 our position that because of the breadth of the notices that  
23 we are being asked to send out to all Rapid Cash customers who  
24 were purportedly served by Mr. Carol who would not have  
25 complaints, we'd like to protect the integrity of that list

1 and not turn it over to the plaintiffs in order to basically  
2 do whatever they want with the Rapid Cash customer list.  
3 Ultimately in a case management order what we would like to  
4 see happen is either a special master appointed and/or a class  
5 action administrator under the authority of the Court to  
6 handle the mailings.

7 THE COURT: I'm happy to consider that on an  
8 appropriately noticed motion. It doesn't have to be noticed  
9 in the normal course, because some of the things we're dealing  
10 with are rather urgent.

11 MR. DZARNOSKI: Very good.

12 THE COURT: But that is certainly something I will  
13 consider as part of the discussion. And, remember, our class  
14 notice needs to have two boxes, one, do you claim that you  
15 weren't served, and, two, do you opt out of this class.  
16 Because first they've got to tell me whether they claim they  
17 weren't served to be part of the class, and the only one who  
18 knows that is them.

19 MR. DZARNOSKI: Actually opt-in as you have made the  
20 order box to say they --

21 THE COURT: Well, it's essentially an opt-in because  
22 they got two boxes, but then once I know whether they're in  
23 the class, then they have to opt out. But I can't -- there's  
24 no way for me to know who claims they weren't served.

25 MR. DZARNOSKI: Right. And so far the -- just to



1 give you an idea of the cost, the cost was estimated at  
2 \$21,000 for a two-page letter, an opt-in form, and a return  
3 envelope, and I'm sure our package will end up being larger.  
4 Ultimately my clients would agree to pay this if we can get a  
5 special master or administrator.

6 Finally, you had asked for any further information  
7 regarding the procedure to be followed here as an alternative  
8 to an opt-in class. We still maintain, believe that an opt-in  
9 class is not --

10 THE COURT: Remember I said it was essentially an  
11 opt-in class because they've got to check as to whether they  
12 claim they were served.

13 MR. DZARNOSKI: Our alternative that we are  
14 proposing is that, similar to -- well, first of all, you  
15 decertify the class, declare this complex litigation, and  
16 then, similar to like Southwest Exchange and some other cases  
17 you have had, you have the plaintiffs end up filing a master  
18 complaint in this matter and that as part of the CMO and the  
19 notice that is going out we provide the individuals the right  
20 to opt to basically join the action by filing a simple  
21 joinder. I don't know if you have the authority to waive  
22 appearance fees for these individuals, because obviously that  
23 would be a stumbling block. But that's the procedure that we  
24 believe would be more effective and basically accomplish  
25 everything the Court wanted.



1 THE COURT: And that's something also you might want  
2 to put in a written motion, probably as a motion to decertify  
3 the class, because I can't do that on the fly.

4 MR. DZARNOSKI: And finally, Your Honor, we  
5 still don't have an order yet on the arbitration motion that  
6 you denied for us. And we would like to get an arbitration  
7 order --

8 THE COURT: Did you submit it to me?

9 MS. DORSEY: I don't think we've submitted it yet.  
10 We'll get it to you, Your Honor, later today.

11 THE COURT: Will you please send it to them for them  
12 to review and comment.

13 MS. DORSEY: Absolutely.

14 THE COURT: Thank you.

15 MR. DZARNOSKI: Thank you.

16 THE COURT: Okay. So it sounds like you have some  
17 motion practice that you're considering doing. All of the  
18 things you're talking about, Mr. Dzarnoski, seems like good  
19 ideas for discussion, and I assume that the plaintiffs will  
20 have a position and we'll figure out a fair way to do things.

21 MR. DZARNOSKI: Thank you, Your Honor.

22 THE COURT: All right. Have a nice day. And if --  
23 you think the order I just signed is going to be sufficient  
24 for the Constable to stop the efforts of the garnishments?

25 MR. DZARNOSKI: I am hopeful. I drafted it that

1 way. If it's not, I hope you throw him in jail.

2 THE COURT: If it's --

3 MR. POLSENBERG: Can I watch?

4 THE COURT: If it's not sufficient, can we have a  
5 conference call between counsel in this case and counsel for  
6 the Constable so that we can determine exactly what the  
7 Constable needs --

8 MR. DZARNOSKI: Yes, Your Honor.

9 THE COURT: -- so that I can make sure that we write  
10 it correctly so the Constable will honor what I've asked them  
11 to do.

12 MR. DZARNOSKI: Yes, Your Honor.

13 MS. DORSEY: Thank you, Your Honor.

14 MR. DZARNOSKI: Thank you.

15 THE COURT: Thank you. Have a lovely day.

16 MR. POLSENBERG: Thank you, Your Honor.

17 THE PROCEEDINGS CONCLUDED AT 9:19 A.M.

18 \* \* \* \* \*

19

20

21

22

23

24

25

CERTIFICATION

I CERTIFY THAT THE FOREGOING IS A CORRECT TRANSCRIPT FROM THE AUDIO-VISUAL RECORDING OF THE PROCEEDINGS IN THE ABOVE-ENTITLED MATTER.

AFFIRMATION

I AFFIRM THAT THIS TRANSCRIPT DOES NOT CONTAIN THE SOCIAL SECURITY OR TAX IDENTIFICATION NUMBER OF ANY PERSON OR ENTITY.

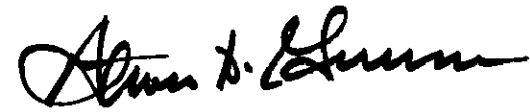
FLORENCE HOYT  
Las Vegas, Nevada 89146

*Florence M. Hoyt*  
FLORENCE HOYT, TRANSCRIBER

1-10-12  
DATE

ORIGINAL

Electronically Filed  
11/29/2010 04:39:13 PM



CLERK OF THE COURT

ORDD

GORDON SILVER

WILLIAM M. NOALL

Nevada Bar No. 3549

Email: [wnoall@gordonsilver.com](mailto:wnoall@gordonsilver.com)

MARK S. DZARNOSKI

Nevada Bar No. 3398

Email: [mdzarnoski@gordonsilver.com](mailto:mdzarnoski@gordonsilver.com)

JEFFREY HULET

Nevada Bar No. 10621

Email: [jhulet@gordonsilver.com](mailto:jhulet@gordonsilver.com)

3960 Howard Hughes Pkwy., 9th Floor

Las Vegas, Nevada 89169

Tel: (702) 796-5555

Fax: (702) 369-2666

Attorneys for Defendants

Principal Investments, Inc., d/b/a Rapid

Cash, Granite Financial Services, Inc., d/b/a

Rapid Cash, FMMR Investments, Inc., d/b/a

Rapid Cash, Prime Group, Inc., d/b/a Rapid

Cash and Advance Group, Inc., d/b/a Rapid

Cash

DISTRICT COURT

CLARK COUNTY, NEVADA

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

Plaintiffs,

vs.

