



U.S. Department of Justice

*United States Attorney
Southern District of New York*

*The Silvio J. Mollo Building
One Saint Andrew's Plaza
New York, New York 10007*

April 13, 2018

By Electronic Mail

James Nesland, Esq.

jenesland@comcast.net

Re: Non-Prosecution Agreement with Santee Financial Services

Dear Mr. Nesland:

On the understandings specified below, the Office of the United States Attorney for the Southern District of New York ("this Office") will not criminally prosecute Santee Financial Services, Inc. ("SFS"), a corporation established by the Santee Sioux Tribe of Nebraska, for any offenses (except for criminal tax violations as to which this Office cannot and does not make any agreement), including violations of 18 U.S.C. § 1961 et seq., 18 U.S.C. § 1343, and 18 U.S.C. § 1956, related to SFS's involvement in the payday lending business with Scott Tucker ("Tucker") and various companies controlled by Tucker, from in or about 2005 to in or about 2013, to the extent SFS has disclosed such involvement to this Office as of the date of this Agreement.

Moreover, if SFS fully complies with the understandings specified in this Agreement, no testimony or other information given by SFS or its representatives (or any other information directly or indirectly derived therefrom) will be used against SFS in any criminal tax prosecution. This Agreement does not provide any protection against prosecution for any crimes except as set forth above. Pursuant to resolutions of the Boards of Directors of SFS, duly authorized representatives are authorized to enter this Agreement on behalf of SFS and bind SFS to the obligations set forth herein.

SFS has previously admitted, and hereby SFS acknowledges, affirms and accepts as accurate the Statement of Facts, attached hereto as Exhibit A, which is incorporated by reference herein.

It is understood that SFS shall (a) truthfully and completely disclose all information with respect to the activities of itself and its officers, agents, and employees concerning all matters about which this Office inquires of it, which information can be used for any purpose; (b) cooperate fully with this Office, the Federal Bureau of Investigation ("FBI"), the Internal Revenue Service ("IRS"), the United States Attorney's Office for the District of Kansas ("USAO D-KS"), the Federal Trade Commission ("FTC"), and any other law enforcement agency designated by this Office; (c) attend all meetings at which this Office requests its presence, and use its reasonable best efforts to secure the attendance and truthful statements or testimony of any past or current officers, or employees of SFS at any meeting or interview or before the grand jury or at trial or at any other court proceeding; (d) provide to this

Office upon request, any document, record, or other tangible evidence relating to matters about which this Office or any designated law enforcement agency inquires of it; (e) bring to this Office's attention all criminal conduct by or criminal investigations of SFS or any of SFS's agents or employees acting within the scope of their employment related to violations of federal laws of the United States, as to which SFS's Board of Directors and/or senior management and/or legal counsel are aware; (f) bring to this Office's attention any administrative or regulatory proceeding, or civil action or investigation in which SFS has been or are a subject, target, party, or witness; and (g) commit no crimes whatsoever subsequent to the execution of this Agreement. Nothing in this Agreement shall be construed to require SFS to provide any information, documents, or testimony protected by the attorney-client privilege, work product doctrine, or any other applicable privilege. Any assistance SFS may provide to federal criminal investigators shall be pursuant to the specific instructions and control of this Office and designated investigators. SFS's obligations under this paragraph shall continue until the later of: (1) a period of one year from the date that this Agreement is executed; or (2) the date on which all prosecutions arising out of the conduct described in the opening paragraph of this Agreement are final.

As a result of the conduct described in this Agreement and in the attached Statement of Facts, SFS agree, pursuant to Title 18, United States Code, Section 981(a)(1), to forfeit to the United States \$1,000,000 (the "Forfeiture Amount"). SFS agrees that the Forfeiture Amount represents a substitute *res* for proceeds of and money involved in the offenses described above in connection with the conduct described in the Statement of Facts. SFS further agrees that the Forfeiture Amount is subject to civil forfeiture to the United States pursuant to 18 U.S.C. § 981(a)(1)(A) and (a)(1)(C). SFS further agrees that this Agreement and the Statement of Facts may be attached and incorporated into a civil forfeiture complaint (the "Civil Forfeiture Complaint") that will be filed against the Forfeiture Amount. By this agreement, SFS expressly waives any challenge to that Civil Forfeiture Complaint and consent to the forfeiture of the Forfeiture Amount to the United States. SFS agrees that they will not file a claim with the Court or otherwise contest the civil forfeiture of the Forfeiture Amount and will not assist a third party in asserting any claim to the Forfeiture Amount. SFS also waives all rights to service or notice of the Civil Forfeiture Complaint, and agree to entry of a Final Order of Forfeiture against the Forfeiture Amount. SFS shall transfer the Forfeiture Amount to the United States no later than May 30, 2018 (or as otherwise directed by the Office following such date). Such payment shall be made by wire transfer to the United States Treasury, pursuant to wire instructions provided by the Office. SFS certifies that the funds used to pay the Forfeiture Amount are not the subject of any lien, security agreement, or other encumbrance. Transferring encumbered funds or failing to pass clean title to these funds in any way will be considered a breach of this Agreement.

