

STATE OF NORTH CAROLINA
COUNTY OF ALLEGHANY

FILED

2019 AUG -6 AM 9:49

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
19 CVS 144

NORTH CAROLINA COMMISSIONER OF BANKS, RAY GRACE, *ex rel* STATE OF NORTH CAROLINA, ^{of} _____)
)
)

Plaintiff,

v.

ALPHA FINANCE COMPANY

Defendant.

PRELIMINARY INJUNCTION

THIS CAUSE coming to be heard and being heard before the undersigned Superior Court Judge presiding at the August 6, 2019 term of the Alleghany County Superior Court upon Plaintiff's Verified Motion for Preliminary Injunction (the "Motion") filed herein; and

1. It appearing to the Court that this action has been commenced by the Plaintiff in the Superior Court of Alleghany County, North Carolina and that a Civil Summons has been issued in this action against Defendant.
2. Plaintiff is unaware whether Defendant is represented by counsel. Plaintiff has attempted to contact Defendant by email to notify them of this hearing.
3. Plaintiff has served the Complaint and Motion for Preliminary Injunction on Defendant by certified mail, return receipt requested, by delivering a copy thereof to Alpha Finance Company President and Registered Agent, Mac Wayne Billings, at his home in Wake County, North Carolina.
4. Upon consideration of the Motion, it appears to the Court that the facts alleged therein are true for the purposes of this Order.
5. It further appears to the Court as follows:

- a. That the Defendant has failed to fully comply with a duly issued Cease and Desist Order issued by the North Carolina Commissioner of Banks;
- b. That the Defendant has engaged in unfair or deceptive trade practices that result in ongoing and substantial consumer harm.
- c. That the Defendant has engaged in business practices that result in consumers being liable for additional fees and/or interest that was neither disclosed nor avoidable by the consumer.
- d. That Defendant has ceased servicing the loans made to consumers without providing any alternate means of discharging the debt or mitigating the harm Defendants action have caused.
- e. That Defendant has been evicted from its office effective July 31, 2019 and has no other office.
- f. That Plaintiff is harmed each day his Cease and Desist Order is violated.
- g. That consumers are harmed each day their loans accrue interest that they have no means of discharging.

6. It also appears to the Court that Plaintiff has the statutory right to much of the relief sought under N.C. Gen. Stat. § 53-187, has no adequate remedy at law for all of the relief sought, and Plaintiff will be irreparably harmed and injured given the Plaintiff's responsibility for ensuring consumer protection unless a Preliminary Injunction is issued.

7. It also appears to the Court that Plaintiff is likely to prevail on the merits at trial of this action.

8. Further, it appears to the Court that a Preliminary Injunction is necessary for the protection of the public and the Plaintiff's rights during the course of this litigation.

NOW, THEREFORE, IT IS ORDER, ADJUDGED, AND DECREED that:

1. Alpha Finance Company ("Alpha") shall cease and desist from the solicitation or acceptance of new loan applications and from all new loan origination activity made or taken under the CFA, within the State of North Carolina, until such a time as the North Carolina Commissioner of Bank's Cease and Desist Order dated June 19, 2019 is modified or vacated.

2. The North Carolina Commissioner of Banks ("Commissioner") shall impound, and be placed in possession of, of all the books, papers, documents, and records pertaining to Alpha's business including all computers, accounts, passwords, and service accounts until such a time as Defendant proves to this Court that it is willing and has the capacity to comply with the CFA.

3. Defendant shall turn over all books, papers, documents, and records pertaining to Alpha's business including all computers, accounts, passwords, and service accounts to Plaintiff.

4. All existing loans are now in forbearance and Defendant shall not accept any payments thereon until such a time as Defendant proves to this Court that it is willing and has the capacity to comply with the CFA.

5. Defendant shall not engage in any debt collection practices regarding the loans in forbearance until such a time as Defendant proves to this Court that it is willing and has the capacity to comply with the CFA.

6. All interest accrual is now abated on all loans until such a time as this Order is modified or vacated.

7. This Preliminary Injunction is granted without any requirement for bond or other surety by Plaintiff.

8. Violations of this Order are punishable by civil contempt.

So Ordered this the 6th day of August, 2019.

A handwritten signature in black ink, appearing to read "Michael D. Duncan", written over a horizontal line. The signature is stylized and cursive.

The Honorable Michael D. Duncan
Superior Court Judge Presiding