

Jun. 7. 2018 8:00AM NORTHCENTRAL UTILITY

**STATE OF MINNESOTA
HENNEPIN COUNTY**

**DISTRICT COURT
FOURTH JUDICIAL DISTRICT**

Case Type: Civil Other
Statutory Violation

Jason Dobosenski,
on behalf of himself and all others
similarly situated,

Plaintiff,

v.

Case No. 27-cv-15-18990
The Hon. Daniel Mabley, presiding

PaydayAmerica, Inc.,

Defendant.

**AFFIDAVIT OF JASON DOBOSENSKI IN SUPPORT OF PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS SETTLEMENT**

STATE OF MINNESOTA)
COUNTY OF Nicollet) ss

Jason Dobosenski, being first duly sworn on oath, states as follows:

1. I am the named plaintiff and class representative in this action. I make this affidavit in support of Plaintiff's unopposed Motion for Preliminary Approval of Class Settlement.
2. On April 30, 2014, I met with an employee of Payday America, Inc. at one of its stores located in Mankato, Minnesota, to obtain a payday loan of \$250. I entered into an agreement entitled a "Consumer Note, Disclosure and Open-End Credit Agreement" ("Credit Agreement"). In addition to the principal balance, I was required to pay finance charges, including a "Cash Advance Charge" of \$25, an "Annual Fee Applicable to Advances" of \$2, and a "Finance Charge of \$2.07. The entire balance of \$279.07 was due by May 9, 2014. At the time I took out this loan, I also signed and received a copy of a Periodic Statement with Cash Advance

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- Feature" (hereinafter "Periodic Statement") which listed the components of the finance charge, the actual annual percentage rate in less than 24 point type, and the payment due date. On or about May 9, 2014, I paid off the entire amount owed in the amount of \$279.07.
3. On May 13, 2014, I again met with an employee of Payday America, Inc. at the same store location in Mankato, to obtain a second payday loan of \$250. In addition to the principal balance, I was required to pay back finance charges, including a "Cash Advance Charge" of \$25, an "Annual Fee Applicable to Advances" of \$2, and a "Finance Charge of \$2.30. The entire balance of \$279.30 was due by May 23, 2014. At the time I took out this loan, I signed a new Periodic Statement which listed the components of the finance charge, the actual annual percentage rate in less than 24 point type, and the payment due date. A day or two before the due date, however, I realized I did not have enough funds to pay off my total balance of \$279.30. I called the Mankato store and asked whether I could make a partial payment and was told I could not and that the entire amount would be due by May 23. As a result, I was unable to make the entire payment and defaulted on that loan.
 4. On May 27, 2014, Payday America sent a letter that provided notice of non-payment, penalties imposed as a result of the non-payment, and the possible commencement of court action.
 5. On or about June 11, 2014, Payday America initiated a conciliation court action against me in Blue Earth County, case file number 07-CO-14-380, seeking \$308.04, plus a \$72 filing fee, for a total of \$380.04.
 6. I learned a judgment had been issued against me when my payroll supervisor at my then-place of employment advised me that my paychecks would be garnished until the conciliation court judgment against me was satisfied.
 7. My wages were thereafter garnished until the debt collection judgment against me was paid off.
 8. Sometime after August 11, 2017, I reviewed an email from Angeion Group, the class

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administrator in this Lawsuit, providing me notice of this pending class action entitled *Holte v Payday America, Inc.* I read the notice and contacted Class Counsel to learn more about the litigation. At that time, I was informed by Class Counsel that Mr. Holte could no longer serve as class representative due to his Chapter 7 bankruptcy filing. I was interested in and agreed to substitute myself in place of Mr. Holte to act as named plaintiff and class representative moving forward.

9. When I retained the firm of Teske, Katz, Kitzer & Rochel, PLLP, I learned that Payday America's characterization of each payday loan as "open-end credit" allowed it to assess certain finance charges in excess of what is allowed for closed-end credit under Minnesota law, that Payday America failed to disclose the actual annual percentage rate calculated for each payday loan in the proper type size required under Minnesota law, and that Payday America engaged in unlawful debt collection practices under Minnesota law when it sent me the letter notifying me of loan default and commenced conciliation court action against me, as a result of my default and non-payment. I also learned that Payday America engaged in this same practice for all consumer borrowers who took out payday loans from it.
10. I have been active in this case since my substitution as named plaintiff and class representative. I provided all the necessary paperwork to my lawyers and went over the amended class action complaint with them. I understood that being a named plaintiff and class representative meant I was looking out for both my interests and for the interests of all other people in the class.
11. I have remained actively involved. I took part in answering discovery requests served by Defendant. I spoke to and met with my attorneys to prepare for my deposition. I reviewed documents and pleadings to further familiarize myself with the chronology of my transaction, and the evidence in this case. I traveled from Mankato to downtown Minneapolis and provided testimony during a several hour deposition on October 17, 2017. I have been in continuous

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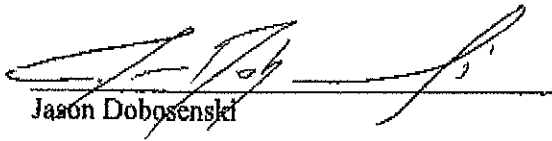
contact with my lawyers since I became named plaintiff and class representative, including receiving status updates on the litigation from my lawyers and responding to my lawyers when contacted by them. I have asked questions and have done my best to be engaged in the litigation.

12. I view my role as class representative as being of paramount importance and I wish to ensure that class members receive adequate redress. I prepared for and participated in a day-long mediation on May 14, 2018, which resulted in a settlement being reached with Payday America.
13. I have reviewed the Settlement Agreement and believe its terms and conditions to be fair, reasonable and in the best interests of the Settling Class Members. I understand that, should this Court grant final approval of the Settlement, this action will be dismissed with prejudice as to me, as well as to the Settling Class Members and I will be bound by the Release set forth in section 8 of the Settlement Agreement.
14. I am also aware that my lawyers will seek approval of an award of attorneys' fees in the amount of \$742,500, which includes reimbursement of litigation costs in approximately \$28,000 to date. I believe the fee amount is fair and reasonable based on the work performed throughout the course of litigation and settlement, as well as the administration of the settlement going forward to conclusion of this case. I understand that Defendant has also agreed to pay me up to \$7,500 as a class representative service award, in recognition of my role as class representative. I understand this award is subject to approval by the Court. I believe this amount to be fair and reasonable in light of the time and resources I have devoted to this case.

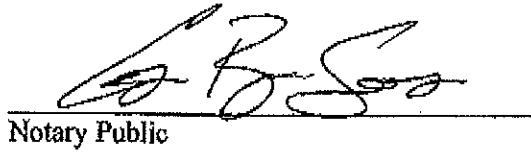
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Further affiant sayeth not.


Jason Dobosenski

Sworn to and subscribed before me this
6th day of JUNE, 2018.


Notary Public

