STATE OF MICHIGAN
CIRCUIT COURT FOR THE 30TH JUDICIAL CIRCUIT
INGHAM COUNTY

In The Matter Of:

National City Commercial Capital Company LLC

Respondent.

File No. 08-230-CP

Hon. Joyce Draganchuk

AG File No. 2008-3011901-A

ASSURANCE OF VOLUNTARY COMPLIANCE

MICHAEL A. COX
ATTORNEY GENERAL

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Consumer Protection Division
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517-335-0855

Date Filed: April 18, 2008

IN THE MATTER OF)
)
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC)

ASSURANCE OF VOLUNTARY COMPLIANCE

1. This Assurance of Voluntary Compliance[1] ("Assurance") is entered into by the Attorneys General[2] (collectively, "Attorneys General") of the States of Arizona, California, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Kansas, Louisiana, Maryland, Massachusetts, Michigan, Missouri, New Hampshire, North Carolina, Ohio, Pennsylvania, Rhode Island, Washington, and West Virginia ("Participating States"), and the Respondent, National City Commercial Capital Company LLC, Successor by merger with National City Commercial Capital Corporation, f/k/a Information Leasing Corporation ("National City"), and/or Provident Commercial Finance, Inc. d/b/a PFG Commercial Finance.

2. National City is a corporation organized and existing under the laws of the State of Indiana. National City has a place of business at Cincinnati, Ohio.

3. National City is one of the leasing companies that purchased and holds Equipment Rental Agreements with customers of NorVergence, Inc. ("NorVergence") in the Participating States and elsewhere.

BACKGROUND

[1] This Assurance of Voluntary Compliance shall, for all necessary purposes, also be considered an Assurance of Discontinuance.

[2] Of the states listed, Connecticut is represented by the Commissioner of the Connecticut Department of Consumer Protection, who enters into this Assurance pursuant to the Connecticut Unfair Trade Practices Act, Conn. Gen. Stat. Sec. 42-110j, acting by and through his counsel, Richard Blumenthal, Attorney General for the State of Connecticut. Georgia is represented by the Administrator of the Fair Business Practices Act, who is statutorily authorized to undertake consumer protection functions for the State of Georgia, including acceptance of Assurances of Voluntary Compliance. For simplicity purposes, the entire group will be referred to as the "Attorneys General," and such designation, as it includes Connecticut, refers to the Commissioner of the Connecticut Department of Consumer Protection, and as it includes Georgia, refers to the Administrator of the Fair Business Practices Act.

4. This Assurance follows an inquiry by the Attorneys General into National City's business dealings with regard to the Rental Agreements. This inquiry was part of a larger inquiry regarding whether the practices of NorVergence and those of National City and other financing companies in connection with the Rental Agreements violate any of the consumer protection statutes listed herein at footnote 3.[3]

NORVERGENCE'S ALLEGEDLY FRAUDULENT BUSINESS SCHEME

5. The Attorneys General of Illinois, North Carolina, Massachusetts, Pennsylvania, and Texas and the Federal Trade Commission sued NorVergence, alleging that NorVergence's business practices violate their respective consumer protection statutes.

6. Among other things, these complaints filed against NorVergence included the following allegations:

   a. That NorVergence's sales presentations contained a number of misrepresentations about the nature of NorVergence's offer, including, but not limited to, that:

      i. NorVergence was offering to lower a potential customer's monthly expenses for telephone service, high speed Internet service, and wireless

[3] Ariz. Rev. Stat. § 44-1521 *et seq.*; California Bus. and Prof. Code §§ 17200 *et seq.* and 17500 *et seq.*; Colorado Consumer Protection Act, Colo. Rev. Stat. § 6-1-101 *et seq.*; Connecticut Unfair Trade Practices Act, Conn. Gen. Stat. § 42-110b(a), *et seq.*; Del. Code Ann. tit. 6, § 2511 *et seq.*; Fla. Stat. ch. 501.201 *et seq.*; Georgia Fair Business Practices Act of 1975, O.C.G.A. 10-1-390, Ga. Code Ann. § 10-1 -399, *et seq.*; Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS § 505/1, et seq.; Kan. Stat. Ann. § 50-623, *et seq.*; Louisiana Unfair Trade Practices and Consumer Protection Law LSA-R.S. 51:1401, *et seq.*; Maryland Consumer Protection Act, Maryland Commercial Law Code Annotated § 2-302, *et seq.*; Massachusetts Consumer Protection Act, M. G. L. c. 93A, §§ 1-11, *et seq.*; Michigan Consumer Protection Act, M. C. L. § 445.901, *et seq.*; Missouri Merchandising Practices Act §§ 407.010 *et seq.*; Regulation of Business Practices for Consumer Protection, N.H. Rev. Stat. Ann. § 358-A, *et seq.*; North Carolina Unfair and Deceptive Trade Practices Act N.C.G.S. §75-1.1, *et seq.*; Ohio Consumer Sales Practices Act, O.R.C.A. § 1345.01, *et seq.*; Pennsylvania Unfair Trade Practices and Consumer Protection Law, 73 P.S. §§ 201-1, *et seq.*; Rhode Island Deceptive Trade Practices Act, R.I. Gen. Laws § 6-13.1-1, *et seq.*; Wash. Rev. Code § 19.86.020, *et seq.*; W. Va. Code § 46A-6-104, *et seq.*

telephone service, which discounts could be achieved by installing a Matrix box;

ii. NorVergence could eliminate all per-minute charges for telephone service, high-speed Internet service, and wireless telephone service using special "voice as data" technology contained in the Matrix box;

iii. NorVergence arrived at the price for a 60 month contract for the provision of discounted telecommunications services by taking a percentage discount from a customer's monthly telecommunications expenses, usually 30%, and multiplying the remaining percentage, usually 70%, by 60; and

iv. In the event NorVergence went out of business, customers' telecommunications service would not be interrupted.

b. In fact:

i. The Matrix box takes one of two formats: it is either a T1 box, which has nothing to do with cellular service, or a firewall/router, which has nothing to do with landline telephone service or cellular service;

ii. The Matrix box has an estimated retail value of $400 to $1,500;

iii. NorVergence crafted the transactions in such a way that the majority of the 60 month contract monthly payment was contained in an "Equipment Rental Agreement", purportedly for the cost of the Matrix box;

iv. NorVergence immediately assigned its Rental Agreements to various finance companies or caused its customers to execute Rental Agreements directly with finance companies;

v. If NorVergence went out of business, it had no arrangements to provide telecommunications services to its customers; and

vi. Shortly after NorVergence's creditors forced the company into bankruptcy on June 30, 2004, NorVergence ceased providing telecommunications services to all of its customers.

c. The complaints also alleged that NorVergence included unfair terms in its Rental Agreements, such as the purported waiver of defenses clause and the floating venue clause, and failed to disclose clearly and conspicuously the material terms and conditions of those Rental Agreements.

NATIONAL CITY'S ACTIVITIES IN CONNECTION WITH THE NORVERGENCE EQUIPMENT RENTAL AGREEMENTS

7. In many cases, shortly after the Rental Agreements were executed between NorVergence and its customers, these agreements were assigned to finance companies. In other cases, customers entered into Rental Agreements directly with finance companies.

8. Initially, National City sent monthly invoices to the customers in connection with all the NorVergence Rental Agreements which were assigned to it, and accepted payment from customers on those invoices.

9. During the period of time that National City invoiced the customers whose Rental Agreements were assigned to National City, in some circumstances, when customers did not directly obtain property damage insurance, National City's monthly invoices included amounts for risk fees.

THE ATTORNEYS GENERAL'S POSITION

10. The Attorneys General allege that consumers in their states were fraudulently induced to sign the NorVergence agreements, and that such agreements are void *ab initio*.

11. The Attorneys General allege that National City knew or should have known of the alleged fraud perpetrated by NorVergence and is not entitled to collect from its customers in the Participating States.

12. The Attorneys General also allege that, under the circumstances, the Rental Agreements are unconscionable in that they contain terms that are unreasonable, unfairly harsh, and one-sided in favor of NorVergence and the leasing companies, all in violation of the statutes set forth in footnote 3 to this Assurance and in violation of Section 2-302 of the Uniform Commercial Code.

13. The Attorneys General believe they have authority to investigate National City's activities in connection with the Rental Agreements, and to file suit against National City.

NATIONAL CITY'S POSITION

14. National City denies that it knew or should have known of any alleged fraud perpetrated by NorVergence. National City asserts that it is not legally responsible for any such alleged fraud perpetrated by NorVergence, and contends that, in accordance with the law of each Participating State, the Rental Agreements with NorVergence customers remain fully enforceable according to their terms notwithstanding any alleged improper conduct by NorVergence.

15. National City expressly denies that it engaged in any unlawful conduct or business practices and expressly denies that it is liable to any person or entity in connection with the rental of NorVergence telecommunications equipment.

