

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

In The Matter Of:

File No. 07-57-CP

Partners Equity Capital Company, LLC
d/b/a Commerce Commercial Leasing, LLC,

Hon. Paula J.M. Manderfield

Respondent.

AG File No. 2006027456A

ASSURANCE OF DISCONTINUANCE

MICHAEL A. COX
ATTORNEY GENERAL

Kathy Fitzgerald
Assistant Attorney General
Consumer Protection Division
P.O. Box 30213
Lansing, MI 48909
517-335-0855

Date Filed: February 1, 2007

IN THE MATTER OF)
)
PARTNERS EQUITY CAPITAL COMPANY, LLC)
D/B/A COMMERCE COMMERCIAL LEASING, LLC)

ASSURANCE OF VOLUNTARY COMPLIANCE

1. This Assurance of Voluntary Compliance¹ (“Assurance”) is entered into by the Attorneys General² (collectively, “Attorneys General”) of the States of California, Connecticut, Delaware, Georgia, Illinois, Kansas, Maryland, Massachusetts, Michigan, Missouri, New Hampshire, North Carolina, Ohio, Pennsylvania, and Rhode Island (collectively, “Participating States”), and the Respondent, Partners Equity Capital Company, LLC d/b/a Commerce Commercial Leasing, LLC (“PECC”).
2. It is acknowledged between the Parties that \$950,561.00 was deposited into a Designated Escrow Account (“Designated Escrow Account”) pursuant to the Master Settlement Agreement entered into between PECC and the Participating States³ to fully fund any disbursements to State Customers provided for herein; however, if the amount in the Designated Escrow Account should prove to be inadequate to fund the required disbursements, PECC agrees to contact the Attorneys General for guidance with respect to the calculation of disbursements to be provided.

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 Settlement Agreement 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 Settlement Agreements 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.

³ The Commonwealth of Virginia has signed a separate letter agreement with PECC but will participate in the distribution of the \$950,561.00. PECC has identified two (2) Virginia consumers who will be eligible to receive a refund, totaling \$9,941.33.

3. PECC is a limited liability company organized and existing under the laws of the State of Pennsylvania with a principal place of business at 655 Business Center Drive, Horsham, PA 19044.
4. PECC 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

5. This Assurance follows an inquiry by the Attorneys General into PECC's business dealings with NorVergence. This inquiry was part of a larger inquiry regarding whether the practices of NorVergence and PECC in connection with Equipment Rental Agreements ("Rental Agreements") violate any of the consumer protection statutes listed herein at footnote 3.⁴
6. PECC has represented to the Attorneys General that it was experiencing severe financial distress, and that it has negotiated the sale of certain of its business assets.
7. PECC has represented to the Attorneys General that it is in the process of dissolving the company in due course and ceasing to do new business.

⁴ California Business and Professions Code sections 17200 and 17500; Connecticut Unfair Trade Practices Act, Conn. Gen. Stat. § 42-110b(a), *et seq.*; Del. Code Ann. tit. 6, § 2511 *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 I.L.C.S. § 505/1, *et seq.*; Kansas Consumer Protection Act, K.S.A. 50-623, *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; Ohio Consumer Sales Practices Act, R.C. § 1345.01, *et seq.*; Pennsylvania Unfair Trade Practices and Consumer Protection Law, 73 P.S. §§ 201-1, *et seq.*; and Rhode Island Deceptive Trade Practices Act, R.I. Gen. Laws § 6-13.1-1, *et seq.*

NorVergence's Allegedly Fraudulent Business Scheme

8. 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.
9. 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 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.

PECC's Activities in Connection with the NorVergence Equipment Rental Agreements

10. In many cases, shortly after the Rental Agreements were executed between NorVergence and its customers, these agreements were purchased by and assigned to finance companies.

11. PECC sent monthly invoices to the customers in connection with all the NorVergence Rental Agreements which were assigned to PECC and accepted payment from customers on those invoices. When customers did not pay PECC, PECC often invoked the choice of venue clause in the NorVergence Rental Agreement and sued their customers in Pennsylvania state court.

The Attorneys General's Position

12. 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*.
13. The Attorneys General allege that PECC 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.
14. 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 or the individual States' versions of Section 2-302.

PECC's Position

15. PECC denies that it knew or should have known of any alleged fraud perpetrated by NorVergence. PECC 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 improper conduct by NorVergence.

16. PECC 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.
17. At the same time, without admitting or denying liability, in light of the allegations directed at NorVergence, the impact of the NorVergence conduct on PECC's customers, the costs of further negotiation and potential litigation, and the concerns expressed by the Participating States, PECC 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.

TERMS OF ASSURANCE

18. This Assurance shall be binding upon and extend to PECC, 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, as of the effective date of this Assurance, have authority to control or who, in fact, control and direct its business with respect to the subject matter of this Assurance.
19. 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 PECC, that there has been no concession or agreement by PECC as to the validity and/or merits of any investigation or of any of the allegations referenced therein or herein, that there has been no approval, sanction, or authorization by any of the Participating States of any act or practice of PECC 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 PECC. 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 PECC customer in any Participating State that has a NorVergence Rental Agreement. The Participating States acknowledge that PECC has cooperated fully with the investigation in an effort to satisfy the interests of the Participating States and the State Customers.

