

The Attorney General of Maine ("Attorney General") has been investigating certain acts and practices of The Law Offices of Victor Luke (the "LOVL"), which the Attorney General contends are subject to an action by the Attorney General in a court of law. In accordance with 5 M.R.S. § 210, the LOVL without in any way admitting that any of its prior practices were in violation of the Maine Unfair Trade Practices Act (the "UTPA"), 5 M.R.S. § 207, or any other applicable state and federal laws, has consented to observe the following terms, conditions, and agreements in the future conduct of its business from and after the date of the **ASSURANCE OF DISCONTINUANCE**.

BACKGROUND

1. The Law Offices of Victor Luke is a law firm headquartered in California. Its primary areas of practice are bankruptcy and debt relief on a nationwide basis. Its main offices are located in Sacramento and Newport Beach, California and its centralized bankruptcy department is located in Helotes, Texas.

2. Richard Regan, Esq. ("Regan") is, and was at all times pertinent hereto, a member of the Maine bar. Attorney Regan is described by LOVL as a "state managing attorney."

3. The Attorney General and the Bureau of Consumer Credit Protection commenced this investigation after being contacted by the United States Bankruptcy Trustee for the District of Maine regarding the court's concerns that the LOVL had collected fees from a Maine consumer for debt relief services.

THE ATTORNEY GENERAL'S ALLEGATIONS

4. Debt Management Service Providers are regulated in Maine pursuant to the Debt Management Services Act, 32 M.R.S. §§ 6171-6183 (the "Act"). The Act is administered by the Superintendent of Consumer Credit Protection.

5. Debt management service providers in Maine are required, among other things, to be registered and bonded and are limited in the amount of up front fees they may collect from consumers either up-front or as a percentage of the amount by which the consumer's debt is reduced as a part of each settlement reached by the debt management service provider with a consumer's creditors. . 32 M.R.S. §§ 6173 (2) AND 6174.

6. The LOVL engaged in business in Maine as a debt management service provider as defined in 32 M.R.S. § 6171 (2)(D) and (3) without complying with the requirements of the Act.

7. There is an exception to statutory requirements applicable to debt management service providers for "a person admitted to the practice of law in this State as of the effective date of this chapter, except to the extent that debt management services constitute the exclusive activity of that attorney." 32 M.R.S. §6172 (3)(C).

8. Regan has an of-counsel relationship with the LOVL.

9. The LOVL solicits and contracts with Maine consumers for debt management services. Regan has no involvement with the LOVL's Maine debt management clients unless the LOVL refers one of them to him for litigation.

10. Since 2008 the LOVL has referred 20 Maine consumers to Regan for bankruptcy services. Regan is paid \$1,000 per month plus a portion of bankruptcy clients' fees.

11. Occasionally the LOVL will refer a Maine debt management services client to Regan if the client is sued by a creditor.

12. It is the position of the Attorney General and the Superintendent of Consumer Credit Protection that under these facts, the LOVL is a debt management service provider that must be licensed under the Act.

13. It is also the position of the Attorney General and the Superintendent of Consumer Credit Protection that the LOVL does not qualify for the exception to the Act for persons admitted to practice law in Maine, because Regan has not been actively involved with the LOVL's Maine debt management services clients.

14. To qualify for the exception to registration provided for attorneys admitted to practice in this state, Regan, as the local attorney, must be actively involved in the LOVL's Maine debt management practices. See Rule 5.5 of the Rules of Professional Conduct.

LOVL'S POSITION

15. The LOVL believes that it is and at all times has been in compliance with the requirements of the applicable laws. The LOVL states that in each jurisdiction in which it conducts business, the LOVL contracts with at least one attorney authorized to practice law in that jurisdiction who acts as a state managing attorney for LOVL. LOVL states that Regan is and was always available to Maine clients and that Maine clients were advised that The LOVL employed local counsel when they signed up for services. LOVL states that in addition to negotiating debt settlements for consumers it also provides other services such as defense of lawsuits and bankruptcy services. The LOVL has fully cooperated with the Attorney General's investigation.