16. At the same time, in light of the allegations directed at NorVergence, the impact of the NorVergence conduct on National City's customers, and the concerns expressed by the Participating States, National City is willing to afford its NorVergence customers an

opportunity to be released from their obligations under the Rental Agreements pursuant to the conditions described herein.

17. National City believes that, as an operating subsidiary of a National Bank Association: (i) it is subject to principal regulation by the office of the Controller; and (ii) certain state laws are preempted or excepted from application to National City.

JURISDICTION

18. The Attorneys General and National City are entering into this Assurance without waiver of or prejudice to their respective rights to argue that National City is or is not subject to the Attorneys General's investigatory and enforcement powers in connection with any matter.

TERMS OF ASSURANCE

19. This Assurance shall be binding upon and extend to National City, its parent, its subsidiaries, its principals, officers, directors, agents (including, but not limited to third party collection agents), employees, successors and assigns, and any entity or device through which it may now or hereafter act, as well as any persons who have authority to control or who, in fact, control and direct its business.

20. By entering into this Assurance, the Parties agree that there are no admissions of wrongdoing or findings of liability or wrongdoing on the part of National City, that there has been no concession or agreement by National City as to the validity and/or merits of any investigation, that there has been no approval, sanction, or authorization by any of the Participating States of any act or practice of National City and that this Assurance does not indicate or constitute the existence or non-existence of any fact or circumstance that may have been alleged in connection herewith by any Participating State or by

National City. This Assurance is entered into solely for the purpose of settlement of disputed claims, and to avoid the expense, uncertainty, delay, and inconvenience that would be associated with continued investigation and potential litigation of the issues. Neither the existence of, negotiation of, nor the terms of this Assurance, nor of any offer made to or agreed upon with any State Customer pursuant hereto shall, in any future proceeding other than for enforcement, default, or breach of this Assurance, be referred to or offered in evidence of wrongdoing, for any purpose, by any person. A State Customer is any National City customer in any Participating State that has a NorVergence Rental Agreement. The Participating States acknowledge that National City has cooperated fully with the investigation in an effort to satisfy the interests of the Participating States and the State Customers. Some of the Attorneys General have obtained default judgments against NorVergence, a company now in bankruptcy. NorVergence did not appear in or defend the cases brought against it by the suing Attorneys General. National City was not named as a party in those cases. Accordingly, the applicability of such default judgments, if any, or the enforceability of the Rental Agreements assigned to, or otherwise held by National City would have to be determined by an appropriate court. The same would be true with respect to National City for any additional default judgments that may be sought and obtained by any of the Attorneys General against NorVergence.

Customer Settlement Program

21. Each State Customer who elects to participate in, and fully perform under, the settlement terms in the manner described herein will be referred to as a "Participating Customer." Each State Customer who settled its claims with National City after July 15, 2004 (a

"Previously Settled Customer") also is eligible to be a Participating Customer on the terms and conditions described in paragraph 25 of this Assurance.

22. National City will offer the following settlement terms to any Participating Customer, other than a Previously Settled Customer, and any personal guarantor the Participating Customer may have:

a. Each Participating Customer must pay all amounts due on its Rental Agreement through July 15, 2004, including any and all monthly payments and taxes, and excluding unpaid late fees and/or risk fees ("Cure Amount");

b. National City will forgive eighty-five percent (85%) of the remaining contract balance due on each such Participating Customer's obligations to National City under the Rental Agreement after July 15, 2004;

c. National City will forgive any late fees, penalties or risk fees assessed on the Participating Customer's account with National City after July 15, 2004.

d. As to each Participating Customer, other than a Previously Settled Customer, National City agrees to accept, in full satisfaction of the Customer's obligations to National City under the Customer's Rental Agreement and any personal guarantor's obligations under any related guarantee, payment of the Cure Amount, plus payment of fifteen percent (15%) of the remaining contract balance due to National City under the Rental Agreement after July 15, 2004 (including any applicable sales taxes thereon or in connection therewith), minus any monthly payments, late fees, penalties or risk fees which were due and paid by the Customer after July 15, 2004 ("Settlement Balance").

e. National City shall fully credit each Participating Customer for any payments it has made pursuant to the Rental Agreement after July 15, 2004, including, but not limited to, monthly payments and charges for risk fees, late fees, and taxes. Payments made after July 15, 2004 which were due on or before that date will reduce the Participating Customer's remaining balance after July 15, 2004. Payments made after July 15, 2004 which were due after that date will be credited against the Participating Customer's Settlement Balance. National City shall issue refunds to those Participating Customers whose payments due and paid after July 15, 2004 exceed the Participating Customer's Settlement Balance.

f. Within thirty (30) days of the delivery of documents by which any State Customer elects to become a Participating Customer, National City shall withdraw or cause to be corrected any and all adverse credit information filed by it, if any, as to the Participating Customer as a result of not receiving payment from that Customer on its Rental Agreement after July 15, 2004, by providing written notification to each credit bureau to whom National City furnished information, if any.

23. National City agrees that the Settlement Balance shall be paid as follows:

a. The Participating Customer shall either elect to:

i. Make a lump sum payment of the entire Settlement Balance; or

ii. If the Settlement Balance is less than $5,000, pay the Settlement Balance in up to twelve (12) equal monthly installment payments.. If the Settlement Balance is $5,000 or higher, pay the Settlement Balance in up to twenty-four (24) equal monthly installment payments.

iii. Nothing in this Assurance shall be construed to preclude National City in its sole discretion from entering into mutually acceptable alternative payment schedules with any Participating Customer.

b. If the Participating Customer elects to make a lump sum payment, such payment shall be due within thirty (30) days of the mailing of the fully executed Settlement and Mutual Release by the Participating Customer, as described in paragraph 27 of this Assurance;

c. If the Participating Customer elects to make installment payments, the first installment payment is to be due no earlier than the thirtieth (30th) day after National City's receipt of the fully executed Release. National City shall provide a bill, on a minimum of fifteen (15) days' notice, to such Participating Customer stating the date the first installment payment is due and its amount.

d. Any Participating Customer that begins paying its Settlement Balance may pre-pay the remaining balance at any time without penalty.

e. In the event no Settlement Balance is due from a Participating Customer and a refund is warranted, National City shall pay any such refund within thirty (30) days of National City's receipt of the fully executed Settlement and Mutual Release.

24. Within thirty (30) days of the Effective Date, National City shall mail a Settlement Letter (in the form annexed hereto as Exhibit A) to each State Customer, other than a Previously Settled Customer, who entered into a Rental Agreement and any personal guarantor thereof. In this mailing, National City will print on the outside of the envelope the following: "NorVergence-Related Settlement Material Enclosed" in at least 12 point

typeface. Each Participating Customer will have 35 days from the date of the mailing of the Settlement Letter to respond to National City to indicate whether they will accept the terms of settlement. If any of the letters described in this paragraph are returned to National City as undeliverable, National City must make reasonable commercial efforts to locate that customer. As set forth in Exhibit A, National City shall inform each Participating Customer and personal guarantor of, among other things, the following:

a. The thirty-five (35) day opportunity to elect to participate in the settlement described herein for Participating Customers in exchange for a release of all claims against National City, relating to NorVergence;

b. The Settlement Balance due from that State Customer and personal guarantor (which shall include any Cure Amount); and

c. The State Customer's and/or personal guarantor's options for paying the Settlement Balance if the Customer elects to participate in the settlement.

25. National City will offer the settlement terms set forth above in paragraphs 22a-f and 23a-e to each Previously Settled Customer, and any personal guarantor it may have, who shall be eligible as Participating Customers under such paragraphs, with the following exceptions:

a. The forgiveness percent set forth in paragraph 22b shall be eighty percent (80%) for Previously Settled Customers;

b. The percent of the remaining contract balance due National City under the Rental Agreement after July 15, 2004 set forth in paragraph 22d shall be twenty percent (20%) for Previously Settled Customers;

c. The credit for payments referenced in paragraph 22e shall include payments made by each Previously Settled Customer after July 15, 2004 under its prior settlement with National City.

26. Within thirty (30) days of the Effective Date, National City shall mail a letter in the form of Exhibit A-1 to any Previously Settled Customer and any personal guarantor thereof, who agreed to and/or executed with National City after July 15, 2004 an independent settlement agreement or restructured contract (a restructured contract is a contract where National City allowed State Customers to restructure the payments and the schedule of the payments of State Customers' Rental Agreements). In this mailing, National City will print on the outside of the envelope the following: "NorVergence-Related Settlement Material Enclosed" in at least 12 point typeface. Each Previously Settled Customer will have thirty-five (35) days from the date of mailing of the letter to respond to National City to indicate whether they will elect to revise their existing settlement. If any of the letters described in this paragraph are returned to National City as undeliverable, National City must make reasonable commercial efforts to locate that customer. As set forth in Exhibit A-1, National City shall inform each Previously Settled Customer and personal guarantor of, among other things, the following:

a. The thirty-five (35) day opportunity to elect to revise the Previously Settled Customer's existing settlement or restructured contract and to participate in the settlement described herein for Previously Settled Customers in exchange for a release of all claims against National City relating to NorVergence; and

b. If the State Customer elects to revise its settlement, the Settlement Balance due and the State Customer's options for payment.