Customer Settlement Program

20. 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 PECC after June 30, 2004 (a "Previously Settled Customer") also is eligible to be a Participating Customer on the terms and conditions described below.
21. The \$950,561 payment made by PECC shall be distributed to Participating Customers at the discretion of the states. Based upon the financial and leasing information from PECC, the goal of the distribution is the following:
 - a. Each Participating Customer, other than a Previously Settled Customer, will receive a refund from the Designated Escrow Account that will be calculated by taking the total amount the Participating Customer has paid to PECC since June

- 30, 2004 and subtracting twenty-two percent (22%) of the Participating Customer's account balance as of June 30, 2004 ("Refund Amount"). If the Refund Amount is a negative number then PECC shall not be required to refund any money to that Participating Customer from the Designated Escrow Account;
- b. Each Participating Customer who is a Previously Settled Customer will receive a refund from the Designated Escrow Account that will be calculated by taking the total amount the Previously Settled Customer has paid to PECC since June 30, 2004 (including any settlement payments and monthly payments) and subtracting twenty-seven percent (27%) of the Previously Settled Customer's account balance as of June 30, 2004 ("Refund Amount"). If the Refund Amount is a negative number then PECC shall not be required to refund any money to that Previously Settled Customer from the Designated Escrow Account;
- c. For all Participating Customers PECC agrees to do the following:
- i. immediately correct and withdraw any and all adverse credit information filed by PECC to consumer reporting agencies, if any, by providing written notification to each credit bureau to whom PECC furnished information, and terminate all security interests against Participating Customers in the Participating States who accept the offer of settlement in connection with NorVergence Rental Agreements;
 - ii. dismiss all pending lawsuits in connection with NorVergence Rental Agreements against the Participating Customers from the Participating States who accept the offer of settlement;

- iii. not seek to collect any additional payments on NorVergence Rental Agreements from Participating Customers from the Participating States who accept the offer of settlement, or to sell or otherwise assign the right to another person or entity to collect such payments.
22. Within thirty (30) days of the Effective Date of this Assurance, PECC shall mail a Settlement Agreement 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, PECC will print on the outside of the envelope the following: "NorVergence-Related Settlement Agreement Material Enclosed" in at least 12 point typeface. Each Participating Customer will have 35 days from the date of the mailing of the Settlement Agreement Letter to respond to PECC to indicate whether they will accept the terms of settlement. If any of the letters described in this paragraph are returned to PECC as undeliverable, PECC must make reasonable commercial efforts to locate that customer. As set forth in Exhibit A, PECC 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 (i) PECC, Commerce Commercial Leasing, LLC, Commerce Bank, N.A., and their affiliates, including their principals, officers, directors, agents (including, but not limited to third party collection agents), employees, successors and assigns (the "Released Parties"), and (ii) the purchaser of any PECC assets, relating to NorVergence; and

- b. The Refund Amount due to them by PECC, if any, to which the State Customer would be entitled if they accepted the settlement offer.
23. Within thirty (30) days of the Effective Date of this Assurance, PECC 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 PECC after June 30, 2004 an independent settlement agreement and who would be eligible for a refund from PECC pursuant to this Assurance. In this mailing, PECC 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 PECC to indicate whether they will elect to revise their existing settlement. If any of the letters described in this paragraph are returned to PECC as undeliverable, PECC must make reasonable commercial efforts to locate that customer. As set forth in Exhibit A-1, PECC 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 (i) the Released Parties and (ii) the purchaser of any PECC assets, relating to NorVergence; and
 - b. The Refund Amount due to them by PECC, if any, to which the State Customer would be entitled if they accepted the settlement offer.
24. PECC shall include with the letters referenced in paragraphs 22 and 23 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 PECC within thirty-five (35) days of PECC's mailing of the letter.

25. To the extent set forth in the Settlement and Mutual Release, each Participating Customer shall provide the Released Parties and the purchaser of any PECC assets 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, the Released Parties 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 PECC 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 PECC's efforts to collect under or enforce the Rental Agreement.
26. PECC 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. PECC will dismiss or cause to be dismissed any pending litigation that it has initiated or caused to be initiated 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 PECC, they

will be dismissed by the Participating Customer as a condition to PECC'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.

27. 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 PECC's settlement offer. However, notwithstanding any provision authorizing otherwise in any Rental Agreement, if PECC chooses to enforce the Rental Agreement pursuant to this paragraph of the Assurance, then any lawsuit it initiates will be filed by PECC in the state of the State Customer's residence, unless the State Customer objects thereto, or unless any State Customer has initiated litigation against PECC, in which case PECC 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 PECC has previously initiated a lawsuit against the State Customer in a state other than that permitted by the preceding sentence, PECC will dismiss its lawsuit without prejudice. If PECC chooses to refile its lawsuit, it shall file the lawsuit in a state permitted by this paragraph.