PRINCIPAL INVESTMENTS, INC. d/b/a  
RAPID CASH; GRANITE FINANCIAL  
SERVICES, INC. d/b/a RAPID CASH; FMMR  
INVESTMENTS, INC. d/b/a RAPID CASH;  
PRIME GROUP, INC. d/b/a RAPID CASH;  
ADVANCE GROUP, INC. d/b/a RAPID CASH;  
MAURICE CARROLL, individually and d/b/a  
ON SCENE MEDIATIONS; VILISIA  
COLEMAN, and DOES I through X, inclusive,

Defendants.

CASE NO. A624982  
DEPT. XI

ORDER DENYING MOTION TO  
COMPEL ARBITRATION

Now on this 12<sup>th</sup> day of October, 2010, comes on for hearing "Motion To Compel  
Arbitration and Stay Proceedings" (the "Motion") filed by Defendants, Principal Investments,  
Inc. d/b/a Rapid Cash; Granite Financial Services, Inc. d/b/a Rapid Cash; FMMR Investments,

1 Inc., d/b/a Rapid Cash; Prime Group, Inc., d/b/a Rapid Cash, and Advance Group, Inc., d/b/a  
2 Rapid Cash (hereafter "Rapid Cash"). Plaintiffs appeared by counsel, J. Randall Jones, Esq.,  
3 Jennifer C. Dorsey, Esq., Kemp, Jones and Coulthard, LLC, and Dan L. Wulz, Esq., Legal Aid  
4 Center of Southern Nevada, Inc. Defendants, Rapid Cash, appeared by counsel Mark S.  
5 Dzarnoski, Esq., Gordon Silver, and Martin Bryce, Ballard Spar.

6 The Court, having reviewed the Motion, Plaintiff's Opposition, Defendants' Reply, the  
7 file, and the pleadings on file herein, and having considered the arguments of the parties, hereby  
8 FINDS and ORDERS as follows:

9 The Motion is denied. The Court finds that the Movants waived their right to demand  
10 arbitration in that Defendants knew of their right to arbitrate, acted inconsistently with that right  
11 in filing thousands of justice court cases against the putative Class members, and prejudiced the  
12 putative Class members by their inconsistent acts in taking default judgments. The Court further  
13 finds that it is against public policy to allow litigation, even if it is in the Small Claims Court,  
14 and then require arbitration of those claims ~~\_\_\_\_\_~~  
15 which arise from the alleged tortious and fraudulent conduct of defendants and its agents in those  
16 collection activities.