27. National City shall include with the letters referenced in paragraphs 24 and 26 of this Assurance a document titled "Settlement and Mutual Release." Letters in the form of Exhibit A annexed hereto will be accompanied by a Settlement and Mutual Release in the form of Exhibit B annexed hereto and letters in the form of Exhibit A-1 will be accompanied by a Settlement and Mutual Release in form of Exhibit B-1. As referenced in those letters, each Participating Customer will be required to provide a notarized signature of a duly authorized officer, partner or other agent of the company and/or the personal guarantor on the Settlement and Mutual Release and return the same to National City within thirty-five (35) days of National City's mailing of the letter.

28. To the extent set forth in the Settlement and Mutual Release, each Participating Customer shall provide National City with a release of claims arising under the Rental Agreement and any and all NorVergence related issues. As to each Participating Customer who executes a Settlement and Mutual Release, National City shall provide a release of claims arising under the Rental Agreement, to the extent set forth in the Settlement and Mutual Release. To the extent set forth in the Settlement and Mutual Release, each Participating Customer and National City shall agree to mutually dismiss with prejudice (and without award of costs or attorneys' fees to any party) any pending litigation arising from the Rental Agreement or National City's efforts to collect under or enforce the Rental Agreement.

29. If a State Customer who executes a Settlement and Mutual Release defaults in payment of their Settlement Balances, National City may pursue collection of the unpaid Settlement Balance plus interest, and reasonable costs of collection including attorneys' fees, as provided for in the Settlement and Mutual Release.

30. National City further agrees that it shall not institute any civil action against a Participating Customer for breach of its Rental Agreement or otherwise seek to enforce the Rental Agreement against any Participating Customer. National City will dismiss any pending litigation against any Participating Customer who is a party to existing litigation provided that, if any such Participating Customer has brought counterclaims or separate claims against National City, they will be dismissed by the Participating Customer as a condition to National City's dismissal, which may be accomplished by proffering to and obtaining from counsel for the Participating Customer a stipulation dismissing any and all such claims and counterclaims.

31. In the event that any State Customer does not accept the Settlement outlined in this Assurance and requested in the attached Settlement and Mutual Release within thirty-five (35) days allotted or does not execute the Settlement and Mutual Release, the Rental Agreement shall remain in full force and effect and shall be enforceable by all parties to the same extent that it had been enforceable prior to and without regard to National City's settlement offer. However, notwithstanding any provision authorizing otherwise in any Rental Agreement, if National City chooses to enforce the Rental Agreement pursuant to this paragraph 31 of the Assurance, then any lawsuit it initiates will be filed by National City in the state of the State Customer's residence, unless the State Customer objects thereto, or unless any State Customer has initiated litigation against National City, in which case National City may assert counterclaims or separate claims against such State Customer where its action is pending. If the State Customer does not accept the Settlement outlined in this Assurance and National City has previously initiated a lawsuit against the State Customer in a state other than that permitted by the preceding sentence,

National City will dismiss its lawsuit without prejudice. If National City chooses to refile its lawsuit, it shall file the lawsuit in a state permitted by this paragraph.

Affidavits of Compliance

32. Within sixty (60) days of the Effective Date of this Assurance, National City shall submit an affidavit to each Attorney General, subscribed to by an officer of National City:

    a. Attesting that it sent the letters to the State Customers in accordance with the terms of this Assurance;

    b. Providing an accounting of the Participating Customers, including the Participating Customers' Settlement Balances and payment schedules elected or agreed upon; and

    c. Providing the names of the State Customers whose letters were undeliverable.

33. Within six months from the Effective Date of this Assurance, National City shall submit to each Attorney General an affidavit, subscribed to by an officer of National City:

    a. Affirming its compliance with the provisions of this Assurance as to the Participating Customers from that Attorney General's state;

    b. Providing an accounting of the Participating Customers, including the terms of their payment schedules and payments made; and

    c. On or after the second anniversary of the date of this Assurance, the Attorneys General may request in writing a further updated affidavit setting forth National City's compliance with the provisions of this Assurance as to the Participating Customers from that Attorney General's state and an updated accounting of the Participating Customers from that Attorney General's state, including the terms of

their payment schedules and payments made, and National City shall submit such an affidavit within forty-five (45) days of any such request.

34. The affidavits to be provided pursuant to paragraphs 32 and 33 of this Assurance shall be used only for the purposes of assuring compliance with this Assurance, and shall be used, cited or referred to for no other purposes whatsoever, and shall not constitute any admission of liability or obligation whatsoever on the part of National City, except to provide to the Participating States information concerning the status and compliance with this Assurance.

General Provisions

35. The Parties have entered into this Assurance on their own free and voluntary act and with full knowledge and understanding of the obligations and duties imposed by this Assurance.

36. This Assurance shall be binding upon National City as well as its principals, officers, directors, agents (including, but not limited to, third party collection agents), employees, successors and assigns, and any entity or device through which it may now or hereafter act, as well as any persons who have authority to control or who, in fact, control and direct its business. In no event shall assignment of any right, power, or authority under this Assurance avoid the obligation to comply with this Assurance.

37. The Parties have negotiated, jointly drafted, and fully reviewed the terms of this Assurance and the rule that uncertainty or ambiguity is to be construed against the drafter shall not apply to the construction or interpretation of this Assurance.

38. As used in this Assurance, the plural shall include the singular and the singular shall include the plural.

39. Except as otherwise explicitly provided in this Assurance, nothing herein shall be construed to limit the authority of the Attorneys General to protect the interests of the Participating States or the people of these States.

40. If any portion of this Assurance is held invalid or unenforceable by operation of law, the remaining terms of this Assurance shall not be affected.

41. This Assurance contains the entire agreement among the Parties. Except as otherwise provided herein, this Assurance may be modified only by a written instrument signed by or on behalf of a Participating State and National City, and then shall be binding only with respect to any or each such State so executing.

42. The exhibits to this Assurance are and shall be considered a part of this Assurance.

43. The Parties have agreed to this Assurance for only settlement purposes. Neither the fact of, nor any provision contained in, this Assurance nor any action taken hereunder shall constitute, or be construed as:

    a. An approval, sanction, or authorization by the Attorneys General of any act or practice of National City;

    b. Having any impact on the business practices of National City, including but not limited to, the terms of equipment rental or lease agreements, other than as specifically provided herein regarding the rental of NorVergence equipment;

    c. An admission by National City that any of its acts or practices described in or prohibited by this Assurance are unfair or deceptive or violate any of the consumer protection or other laws of any of the Participating States;

d. Any agreement or admission by any party to this Assurance as to the existence or non-existence of any fact or allegation that has been made in connection herewith; or

e. The applicability of any statute, law, rule, or regulation to the business or agreements of National City, except to the extent, and then solely for the purposes provided for, herein.

44. Each person executing this Assurance represents to the other party to the Assurance that he or she is duly authorized to execute and deliver this Assurance, and that, upon the occurrence of the Effective Date, this Assurance shall be a valid, binding, and enforceable agreement, and that all formalities required therefore have been or will be undertaken.

45. Unless otherwise prohibited by law, any signature by the parties to this Assurance may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be one and the same Assurance.

Rights of Customers and National City

46. Nothing in this Assurance shall be construed to prevent any State Customer or National City (collectively referred to as "rental parties") from pursuing any right or remedy which one rental party may have against the other, except to the extent that a Participating Customer executes a Settlement and Mutual Release pursuant to this Assurance, in which event the rights of the rental parties shall be as provided for therein.

Effective Date

47. This Assurance shall be effective on April 16, 2008 ("Effective Date").

Violation of Assurance as Prima Facie Proof of Violation of Consumer Protection Statutes

48. The parties understand that pursuant to the statutes cited in footnote 3 to this Assurance, a violation of any term of this Assurance shall constitute prima facie evidence of a violation of those statutes in any subsequent proceedings brought by the Attorneys General against National City or any of its officers, agents, directors or employees. It is further understood that upon any default, an Attorney General's Office has the right to file appropriate legal proceedings to enforce this Assurance.

Release

49. The subject matter of this Assurance is the issues covered in paragraphs 7 through 17 of this Assurance. The Attorneys General acknowledge that execution of this Assurance constitutes a complete settlement and release by the Attorneys General of all the civil claims and causes of action for damages, fines, costs, restitution, injunction, penalties, and any other remedies that were asserted or could have been asserted by the Attorneys General, either individually or collectively, on or prior to the effective date of this Assurance against National City as assignor of rights under the Rental Agreement to National City, arising from the subject matter of this Assurance and pursuant to any common law authority each of the Attorneys General possess, and pursuant to any consumer deceptive or unfair trade practices statutes listed in footnote 3 of this Assurance and the regulations promulgated pursuant to such statutes, as well as any consumer protection laws that each of the Attorneys General has authority to enforce.

