

NORTH CAROLINA DEPARTMENT OF INSURANCE
RALEIGH, NORTH CAROLINA

STATE OF NORTH CAROLINA
COUNTY OF WAKE

BEFORE THE COMMISSIONER
OF INSURANCE

IN THE MATTER OF THE LICENSURE)
OF SPARTAN FINANCIAL SERVICES &)
SPARTAN FINANCIAL SERVICES DBA)
MARC)

VOLUNTARY SETTLEMENT
AGREEMENT

NOW COME Spartan Financial Services and Spartan Financial Services dba MARC, hereinafter collectively known as "Spartan Financial Services," and the North Carolina Department of Insurance, hereinafter "the Department," by and through Senior Deputy Commissioner Angela K. Ford, and hereby voluntarily and knowingly enter into the following Voluntary Settlement Agreement, hereinafter "this document":

WHEREAS, the Department has the authority and responsibility for enforcement of collection agency laws and rules of this State, and

WHEREAS, Spartan Financial Services is presently authorized under Article 70 of Chapter 58 of the North Carolina General Statutes to engage in the collection agency business in this State; and

WHEREAS, on June 30, 2003, the Spartan Financial Services permits to operate collection agencies expired; and

WHEREAS, from July 1, 2003, until May 16, 2004, Spartan Financial Services operated as a collection agency without a permit as required by N.C. Gen. Stat. § 58-70-1; and

WHEREAS, the parties to this document mutually wish to resolve this matter by consent before the Department initiates an administrative hearing concerning this matter; and

WHEREAS, the parties to this document have reached a mutually agreeable resolution of this matter as set out in this document.

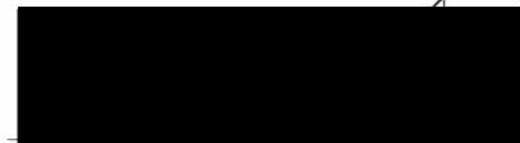
NOW, THEREFORE, in exchange for the consideration of the promises and agreements set out herein, the Department and Spartan Financial Services hereby agree to the following:

1. Contemporaneously with the execution of this document, Spartan Financial Services shall pay a civil penalty of two thousand dollars (\$2,000) to the Department. The check for the payment of this civil penalty shall be payable to

the "North Carolina Department of Insurance." This civil penalty shall be subject to disbursement in accordance with the provisions of Article IX, Section 7 of the North Carolina Constitution for the benefit of the public schools.

2. Spartan Financial Services shall continue to operate in full compliance with Article 70 of Chapter 58 of the North Carolina General Statutes.
3. The parties to this document agree that the Superior Court of Wake County shall be the venue for any actions seeking to enforce this document.
4. If, for any reason, any part or provision of this document is found to be void or unenforceable, the other parts and provisions shall remain in full force and effect.
5. The parties to this document have read and understand this document and agree to abide by the terms and conditions contained herein.

This the 30 day of August, 2004.



Spartan Financial Services and Spartan
Financial Service dba Marc
By: W. Roger Stroud, CEO



North Carolina Department of Insurance
By: Angela K. Ford
Senior Deputy Commissioner of Insurance