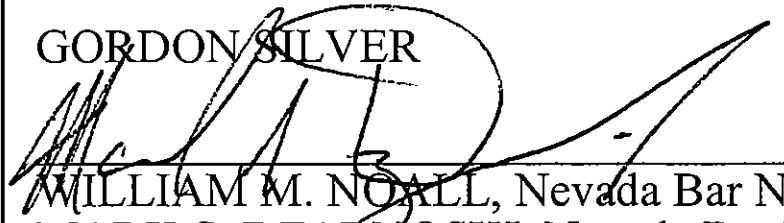
17 **IT IS SO ORDERED.**

18 DATED this 29<sup>th</sup> day of November, 2010

19   
DISTRICT COURT JUDGE

20 Prepared and submitted by:

21 GORDON SILVER

22   
WILLIAM M. NOALL, Nevada Bar No. 3549

23 MARK S. DZARNOSKI, Nevada Bar No. 3398

24 JEFFREY HULET, Nevada Bar No. 10621

25 3960 Howard Hughes Pkwy., 9th Floor

Las Vegas, Nevada 89169

Tel: (702) 796-5555

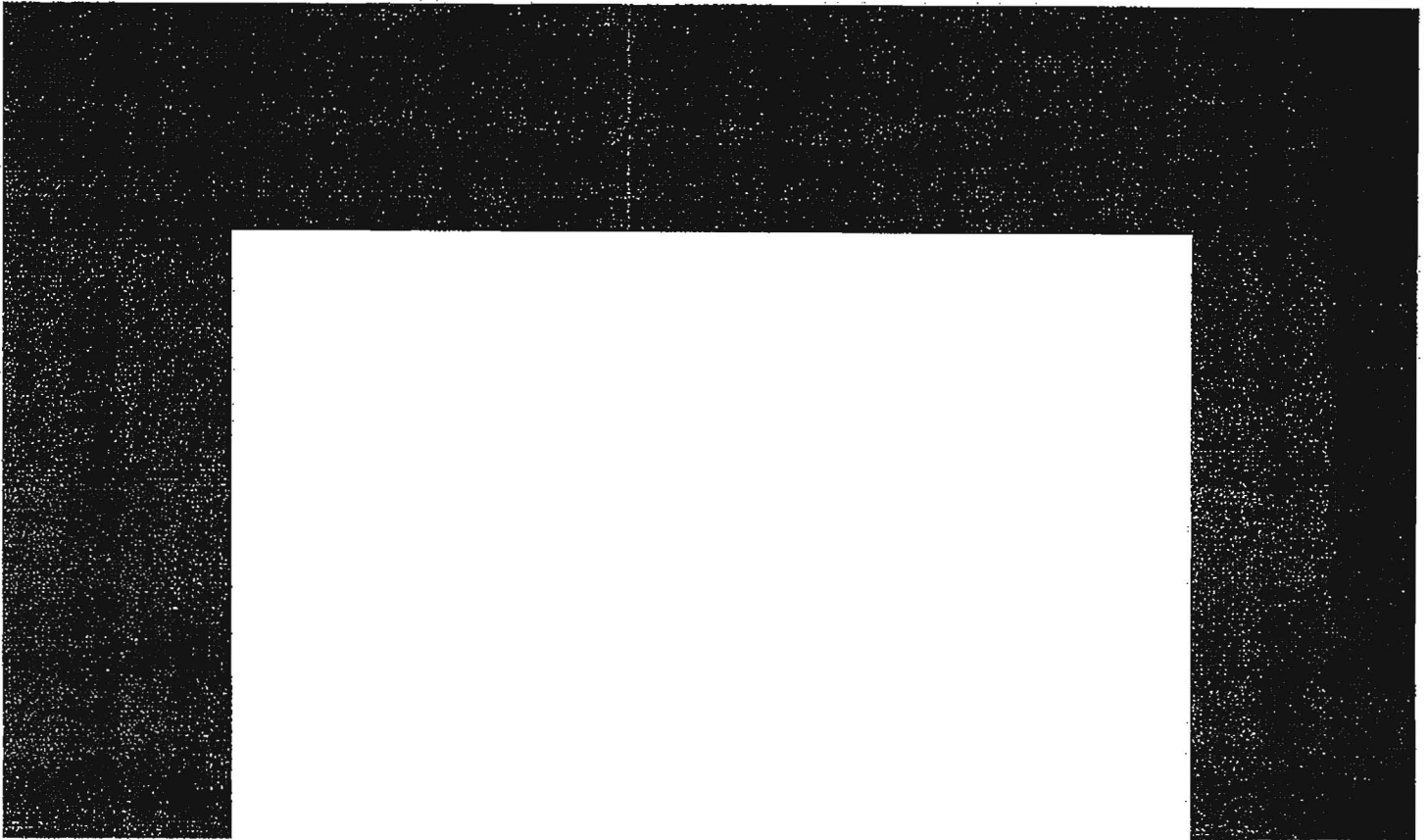
Attorneys for Defendants

26 Principal Investments, Inc., d/b/a Rapid Cash, Granite

27 Financial Services, Inc., d/b/a Rapid Cash, FMMR

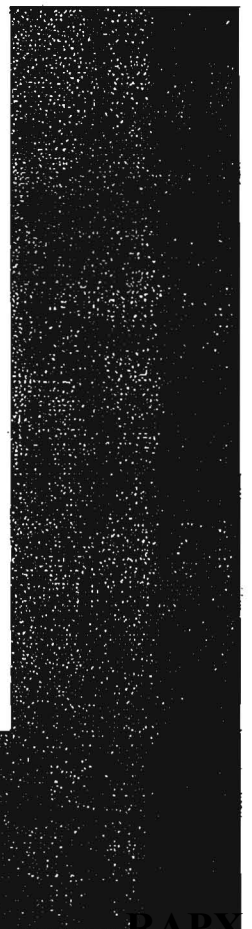
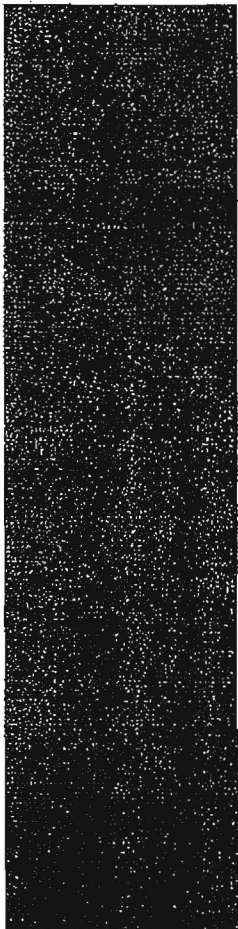
Investments, Inc., d/b/a Rapid Cash, Prime Group, Inc.,

28 d/b/a Rapid Cash and Advance Group, Inc., d/b/a Rapid Cash

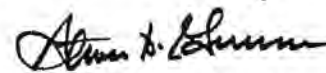


15

15



Electronically Filed  
12/16/2010 04:15:34 PM



CLERK OF THE COURT

1 **MDSM**  
GORDON SILVER  
2 WILLIAM M. NOALL  
Nevada Bar No. 3549  
3 Email: [wnoall@gordonsilver.com](mailto:wnoall@gordonsilver.com)  
MARK S. DZARNOSKI  
4 Nevada Bar No. 3398  
Email: [mdzarnoski@gordonsilver.com](mailto:mdzarnoski@gordonsilver.com)  
5 JEFFREY HULET  
Nevada Bar No. 10621  
6 Email: [jhulet@gordonsilver.com](mailto:jhulet@gordonsilver.com)  
3960 Howard Hughes Pkwy., 9th Floor  
7 Las Vegas, Nevada 89169  
Tel: (702) 796-5555  
8 Fax: (702) 369-2666  
Attorneys for Defendants  
9 Principal Investments, Inc., d/b/a Rapid  
Cash, Granite Financial Services, Inc., d/b/a  
10 Rapid Cash, FMMR Investments, Inc., d/b/a  
Rapid Cash, Prime Group, Inc., d/b/a Rapid  
11 Cash and Advance Group, Inc., d/b/a Rapid  
12 Cash

13 **DISTRICT COURT**

14 **CLARK COUNTY, NEVADA**

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

17 Plaintiffs,

18 vs.

19 PRINCIPAL INVESTMENTS, INC. d/b/a  
20 RAPID CASH; GRANITE FINANCIAL  
SERVICES, INC. d/b/a RAPID CASH; FMMR  
21 INVESTMENTS, INC. d/b/a RAPID CASH;  
PRIME GROUP, INC. d/b/a RAPID CASH;  
22 ADVANCE GROUP, INC. d/b/a RAPID CASH;  
MAURICE CARROLL, individually and d/b/a  
23 ON SCENE MEDIATIONS; VILISIA  
COLEMAN, and DOES I through X, inclusive,

24 Defendants.  
25

CASE NO. A-10-624982-B  
DEPT. XI

**MOTION TO DISMISS FOR LACK OF  
SUBJECT MATTER JURISDICTION  
AND FOR FAILURE TO STATE A  
CLAIM UPON WHICH RELIEF MAY BE  
GRANTED**

Hearing Date:

Hearing Time:

26 ...

27 ...

28 ...



COMES NOW Defendants PRINCIPAL INVESTMENTS, INC. d/b/a RAPID CASH;  
 GRANITE FINANCIAL SERVICES, INC. d/b/a RAPID CASH; FMMR INVESTMENTS,  
 INC. d/b/a RAPID CASH; PRIME GROUP, INC. d/b/a RAPID CASH; and ADVANCE  
 GROUP, INC. d/b/a RAPID CASH ("Rapid Cash Defendants") by and through their counsel  
 MARK S. DZARNOSKI, Esq. of Gordon Silver and moves this Court for an Order dismissing  
 Plaintiffs' causes of action for (1) Abuse of Process; (2) Negligent Hiring/Supervision/Retention;  
 (3) Negligence; (4) Civil Conspiracy; and (5) Violation of NRS Chapter 598 for lack of subject  
 matter jurisdiction and dismissing Plaintiffs' cause of action for Violation of NRS Chapter 604A  
 for failure to state a claim upon which relief may be granted. This Motion is made and based  
 upon NRCP 12(b)(1) and (5), the Memorandum of Points and Authorities attached hereto, the  
 pleadings and other papers on file herein and such argument as the Court may permit.

DATED this 16 day of December, 2010.

GORDON SILVER



GORDON SILVER

WILLIAM M. NOALL

Nevada Bar No. 3549

MARK S. DZARNOSKI

Nevada Bar No. 3398

JEFFREY HULET

Nevada Bar No. 10621

Email: [jhulet@gordonsilver.com](mailto:jhulet@gordonsilver.com)

3960 Howard Hughes Pkwy., 9th Floor

Las Vegas, Nevada 89169

Tel: (702) 796-5555

Attorneys for Defendants

Principal Investments, Inc., d/b/a Rapid  
 Cash, Granite Financial Services, Inc., d/b/a  
 Rapid Cash, FMMR Investments, Inc., d/b/a  
 Rapid Cash, Prime Group, Inc., d/b/a Rapid  
 Cash and Advance Group, Inc., d/b/a Rapid  
 Cash

...

...

...

...



**NOTICE OF MOTION**

TO: ALL PARTIES.

YOU AND EACH OF YOU WILL PLEASE TAKE NOTICE that the undersigned will bring the above **MOTION TO DISMISS FOR LACK OF SUBJECT MATTER**

**JURISDICTION AND FOR FAILURE TO STATE A CLAIM UPON WHICH RELIEF**

**MAY BE GRANTED** on for hearing before the Court on the 25 day of Jan, 2011 at the hour of 9 : 00 am/pm in Department XI.

DATED this \_\_\_\_ day of December, 2010.