THE PARTIES TO THIS ASSURANCE CONSENT TO THE FORM, CONTENT, AND ENTRY OF THIS ASSURANCE ON THE DATES UNDER THEIR RESPECTIVE SIGNATURES.

IN THE MATTER OF)
)
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC)
ASSURANCE OF VOLUNTARY COMPLIANCE

NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC

By: _____
Name: Ralph M. Martinez
Title: SVP & COO

Date: 3·26, 2008

IN THE MATTER OF)
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NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC)
ASSURANCE OF VOLUNTARY COMPLIANCE

Dated: March 26th, 2008

TERRY GODDARD
Attorney General
State of Arizona

By: Vince Rabago

VINCENT L. RABAGO
Assistant Attorney General
400 W. Congress, Bldg. S-315
Tucson, AZ 86701
(520) 628-6534

IN THE MATTER OF)
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NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC)
ASSURANCE OF VOLUNTARY COMPLIANCE

Dated: March 13, 2008

EDMUND G. BROWN JR.
Attorney General
State of California

By: Howard Wayne
Howard Wayne
Deputy Attorney General
San Diego, CA 92101

IN THE MATTER OF)
)
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC)
ASSURANCE OF VOLUNTARY COMPLIANCE

Dated: March 27, 2008

ON BEHALF OF THE STATE OF COLORADO

JOHN W. SUTHERS
Attorney General

By: _____

Andrew P. McCallin, Reg. No. 20909
First Assistant Attorney General
Consumer Protection Section
1525 Sherman Street – 7th Floor
Denver, Colorado 80203
(303) 866-5134

IN THE MATTER OF)
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NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC)
ASSURANCE OF VOLUNTARY COMPLIANCE

Dated: April 1, 2008

RICHARD BLUMENTHAL
Attorney General
State of Connecticut
on behalf of

COMMISSIONER JERRY FARRELL, JR.
Department of Consumer Protection
State of Connecticut

By: Valerie J. Bryan

Valerie J. Bryan
Assistant Attorney General
110 Sherman Street
Hartford, CT 06105
(860) 808-5420

IN THE MATTER OF)
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NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC)
ASSURANCE OF VOLUNTARY COMPLIANCE

Dated: March 18, 2008

JOSEPH R. BIDEN, III
Attorney General of the State of Delaware

Timothy Mullaney, Director Consumer Protection
Delaware Department of Justice
Fraud and Consumer Protection Division
820 North French Street, 5th Floor
Wilmington, Delaware 19801

C. Cullen Rooney, Deputy Attorney General
Delaware Department of Justice
Fraud and Consumer Protection Division
820 North French Street, 5th Floor
Wilmington, Delaware 19801

IN THE MATTER OF)
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NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC)
ASSURANCE OF VOLUNTARY COMPLIANCE

Dated: MARCH 24, 2008

BILL MCCOLLUM
Attorney General
State of Florida

By: _____
Patricia A. Conners
Associate Deputy Attorney General
Office of the Attorney General
The Capitol PL-01
Tallahassee, Florida 32399-1050
(850) 245-0140

IN THE MATTER OF)
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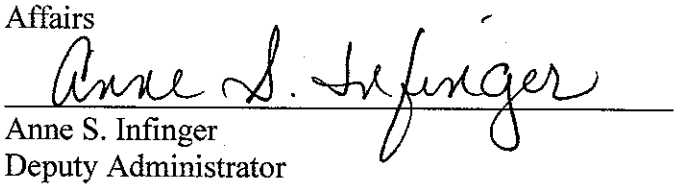
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC)
ASSURANCE OF VOLUNTARY COMPLIANCE

Dated: March 27, 2008

JOSEPH B. DOYLE
Administrator, Governor's Office of Consumer Affairs



Anne S. Infinger
Deputy Administrator
Governor's Office of Consumer Affairs
2 Martin Luther King, Jr. Drive, Suite 356
Atlanta, GA 30334-4600

IN THE MATTER OF)
)
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC)
ASSURANCE OF VOLUNTARY COMPLIANCE

Dated: March 20, 2008

LISA MADIGAN
Attorney General
State of Illinois

By: _____

Louis J. Gale
Assistant Attorney General
Consumer Fraud Bureau
500 S. Second Street
Springfield, IL 62706
(217) 782-4436

IN THE MATTER OF:

NATIONAL CITY COMMERCIAL CAPITAL COMPANY, L.L.C.
ASSURANCE OF VOLUNTARY COMPLIANCE

Dated: March 27, 2008

JAMES D. "BUDDY" CALDWELL
Attorney General
State of Louisiana

Isabel Wingerter
La. Bar Roll No. 20,428
Chief, Consumer Protection Section
Assistant Attorney General
State of Louisiana
1885 N. 3rd Street
Baton Rouge, Louisiana 70802
(225) 326-6455

R. Sara Kakar
La. Bar Roll No. 27,527
Assistant Attorney General
State of Louisiana
1885 N. 3rd Street
Baton Rouge, Louisiana 70802
(225) 326-6471

IN THE MATTER OF)
)
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC)
ASSURANCE OF VOLUNTARY COMPLIANCE

Dated: March 28, 2008

MARTHA COAKLEY
Attorney General
Commonwealth of Massachusetts

By: _____
Scott D. Schafer, BBO #631384
Assistant Attorney General
Consumer Protection Division
One Ashburton Place
Boston, MA 02108
(617) 727-2200

IN THE MATTER OF)
)
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC)
ASSURANCE OF VOLUNTARY COMPLIANCE

Dated: April 2, 2008

DOUGLAS F. GANSLER
Attorney General of the State of Maryland

By: V. Scott Bailey

WILLIAM D. GRUHN
VERNON SCOTT BAILEY
Assistant Attorney General
Consumer Protection Division
Office of the Attorney General
200 St. Paul Place, 16th Floor
Baltimore, MD 21202
410-576-6349

IN THE MATTER OF)
)
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC)
ASSURANCE OF VOLUNTARY COMPLIANCE

Dated: April 7, 2008

MICHAEL A. COX
ATTORNEY GENERAL
STATE OF MICHIGAN

By: _____
Kathy Fitzgerald (P31454)
Assistant Attorney General
Consumer Protection Division
P.O. Box 30213
Lansing, MI 48909
(517) 335-0855

IN THE MATTER OF)
)
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC)
ASSURANCE OF VOLUNTARY COMPLIANCE

Dated: April 10, 2008

JEREMIAH W. (JAY) NIXON
Attorney General
State of Missouri

By: _____

Rex M. Burlison #29935
Chief Counsel, Eastern District
P. O. Box 861
St. Louis, Missouri 63188
Telephone: 314.340.7652

IN THE MATTER OF)
)
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC)
ASSURANCE OF VOLUNTARY COMPLIANCE

Dated: 4/10, 2008

KELLY A. AYOTTE
Attorney General
State of New Hampshire

By: _____
Richard W. Head
Senior Assistant Attorney General
Consumer Protection and Antitrust Bureau
33 Capitol Street
Concord, NH 03301
(603) 271-3643

IN THE MATTER OF)
)
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC)
ASSURANCE OF VOLUNTARY COMPLIANCE

Dated: April 2, 2008

ROY COOPER
Attorney General
State of North Carolina

By:_____

Kevin Anderson
Assistant Attorney General
N.C. Department of Justice
Consumer Protection Division
114 W. Edenton St.
P.O. Box 629
Raleigh, NC 27602-0629
919-716-6052

IN THE MATTER OF)
)
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC)
ASSURANCE OF VOLUNTARY COMPLIANCE

Dated: March 20, 2008

MARC DANN
Attorney General of Ohio

By: _____

Michael S. Ziegler
Assistant Attorney General
Consumer Protection Section
30 East Broad Street, 14th Floor
Columbus, OH 43215
(614) 644-9618

IN THE MATTER OF)
)
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC)

Dated: March 28, 2008

THOMAS W. CORBETT, JR.
Attorney General of Pennsylvania

By: _____
Henry Hart III
Senior Deputy Attorney General

IN THE MATTER OF)
)
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC)
ASSURANCE OF VOLUNTARY COMPLIANCE

Dated: March 26, 2008

ROBERT M. MCKENNA
Attorney General
State Of Washington

By: _____

DAVID W. HUEY, WSBA # 31380
Assistant Attorney General
Consumer Protection Division
1019 Pacific Avenue, 3rd Floor
P.O. Box 2317
Tacoma, WA 98401-2317
(253) 593-5057

IN THE MATTER OF)
)
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC)
ASSURANCE OF VOLUNTARY COMPLIANCE

Dated: March 27, 2008

DARRELL V. McGRAW, JR.
ATTORNEY GENERAL
STATE OF WEST VIRGINIA

By: _____

Christopher Hedges (WV Bar #7894)
Assistant Attorney General
Consumer Protection Division
P.O. Box 1789
Charleston, WV 25326-1789
(304) 558-8986

EXHIBIT A
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC
SETTLEMENT LETTER

_____, 2008

[Insert Customer Name]

[Insert Guarantor Name]

RE: NOTICE TO FORMER [INSERT STATE NAME] NORVERGENCE CUSTOMERS WHO HAVE EQUIPMENT RENTAL AGREEMENTS WITH NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC, AND TO ANY GUARANTORS

Dear [Insert Customer Name] and/or [Insert Guarantor Name]

You are receiving this notice because the records of NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC ("NATIONAL CITY") reflect that [Insert Customer Name] entered into an Equipment Rental Agreement (referred to herein as the "Rental Agreement") with NorVergence, Inc. ("NorVergence"), and that the Rental Agreement is now held by NATIONAL CITY. Pursuant to an agreement with the Attorney General of the State of [Insert State Name] (the "Attorney General"), NATIONAL CITY is pleased to offer you the opportunity to participate in a Settlement Program by which you may resolve any outstanding balance on the Rental Agreement at a substantial discount, and settle any and all disputes between you and NATIONAL CITY arising from or relating to the Rental Agreement or NATIONAL CITY's efforts to collect under or enforce the Rental Agreement.