28. In the event that the total Refund Amounts paid to Participating Customers is less than \$950,561, the remaining amount ("Surplus") will be distributed to the Participating States proportionally based on the number of State Customers in that state with the Surplus to

be used for attorney's fees, investigative costs, or consumer education as allowed by each Participating State's law at the discretion of each Participating State's Attorney General. The funds to be disbursed to Participating Customers shall be disbursed by PECC from the Designated Escrow Account. This amount represents the full and final payment by PECC in consideration of this Assurance. The duty to pay this amount is solely the obligation of PECC and under no circumstances shall any other party, including the purchaser of PECC's assets, be obligated to make such payment, or any portion thereof.

Affidavits of Compliance

29. Within sixty (60) days of the Effective Date of this Assurance, PECC shall submit an affidavit to each Attorney General, subscribed to by an officer of PECC:
 - 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 to date, including Refund Amounts paid to the Participating Customers; and
 - c. Providing the names of the State Customers whose letters were undeliverable.
30. Within six months from the Effective Date of this Assurance, PECC shall submit to each Attorney General an affidavit, subscribed to by an officer of PECC:
 - 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. Not later than the second anniversary of the date of this Assurance, each Attorney General may request in writing a further updated affidavit setting forth PECC'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 PECC, to the extent it has not been dissolved, shall submit such an affidavit within forty-five (45) days of any such request.

31. The affidavits to be provided pursuant to paragraphs 29 and 30 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 PECC, except to provide to the Participating States information concerning the status and compliance with this Assurance.

Financial Statements

32. PECC's Chief Operating Officer ("COO") and Chief Executive Officer ("CEO") have signed, individually and on behalf of the company, a statement under penalty of perjury indicating that the unaudited financial statement that PECC provided to the Participating States is materially and substantially accurate.

Subsequent Business Activities of PECC's CEO and COO

33. If PECC's CEO and/or COO become an owner of a finance company within five (5) years of the execution of this Assurance, then the CEO and/or COO, as applicable, will do the following:

- a. notify the Pennsylvania Attorney General's office in writing by directing such written notice to Henry Hart, III, Senior Deputy Attorney General, Office of Attorney General, 21 South Twelfth Street, Philadelphia, PA 19107; and
- b. provide a copy of this Assurance to the control group of the new finance company.

General Provisions

34. 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.
35. This Assurance shall be binding upon PECC 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, as of the effective date of this Agreement, have authority to control or who, as of the date hereof, in fact, control and direct its business with respect to the subject matter of this Assurance. In no event shall assignment of any right, power, or authority under this Assurance avoid the obligation to comply with this Assurance.
36. 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.
37. As used in this Assurance, the plural shall include the singular and the singular shall include the plural.

38. 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.
39. 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.
40. 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 PECC, and then shall be binding only with respect to any or each such State so executing.
41. The exhibits to this Assurance are and shall be considered a part of this Assurance.
42. The Parties have agreed to this Assurance for settlement purposes only. Neither the fact of, nor any provision contained in, this Assurance or 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 PECC;
 - b. Having any impact on the business practices of PECC, 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 PECC 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. An 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 PECC, except to the extent, and then solely for the purposes provided for, herein.
43. 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.
44. 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 PECC

45. Nothing in this Assurance shall be construed to prevent any State Customer or PECC (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

46. This Assurance shall be effective on [DATE] ("Effective Date").

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

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

Release

48. To the extent stated in this paragraph the Released Parties and the purchaser of any of PECC's assets shall be released by the Attorneys General. The subject matter of this Assurance is the issues covered in paragraphs 5 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 the Released Parties 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 SETTLEMENT AGREEMENT CONSENT TO THE FORM,
CONTENT, AND ENTRY OF THIS SETTLEMENT AGREEMENT ON THE DATES
UNDER THEIR RESPECTIVE SIGNATURES.**

IN THE MATTER OF)
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PARTNERS EQUITY CAPITAL COMPANY, LLC)
D/B/A COMMERCE COMMERCIAL LEASING, LLC)

PARTNERS EQUITY CAPITAL
COMPANY LLC D/B/A COMMERCE
COMMERCIAL LEASING, LLC

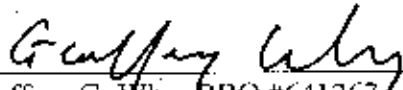
By: M.F. Dill
Name: MARION F. DILL
Title: EXECUTIVE VICE PRESIDENT

Date: _____, 2006

IN THE MATTER OF)
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PARTNERS EQUITY CAPITAL COMPANY, LLC)
D/B/A COMMERCE COMMERCIAL LEASING, LLC)

Dated: January 30, 2007

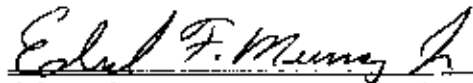
MARTHA COAKLEY
Attorney General
Commonwealth of Massachusetts

By:  _____
Geoffrey G. Why, BBO #641267
Assistant Attorney General
Consumer Protection and Antitrust Division
One Ashburton Place
Boston, MA 02108
(617) 727-2200

