

**STATE of NEW HAMPSHIRE
BANKING DEPARTMENT
53 Regional Drive, Suite 200
Concord, NH 03301**

In Re the Matter of:)
Advance America, Cash Advance)
Centers of New Hampshire, Inc.)
Ruling and Order)
Credit Line Product)

January 15, 2009

On December 9, 2008, Advance America, Cash Advance Centers of New Hampshire, Inc. ("Company") requested a no-action letter/declaratory ruling from the New Hampshire State Banking Department ("Department") regarding a new credit line product ("Credit Line Product") that the Company intended to offer in New Hampshire beginning on January 1, 2009. The Company sought a determination that the Credit Line Product complied with New Hampshire law. The Credit Line Product was not otherwise subject to prior approval by the Department.

On January 6, 2009, the Bank Commissioner ("Commissioner") issued a decision ("Decision") concluding that the Credit Line Product could not be lawfully offered in New Hampshire because the Credit Line Product's APR of 365% or more constituted an unfair trade practice. The Commissioner reached his conclusion through an analysis of NH RSA 383:10-d, a New Hampshire statutory provision that grants the Commissioner unique and exclusive authority to consider a range of factors to determine the legality of certain financial products. This authority extends to all institutions regulated by the

Commissioner that are exempt from the New Hampshire Consumer Protection Act (RSA Chapter 358-A).

Upon receipt of the Decision, the Company immediately and in good faith ceased offering the Credit Line Product in New Hampshire.

From January 1, 2009 through January 6, 2009, the Company issued approximately 1,700 loans under the Credit Line Product. According to the terms of the Credit Line Product, no interest had been accrued, charged or collected by the Company on these loans because the Credit Line Product featured a 25-day grace period during which consumers could repay the loans without interest. As a result, the earliest date on which any interest would have accrued or been charged or collected under the Credit Line Product would have been January 26, 2009. The Company has confirmed to the Department that it has not collected any interest on loans extended under the Credit Line Product.

The Company and the Department have discussed the terms on which these loans may be legally repaid. On its own initiative, the Company agreed to: (i) discontinue offering the Credit Line Product in New Hampshire; (ii) charge a zero percent (0%) APR on all loans extended under the Credit Line Product from January 1, 2009 through January 6, 2009; and (iii) charge a maximum aggregate fee of \$4.00 per loan, which shall include any and all fees arising from authorizations returned for non-sufficient funds. The zero percent (0%) APR and cap on fees will remain in effect until the earlier of (a) the expiration of the original term of any loan extended by the Company under the Credit Line Product, or (b) the date upon which a loan offered under the Credit Line Product is repaid. The Company has also agreed to obtain

Department approval of its proposed letter (or revised billing statement) to borrowers under the Credit Line Product advising them of the revised terms of repayment. This notice will disclose these revised terms in plain language.

This Ruling and Order is intended to represent the agreement of the Company and the Department and constitute the final disposition of the Credit Line Product's initially offered APR of 356% or 456%, and it is expressly conditioned upon the Company's performance of the undertakings it has offered and that are set forth herein. This Ruling and Order does not apply to facts not known by the Department or not otherwise provided by Company to the Department as of the date of this Ruling. The Department expressly reserves its right to pursue any administrative or civil action or remedy available to it if the Company (1) breaches this Agreement; (2) in the future violates any applicable law, rules, regulations or orders promulgated by the Department; and/or (3) has committed past violations not addressed by this Ruling and Order. Accordingly:

The Commissioner finds that the Company may collect on the Credit Line Product loans at zero percent (0%) APR as stated herein and therein and such collection will not constitute an unfair trade practice under RSA 383:10-d.

SO ORDERED,

/s/

Peter C. Hildreth
Bank Commissioner
New Hampshire Banking Department