AGREEMENT

16. Although the LOVL denies that it has engaged in unlawful or otherwise inappropriate business practices, the LOVL agrees to this Assurance so this matter may be resolved without resort to litigation.

17. The LOVL will not contract with or accept payment from any Maine consumer for debt management services unless and until the consumer has met with a lawyer admitted to the Maine bar in a face to face meeting.

18. With respect to all clients and cases, The LOVL will keep a lawyer admitted to the Maine bar informed on a timely basis with respect to the status of each Maine consumers' debt management file and will regularly consult with that lawyer as to the best course of action for the particular client, including filing bankruptcy. LOVL's services will include appearing in court on behalf of clients who are sued by creditors.

19. The LOVL will facilitate and not impede direct communication between the Maine licensed attorney and its Maine clients.

20. In accordance with the spreadsheet provided to the Attorney General and the Superintendent of Consumer Credit Protection, The LOVL will refund all fees charged to Maine consumers in excess of those amounts allowed under 32 M.R.S. § 6174-A and will provide the Attorney General and the Superintendent of Consumer Credit Protection with an accounting of the refunds paid. Refunds that are currently due according to the spreadsheet will be completed by July 1, 2012. As to current active clients listed in the first category on the spreadsheet, refunds that may become due will be determined at such time as the representation of the client is complete or has otherwise ended.

22.. In exchange for the promises and agreements of the LOVL as set forth herein, the Attorney General waives any claims it has, or may have had, against the LOVL arising from the sale of goods and services in Maine including, but not limited to, claims for civil penalties,

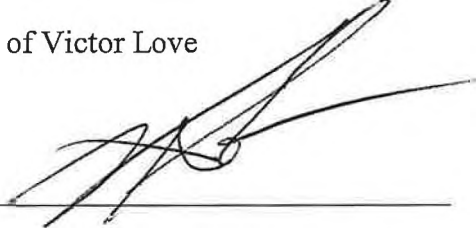
consumer restitution, other relief under 32 M.R.S. § 6181 or for any injunctive relief other than that which is set forth in this **ASSURANCE**.

23. The LOVL further promises not to represent, directly or indirectly, or in any manner whatsoever, that the Attorney General has sanctioned, condoned or approved, in any manner whatsoever, any part or aspect of its business operation. It is agreed and understood that the contents of the **ASSURANCE** are and shall be public information.

24. It is further agreed and understood that, while the parties to this **ASSURANCE** presently intend to cooperate in securing and obtaining compliance with the terms of the **ASSURANCE**, the matters settled by the filing of this agreement may be reopened at any time by the Attorney General of Maine for further proceedings in the public interest, including such actions as may be necessary to monitor and enforce compliance with this **ASSURANCE**.

The Law Offices of Victor Love

Date: 11/2/11

By: 

Victor W. Love
Name

President
Title

Date: 1/6/12

APPROVED BY:


LINDA J. CONTI
ASSISTANT ATTORNEY GENERAL

LAW OFFICES OF VICTOR W. LUKE, APLC BEGINNING JULY 2008 THRO

**7 CURRENT ACTIVE DEBT ADJUSTMENTS OF THE LAW OFFICES OF VICTOR W. LUK
LAWSUITS REMAINING -- ALL THESE CLIEIENTS ARE NOW WORKING DIRECTLY
TO A REFUND OF UNEARNINED FEES PURSUANT TO RETAINER AGREEMENT IF CL**

	CLIENT	DATE JOINED	DEBT AMOUNT	AMOUNT SETTLED	AMOUNT SAVINGS	15% OF SAVINGS	ACTUAL FEES PAID
1	BRIAN F. *	09/09/08	\$38,049.00	\$38,049.00	\$29,381.51	\$4,407.23	\$6,120.00
2	RICHARD T. *	02/19/09	\$61,680.00	\$61,680.00	\$47,498.93	\$7,124.84	\$9,918.70
3	TRACI D.	02/24/09	\$70,849.00	\$31,074.42	\$20,915.87	\$3,137.38	\$17,712.25
4	DANIEL G.	07/10/09	\$48,957.00	\$29,699.52	\$15,225.26	\$2,283.80	\$6,188.00
5	ANDREA T.	08/18/09	\$49,763.00	\$14,631.19	\$9,689.75	\$1,453.46	\$12,440.75
6	VELMAS O.	10/13/09	\$114,866.00	\$53,783.00	\$38,258.11	\$5,738.72	\$14,305.42
7	TODD B.	04/29/08	\$37,214.00	\$35,136.00	\$22,066.64	\$3,309.96	\$9,030.25