Here is a summary of how the Settlement Program would work if you accept it:

- **You would pay NATIONAL CITY any amounts that became due under the Rental Agreement through July 15, 2004, plus 15% of the amounts coming due under the Rental Agreement after July 15, 2004, plus applicable taxes;**
- **Any amounts you paid to NATIONAL CITY after July 15, 2004 would be applied to reduce the amount you would pay NATIONAL CITY under the Settlement Program (or refunded to you, to the extent you have already paid more than that amount); and**
- **You and NATIONAL CITY would exchange mutual releases.**

The Settlement Program is described in more detail in the rest of this letter and the form of Settlement and Mutual Release that is enclosed. You should review those documents carefully. In case of any disagreement between the summary above and the more detailed description, the more detailed description will govern.

The Settlement Program Offered By National City

If you elect to participate in this Settlement Program, NATIONAL CITY will: (a) forgive eighty-five percent (85%) of the remaining contract balance payable under your Rental Agreement after July 15, 2004; (b) forgive any late fees, penalties or risk fees assessed on your account after July 15, 2004; (c) fully credit you for any payments that you have made to NATIONAL CITY which were due and paid after July 15, 2004; (d) in the event your payments made after July 15, 2004 exceed the Settlement Balance described below, refund to you the amount in excess of the Settlement Balance; and (e) withdraw, or cause to be corrected, in writing, any and all adverse credit information filed with any credit bureau as a result of not receiving payment on your Rental Agreement after July 15, 2004.

In exchange for the benefits provided above, you must be current on your payments under the Rental Agreement through July 15, 2004, or you must bring your payments current through July 15, 2004. You must also agree to release NATIONAL CITY from any claims concerning the Rental Agreement, as described more fully below. You must also agree to pay NATIONAL CITY the "Settlement Balance," which is the amount necessary to bring your Rental Agreement current through July 15, 2004 (including applicable taxes paid on or before July 15, 2004), plus an amount equal to fifteen percent (15%) of the outstanding balance due under your Rental Agreement after July 15, 2004 (such balance to exclude any late fees, penalties, and risk fees assessed for the period after July 15, 2004), minus any payments made to NATIONAL CITY under your Rental Agreement which were due and paid after July 15, 2004. You may elect to pay the Settlement Balance in one of two ways. You may either make a lump sum payment of the entire Settlement Balance or pay off the Settlement Balance in up to [insert 12 or 24, as appropriate] equal monthly installment payments, with the lump sum payment due within, or the first installment payment to be due no earlier than, thirty (30) days after NATIONAL CITY's receipt of the fully executed Release. NATIONAL CITY will mail you a bill for the first installment no later than fifteen (15) days prior to the due date. After settlement, you may be responsible for potential tax liabilities including but not limited to property and usage taxes with respect to the Matrix box and other telephone equipment subject to your Rental Agreement. In regards to these taxes, you may have an affirmative obligation to report these tax liabilities to either your local tax assessor or state department of revenue depending on your state's laws.

If you have any questions about these payment options, please contact xxxxxxxxxxx at NATIONAL CITY at xxxxxxxxxxxxx.

You will also have the right at any time to pay the remainder of the Settlement Balance at any time without penalty.

If your account is current through July 15, 2004 and you are entitled to a refund from NATIONAL CITY, NATIONAL CITY will send the refund to you within thirty (30) days of receipt of the signed Release.

To participate in this Settlement Program, **you must complete, sign and have notarized, and return to NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC, within 30 days from the date of your receipt of this notice,** two copies of the enclosed

document entitled "Settlement and Mutual Release." In the Settlement and Mutual Release, you must elect and agree to pay the Settlement Balance according to one of the two payment options described above (either lump-sum or installment). Upon your payment of the Settlement Balance, you will receive written notification from NATIONAL CITY that the Rental Agreement has been terminated.

By accepting this proposal, you (a) elect and agree to pay the Settlement Balance; and (b) fully release NATIONAL CITY from, and agree not to sue NATIONAL CITY for, any and all claims that you have or may have had against NATIONAL CITY based upon [Insert Customer Name]'s Rental Agreement, including, without limitation, <u>any such claims you may have as a member or representative of various proposed class action lawsuits that have been brought against NATIONAL CITY on behalf of asserted classes of NorVergence customers (as well as any such proposed class action lawsuits that may be brought in the future)</u> and any such claims arising out of any efforts to collect under or enforce the Rental Agreement. If you are currently involved in any litigation with NATIONAL CITY over [Insert Customer Name]'s Rental Agreement and you wish to participate in the Settlement Program, you and NATIONAL CITY will mutually dismiss that action with prejudice and without costs or attorneys' fees.

NATIONAL CITY, in turn, will fully release you from, and agree not to sue you for or to dismiss you from, any and all claims that it has or may have had against you based upon [Insert Customer Name]'s Rental Agreement. Both you and NATIONAL CITY will retain all rights under law to enforce the Settlement and Mutual Release.

NATIONAL CITY has agreed to propose this Settlement Program for the purpose of avoiding the expense and inconvenience of litigation and it is not an admission on the part of NATIONAL CITY that it engaged in any form of unlawful conduct or business practices. Indeed, NATIONAL CITY expressly denies that it engaged in any such unlawful conduct or business practices and expressly denies that it is liable to any person or entity in connection with the rental of NorVergence telecommunications equipment.

<u>If You Decide Not To Participate In The Settlement Program</u>:

You are not obligated to participate in the Settlement Program agreed to by NATIONAL CITY and the Attorney General, and you may wish to consult with an attorney of your choosing before you decide whether to participate in the Settlement Program. If you elect not to participate in the program, then this Settlement Program will have no impact on any of the terms of your Rental Agreement with NATIONAL CITY, and you and NATIONAL CITY will each be free to pursue rights and remedies under the law. Even if you do not participate in the Settlement Program, NATIONAL CITY has agreed that it will not institute any legal proceedings against you in any court outside the State of [Insert State Name], unless you assert that [Insert State Name] is not the correct forum. Nothing, however, shall prevent NATIONAL CITY from asserting a cross-claim or counterclaim in any legal proceedings, to which you are a party, commenced against NATIONAL CITY in any court outside the State of [Insert State Name]. Some of the Attorneys General have obtained default judgments against NorVergence, a company now in bankruptcy. NorVergence did not appear in or defend the cases brought against it by the suing Attorneys General. NATIONAL CITY was not named as a party in those cases. Accordingly, the applicability of such default judgments, if any, on the enforceability of the

Rental Agreements assigned to, or otherwise held by, NATIONAL CITY would have to be determined by an appropriate court should you decide not to participate in the settlement program. The same would be true, with respect to NATIONAL CITY, for any additional default judgments that may be sought and obtained by any of the Attorneys General against NorVergence.

If You Decide To Enroll In The Settlement Program:

Currently, the amount necessary to bring your Rental Agreement current through July 15, 2004 is $_____. The remaining balance on your Rental Agreement after you have brought your Rental Agreement account current up through July 15, 2004 is $_____, and if you agree to participate in the Settlement Program, NATIONAL CITY will forgive eighty-five percent (85%) of that balance, which results in a savings to you of $_____.

More specifically, NATIONAL CITY has the following information about your Rental Agreement and what the Settlement Program would require you to pay:

Unpaid Balance Due as of July 15, 2004 (including applicable taxes on or before July 15, 2004): _____

Add:

15% of Remaining Balance Due after July 15, 2004, including applicable sales taxes: _____

Minus:

Amount Due and Paid after July 15, 2004 (includes any payments for monthly rental, late fees, penalties, interest, sales taxes, risk fees): _____

Total:

Amount to be Paid NATIONAL CITY (Settlement Balance): _____

or

Amount to be Refunded by NATIONAL CITY: _____

Payment options: Lump sum payment or _____ per month for _____ months

Please call xxxxxx at xxxxxxxxxxx if you have any questions regarding this Settlement Program or your Rental Agreement account.