GORDON SILVER

---

GORDON SILVER  
 WILLIAM M. NOALL  
 Nevada Bar No. 3549  
 MARK S. DZARNOSKI  
 Nevada Bar No. 3398  
 JEFFREY HULET  
 Nevada Bar No. 10621  
 Email: [jhulet@gordonsilver.com](mailto:jhulet@gordonsilver.com)  
 3960 Howard Hughes Pkwy., 9th Floor  
 Las Vegas, Nevada 89169  
 Tel: (702) 796-5555  
 Attorneys for Defendants

Principal Investments, Inc., d/b/a Rapid

Cash, Granite Financial Services, Inc., d/b/a

Rapid Cash, FMMR Investments, Inc., d/b/a

Rapid Cash, Prime Group, Inc., d/b/a Rapid

Cash and Advance Group, Inc., d/b/a Rapid

Cash

**MEMORANUM OF POINTS AND AUTHROTIES**

**I.**

**THE COURT'S SUBJECT MATTER JURISDICTION: LEGAL STANDARDS**

The Nevada Constitution provides that district courts do not have original jurisdiction over actions that fall within the original jurisdiction of the justice courts. Nev. Const. art. 6, § 6. NRS 4.370(1)(b) confers original jurisdiction upon justices' courts over civil actions for damages for personal injury, if the damages claimed do not exceed \$10,000.00. Thus, the district court has

1 original jurisdiction over such actions only if the plaintiff claims more than \$10,000.00 in  
2 damages.

3 Federal courts apply a "legal certainty" test to determine whether a complaint satisfies the  
4 amount-in-controversy requirement of diversity jurisdiction under 28 U.S.C. § 1332. In order to  
5 dismiss a case based on lack of subject matter jurisdiction, it must appear to a legal certainty that  
6 the claim is worth less than the jurisdictional amount. *See St. Paul Indemnity Co. v. Cab Co.*, 303  
7 U.S. 283, 288-89, 58 S.Ct. 586, 82 L.Ed. 845 (1938); *Budget Rent-A-Car Inc. v. Higashiguchi*,  
8 109 F.3d 1471, 1473 (9th Cir.1997).

9 The Nevada Supreme Court has adopted the federal courts' legal certainty test for  
10 determining the jurisdictional amount in controversy in Nevada district courts. *Morrison v.*  
11 *Beach City LLC*, 116 Nev. 34, 38, 991 P.2d 982 (2000). The district court need not accept the  
12 allegations of the complaint as true and may conduct a hearing to determine whether the  
13 potential damages in a case fall below the jurisdictional threshold, *Id.* at 39.

14 In a consolidated litigation or class action context, individual plaintiff's damages claims  
15 may not be aggregated to satisfy the jurisdictional amount requirement unless the individual  
16 plaintiffs have a common and undivided interest in a claim for damages. *Snyder v. Harris*, 394  
17 U.S. 332, 89 S.Ct. 1053, 22 L.Ed.2d 319 (1969); See also *In re Ford Motor Co./Citibank (South*  
18 *Dakota), N.A.* 264 F.3d 952, 957 (9<sup>th</sup> Cir., 2001). "When two or more plaintiffs, having separate  
19 and distinct demands, unite for convenience and economy in a single suit, it is essential that the  
20 demand of each be of the requisite jurisdictional amount." *Troy Bank of Troy, Ind., v. G.A.*  
21 *Whitehead & Co.*, 222 U.S. 39, 40, 32 S.Ct. 9, 56 L.Ed. 81 (1911)

22 When the amount in controversy depends largely on alleged punitive damages, the court  
23 "will scrutinize a claim more closely than a claim for actual damages to ensure Congress's limits  
24 on diversity jurisdiction are properly observed." *McCorkindale v. American Home Assurance*  
25 *Co.*, 909 F.Supp. 646, 655 (N.D. Iowa 1995). Whether punitive damages are sufficient to meet  
26 the amount in controversy requirement is a two-part test. *Wiemers v. Good Samaritan Society*,  
27 212 F.Supp. 1042, 1047 (N.D. Iowa 2002). First, punitive damages must be available as a matter  
28 of state law. *Id.* Secondly, the court inquires "whether the amount of punitive damages will more

likely than not exceed the required amount in controversy." *Id.*

Further, as with compensatory damages, Punitive damages asserted on behalf of a putative class may not be aggregated for purposes of satisfying jurisdictional requirements for amount in controversy. *In re Ford Motor Co./Citibank (South Dakota), N.A.*, 264 F.3d 952, 963 (9<sup>th</sup> Cir., 2001).

NRCP 12(b) provides as follows:

**(b) How Presented.** Every defense, in law or fact, to a claim for relief in any pleading, whether a claim, counterclaim, cross-claim, or third-party claim, shall be asserted in the responsive pleading thereto if one is required, except that the following defenses may at the option of the pleader be made by motion: (1) lack of jurisdiction over the subject matter, (2) lack of jurisdiction over the person, (3) insufficiency of process, (4) insufficiency of service of process, (5) failure to state a claim upon which relief can be granted, (6) failure to join a party under Rule 19. A motion making any of these defenses shall be made before pleading if a further pleading is permitted. No defense or objection is waived by being joined with one or more other defenses or objections in a responsive pleading or motion. If a pleading sets forth a claim for relief to which the adverse party is not required to serve a responsive pleading, the adverse party may assert at the trial any defense in law or fact to that claim for relief. If, on a motion asserting the defense numbered (5) to dismiss for failure of the pleading to state a claim upon which relief can be granted, matters outside the pleading are presented to and not excluded by the court, the motion shall be treated as one for summary judgment and disposed of as provided in Rule 56, and all parties shall be given reasonable opportunity to present all material made pertinent to such a motion by Rule 56.

## II.

### DAMAGES ARE NOT IN EXCESS OF THE JURISDICTIONAL MINIMUM

#### A. Plaintiffs Concede Their Individual Damages are Under \$10,000

On November 15, 2010, Defendants had the opportunity to conduct limited discovery by deposing each of the named Plaintiffs except for Concepcion Quintino. These Plaintiffs acknowledged that their damages were below the jurisdictional threshold.<sup>1</sup>

##### 1. Eugene Varcados

Paragraph 94 of the Complaint sets forth the following allegation: "Rapid Cash's negligent hiring, supervision and/or retention of On Scene Mediations has caused Class Representatives and the Class to suffer damages in excess of ten thousand dollars." Said

<sup>1</sup> As to Quintino, Rapid Cash obtained a default judgment against Quintino on August 19, 2009 as follows: Judgment Amount: \$625.00 Attorney Fees: \$156.00 Court Costs: \$81.00 Judgment Total: \$862.00. A Satisfaction of Judgment for the amount of \$862.00 was filed on September 20, 2010. Thus, damages can legitimately be estimated as being less than \$1,000.00.

1 paragraph was shown to Plaintiff Varcados at his deposition and the following exchange  
2 occurred.