**9 FORMER CLIENTS WHO FILED BK EITHER THROUGH OUR FIRM OF WITH RICHAR
6 OF THOSE CLIENTS HAD LAWSUITS PRIOR TO OPTING INTO BANKRUPTCY**

CLIENT	DATE JOINED	DEBT AMOUNT	AMOUNT SETTLED	AMOUNT SAVINGS	15% OF SAVINGS	ACTUAL FEES PAID
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1	CRAIG D.	03/10/08	\$56,580.00	\$10,895.84	\$7,794.99	\$1,169.25	\$6,535.57
2	SARAH S.	03/19/08	\$45,392.00	\$13,989.03	\$11,189.03	\$1,678.35	\$5,040.08
3	LUCAS T.	06/11/08	\$28,360.00	\$0.00	\$0.00	\$0.00	\$1,693.24
4	ASHLEY C.	06/19/08	\$108,558.00	\$6,744.74	\$4,346.84	\$652.03	\$10,563.11
5	LEO C.	06/18/08	\$33,548.00	\$0.00	\$0.00	\$0.00	\$5,616.37
6	KRISTOFER T.	07/09/08	\$38,016.00	\$0.00	\$0.00	\$0.00	\$2,070.46
7	SHEILA P.	07/24/08	\$55,664.00	\$26,595.00	\$21,264.00	\$3,189.60	\$5,796.66
8	NORMAN S.	01/22/09	\$38,960.00	\$0.00	\$0.00	\$0.00	\$3,920.00
9	DANIEL M.	06/23/09	\$42,037.00	\$0.00	\$0.00	\$0.00	\$2,640.70

6 FORMER CLIENTS CANCELLED EITHER SHORTLY INTO THE PROGRAM OR JUST BEFORE JOINING THE PROGRAM AND NEVER CONTACTED THE FIRM AFTER WE NOTIFIED THEM WE CANCELLED DUE TO NON-PAYMENT.

	CLIENT	DATE JOINED	DEBT AMOUNT	AMOUNT SETTLED	AMOUNT SAVINGS	15% OF SAVINGS	ACTUAL FEES PAID
1	CHRISTY R.	03/19/08	\$33,487.00	\$0.00	\$0.00	\$0.00	\$5,201.24
2	RODRIQUE N.	03/17/08	\$46,869.00	\$0.00	\$0.00	\$0.00	\$2,235.21
1	QUANG V.	05/13/08	\$86,667.00	\$0.00	\$0.00	\$0.00	\$2,000.00

2	KARLA M	08/14/08	\$46,700.00	\$0.00	\$0.00	\$0.00	\$635.00
3	PRISCILLA C.	04/29/09	\$35,604.00	\$0.00	\$0.00	\$0.00	\$2,193.92
6	JACQUELINE M	08/04/09	\$70,789.00	\$0.00	\$0.00	\$0.00	\$890.00
7	JANET R.	09/16/09	\$47,224.00	\$0.00	\$0.00	\$0.00	\$3,089.10
8	DANA L.	10/09/09	\$24,870.48	\$24,870.48	\$16,590.75	\$2,488.61	\$2,530.00