Yours truly,

NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC

EXHIBIT A-1
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC
SETTLEMENT LETTER

_____, 2008

[Insert Customer Name]

[Insert Guarantor Name]

RE: NOTICE TO FORMER [INSERT STATE NAME] NORVERGENCE CUSTOMERS WHO HAVE EQUIPMENT RENTAL AGREEMENTS WITH NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC, AND TO ANY GUARANTORS

Dear [Insert Customer Name] and/or [Insert Guarantor Name]

You are receiving this notice because the records of NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC ("NATIONAL CITY") reflect that [Insert Customer Name] entered into an Equipment Rental Agreement (referred to herein as the "Rental Agreement") with NorVergence, Inc. ("NorVergence"), that the Rental Agreement is now held by NATIONAL CITY and that [Insert Customer Name] has entered into a settlement agreement or release with NATIONAL CITY (the "Existing Settlement Agreement"). Pursuant to an agreement with the Attorney General of the State of [Insert State Name] (the "Attorney General"), NATIONAL CITY is pleased to offer you the opportunity to participate in a Settlement Program by which you may nullify the Existing Settlement Agreement and resolve the outstanding balance which was due on the Rental Agreement at a substantial discount, and settle any and all disputes which existed between you and NATIONAL CITY arising from or relating to the Rental Agreement or NATIONAL CITY's efforts to collect under or enforce the Rental Agreement.

Here is a summary of how the Settlement Program would work if you accept it:

- **You would agree with NATIONAL CITY that the amount which was due under the Rental Agreement had there been no Existing Settlement Agreement was the amount necessary to bring the Rental Agreement current through July 15, 2004, plus 20% of the amounts coming due under the Rental Agreement after July 15, 2004, plus applicable taxes;**
- **Any amounts you paid to NATIONAL CITY after July 15, 2004, including amounts paid under the Existing Settlement Agreement, would be applied to reduce the amount you would pay NATIONAL CITY under the Settlement Program (or refunded to you, to the extent you have already paid more than that amount); and**
- **You and NATIONAL CITY would exchange mutual releases.**

The Settlement Program is described in more detail in the rest of this letter and the form of Settlement and Mutual Release that is enclosed. You should review those documents carefully. In case of any disagreement between the summary above and the more detailed description, the more detailed description will govern.

<u>The Settlement Program Offered By NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC</u>

If you elect to participate in this Settlement Program, you and NATIONAL CITY will agree that the Existing Settlement Agreement has been rescinded, nullified and is of no further force and effect. NATIONAL CITY will also: (a) forgive eighty percent (80%) of the remaining contract balance which was due under your Rental Agreement after July 15, 2004; (b) forgive any late fees, penalties or risk fees assessed on your account after July 15, 2004; (c) fully credit you for any payments that you have made to NATIONAL CITY which were due and paid after July 15, 2004; (d) in the event your payments made after July 15, 2004, including payments made under the Existing Settlement Agreement, exceed the Settlement Balance described below, refund to you the amount in excess of the Settlement Balance; and (e) withdraw, or cause to be corrected, in writing, any and all adverse credit information filed with any credit bureau as a result of not receiving payment on your Rental Agreement after July 15, 2004.

In exchange for the benefits provided above, you must be current on your payments under the Rental Agreement through July 15, 2004, or you must bring your payments current through July 15, 2004. You must also agree to release NATIONAL CITY from any claims concerning the Rental Agreement, or the Existing Settlement Agreement, as described more fully below. You must also agree to pay NATIONAL CITY the "Settlement Balance," which is the amount necessary to bring your Rental Agreement current through July 15, 2004 (including applicable taxes paid on or before July 15, 2004), plus an amount equal to twenty percent (20%) of the outstanding balance due under your Rental Agreement after July 15, 2004 (such balance to exclude any late fees, penalties, and risk fees assessed for the period after July 15, 2004), minus any payments made to NATIONAL CITY under your Rental Agreement which were due and paid after July 15, 2004. You may elect to pay the Settlement Balance in one of two ways. You may either make a lump sum payment of the entire Settlement Balance or pay off the Settlement Balance in up to [insert 12 or 24, as appropriate] equal monthly installment payments, with the lump sum payment due within, or the first installment payment to be due no earlier than, thirty (30) days after NATIONAL CITY's receipt of the fully executed Release. NATIONAL CITY will mail you a bill for the first installment no later than fifteen (15) days prior to the due date. After settlement, you may be responsible for potential tax liabilities including but not limited to property and usage taxes with respect to the Matrix box and other telephone equipment subject to your Rental Agreement. In regards to these taxes, you may have an affirmative obligation to report these tax liabilities to either your local tax assessor or state department of revenue depending on your state's laws.

If you have any questions about these payment options, please contact xxxxxx at NATIONAL CITY at xxxxxxx.

You will also have the right at any time to pay the remainder of the Settlement Balance at any time without penalty.

If your account is current through July 15, 2004 and you are entitled to a refund from NATIONAL CITY, NATIONAL CITY will send the refund to you within thirty (30) days of receipt of the signed Release.

To participate in this Settlement Program, **you must complete, sign and have notarized, and return to NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC, within 30 days from the date of your receipt of this notice**, two copies of the enclosed document entitled "Settlement and Mutual Release." In the Settlement and Mutual Release, you must elect and agree to pay the Settlement Balance according to one of the two payment options described above (either lump-sum or installment). Upon your payment of the Settlement Balance, you will receive written notification from NATIONAL CITY that the Rental Agreement has been terminated.

By accepting this proposal, you (a) elect and agree to pay the Settlement Balance; and (b) fully release NATIONAL CITY from, and agree not to sue NATIONAL CITY for, any and all claims that you have or may have had against NATIONAL CITY based upon [Insert Customer Name]'s Rental Agreement, including, without limitation, <u>any such claims you may have as a member or representative of various proposed class action lawsuits that have been brought against NATIONAL CITY on behalf of asserted classes of NorVergence customers (as well as any such proposed class action lawsuits that may be brought in the future)</u> and any such claims arising out of any efforts to collect under or enforce the Rental Agreement. If you are currently involved in any litigation with NATIONAL CITY over [Insert Customer Name]'s Rental Agreement and you wish to participate in the Settlement Program, you and NATIONAL CITY will mutually dismiss that action with prejudice and without costs or attorneys' fees.

NATIONAL CITY, in turn, will fully release you from, and agree not to sue you for or to dismiss you from, any and all claims that it has or may have had against you based upon [Insert Customer Name]'s Rental Agreement and the Existing Settlement Agreement. Both you and NATIONAL CITY will retain all rights under law to enforce the Settlement and Mutual Release.

NATIONAL CITY has agreed to propose this Settlement Program for the purpose of avoiding the expense and inconvenience of litigation and it is not an admission on the part of NATIONAL CITY that it engaged in any form of unlawful conduct or business practices. Indeed, NATIONAL CITY expressly denies that it engaged in any such unlawful conduct or business practices and expressly denies that it is liable to any person or entity in connection with the rental of NorVergence telecommunications equipment.

<u>If You Decide Not To Participate In The Settlement Program</u>:

You are not obligated to participate in the Settlement Program agreed to by NATIONAL CITY and the Attorney General, and you may wish to consult with an attorney of your choosing before you decide whether to participate in the Settlement Program. If you elect not to participate in the program, then this Settlement Program will have no impact on any of the

terms of your Existing Settlement Agreement with NATIONAL CITY, and you and NATIONAL CITY will each be free to pursue rights and remedies under the law. Even if you do not participate in the Settlement Program, NATIONAL CITY has agreed that it will not institute any legal proceedings against you in any court outside the State of [Insert State Name], unless you assert that [Insert State Name] is not the correct forum. Nothing, however, shall prevent NATIONAL CITY from asserting a cross-claim or counterclaim in any legal proceedings, to which you are a party, commenced against NATIONAL CITY in any court outside the State of [Insert State Name]. Some of the Attorneys General have obtained default judgments against NorVergence, a company now in bankruptcy. NorVergence did not appear in or defend the cases brought against it by the suing Attorneys General. NATIONAL CITY was not named as a party in those cases. Accordingly, the applicability of such default judgments, if any, on the enforceability of the Rental Agreements assigned to, or otherwise held by, NATIONAL CITY would have to be determined by an appropriate court should you decide not to participate in the settlement program. The same would be true, with respect to NATIONAL CITY, for any additional default judgments that may be sought and obtained by any of the Attorneys General against NorVergence.

If You Decide To Enroll In The Settlement Program:

Currently, the amount necessary to bring your Rental Agreement current through July 15, 2004 is $_____. The remaining balance on your Rental Agreement after you have brought your Rental Agreement account current through July 15, 2004 is $_____, and if you agree to participate in the Settlement Program, NATIONAL CITY will forgive eighty percent (80%) of that balance, which results in a savings to you of $_____.