IN THE MATTER OF)
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PARTNERS EQUITY CAPITAL COMPANY, LLC)
d/b/a COMMERCE COMMERCIAL LEASING, LLC)

Dated: January 18, 2007

PATRICK C. LYNCH,
Attorney General
State of Rhode Island

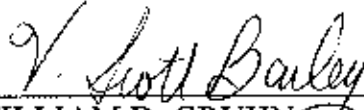


Edmund F. Murray, Jr. Esquire (#3096)
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150 South Main Street
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emurray@riag.state.ri.us

IN THE MATTER OF)
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PARTNERS EQUITY CAPITAL COMPANY, LLC)
D/B/A COMMERCE COMMERCIAL LEASING, LLC)

Date: January 19, 2007

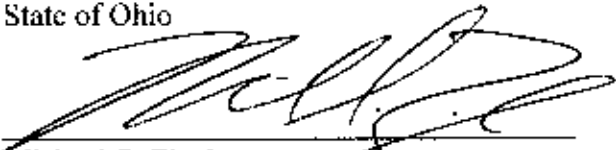
DOUGLAS F. GANSLER
Attorney General of the State of Maryland

By: 
WILLIAM D. GRUIN
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

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PARTNERS EQUITY CAPITAL COMPANY, LLC)
D/B/A COMMERCE COMMERCIAL LEASING, LLC)

Dated: January 19, 2007

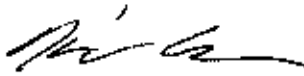
MARC DANN
Attorney General
State of Ohio

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

IN THE MATTER OF)
)
PARTNERS EQUITY CAPITAL COMPANY, LLC)
D/B/A COMMERCE COMMERCIAL LEASING, LLC)

Dated: Jan. 19, 2008

ROY COOPER
Attorney General
State of North Carolina

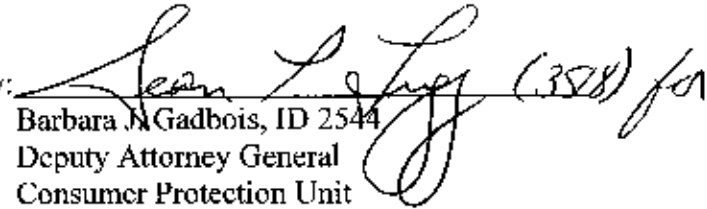
By: 

Kevin Anderson
Assistant Attorney General
Consumer Protection Division
North Carolina Department of Justice
P.O. Box 629
Raleigh, NC 27602-0629
(919) 716-6052

IN THE MATTER OF)
)
PARTNERS EQUITY CAPITAL COMPANY, LLC)
D/B/A COMMERCE COMMERCIAL LEASING, LLC)

Dated: January 18, 2007

JOSEPH R. BIDEN, III
Attorney General of Delaware

By:  (358) for
Barbara M. Gadbois, ID 2544
Deputy Attorney General
Consumer Protection Unit
820 N. French Street, Fifth Floor
Wilmington, DE 19801
(302) 577-8600

IN THE MATTER OF)
)
PARTNERS EQUITY CAPITAL COMPANY, LLC)
D/B/A COMMERCE COMMERCIAL LEASING, LLC)

Dated January 17, 2007

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)

PARTNERS EQUITY CAPITAL COMPANY, LLC)
D/B/A COMMERCE COMMERCIAL LEASING, LLC)

Dated: January 22 2006

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

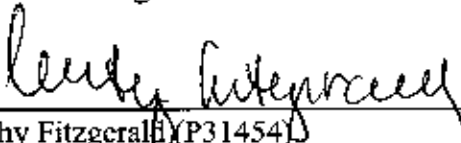
By: 

Rex M. Burlison, #29935
Chief Counsel, Eastern District
Laclede Gas Building
720 Olive Street, Suite 2150
St. Louis, MO 63101
(314) 340-7652

IN THE MATTER OF)
)
PARTNERS EQUITY CAPITAL COMPANY, LLC)
D/B/A COMMERCE COMMERCIAL LEASING, LLC)

Dated: 1/18, 2007

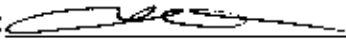
MICHAEL A. COX
Attorney General
State of Michigan

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

IN THE MATTER OF)
)
PARTNERS EQUITY CAPITAL COMPANY, LLC)
D/B/A COMMERCE COMMERCIAL LEASING, LLC)

Dated: January 17, 2007

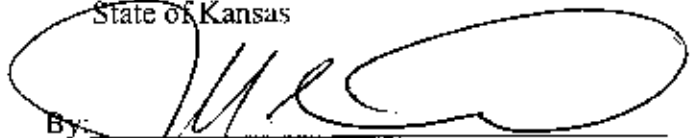
KELLY A. AYOTTE
Attorney General
State of New Hampshire

By:  _____
Lauren J. Noether, Bureau Chief
Assistant Attorney General
Consumer Protection and Antitrust Bureau
33 Capitol Street
Concord, NH 03301
(603) 271-3643