3 Q. I'll show you. Look at paragraph 94.

4 A. I see that statement. That doesn't mean individually.

5 Q. Do you believe that you have suffered damages in excess of \$10,000?

6 MS. DORSEY: Object to form.

7 A. Me personally?

8 BY MR. DZARNOSKI:

9 Q. Yes.

10 A. That's not what that statement says.

11 Q. Well we'll leave that for other people to decide what that says. My question to you  
12 is: Do you allege you have suffered damages in excess of \$10,000?

13 MS. DORSEY: Object to form, calls for a legal conclusion.

14 A. I don't really understand the purpose of your question. That statement doesn't say  
15 me personally. It says the class, and as far as the class is concerned, yeah, I could see where it's  
16 possible.

17 BY MR. DZARNOSKI:

18 Q. Regardless of what you believe that statement says, I'm asking you do you believe  
19 you have suffered damages in excess of \$10,000?

20 MS. DORSEY: Same objection.

21 A. I personally have not had those kinds of damages against me personally at this  
22 point, but as far as the possibility that that could have been the entire class, that's  
23 understandable.

24 [Varcados Deposition, 40:24 -42:3 attached as Exhibit A].

25 On December 17, 2009, a default judgment was entered against Varcados as follows:  
26 Judgment Amount -- \$1,839.70; Attorney Fees -- \$460.00; Court Costs -- \$109.50; Judgment  
27 Total -- \$2,409.20. Defendant Rapid Cash's records indicate that, although garnishment  
28 proceedings started, only \$171.28 was received by Defendant from such garnishment. Clearly,

1 there is no reasonable basis to conclude that Plaintiff Varcados suffered damages remotely near  
2 the jurisdictional minimum; rather, they are more than likely less than \$250.00. Further, it is  
3 Varcados' belief that the damages allegation in the Complaint involves the aggregation of all  
4 class members' damages claims.

5 **2. Mary Dungan**

6 Similarly, Mary Dungan was asked questions about damages she suffered in connection  
7 with this matter.

8 Q. Do you recall how much money was garnished from your account or garnished  
9 from your wages?

10 A. I think about \$900.

11 Q. Do you believe that you are completely paid up now with respect to Rapid Cash?

12 A. Yes.

13 Q. Other than the money that was garnished out of your wages, have you lost any  
14 money because of anything Rapid Cash has done?

15 A. As far as money lost, I would say probably no, but it caused some havoc with my  
16 finances.

17 Q. How so?

18 A. They took -- they took so much out of each paycheck that there was not  
19 enough for -- for bills, made it difficult to pay my bills.

20 [Dungan Deposition, 38:12 - 39:3 attached as Exhibit B].

21 On October 16, 2009, a default judgment was entered against Dungan as follows:  
22 Judgment Amount -- \$730.88; Attorney Fees --\$183.00; Court Costs -- \$90.00; Judgment  
23 Total -- \$1,003.88. Rapid Cash records indicate that Rapid Cash received \$888.88 from  
24 garnishment, substantially confirming Plaintiff's recollection and testimony that approximately  
25 \$900 was garnished. On April 21, 2010, Defendant Rapid Cash filed a satisfaction of judgment  
26 for the entire judgment amount of \$1,003.88. Thus, except for some unquantifiable amount  
27 related to causing "some havoc with [her] finances," Plaintiff Dungan's monetary damages are  
28 approximately \$1,000.00.



1           **3. Cassandra Harrison**

2           The following exchange occurred during the deposition of Plaintiff Harrison:

3           Q.     Have you lost any money because of the Rapid Cash lawsuit other than  
4           the money that has been garnished from your wages?

5           A.     Have I lost any money pertaining to this?

6           Q.     Yes.

7           A.     It -- it screwed up my bank account if that's what you're talking about. Is that what  
8           you mean?

9           Q.     How did it screw up your bank account?

10          A.     Well, because of the way it happened, some things that I had automatically  
11          deducted, that didn't happen or part of it happened, and because it just happened so quickly, I  
12          didn't -- you know, I couldn't make reservations about calling them and telling them what  
13          happened because it just happened so quickly. So as a result of that, some things that would  
14          come out, it didn't happen. My rent didn't happen. My car insurance didn't happen. Believe it or  
15          not, I pay Palms Mortuary. That didn't happen either, and the gym didn't happen. You know, I  
16          can't -- those are the main things I know.

17          Q.     Did you lose your car?

18          A.     No, I didn't lose my car.

19          Q.     Did you get evicted from your apartment?

20          A.     No, I didn't get evicted from my apartment.

21          Q.     So you caught up and made those payments that you just talked about missing?

22          A.     Angrily, if that is a word, yes.

23          Q.     Did you have a few bad check charges coming out of the bank or anything  
24          because of

25          A.     Yes, several.

26          Q.     How much are those, 35 apiece?

27          A.     Yes, uh-huh.

28          Q.     Less than five?

1 A. No, I had more than five because when I couldn't make up for those items I  
2 named, that hit and it -- it kept hitting until I could get it together to try to get it settled or just  
3 wait until I had the money, which made it scarce because the next payday Rapid Cash hit again,  
4 so it wasn't once a month with Rapid Cash. It was every pay period.  
5 [Harrison Deposition 31:19 - 33:11 attached as Exhibit C].

6 The default judgment against Plaintiff Harrison was entered on October 26, 2009 as  
7 follows: Judgment Amount -- \$1,205.30; Attorney Fees -- \$301.00; Court Costs -- \$112.00;  
8 Judgment Total --\$1,618.30. A satisfaction of judgment for \$1,618.30 was filed by Rapid Cash  
9 on September 20, 2010. Thus, exclusive of additional fees for the garnishment and some  
10 unspecified number of \$35 charges for bounced checks which she attributes to the wrongful  
11 garnishment, Plaintiff Harrison's damages approximate \$1,600.00 or far from the required  
12 jurisdictional minimum.

13 **4. Offsets**

14 As set forth above, damages claimed by Plaintiffs are primarily limited to the amounts  
15 collected by Rapid Cash Defendants from garnishments obtained following entry of default  
16 judgments. A substantial component of any such "damages" includes the principal amount of the  
17 loan and the interest thereon. Yet, Plaintiffs do not deny owing the principal and interest portion  
18 of the loan. Any of their claimed "damages" would be substantially offset by the amount of the  
19 loan plus interest owed to Rapid Cash Defendants.

20 **a. Varcados Deposition**

21 Q. Do you dispute the fact that you owed them the sum of \$588.24? <sup>2</sup>

22 A. I don't dispute that fact. The class-action suit is not disputing that fact.

23 Q. So you acknowledge you owe that money?

24 A. I have never disavowed it. I have never said I didn't. That's not what this action is  
25 about.

26 [Varcados Deposition, 17:10-17 attached as Exhibit D].

27 <sup>2</sup>  
28 In fact, the loans in default respecting Varcados were two \$588.24 loans for a total of \$ 1,176.48. As set  
forth above, garnishments only collected \$171.28.

1

2

**b. Harrison Deposition**

3

Q. Do you dispute that you owe -- that you borrowed the money from Rapid

4

Cash?

5

A. I borrowed the money from Rapid Cash.

6

Q. And you don't dispute that you owe them the money; right?

7

MR. WULZ: Object to form.