More specifically, NATIONAL CITY has the following information about your Rental Agreement and what the Settlement Program would require you to pay:

Unpaid Balance Due as of July 15, 2004 (including applicable taxes paid on or before July 15, 2004): _____

Add:

20% of Remaining Balance Due after July 15, 2004, including applicable sales taxes: _____

Minus:

Amount Due and Paid after July 15, 2004 (includes any payments for monthly rental, late fees, penalties, interest, sales taxes, risk fees, and payments on the Existing Settlement Agreement): _____

<u>Total</u>:
Amount to be Paid NATIONAL CITY (Settlement Balance): _____
or
Amount to be Refunded by NATIONAL CITY: _____

Payment options: Lump sum payment or _____ per month for _____ months

Please call xxxxxxx at xxxxxxx if you have any questions regarding this Settlement Program or your Rental Agreement account.

Yours truly,

NATIONAL CITY COMMERCIAL CAPITAL
COMPANY LLC

EXHIBIT B
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC
SETTLEMENT AND MUTUAL RELEASE

SETTLEMENT AND MUTUAL RELEASE

between

[Customer and/or Guarantor]
and
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC,

I, _____, on behalf of the entity named above (the "Customer") and if applicable as personal guarantor (if I am a personal guarantor, the "Guarantor"), elect to take advantage of the Settlement Program agreed to by the ATTORNEY GENERAL OF THE STATE OF [Insert State Name] and NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC ("NATIONAL CITY") to pay off Customer's Rental Agreement with NATIONAL CITY (the "Rental Agreement") at a substantial discount and to settle any and all disputes between (i) Customer and Guarantor and (ii) NATIONAL CITY arising from the Rental Agreement or NATIONAL CITY's efforts to collect under or enforce the Rental Agreement. With this Settlement and Mutual Release (the "Settlement Agreement") I am: (1) accepting the terms of the Settlement Program offered by NATIONAL CITY and (2) entering into a mutual release of claims with NATIONAL CITY and related parties.

I understand that NATIONAL CITY and the Attorney General of the State of [Insert State Name] have agreed to the terms of this Settlement Program for the purpose of avoiding the expense and inconvenience of litigation and it is not an admission on the part of NATIONAL CITY that it engaged in any form of unlawful conduct or business practices, and that NATIONAL CITY expressly denies that it engaged in any such unlawful conduct or business practices and expressly denies that it is liable to any person or entity in connection with the Rental Agreement.

1. Terms Of The Settlement Program

I understand that, upon timely receipt of an executed copy of this Settlement Agreement and the Settlement Balance, as defined below, NATIONAL CITY will:

(a) forgive eighty-five percent (85%) of the remaining contract balance due under the Rental Agreement as of July 15, 2004;
(b) forgive any late fees, penalties, or risk fees assessed on that account on or after July 15, 2004;
(c) fully credit any payments Lessee and/or Guarantor has made to NATIONAL CITY which were due and paid after July 15, 2004;
(d) in the event your payments made after July 15, 2004 exceed the Settlement Balance described below, refund to you the amount in excess of the Settlement Balance; and

(e) withdraw any and all adverse credit reports NATIONAL CITY filed, if any, as to the Lessee and/or Guarantor as a result of not receiving payment on the Rental Agreement on or after July 15, 2004.

I also understand that NATIONAL CITY's records reflect the following information about Customer's Rental Agreement account:

Unpaid Balance Due as of July 15, 2004 (including applicable taxes paid on or before July 15, 2004): _____

Add:
15% of Remaining Balance Due after July 15, 2004, including applicable sales taxes: _____

Minus:
Amount Due and Paid after July 15, 2004 (includes any payments for monthly rental, late fees, penalties, interest, sales taxes, risk fees): _____

Total:
Amount to be Paid NATIONAL CITY (Settlement Balance): _____
or
Amount to be Refunded by NATIONAL CITY: _____

Lessee and/or Guarantor agree to pay the Settlement Balance by the method checked below and request that NATIONAL CITY invoice Lessee and/or Guarantor accordingly:

_____ Pay the Settlement Balance in a lump sum within thirty (30) days of your mailing of this fully executed Release

_____ Pay the Settlement Balance in [insert 12 or 24, as appropriate] equal monthly installments of [payment amount], beginning on the date specified in the first NATIONAL CITY invoice, which payment date shall be at least 15 days after the date of mailing of such invoice. I understand that Lessee and/or Guarantor may pay the remainder of the Settlement Balance at any time without penalty.

Checks are to be made payable to NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC, XXXXXXXXXXXXXX, Attn:XXXXXX. Please include the account number on the check.

I understand that if Customer and Guarantor fail to pay the Settlement Balance as promised, NATIONAL CITY may seek to enforce the Settlement and Mutual Release in full and make use of any of the remedies available to it under the law. I agree that if NATIONAL CITY prevails in any litigation seeking to enforce this Settlement and Mutual Release, NATIONAL CITY shall be entitled to collect its reasonable attorneys' fees, together with interest on the unpaid Settlement Balance from the date of default until the date of payment at the rate of twelve per cent (12%) per annum, or, if lower, the maximum rate permitted under the laws of the State of [Insert State Name]. I understand that NATIONAL CITY will not institute any legal proceedings against Lessee and/or Guarantor in any Court outside the State of [Insert State Name] unless I object to the jurisdiction of the courts of [Insert State Name]. I understand, however, that if Lessee and/or Guarantor are parties to any legal proceeding against NATIONAL CITY in any court outside the State of [Insert State Name], NATIONAL CITY may assert a cross-claim or counterclaim in any such proceeding.

I understand that if I am a lessee who is entitled to a refund from NATIONAL CITY under the Settlement Program, I will be able to obtain that refund by executing this Settlement and Mutual Release. Within thirty (30) days of NATIONAL CITY's receipt of this Settlement and Mutual Release, NATIONAL CITY will send me my refund check.

2. Release Of Claims

I understand that, in exchange for the opportunity to pay off the Rental Agreement at a substantial discount, Customer and Guarantor each hereby releases and discharges NATIONAL CITY, and all of its subsidiaries, parents, affiliates, predecessors, successors and assigns, officers, directors, employees, shareholders and agents from, and covenants not to file or pursue any lawsuit or claim in any place against NATIONAL CITY for, any and all claims (including claims as a member or representative of a proposed class action, whether pending now or filed later) that Customer and/or Guarantor has or may have had against any or all of them for any and all damages, restitution, equitable relief, attorneys' fees and/or penalties related to the Rental Agreement, including but not limited to claims arising out of efforts to collect under or enforce the Rental Agreement. Customer and Guarantor each further agrees that if either of them is currently involved in any litigation arising from the Rental Agreement or any effort to collect under or enforce the Rental Agreement, Customer, Guarantor and NATIONAL CITY will mutually dismiss that litigation with prejudice.

In exchange for Customer and/or Guarantor's payment to NATIONAL CITY pursuant to this Settlement Agreement, NATIONAL CITY hereby releases and discharges Customer and Guarantor from, and covenants not to file or pursue any lawsuit or claim in any place against either Customer or Guarantor for, any and all claims that NATIONAL CITY has or may have had against either Customer or Guarantor and all of their subsidiaries, parents, affiliates, predecessors, successors, assigns, officers, directors, employees, shareholders, agents, and guarantors for any and all damages, equitable relief, attorneys' fees and penalties related to the Rental Agreement. NATIONAL CITY also transfers all of its right, title and interest to the equipment subject to the Rental Agreement, if any, to the Customer.

I hereby acknowledge and represent that I have read this Settlement Agreement; that I have had the opportunity to consult with a lawyer concerning it; that each of Customer and

Guarantor is voluntarily entering into this Settlement Agreement; that neither NATIONAL CITY nor its agents or attorneys have made any representations or promises concerning the terms or effects of this Settlement Agreement other than those set forth in this document; and I understand that this is a full and final release of all claims Customer and Guarantor have or may have against NATIONAL CITY concerning the Rental Agreement or NATIONAL CITY's efforts to collect under or enforce the Rental Agreement.

I further agree that this Settlement Agreement constitutes the entire agreement among the parties hereto, may not be changed orally and may not be modified or amended except pursuant to an agreement in writing signed by all of the parties hereto, unless Customer and Guarantor change their mind as provided above.

The signatory for the Customer below represents that he or she is duly authorized to enter into this Settlement Agreement and on behalf of the Customer.

This Settlement Agreement shall be deemed accepted upon your return to NATIONAL CITY of an executed copy of this Settlement Agreement.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned has caused this Settlement Agreement to be executed this _____ day of _____, 2008.

Dated: _____

[NAME OF CUSTOMER]

By: _____
[Name]
[Title]
[Address]

By: _____[Name], as Guarantor

[Add appropriate notary clauses for State]
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC

By: _____
[Name]

FILL OUT COMPLETELY AND SEND TWO SIGNED ORIGINALS TO NATIONAL CITY at:
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC,
xxxxxxxxxxxxxxxxxxxxxxxxxx, Attn: _____.