TOTAL REFUNDS DUE

\$39,090.22*

**FOR THOSE CLIENTS NO LI
CURRENT CLIENTS IN THE
BRIAN F. AND RICHARD T.**

UGH THE PRESENT

KE, APLC, 5 WHO HAVE CREDIT CARDS AND/OR LAWSU
THE FIRM'S LOCAL COUNSEL AND SUBJECT
IENTS CONTINUE WITH THE PROGRAM

ATTRNY LEGAL FEES LWST DEFNSE	15%+\$75+ ATTRNY FEES	PRIOR REFUND	REFUND DUE IF CANCEL NOW	BK YES OR NO	NOTES
\$1,000.00	\$5,482.23	\$0.00	\$637.77	NO	GEMB-LAWSUIT/ALL ACCTS SETTLED, 1 LAWSUIT ACCT STTLD
\$0.00	\$7,199.84	\$0.00	\$2,718.86	NO	ALL ACCOUNTS SETTLED
\$1,000.00	\$4,212.38	\$0.00	\$13,499.87	NO	DISC-LAWSUIT/4 ACCOUNTS SETTLED, CLIENT SAVING TO SETTLE REMAINING ACCTS; 9 CC REMAINING, THE AMOUNT OF REFUND WILL DECREASE AS SETTLEMENTS ARE REACHED, HOWEVER, A PARTIAL REFUND COULD BE APPLIED NOW TO HELP SETTLE DEBTS
\$2,000.00	\$4,282.80	\$0.00	\$1,904.20	NO	2 ACTIVE LAWSUITS/1 ACCT STTLD, 1 ACTIVE LWST ALMOST STTLD, ADD'L
\$0.00	\$1,528.46	\$0.00	\$10,912.29	NO	1 SETTLED, 2 SUBSTANTIAL CC REMAINING
\$0.00	\$5,813.72	\$0.00	\$8,491.70	NO	5 ACCOUNTS SETTLED/CLIENT SAVING TO SETTLE REMAINING ACCTS; 5 CC REMAINING
\$0.00	\$3,384.96	\$0.00	\$5,645.29	NO	5 ACCOUNT SETTLE/CLIENT SAVING TO SETTLE REMAINING 2 CC

TOTAL: \$44,809.98 UNEARNED FEES TO BE REFUNDED IF CLIENTS ELECT
TO CANCEL OUT OF THE PROGRAM NOW.

ND REGAN OR ON THEIR OWN

ATTRNY LEGAL FEES LWST DEFNSE	15%+\$75+ ATTRNY FEES	PRIOR REFUND OR BK CREDIT	REFUND DUE	BK YES OR NO	NOTES:
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\$1,000.00	\$2,244.25	\$1,300.00	\$2,991.32	YES -VWL	\$1,300 CRDT TWD BK 11/11/09; 2 ACCTS SETTLED/ 1 LAWSUIT (DISC)/ 8 CC REMAINED PRIOR TO BK
\$1,000.00	\$2,753.35	\$800.00	\$1,486.73	YES-VWL	\$800 CRDT TWD BK 10/09/09; 1 ACCT SETTLED/ 1 LAWSUIT (DISC)/ 2 ACCTS REMAINED PRIOR TO BK
\$1,000.00	\$75.00	\$0.00	\$618.24	YES-OTHER	\$950 CRDT TWD BK 6/14/10; 2 ACCTS/1 LAWSUIT (DISC)/4 ACCTS REMAINED PRIOR TO BK
\$1,000.00	\$1,727.03	\$950.00	\$7,886.08	YES - OTHER	\$950 CRDT TWD BK 4/27/10; 4 ACCTS/NONE SETTLED)/4 ACCTS REMAINED PRIOR TO BK/COULDN'T SAVE MONEY
\$0.00	\$75.00	\$950.00	\$4,591.37	YES-OTHER	NONE SETTLED/4 ACCTS REMAINING PRIOR TO BK/COULDN'T SAVE MONEY
\$0.00	\$0.00	\$800.00	\$1,270.46	YES-VWL	\$1200 CRDT TWD BK 11/4/09; 3 ACCTS SETTLED/1 LAWSUIT (DISC)/5 CC REMAINED PRIOR TO BK
\$1,000.00	\$4,261.60	\$1,200.00	\$335.06	PENDING	\$750 CRDT TWD BK 5/12/10;1 LAWSUIT (BOFA)/1 CC REMAINED PRIOR TO BK
\$1,000.00	\$1,075.00	\$750.00	\$2,095.00	YES	\$900 CRDT TWD BK 1/8/10;1 JUDGEMENT (CITI)/5 CC REMAINED PRIOR TO BK
\$1,000.00	\$1,075.00	\$900.00	\$665.00	YES-VWL	UNABLE TO SAVE AND SWITCH TO BK
TOTAL:			\$21,939.26		

