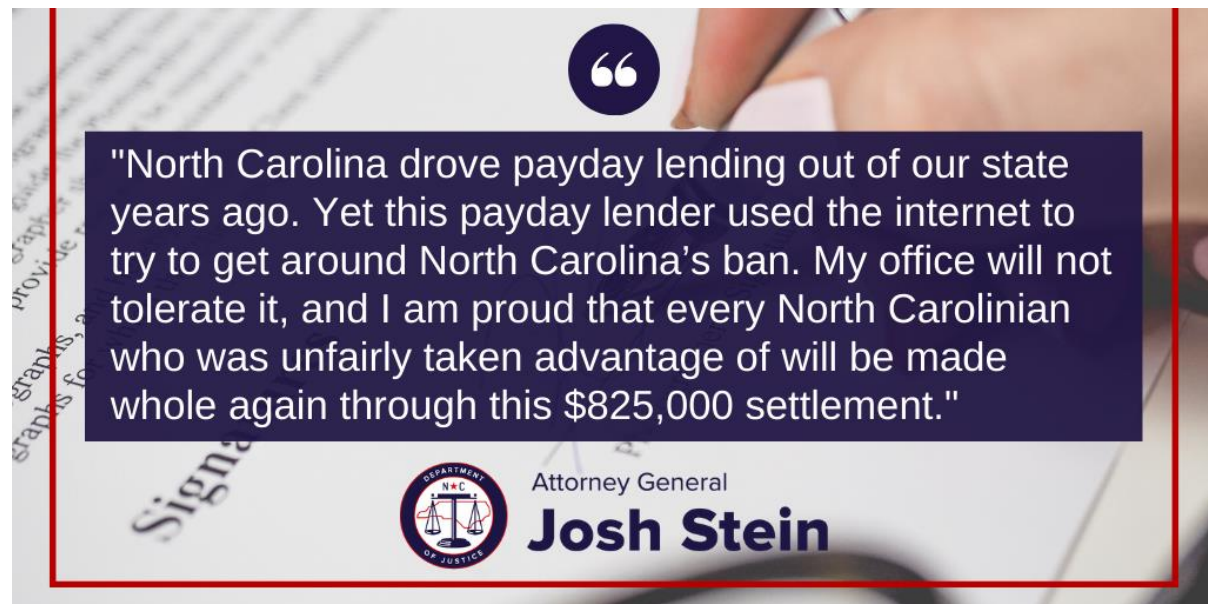


Attorney General Josh Stein Wins \$825,000 Settlement Against Out-of-State Payday Lender



For Immediate Release:
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(RALEIGH) Attorney General Josh Stein reached a settlement of more than \$825,000 against Florida-based payday lender Approved Financial Inc. in a case he filed alleging illegal, unlicensed lending practices, usury, unlawful debt collection, and unfair and deceptive practices. The settlement will give North Carolina consumers who got loans from Approved Financial full refunds and cancel all North Carolina consumers' outstanding loans. The company is also permanently enjoined from doing business in North Carolina in violation of the law.

"North Carolina drove payday lending out of our state years ago. Yet this payday lender used the internet to try to get around North Carolina's ban," said Attorney General Josh Stein. "My office will not tolerate it, and I am proud that every North Carolinian who was unfairly taken advantage of will be made whole again through this \$825,000 settlement."

Attorney General Stein **took legal action** against Approved Financial in May 2019. His lawsuit alleged that Approved Financial, which is not licensed to operate in North Carolina, made more than 400 loans online to financially distressed North Carolina consumers at interest rates between 78 to 252 percent. These interest rates far exceed the interest rate limit of 30 percent allowed under North Carolina law. The loan amounts ranged from \$600 to more than \$15,000, but were typically between \$1,000 to \$2,500. Approved Financial communicated with consumers via email and phone, but attempted

to dodge North Carolina's consumer protection laws by asking many borrowers to drive across state lines to pick up their funds. The lender required that the loans be secured by borrowers' vehicle titles. As a result, if borrowers were late with a payment or defaulted, the company could repossess the borrower's vehicle and sell it at auction.

As a result of today's settlement, Approved Financial will cancel and forgive all outstanding loans made to North Carolina consumers, which will result in more than 100 consumers receiving loan forgiveness totaling \$301,665. The average loan forgiveness amount is \$3,061. North Carolina consumers will also receive refunds of all fees and interest they paid to Approved Financial, which will result in approximately 210 consumers receiving refunds of \$330,765, for an average refund of \$1,573. Approximately 75 North Carolina consumers whose vehicles were repossessed and sold at auction will receive refunds of all the auction proceeds exceeding their loan principal, totaling \$150,635 in refunds. Finally, four additional borrowers whose cars were repossessed but not sold will have their vehicles returned to them.

A copy of the judgment is available [here](#).

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