IN THE MATTER OF)
)
PARTNERS EQUITY CAPITAL COMPANY, LLC)
D/B/A COMMERCE COMMERCIAL LEASING, LLC)

Dated July 16th, 2007

PAUL MORRISON
Attorney General
State of Kansas

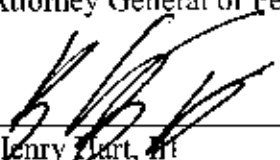


By _____
Joseph Molina, #20934
Assistant Attorney General
Consumer Protection Division
120 S.W. 19th Ave., 2nd Floor
Topeka, KS 66612
(785) 296-3751

IN THE MATTER OF)
)
PARTNERS EQUITY CAPITAL COMPANY, LLC)
D/B/A COMMERCE COMMERCIAL LEASING, LLC)

Dated: 1/22, 2007

THOMAS W. CORBETT, JR.
Attorney General of Pennsylvania

By:  _____
Henry Hart, Jr.
Senior Deputy Attorney General

IN THE MATTER OF)
)
PARTNERS EQUITY CAPITAL COMPANY, LLC)
D/B/A COMMERCE COMMERCIAL LEASING, LLC)

Dated: 1/22, 2007

LISA MADIGAN
Attorney General
State of Illinois

By: Elizabeth Blackston
Elizabeth Blackston
Assistant Attorney General
Consumer Fraud Bureau
500 S. Second Street
Springfield, IL 62706
(217) 782-4436

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

IN THE MATTER OF)
)
PARTNERS EQUITY CAPITAL COMPANY, LLC)
D/B/A COMMERCE COMMERCIAL LEASING, LLC)

Dated: January 22, 2007

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

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

IN THE MATTER OF)
)
PARTNERS EQUITY CAPITAL COMPANY, LLC)
D/B/A COMMERCE COMMERCIAL LEASING, LLC)

Dated: January 19, 2007

EDMUND G. BROWN JR.
Attorney General
State of California


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

EXHIBIT A
PARTNERS EQUITY CAPITAL COMPANY, LLC
D/B/A COMMERCE COMMERCIAL LEASING, LLC
SETTLEMENT LETTER

_____, 2007

[Insert Customer Name]

[Insert Guarantor Name]

RE: NOTICE TO FORMER [INSERT STATE NAME] NORVERGENCE CUSTOMERS WHO HAVE EQUIPMENT RENTAL AGREEMENTS WITH PARTNERS EQUITY CAPITAL COMPANY, LLC D/B/A COMMERCE COMMERCIAL LEASING, LLC, AND TO ANY GUARANTORS

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

You are receiving this notice because the records of Partners Equity Capital Company, LLC d/b/a Commerce Commercial Leasing, LLC ("PECC") 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 PECC. Pursuant to an agreement with the Attorney General of the State of [Insert State Name] (the "Attorney General"), PECC 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 PECC arising from or relating to the Rental Agreement or PECC'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:

- **PECC will not seek to collect any additional payments on NorVergence Rental Agreements from you, nor to sell or otherwise assign the right to another person or entity to collect such payments;**
- **You will receive a refund from PECC that will be calculated by taking the total amount you have paid to PECC since June 30, 2004 and subtracting twenty-two percent (22%) of your account balance as of June 30, 2004 ("Refund Amount");**
- **If the Refund Amount is a negative number then PECC shall not be required to refund any money to you; and**
- **You and PECC 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 PECC d/b/a Commerce Commercial Leasing, LLC

If you elect to participate in this Settlement Program, PECC will: (a) not seek to collect any additional payments on NorVergence Rental Agreements from you, nor to sell or otherwise assign the right to another person or entity to collect such payments; (b) forgive seventy-eight percent (78%) of your contract balance as of June 30, 2004; (c) depending on how much you have already paid to PECC possibly refund money to you which will be calculated by taking the total amount you have paid to PECC and subtracting twenty-two percent (22%) of your account balance as of June 30, 2004 ("Refund Amount") but if the Refund Amount is a negative number then PECC shall not be required to refund any money; (d) dismiss any pending lawsuits in connection with NorVergence Rental Agreements against you; 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.

In exchange for the benefits provided above, you must agree to release (i) PECC, Commerce Commercial Leasing, LLC, Commerce Bank, N.A., and their affiliates, including their principals, officers, directors, agents (including, but not limited to third party collection agents), employees, successors and assigns (the "Released Parties"), and (ii) the purchaser of any PECC assets from any claims concerning the Rental Agreement, as described more fully below. 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 any customer service representative at PECC at 267-960-4000.

If you are entitled to a refund from PECC, PECC 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 Partners Equity Capital Company, LLC d/b/a Commerce Commercial Leasing, LLC, within 30 days from the date of your receipt of this notice**, two copies of the enclosed document entitled "Settlement and Mutual Release." Upon receipt of the Settlement and Mutual Release, you will receive written notification from PECC that the Rental Agreement has been terminated.