STOPPED PAYING
DUE TO LACK OF PAY

ATTORNY LEGAL FEES LWST DEFENSE	15%+\$75+ ATTORNY FEES	PRIOR REFUND	REFUND DUE	BK YES OR NO	NOTES:
\$0.00	\$75.00	\$0.00	\$5,126.24	DK	CLIENT CANCELLED= NONE SETTLED, 3 CC
\$0.00	\$75.00	\$0.00	\$2,160.02	DK	CLIENT CANCELLED= NONE SETTLED, 6 CC
\$0.00	\$75.00	\$2,000.00	\$0.00	DK	CLIENT CANCELLED = NONE SETTLED, 8CC

\$0.00	\$75.00	\$0.00	\$560.00	DK	CLIENT CANCELLED= NONE SETTLED, 4 CC
\$0.00	\$75.00	\$0.00	\$2,118.92	DK	CLIENT CANCELLED= NONE SETTLED, 6 CC
\$0.00	\$75.00	\$0.00	\$815.00	DK	CLIENT CANCELLED= NONE SETTLED, 10 CC
\$0.00	\$75.00	\$0.00	\$3,014.15	DK	CANCELLED DUE TO NONE PAYMENT, 4 CC
\$0.00	\$2,563.61	\$0.00		NO	CLIENT CANCELLED AFTER ALL DEBTS SETTLED
TOTAL:			\$13,794.33		

ONGER IN THE PROGRAM M INCLUDING TWO
PROGRAM WHO HAVE SETTLED ALL ACCOUNTS

**LAW FIRM OF
V.W. LUKE**

A Professional Law Corporation

1600 N. Broadway Suite 810,
Santa Ana, CA 92706
PHONE (866) 956-4598
FAX: (866) 568-4106

July 16, 2012

Linda J. Conti
Assistant Attorney General
6 State House Station
Augusta, ME 04330


Re: The Law Offices of Victor W. Luke Assurance of Discontinuance pursuant to 5 M.R.S.A § 210.

Dear Ms. Conti:

Please find below an accounting of refunds paid and completed as prescribed in the ASSURANCE dated January 10, 2012.

<u>Type</u>	<u>Date</u>	<u>Ck.Num</u>	<u>Name</u>	<u>Refund Amt.</u>
Check	07/01/2012	11661	BRIAN FRANCOEUR	637.77
Check	07/01/2012	11662	Richard Tibbals	2,718.86
Check	07/01/2012	11663	Craig and Sheryl Dilman	2,991.32
Check	07/01/2012	11664	Sarah and John Sims	1,486.73
Check	07/01/2012	11665	Lucus and Heather Temple	618.24
Check	07/01/2012	11666	Ashley Curtis	7,886.08
Check	07/01/2012	11667	Leo Cyr	4,591.37
Check	07/01/2012	11668	Kristoffer and Nancy Tardiff	1,270.46
Check	07/01/2012	11669	Sheila and Jeffrey Peakall	335.06
Check	07/01/2012	11670	Norman St Pierre	2,095.00
Check	07/01/2012	11671	Daniel and Jessica McDonald	655.00
Check	07/01/2012	11672	Christy Rolfe	5,126.24
Check	07/01/2012	11673	Rodrique and Rinette Nadeau	2,160.02
Check	07/01/2012	11674	Karla Michaud	560.00
Check	07/01/2012	11675	Priscilla Chambers-Goodwin	2,118.92
Check	07/01/2012	11647	Jacqueline McKeon	815.00
Check	07/01/2012	11648	Janet and Franklin Robbins	3,014.15
Total				39,080.22

Yours truly,


Victor W. Luke

CONSUMER PROTECTION DIVISION

RECEIVED

JUL 20 2012

OFFICE OF ATTORNEY GENERAL