8

A. I was getting PDL to pay off my debt. They were going to handle my

9

business with Rapid Cash.

10

BY MR. DZARNOSKI:

11

Q. But you acknowledge you owe Rapid Cash money?

12

A. Well that's why I hired them, yes.

13

[Harrison Deposition, 23:9-21 attached as Exhibit E].

14

**c. Dungan Deposition**

15

Q. You did know you owed Rapid Cash money; right?

16

A. Yes.

17

Q. You don't dispute they gave you a loan?

18

A. No.

19

Q. And you don't dispute that you didn't pay them back?

20

A. No.

21

[Dungan Deposition, 30:9-16 attached as Exhibit F].

22

**B. Plaintiffs Fail to Adequately Plead Jurisdictional Minimum Damages**

23

**1. Abuse of Process**

24

In paragraph 86 of the Complaint, Plaintiffs allege as follows: "Therefore, Defendants

25

abused the legal process to the detriment of the Class, entitling the Class to equitable and/or legal

26

relief, including compensatory damages." As to this claim for relief, Plaintiffs wholly fail to

27

allege any amount of damages suffered either by the Class Representatives individually or by the

28

Proposed Class Members in the aggregate.



1           **2.     Negligent Hiring/Supervision/Retention**

2           As set forth hereinbefore, paragraph 94 sets forth the claim that the "Class  
3     Representatives and the Class" suffered damages in excess of ten thousand dollars. If the Court  
4     were to read this allegation as meaning the aggregated damages of all class members exceeds  
5     \$10,000 (as was done by Plaintiff Varcados), the claim is deficient as a matter of law because  
6     aggregation is not permissible. Each individual Plaintiff must independently meet the  
7     jurisdictional requirement of damage.<sup>3</sup>

8           Alternatively, if the Court were to interpret the allegation as meaning that each individual  
9     Plaintiff has suffered damages in excess of \$10,000, it should conduct a hearing regarding  
10    whether this claim is made in good faith as it appears obvious that no individual Plaintiff (by  
11    their own admissions) have suffered monetary loss nearly approaching the jurisdictional  
12    threshold.

13           **3.     Negligence**

14           Paragraph 98 of the Complaint alleges that "Defendants' negligence has directly and  
15    proximately caused Class Representatives and the Class to suffer damages in an amount in  
16    excess of ten thousand dollars." Therefore, the same infirmities exist with respect to this claim  
17    as in the Negligent Hiring claim addressed above.

18           **4.     Civil Conspiracy.**

19           Paragraph 103 sets forth the claimed damages in the same fashion as paragraphs 94 and  
20    98 addressed above. Interestingly, paragraph 102 seems to implicitly recognize that the actual  
21    damage to each class member is "nominal." ("as notice is fundamental to due process, damage,  
22    even if nominal, is inherent in being deprived of a fundamental right.")

23           Paragraph 104 contains an allegation that punitive damages are appropriate "in an amount  
24    to be determined at trial." There is no allegation that each Plaintiff is entitled to punitive  
25    damages in an amount in excess of ten thousand dollars which might provide some basis for  
26    Plaintiffs to assert subject matter jurisdiction. Even if Plaintiffs were to make such an allegation,

27           

---

<sup>3</sup>       This is particularly true in this case because the Court has declined to certify any class on any damages  
28    cause of action alleged by Plaintiffs.

1 it would be necessary for this Court to conduct some analysis to determine whether such a claim  
2 for punitive damages is sufficient to confer subject matter jurisdiction over this claim.

### 3 5. Violation of NRS Chapter 598

4 NRS Chapter 598 generally provides for a **public** cause of action for deceptive trade  
5 practices. NRS 41.600, however, provides for a **private** cause of action by a person who is a  
6 victim of consumer fraud and defines "consumer fraud" to include "[a] deceptive trade practice  
7 as defined in NRS 598.0915 to 598.0925, inclusive." See NRS 41.600(2)(d); See also Nevada  
8 Power Co. v. Eighth Judicial Dist. Court of Nevada ex rel. County of Clark, 120 Nev. 948 at fn7,  
9 102 P.3d 578 (2004). However, NRS 41.600(3) only provides for the relief of monetary  
10 damages. ("If the claimant is the prevailing party, the court shall award the claimant: (a) Any  
11 damages that the claimant has sustained; and (b) The claimant's costs in the action and  
12 reasonable attorney's fees.") Thus, while equitable relief for violations of NRS 598 may  
13 properly be sought by the district attorney or attorney general, only damages are available to a  
14 private litigant pursuing a claim under NRS 41.600.

15 In paragraph 117 of the Complaint, Plaintiffs merely allege that the Class Representatives  
16 and the Class suffered damages. No amount is specified. Plaintiffs fail to meet the jurisdictional  
17 minimum amount required for District Court jurisdiction.

### 18 C. Claims for Equitable Relief Do Not Confer Jurisdiction Over What Are 19 Essentially Damages Actions

20 To be sure, Plaintiffs generally allege they are entitled to equitable relief for some of their  
21 claims (para. 86 for Abuse of Process; para. 98 for Negligence; para. 103 for Conspiracy).  
22 However, the equitable relief prayed for in the Complaint is as follows:

23 2. An injunction that Rapid Cash vacate and set aside all void default  
24 judgments entered against the Class and, further, as a sanction for fraud upon the  
Court, that Rapid Cash dismiss all cases file against the Class with prejudice.

25 3. All equitable relief that arises from or is implied by the facts, whether or  
26 not specifically requested, including but not limited to disgorgement or restitution  
of or imposition of a constructive trust on all funds collected under void default  
27 judgments against the Class, and a declaration of the rights of the parties.

28 Regarding the Abuse of Process, Negligence, Conspiracy and Chapter 598 claims, the

injunctive relief requested is simply not available. NRCP 60(b) provides as follows:

**(b) Mistakes; Inadvertence; Excusable Neglect; Newly Discovered Evidence; Fraud, Etc.** On motion and upon such terms as are just, the court may relieve a party or a party's legal representative from a final judgment, order, or proceeding for the following reasons: (1) mistake, inadvertence, surprise, or excusable neglect; (2) newly discovered evidence which by due diligence could not have been discovered in time to move for a new trial under Rule 59(b); (3) fraud (whether heretofore denominated intrinsic or extrinsic), misrepresentation or other misconduct of an adverse party; (4) the judgment is void; or, (5) the judgment has been satisfied, released, or discharged, or a prior judgment upon which it is based has been reversed or otherwise vacated, or it is no longer equitable that an injunction should have prospective application. The motion shall be made within a reasonable time, and for reasons (1), (2), and (3) not more than 6 months after the proceeding was taken or the date that written notice of entry of the judgment or order was served. A motion under this subdivision (b) does not affect the finality of a judgment or suspend its operation. This rule does not limit the power of a court to entertain an independent action to relieve a party from a judgment, order, or proceeding, or to set aside a judgment for fraud upon the court. Writs of coram nobis, coram vobis, audita querela, and bills of review and bills in the nature of a bill of review, are abolished, and the procedure for obtaining any relief from a judgment shall be by motion as prescribed in these rules or by an independent action.