By accepting this proposal, you fully release the Released Parties and any purchaser of PECC assets from, and agree not to sue the Released Parties and any purchaser of PECC's assets for, any and all claims that you have or may have had against the Released Parties or any purchaser of PECC's assets based upon [Insert Customer Name]'s Rental Agreement,

including, without limitation, any such claims you may have as a member or representative of various proposed class action lawsuits that have been brought against any of the Released Parties on behalf of asserted classes of NorVergence customers (as well as any such proposed class action lawsuits that may be brought in the future) 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 any of the Released Parties over [Insert Customer Name]'s Rental Agreement and you wish to participate in the Settlement Program, you and the Released Parties will mutually dismiss that action with prejudice and without costs or attorneys' fees.

The Released Parties, 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 the Released Parties will retain all rights under law to enforce the Settlement and Mutual Release.

PECC 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 PECC that it engaged in any form of unlawful conduct or business practices. Indeed, PECC 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.

If You Decide Not To Participate In The Settlement Program:

You are not obligated to participate in the Settlement Program agreed to by PECC 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 PECC, and you and PECC will each be free to pursue rights and remedies under the law. Even if you do not participate in the Settlement Program, PECC 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 PECC from asserting a cross-claim or counterclaim in any legal proceedings, to which you are a party, commenced against PECC 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. PECC 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, PECC 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 PECC, 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:

Your current Rental Agreement balance through June 30, 2004 is \$_____. If you agree to participate in the Settlement Program, PECC will forgive seventy-eight percent (78%) of

that balance, which, depending on how much you have paid to PECC may result in a refund from PECC to you.

More specifically, PECC has the following information about your Rental Agreement and what Refund Amount you may receive if you accept the terms of the Settlement Program:

Unpaid Balance Due as of June 30, 2004:	_____
Amount Paid after June 30, 2004:	_____
<u>Minus:</u>	
Twenty-two Percent (22%) of the	
Unpaid Balance Due as of June 30,	
2004:	_____
<u>Total:</u>	
Amount to be Refunded by PECC (Refund Amount)	
(If the Refund Amount is a negative number the	
Refund Amount will be zero):	_____

Please call any customer service representative at PECC at 267-960-4000 if you have any questions regarding this Settlement Program or your Rental Agreement account.

Yours truly,

PARTNERS EQUITY CAPITAL
COMPANY, LLC D/B/A COMMERCE
COMMERCIAL LEASING, LLC

EXHIBIT A-1
PARTNERS EQUITY CAPITAL COMPANY, LLC
D/B/A COMMERCE COMMERCIAL LEASING, LLC
SETTLEMENT LETTER

_____, 2007

[Insert Customer Name]

[Insert Guarantor Name]

**RE: NOTICE TO FORMER [INSERT STATE NAME] NORVERGENCE
CUSTOMERS WHO HAVE EQUIPMENT RENTAL AGREEMENTS
WITH PARTNERS EQUITY CAPITAL COMPANY, LLC D/B/A
COMMERCE COMMERCIAL LEASING, LLC, AND TO ANY
GUARANTORS**

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

You are receiving this notice because the records of Partners Equity Capital Company, LLC d/b/a Commerce Commercial Leasing, LLC ("PECC") 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 PECC, and that [Insert Customer Name] has entered into a settlement agreement or release with PECC (the "Existing Settlement Agreement"). Pursuant to an agreement with the Attorney General of the State of [Insert State Name] (the "Attorney General"), PECC 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 PECC arising from or relating to the Rental Agreement or PECC'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:

- **PECC will not seek to collect any additional payments on NorVergence Rental Agreements from you, nor to sell or otherwise assign the right to another person or entity to collect such payments;**
- **You will receive a refund from PECC that will be calculated by taking the total amount you have paid to PECC (including any settlement payments and monthly payments) since June 30, 2004 and subtracting twenty-seven percent (27%) of your account balance as of June 30, 2004 ("Refund Amount");**
- **If the Refund Amount is a negative number then PECC shall not be required to refund any money to you; and**
- **You and PECC 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 PECC d/b/a Commerce Commercial Leasing, LLC

If you elect to participate in this Settlement Program, you and PECC will agree that the Existing Settlement Agreement has been rescinded, nullified and is of no further force and effect. PECC will also: (a) not seek to collect any additional payments on NorVergence Rental Agreements from you, nor to sell or otherwise assign the right to another person or entity to collect such payments; (b) forgive at least seventy-three percent (73%) of your contract balance as of June 30, 2004; (c) depending on how much you have already paid to PECC possibly refund money to you which will be calculated by taking the total amount you have paid to PECC (including any settlement payments and monthly payments) and subtracting twenty-seven percent (27%) of your account balance as of June 30, 2004 ("Refund Amount") but if the Refund Amount is a negative number then PECC shall not be required to refund any money; (d) dismiss any pending lawsuits in connection with NorVergence Rental Agreements against you; 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.