It is understood that, should it be determined that: (a) SFS committed any crimes during the term of this Agreement; (b) SFS or any of its representatives have intentionally given false, incomplete, or misleading testimony or intentionally provided false, incomplete or misleading information to the Office; (c) the misconduct extended beyond its involvement in the payday lending business described above; or (d) SFS has otherwise violated any provision of this Agreement, then: (i) SFS shall thereafter be subject to prosecution for any federal offense of which this Office has knowledge, including perjury and obstruction of justice; (ii) all statements

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made by SFS's representatives to this Office or other designated law enforcement agents, and any testimony given by SFS's representatives before a grand jury or other tribunal whether prior to or subsequent to the signing of this Agreement, and any leads therefrom, shall be admissible in evidence in any criminal proceeding brought against SFS and relied upon as evidence to support any penalty imposed on SFS; and (iii) SFS shall assert no claim under the United States Constitution, any statute, Rule 410 of the Federal Rules of Evidence, or any other federal rule that such statements or any leads therefrom should be suppressed. In addition, any such prosecution that is not time-barred by the applicable statute of limitations on the date of the execution of this Agreement may be commenced against SFS, notwithstanding the expiration of the statute of limitations between the signing of this Agreement and the commencement of such prosecution. It is the intent of this Agreement to waive all defenses based on the statute of limitations with respect to any prosecution that is not time-barred on the date when this Agreement is signed.

It is understood that this Agreement is binding on this Office but does not bind any other Federal agencies, any state or local law enforcement agencies, any licensing authorities, or any regulatory authorities. This Office will, however, bring the cooperation of SFS to the attention of other prosecuting offices, if requested by SFS or by its attorneys.

The parties understand that this Agreement reflects the unique facts of this case and is not intended as precedent for other cases.

It is understood that this Agreement is a public document and may be provided to any person by this Office and SFS.

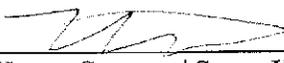
This Agreement supersedes all prior understandings, promises and/or conditions between this Office and SFS. No additional promises, agreements, and conditions have been entered into

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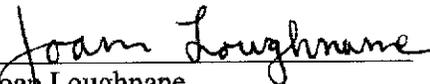
other than those set forth in this Agreement and none will be entered into unless in writing and signed by both parties.

Very truly yours,

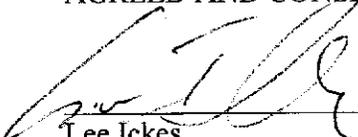
GEOFFREY S. BERMAN
United States Attorney

By: 
Hagan Scotten / Sagar K. Ravi / Niketh Velamoor /
Assistant United States Attorneys
(212) 637-2410 / -2195 / -1076

APPROVED:


Joan Loughnane
Acting Chief, Criminal Division

SFS:
AGREED AND CONSENTED TO BY ~~HEC~~:

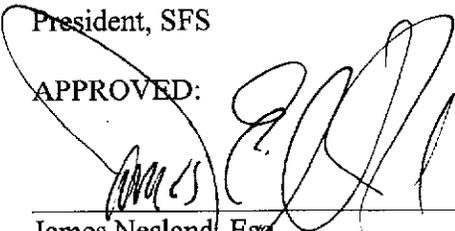


Lee Ickes
President, SFS

5-4-18

Date

APPROVED:



James Nesland, Esq.
Attorney for SFS

5/17/18

Date

Exhibit A: Santee Sioux Statement of Facts

1. From in or about 2005 until at least in or about 2013, representatives of the Santee Sioux Tribe of Nebraska (“the Santee Sioux”) entered business agreements concerning payday lending with Scott Tucker (“Tucker”) and various entities controlled by Tucker. Under these agreements, Tucker and entities controlled by Tucker, and not the Santee Sioux, provided the capital to make loans, and the Santee Sioux and its entities were not responsible for any losses. Neither the Santee Sioux, nor any entity that it controlled, established or paid to acquire any part of Tucker’s payday lending business. Tucker and others based in Overland Park, Kansas, and not the Santee Sioux, managed operations and created the loan approval criteria. All essential steps necessary for the approval of loans were performed in Overland Park, under the direction of Tucker and individuals ultimately reporting to Tucker. Tucker, and others reporting to Tucker, controlled the collection of interest and principal on the loans and the profits earned from the lending activity.
2. Tucker, and others reporting to Tucker, using powers of attorney, opened or caused to be opened certain bank accounts in the names of an entity controlled by the Santee Sioux. Neither the Santee Sioux nor any entity that it controlled exercised control over these accounts.
3. In return for making monthly payments to the Santee Sioux, Tucker used his agreements with the Santee Sioux to evade state usury laws by claiming that the Tribe’s sovereign immunity applied to portions of his payday lending business.
4. In state court litigation concerning Tucker’s payday lending business, representatives of the Santee Sioux, who were also officers of the entity controlled by the Santee Sioux that was involved in the loan business, submitted affidavits. These affidavits were false, in part, because they overstated the involvement of the representatives and the Santee Sioux and the entity controlled by the Santee Sioux in the operations of the loan business.