Thus, the only ways to set aside an allegedly void judgment are by motion or by independent action seeking such relief. Further, Abuse of Process, Negligence, Civil Conspiracy and/or violations of NRS Chapter 598 are not grounds for setting aside a judgment in either a motion or an independent action. Plaintiffs cannot obtain the functional equivalent of setting aside a judgment by pursuing injunctive relief based upon these claims.

Clearly, the gravamen of the other "equitable relief" prayed for is to return money to those members of the proposed class from whom Defendants have collected money based upon a void judgment. However characterized, that is a request for monetary relief. To confer subject matter jurisdiction upon the District Court when the amount in controversy cannot satisfy jurisdictional requirements merely because one calls the monetary relief prayed for in the Complaint "restitution" rather than "damages" would undermine the very concepts of subject matter jurisdiction set forth in the Nevada Constitution.

Further, the Court implicitly seemed to recognize the damages nature of the majority of the Plaintiffs' claims during the hearing on Certification of the Class. The Court stated as follows:

At this time the Court is going to grant the motion to certify the class in part. I am

1 granting the motion to certify as to the injunctive and equitable issues raised in the  
2 sixth and seventh causes of action as to all customers of Rapid Cash .....

3 [Transcript at 28:5-13 attached as Exhibit G].

4 The Court did not certify any class for a damages action. Nor did the Court indicate it  
5 would consider any damages issues as part of a class action.<sup>4</sup>

### 6 III.

### 7 CLAIM FOR VIOLATION OF NRS CHAPTER 604A FAILS TO STATE A CLAIM FOR 8 RELIEF

9 Plaintiffs base their claim for violation of NRS Chapter 604A upon an alleged violation  
10 of NRS 604A.415(1). [See Complaint at paragraph 107.] While Plaintiffs set forth a portion of  
11 the statute in their allegation, they fail to include the entire section of said statute that they cited.  
12 In its entirety, NRS 604A.415(1) provides as follows:

13 1. If a customer defaults on a loan, the licensee may collect the debt owed to the  
14 licensee only in a professional, fair and lawful manner. When collecting such a  
15 debt, the licensee must act in accordance with and must not violate sections 803 to  
16 812, inclusive, of the federal Fair Debt Collection Practices Act, as amended, 15  
17 U.S.C. §§ 1692a to 1692j, inclusive, even if the licensee is not otherwise subject  
18 to the provisions of that Act.

19 It is clear that NRS 604A.415(1) and sections 803 to 812, inclusive, of the federal Fair  
20 Debt Collection Practices Act are intended to cover and address non-judicial collection  
21 procedures used by creditors (i.e. harassment and abuse, form and time of communication,  
22 disclosure of debt to third persons, etc.) Section 811 of the Fair Debt Collection Practices Act  
23 is the only provision dealing with judicial remedies and it is a venue provision requiring the  
24 lawsuit to be brought in the judicial district where the consumer signed the agreement or where  
25 the consumer resides. This provision is similar to NRS 604A.415(3) requiring Justice Court  
26 actions to be filed in the township where the loan agreement was signed.

27 Plaintiffs claim that the statute was violated because Defendants obtained default  
28 judgments using false affidavits of service prepared by On Scene Mediations. [Complaint at

29 <sup>4</sup> Unfortunately, the Complaint did not number the causes of action as set forth by the Court in the transcript.  
30 It appears as if the Court intended to certify a class for the equitable claims set forth in paragraphs bearing Roman  
31 Numerals VI (Action in Equity for Fraud Upon the Court) and VII (Abuse of Process). Inasmuch as Plaintiffs have  
32 not submitted a written order to the Court nor has the Court issued a written order sua sponte regarding this hearing,  
33 the uncertainty set forth herein remains.



1 paragraph 108]. Once the complaint has been filed, the matter is governed by rules of judicial  
 2 process. Upon the filing of the complaint in a proper venue, it is not a collection issue covered  
 3 by NRS 604A.415(1) or sections 803 to 812 of the Fair Debt Collection Practices Act. As such,  
 4 there is no relief afforded under NRS Chapter 604A for the conduct alleged in the Complaint.

5 IV.

6 CONCLUSION

7 For the above and foregoing reasons, all claims for relief except for the Independent  
 8 Action in Equity for Fraud Upon the Court should be dismissed.

9 DATED this 16 day of December, 2010.

10 GORDON SILVER

11 

12 GORDON SILVER  
 13 WILLIAM M. MOALL

14 Nevada Bar No. 3549

15 MARK S. DZARNOSKI

16 Nevada Bar No. 3398

17 JEFFREY HULET

18 Nevada Bar No. 10621

19 Email: jhulet@gordonsilver.com

20 3960 Howard Hughes Pkwy., 9th Floor

21 Las Vegas, Nevada 89169

22 Tel: (702) 796-5555

23 Attorneys for Defendants

24 Principal Investments, Inc., d/b/a Rapid

25 Cash, Granite Financial Services, Inc., d/b/a

26 Rapid Cash, FMMR Investments, Inc., d/b/a

27 Rapid Cash, Prime Group, Inc., d/b/a Rapid

28 Cash and Advance Group, Inc., d/b/a Rapid

Cash

1 **CERTIFICATE OF SERVICE**

2 The undersigned, an employee of Gordon Silver, hereby certifies that on the 16<sup>th</sup> day of  
3 December, 2010, she served a copy of the **MOTION TO DISMISS FOR LACK OF**  
4 **SUBJECT MATTER JURISDICTION AND FOR FAILURE TO STATE A CLAIM**  
5 **UPON WHICH RELIEF MAY BE GRANTED**, by facsimile, and by placing said copy in an  
6 envelope, postage fully prepaid, in the U.S. Mail at Las Vegas, Nevada, said envelope addressed  
7 to:

8 Dan L. Wulz, Esq.  
9 Venicia Considine, Esq.  
10 Legal Aid Center of Southern Nevada, Inc.  
11 800 South Eighth Street  
12 Las Vegas, NV 89101  
13 Fax: (702) 388-1642

14 J. Randall Jones, Esq.  
15 Jennifer C. Dorsey, Esq.  
16 Kemp, Jones & Coulthard, LLP  
17 3800 Howard Hughes Parkway, 17<sup>th</sup> Floor  
18 Las Vegas, NV 89169  
19 Fax: (702) 385-6001

20  
21  
22  
23  
24  
25  
26  
27  
28  
  
Anna Dang, an employee of  
GORDON SILVER

# EXHIBIT A



DISTRICT COURT  
CLARK COUNTY, NEVADA

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

Plaintiffs,

vs.

PRINCIPAL INVESTMENTS,  
INC. d/b/a RAPID CASH;  
GRANITE FINANCIAL  
SERVICES, INC. d/b/a  
RAPID CASH; FMMR  
INVESTMENTS, INC. d/b/a  
RAPID CASH; PRIME GROUP,  
INC. d/b/a RAPID CASH;  
ADVANCE GROUP, INC.  
d/b/a RAPID CASH;  
MAURICE CARROLL,  
individually and d/b/a  
ON SCENE MEDIATIONS;  
VILISIA COLEMAN, and  
DOES I through X,  
inclusive,

Defendants.