In exchange for the benefits provided above, you must agree to release (i) PECC, Commerce Commercial Leasing, LLC, Commerce Bank, N.A., and their affiliates, including their principals, officers, directors, agents (including, but not limited to third party collection agents), employees, successors and assigns (the "Released Parties"), and (ii) the purchaser of any PECC assets from any claims concerning the Rental Agreement, or the Existing Settlement Agreement, as described more fully below. 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 any customer service representative at PECC at 267-960-4000.

If you are entitled to a refund from PECC, PECC 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 Partners Equity Capital Company, LLC d/b/a Commerce Commercial Leasing, LLC, within 30 days from the date of your receipt of this notice, two copies of the enclosed document entitled "Settlement and Mutual Release." Upon receipt of the Settlement and Mutual Release, you will receive written notification from PECC that the Rental Agreement has been terminated.

By accepting this proposal, you fully release the Released Parties and any purchaser of PECC assets from, and agree not to sue the Released Parties and any purchaser of PECC assets for, any and all claims that you have or may have had against the Released Parties and any purchaser of PECC assets based upon [Insert Customer Name]'s Rental Agreement, including, without limitation, any such claims you may have as a member or representative of various proposed class action lawsuits that have been brought against any of the Released Parties on behalf of asserted classes of NorVergence customers (as well as any such proposed class action lawsuits that may be brought in the future) 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 any of the Released Parties over [Insert Customer Name]'s Rental Agreement and you wish to participate in the Settlement Program, you and the Released Party(s) will mutually dismiss that action with prejudice and without costs or attorneys' fees.

The Released Parties, 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 the Released Parties will retain all rights under law to enforce the Settlement and Mutual Release.

PECC 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 PECC that it engaged in any form of unlawful conduct or business practices. Indeed, PECC 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.

If You Decide Not To Participate In The Settlement Program:

You are not obligated to participate in the Settlement Program agreed to by PECC 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 PECC, and you and PECC will each be free to pursue rights and remedies under the law. Even if you do not participate in the Settlement Program, PECC 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 PECC from asserting a cross-claim or counterclaim in any legal proceedings, to which you are a party, commenced against PECC 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. PECC 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, PECC 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 PECC, 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:

Your current Rental Agreement balance through June 30, 2004 is \$ _____. If you agree to participate in the Settlement Program, PECC will forgive seventy-three percent (73%) of that balance, which, depending on how much you have paid to PECC may result in a refund from PECC to you.

More specifically, PECC has the following information about your Rental Agreement and what Refund Amount you may receive if you accept the terms of the Settlement Program:

Unpaid Balance Due as of June 30, 2004: _____

**Amount Paid after June 30, 2004
(including any settlement
payments and monthly payments):** _____

Minus:
**Twenty-seven Percent (27%) of the
Unpaid Balance Due as of June 30,
2004:** _____

Total:
Amount to be Refunded by PECC (Refund Amount)
**(If the Refund Amount is a negative number the
Refund Amount will be zero):** _____

Please call any customer service representative at PECC at 267-960-4000 if you have any questions regarding this Settlement Program or your Rental Agreement account.

Yours truly,

PARTNERS EQUITY CAPITAL
COMPANY, LLC D/B/A COMMERCE
COMMERCIAL LEASING, LLC

EXHIBIT B
PARTNERS EQUITY CAPITAL COMPANY, LLC
D/B/A COMMERCE COMMERCIAL LEASING, LLC
SETTLEMENT AND MUTUAL RELEASE

SETTLEMENT AND MUTUAL RELEASE

between

[Customer and/or Guarantor]
and
PECC d/b/a Commerce Commercial Leasing, 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 PARTNERS EQUITY CAPITAL COMPANY, LLC D/B/A COMMERCE COMMERCIAL LEASING, LLC ("PECC") to terminate Customer's Rental Agreement with PECC (the "Rental Agreement") and to settle any and all disputes between (i) Customer and Guarantor and (ii) PECC arising from the Rental Agreement or PECC'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 PECC and (2) entering into a mutual release of claims with PECC and related parties.

I understand that PECC 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 PECC that it engaged in any form of unlawful conduct or business practices, and that PECC 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, PECC will:

- (a) not seek to collect any additional payments on NorVergence Rental Agreements from Customer, nor to sell or otherwise assign the right to another person or entity to collect such payments;
- (b) forgive at least seventy-eight percent (78%) of Customer's contract balance as of June 30, 2004;
- (c) possibly refund money Customer has paid PECC which will be calculated by taking the total amount you have paid to PECC and subtracting twenty-two percent (22%) of Customer's account balance as of June 30, 2004 ("Refund

Amount") but if the Refund Amount is a negative number then PECC shall not be required to refund any money;

- (d) dismiss any pending lawsuits in connection with NorVergence Rental Agreements against Customer; 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 Customer's Rental Agreement.