PLEASE KEEP A COPY FOR YOUR RECORDS. A FULLY EXECUTED DOCUMENT WILL BE SENT TO CUSTOMER AND ANY GUARANTOR UPON COMPLETION OF THE TERMS OUTLINED HEREIN

EXHIBIT B-1
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC
SETTLEMENT AND MUTUAL RELEASE

SETTLEMENT AND MUTUAL RELEASE

between

[Customer and/or Guarantor]
and
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC,

I, _____, on behalf of the entity named above (the "Customer") and if applicable as personal guarantor (if I am a personal guarantor, the "Guarantor"), elect to take advantage of the Settlement Program agreed to by the ATTORNEY GENERAL OF THE STATE OF [Insert State Name] and NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC ("NATIONAL CITY") to pay off Customer's Rental Agreement with NATIONAL CITY (the "Rental Agreement") at a substantial discount and to settle any and all disputes between (i) Customer and Guarantor and (ii) NATIONAL CITY arising from the Rental Agreement or NATIONAL CITY's efforts to collect under or enforce the Rental Agreement and that certain [Insert title and date of existing settlement agreement] between Customer[, Guarantor] and NATIONAL CITY (the "Existing Settlement Agreement"). With this Settlement and Mutual Release (the "Settlement Agreement") I am: (1) accepting the terms of the Settlement Program offered by NATIONAL CITY and (2) entering into a mutual release of claims with NATIONAL CITY and related parties.

I understand that NATIONAL CITY and the Attorney General of the State of [Insert State Name] have agreed to the terms of this Settlement Program for the purpose of avoiding the expense and inconvenience of litigation and it is not an admission on the part of NATIONAL CITY that it engaged in any form of unlawful conduct or business practices, and that NATIONAL CITY expressly denies that it engaged in any such unlawful conduct or business practices and expressly denies that it is liable to any person or entity in connection with the Rental Agreement.

1. Terms Of The Settlement Program

I understand that, upon timely receipt of an executed copy of this Settlement Agreement and the Settlement Balance, as defined below, NATIONAL CITY and I agree that the Existing Settlement Agreement is rescinded, nullified and no longer of force and effect, and that NATIONAL CITY will:

(a) forgive eighty percent (80%) of the remaining contract balance which was due under the Rental Agreement as of July 15, 2004 had there been no Existing Settlement Agreement;

(b) forgive any late fees, penalties, or risk fees assessed on that account on or after July 15, 2004;

(c) fully credit any payments Lessee and/or Guarantor has made to NATIONAL CITY which were due and paid after July 15, 2004, including payments under the Existing Settlement Agreement;

(d) in the event your payments made after July 15, 2004, including payments made under the Existing Settlement Agreement, exceed the Settlement Balance described below, refund to you the amount in excess of the Settlement Balance; and

(e) withdraw any and all adverse credit reports NATIONAL CITY filed, if any, as to the Lessee and/or Guarantor as a result of not receiving payment on the Rental Agreement on or after July 15, 2004.

I also understand that NATIONAL CITY's records reflect the following information about Customer's Rental Agreement account:

Unpaid Balance Due as of July 15, 2004 (including applicable taxes paid on or before July 15, 2004): _____

<u>Add</u>:
20% of Remaining Balance Due after July 15, 2004, including applicable sales taxes: _____

<u>Minus</u>:
Amount Due and Paid after July 15, 2004 (includes payments for monthly rental, late fees, penalties, interest, sales taxes, risk fees, and payments on the Existing Settlement Agreement): _____

<u>Total</u>:
Amount to be paid NATIONAL CITY (Settlement Balance): _____
or
Amount to be Refunded by NATIONAL CITY: _____

Lessee and/or Guarantor agree to pay the Settlement Balance by the method checked below and request that NATIONAL CITY invoice Lessee and/or Guarantor accordingly:

_____ Pay the Settlement Balance in a lump sum within thirty (30) days of your mailing of this fully executed Release

_____ Pay the Settlement Balance in [insert 12 or 24, as appropriate] equal monthly installments of [payment amount], beginning on the date specified in the first NATIONAL CITY invoice, which payment date shall be at least 15 days after the date of mailing of such invoice. I understand

that Lessee and/or Guarantor may pay the remainder of the Settlement Balance at any time without penalty.

Checks are to be made payable to NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC, xxxxxxxxxxxxxxx, Attn:xxxxxxxxxxxx. Please include the account number on the check.

I understand that if Customer and Guarantor fail to pay the Settlement Balance as promised, NATIONAL CITY may seek to enforce the Settlement and Mutual Release in full and make use of any of the remedies available to it under the law. I agree that if NATIONAL CITY prevails in any litigation seeking to enforce this Settlement and Mutual Release, NATIONAL CITY shall be entitled to collect its reasonable attorneys' fees, together with interest on the unpaid Settlement Balance from the date of default until the date of payment at the rate of twelve per cent (12%) per annum, or, if lower, the maximum rate permitted under the laws of the State of [Insert State Name]. I understand that NATIONAL CITY will not institute any legal proceedings against Lessee and/or Guarantor in any Court outside the State of [Insert State Name] unless I object to the jurisdiction of the courts of [Insert State Name]. I understand, however, that if Lessee and/or Guarantor are parties to any legal proceeding against NATIONAL CITY in any court outside the State of [Insert State Name], NATIONAL CITY may assert a cross-claim or counterclaim in any such proceeding.

I understand that if I am a lessee who is entitled to a refund from NATIONAL CITY under the Settlement Program, I will be able to obtain that refund by executing this Settlement and Mutual Release. Within thirty (30) days of NATIONAL CITY's receipt of this Settlement and Mutual Release, NATIONAL CITY will send me my refund check.

2. Release Of Claims

I understand that, in exchange for the opportunity to pay off the Rental Agreement at a substantial discount, Customer and Guarantor each hereby releases and discharges NATIONAL CITY and all of its subsidiaries, parents, affiliates, predecessors, successors and assigns, officers, directors, employees, shareholders and agents (the "NATIONAL CITY Parties") from, and covenants not to file or pursue any lawsuit or claim in any place against the NATIONAL CITY Parties for, any and all claims (including claims as a member or representative of a proposed class action, whether pending now or filed later) that Customer and/or Guarantor has or may have had against any or all of them for any and all damages, restitution, equitable relief, attorneys' fees and/or penalties related to the Rental Agreement or the Existing Settlement Agreement, including but not limited to claims arising out of efforts to collect under or enforce the Rental Agreement or the Existing Settlement Agreement. Customer and Guarantor each further agrees that if either of them is currently involved in any litigation arising from the Rental Agreement or any effort to collect under or enforce the Rental Agreement, Customer, Guarantor and NATIONAL CITY will mutually dismiss that litigation with prejudice.

In exchange for Customer and/or Guarantor's payment to NATIONAL CITY pursuant to this Settlement Agreement, NATIONAL CITY hereby releases and discharges Customer and Guarantor from, and covenants not to file or pursue any lawsuit or claim in any

place against either Customer or Guarantor for, any and all claims that NATIONAL CITY has or may have had against either Customer or Guarantor and all of their subsidiaries, parents, affiliates, predecessors, successors, assigns, officers, directors, employees, shareholders, agents, and guarantors for any and all damages, equitable relief, attorneys' fees and penalties related to the Rental Agreement or the Existing Settlement Agreement. NATIONAL CITY also transfers all of its right, title and interest to the equipment subject to the Rental Agreement, if any, to the Customer.

I hereby acknowledge and represent that I have read this Settlement Agreement; that I have had the opportunity to consult with a lawyer concerning it; that each of Customer and Guarantor is voluntarily entering into this Settlement Agreement; that neither NATIONAL CITY nor its agents or attorneys have made any representations or promises concerning the terms or effects of this Settlement Agreement other than those set forth in this document; and I understand that this is a full and final release of all claims Customer and Guarantor have or may have against the NATIONAL CITY Parties concerning the Rental Agreement, the Existing Settlement Agreement or NATIONAL CITY efforts to collect under or enforce the Rental Agreement or the Existing Settlement Agreement.

I further agree that this Settlement Agreement constitutes the entire agreement among the parties hereto, may not be changed orally and may not be modified or amended except pursuant to an agreement in writing signed by all of the parties hereto, unless Customer and Guarantor change their mind as provided above.

The signatory for the Customer below represents that he or she is duly authorized to enter into this Settlement Agreement and on behalf of the Customer.

This Settlement Agreement shall be deemed accepted upon your return to NATIONAL CITY of an executed copy of this Settlement Agreement.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned has caused this Settlement Agreement to be executed this _____ day of _____, 2008.

Dated: _____

[NAME OF CUSTOMER]

By: _____
[Name]
[Title]
[Address]

By: _____[Name], as Guarantor

[Add appropriate notary clauses for State]
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC

By: _____
[Name]

FILL OUT COMPLETELY AND SEND TWO SIGNED ORIGINALS TO NATIONAL CITY at:
NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC,
xxxxxxxxxxxxxxxxxxxxxxxxxxxxx, Attn: _____.

PLEASE KEEP A COPY FOR YOUR RECORDS. A FULLY EXECUTED DOCUMENT WILL BE SENT TO CUSTOMER AND ANY GUARANTOR UPON COMPLETION OF THE TERMS OUTLINED HEREIN