**Certified Copy**

Case No. A-10-624982-B

DEPOSITION OF EUGENE VARCADOS

Taken on Monday, November 15, 2010  
At 9:38 a.m.

At 3960 Howard Hughes Parkway, Ninth Floor  
Las Vegas, Nevada

Reported by: William C. LaBorde, CCR 673, RPR, CRR  
Job No. 2313-A

1 MR. DZARNOSKI: Would you read me my last  
2 question and his answer.

3 (Record read by the court  
4 reporter.)

5 BY MR. DZARNOSKI:

6 Q. Have you read a copy of the complaint  
7 that's been filed on your behalf?

8 A. Have I read a copy of the class-action  
9 suit?

10 Q. Yes.

11 A. Yes.

12 Q. In the class-action lawsuit there is a  
13 cause of action that is set forth for negligent  
14 hiring, supervision and retention, and it involves  
15 the use of On Scene Mediations to serve process for  
16 Rapid Cash. Are you familiar with that?

17 A. I recall those names and that issue.

18 Q. And in paragraph 94 of the complaint  
19 there's an allegation that you as a class  
20 representative have suffered damages in excess of  
21 \$10,000. Did you know that?

22 A. I don't recall that without seeing the  
23 document in front of me.

24 Q. I'll show you. Look at paragraph 94.

25 A. I see that statement. That doesn't mean

1 individually.

2 Q. Do you believe that you have suffered  
3 damages in excess of \$10,000?

4 MS. DORSEY: Object to form.

5 A. Me personally?

6 BY MR. DZARNOSKI:

7 Q. Yes.

8 A. That's not what that statement says.

9 Q. Well we'll leave that for other people to  
10 decide what that says. My question to you is: Do  
11 you allege you have suffered damages in excess of  
12 \$10,000?

13 MS. DORSEY: Object to form, calls for a  
14 legal conclusion.

15 A. I don't really understand the purpose of  
16 your question. That statement doesn't say me  
17 personally. It says the class, and as far as the  
18 class is concerned, yeah, I could see where it's  
19 possible.

20 BY MR. DZARNOSKI:

21 Q. Regardless of what you believe that  
22 statement says, I'm asking you do you believe you  
23 have suffered damages in excess of \$10,000?

24 MS. DORSEY: Same objection.

25 A. I personally have not had those kinds of

1 damages against me personally at this point, but as  
2 far as the possibility that that could have been the  
3 entire class, that's understandable.

4 BY MR. DZARNOSKI:

5 Q. What damages have you suffered  
6 personally?

7 MS. DORSEY: I'm going to object also  
8 that we are getting far afield of the preliminary  
9 injunction issues right now.

10 MR. WULZ: And same objections.

11 MS. DORSEY: Yes, and of course the same  
12 objections as to calls for a legal conclusion.

13 MR. WULZ: That's an unfair question.

14 MS. DORSEY: Yeah, I don't think this is  
15 necessary for the preliminary injunction.

16 MR. DZARNOSKI: Well, I appreciate your  
17 position, but I do because you have to show a chance  
18 of success on the merits of the case in order to  
19 entitle you to a preliminary injunction, and whether  
20 or not this gentleman has suffered any damages is an  
21 important issue.

22 MS. DORSEY: And I think that continues  
23 to call for a legal conclusion.

24 BY MR. DZARNOSKI:

25 Q. How have you been harmed, sir?

000427

000427

# EXHIBIT B

DISTRICT COURT  
CLARK COUNTY, NEVADA

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

Plaintiffs,

vs.

PRINCIPAL INVESTMENTS,  
INC. d/b/a RAPID CASH;  
GRANITE FINANCIAL  
SERVICES, INC. d/b/a  
RAPID CASH; FMMR  
INVESTMENTS, INC. d/b/a  
RAPID CASH; PRIME GROUP,  
INC. d/b/a RAPID CASH;  
ADVANCE GROUP, INC.  
d/b/a RAPID CASH;  
MAURICE CARROLL,  
individually and d/b/a  
ON SCENE MEDIATIONS;  
VILISIA COLEMAN, and  
DOES I through X,  
inclusive,

Defendants.

**Certified Copy**

Case No. A-10-624982-B

DEPOSITION OF MARY DUNGAN

Taken on Monday, November 15, 2010

At 2:53 p.m.

At 3960 Howard Hughes Parkway, Ninth Floor  
Las Vegas, Nevada

Reported by: William C. LaBorde, CCR 673, RPR, CRR  
Job No. 2313-C

1 Q. Why not?

2 A. Well, bad judgment call.

3 Q. I'm sorry?

4 A. Bad judgment call.

5 Q. Did you know that there was an  
6 arbitration agreement in the document?

7 A. No.

8 Q. Did you ever write to Rapid Cash telling  
9 them that you didn't want to accept the arbitration  
10 agreement?

11 A. No.

12 Q. Do you recall how much money was  
13 garnished from your account or garnished from your  
14 wages?

15 A. I think about \$900.

16 Q. Do you believe that you are completely  
17 paid up now with respect to Rapid Cash?

18 A. Yes.

19 Q. Other than the money that was garnished  
20 out of your wages, have you lost any money because  
21 of anything Rapid Cash has done?

22 A. As far as money lost, I would say  
23 probably no, but it caused some havoc with my  
24 finances.

25 Q. How so?



1           A.     They took -- they took so much out of  
2     each paycheck that there was not enough for -- for  
3     bills, made it difficult to pay my bills.

4           Q.     You know the constable's the one that  
5     took the money out of your check; right?

6           A.     Yes.

7                   MR. DZARNOSKI: I appreciate you taking  
8     time out of your day and coming over here. Thank  
9     you. I have no further questions.

10                   (Deposition recessed at 3:50  
11                   p.m.)

12

13

14

15

16

17

18

19

20

21

22

23

24

25

# EXHIBIT C

DISTRICT COURT  
CLARK COUNTY, NEVADA

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

Plaintiffs,

vs.

PRINCIPAL INVESTMENTS,  
INC. d/b/a RAPID CASH;  
GRANITE FINANCIAL  
SERVICES, INC. d/b/a  
RAPID CASH; FMMR  
INVESTMENTS, INC. d/b/a  
RAPID CASH; PRIME GROUP,  
INC. d/b/a RAPID CASH;  
ADVANCE GROUP, INC.  
d/b/a RAPID CASH;  
MAURICE CARROLL,  
individually and d/b/a  
ON SCENE MEDIATIONS;  
VILISIA COLEMAN, and  
DOES I through X,  
inclusive,

Defendants.

**Certified Copy**

Case No. A-10-624982-B

DEPOSITION OF CASANDRA HARRISON

Taken on Monday, November 15, 2010

At 1:07 p.m.

At 3960 Howard Hughes Parkway, Ninth Floor  
Las Vegas, Nevada

Reported by: William C. LaBorde, CCR 673, RPR, CRR  
Job No. 2313-B