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

Unpaid Balance Due as of June 30, 2004:	_____
Amount Paid after June 30, 2004:	_____
<u>Minus:</u>	
Twenty-two Percent (22%) of the Unpaid Balance Due as of June 30, 2004:	_____
<u>Total:</u>	
Amount to be Refunded by PECC (Refund Amount) (If the Refund Amount is a negative number the Refund Amount will be zero):	_____

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

2. Release Of Claims

I understand that, in exchange for the opportunity to be released from the Rental Agreement, Customer and Guarantor each hereby release and discharge PECC, Commerce Commercial Leasing, LLC, Commerce Bank, N.A., and all of their subsidiaries, parents, affiliates, predecessors, successors and assigns, officers, directors, employees, shareholders and agents (the "Released Parties"), as well as any purchaser of PECC assets, from, and covenants not to file or pursue any lawsuit or claim in any place against the Released Parties or any purchaser of PECC assets 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 PECC will mutually dismiss that litigation with prejudice.

In exchange for Customer and/or Guarantor's acceptance of this Settlement Agreement, the Released Parties hereby release and discharge Customer and Guarantor from, and covenant not to file or pursue any lawsuit or claim in any place against either Customer or Guarantor for, any and all claims that the Released Parties have 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. PECC 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 PECC nor its affiliates or 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 Released Parties or any purchaser of PECC assets concerning the Rental Agreement or PECC'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 PECC 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 _____, 2007.

Dated: _____

[NAME OF CUSTOMER]

By: _____

{Name}

{Title}

{Address}

By: _____ [Name], as
Guarantor

[Add appropriate notary clauses for State]

**Partners Equity Capital Company, LLC d/b/a
Commerce Commercial Leasing, LLC**

By: _____

[Name]

**FILL OUT COMPLETELY AND SEND TWO SIGNED ORIGINALS TO PECC at:
[CORPORATE TITLE AND ADDRESS], 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
PARTNERS EQUITY CAPITAL COMPANY, LLC
D/B/A COMMERCE COMMERCIAL LEASING, LLC
SETTLEMENT AND MUTUAL RELEASE

SETTLEMENT AND MUTUAL RELEASE

between

[Customer and/or Guarantor]
and
PECC d/b/a Commerce Commercial Leasing, 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 PARTNERS EQUITY CAPITAL COMPANY, LLC D/B/A COMMERCE COMMERCIAL LEASING, LLC ("PECC") to terminate Customer's Rental Agreement with PECC (the "Rental Agreement") and to settle any and all disputes between (i) Customer and Guarantor and (ii) PECC arising from the Rental Agreement or PECC'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 PECC (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 PECC and (2) entering into a mutual release of claims with PECC and related parties.

I understand that PECC 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 PECC that it engaged in any form of unlawful conduct or business practices, and that PECC 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, PECC and I agree that the Existing Settlement Agreement is rescinded, nullified and no longer of force and effect, and that PECC will:

- (a) not seek to collect any additional payments on NorVergence Rental Agreements from Customer, nor to sell or otherwise assign the right to another person or entity to collect such payments;
- (b) forgive at least seventy-three percent (73%) of Customer's contract balance as of June 30, 2004;
- (c) possibly refund money Customer has paid PECC which will be calculated by taking the total amount Customer has paid to PECC (including any settlement

payments and monthly payments) and subtracting twenty-seven percent (27%) of Customer's account balance as of June 30, 2004 ("Refund Amount") but if the Refund Amount is a negative number then PECC shall not be required to refund any money;

- (d) dismiss any pending lawsuits in connection with NorVergence Rental Agreements against Customer; 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 Customer's Rental Agreement.

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

Unpaid Balance Due as of June 30, 2004: _____

Amount Paid after June 30, 2004:

Minus:
Twenty-seven Percent (27%) of the
Unpaid Balance Due as of June 30,
2004: _____

Total:
Amount to be Refunded by PECC (Refund Amount)
(If the Refund Amount is a negative number the
Refund Amount will be zero): _____

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

2. Release Of Claims

I understand that, in exchange for the opportunity to be released from the Rental Agreement and the Existing Settlement Agreement, Customer and Guarantor each hereby releases and discharges PECC, Commerce Commercial Leasing, LLC, Commerce Bank, N.A., and all of their subsidiaries, parents, affiliates, predecessors, successors and assigns, officers, directors, employees, shareholders and agents (the "Released Parties"), including any purchaser of PECC's assets from, and covenant not to file or pursue any lawsuit or claim in any place against the Released Parties or any purchaser of PECC assets 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 agree 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 PECC will mutually dismiss that litigation with prejudice.

In exchange for Customer and/or Guarantor's acceptance of this Settlement Agreement, the Released Parties hereby release and discharge 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 the Released Parties have 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. PECC 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 PECC nor its agents, affiliates 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 Released Parties or any purchaser of PECC assets concerning the Rental Agreement, the Existing Settlement Agreement or PECC's 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 PECC 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 _____, 2007.

Dated: _____

[NAME OF CUSTOMER]

By: _____

[Name]

[Title]

[Address]

By: _____ [Name], as
Guarantor

[Add appropriate notary clauses for State]

**Partners Equity Capital Company, LLC d/b/a
Commerce Commercial Leasing, LLC.**

By: _____

[Name]

**FILL OUT COMPLETELY AND SEND TWO SIGNED ORIGINALS TO PECC at:
[CORPORATE TITLE AND ADDRESS], 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**