

Exhibit A

Proposed Order

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re

USA DISCOUNTERS, LTD., *et al.*,¹

Debtors.

Chapter 11

Case No. 15-11755 (CSS)

(Jointly Administered)

Re: Docket No. ____

**ORDER, PURSUANT TO BANKRUPTCY CODE SECTION 105(a) AND
BANKRUPTCY RULE 9019, APPROVING THE FINAL CONSENT JUDGMENT
BETWEEN USA DISCOUNTERS, LTD. AND JULIE ANN MEADE,
ADMINISTRATOR OF THE COLORADO UNIFORM CONSUMER CREDIT CODE**

Upon the motion (the "Motion")² of USA Discounters, Ltd. ("USA Discounters") and its affiliated debtors and debtors in possession (the "Debtors") in the above-captioned jointly administered chapter 11 cases (the "Cases"), for entry of an order, pursuant to section 105(a) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the "Bankruptcy Code"), and Rule 9019 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), approving the proposed settlement memorialized in the final consent judgment (the "Consent Judgment") entered into by and between USA Discounters and Julie Ann Meade, as Administrator of the Colorado Uniform Consumer Credit Code (the "Colorado Administrator") in respect of the lawsuit pending in Colorado State District Court for the City and County of Denver, Colorado (the "Colorado Court") as *Meade v. USA Discounters, Ltd.*, Case No. 2015CV032520; and upon consideration of the Dorsey Declaration and the entire record of these chapter 11 Cases; and it appearing that the Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 1334

¹ The Debtors and the last four digits of their respective federal taxpayer identification numbers are as follows: USA Discounters, Ltd. (5123); USA Discounters Holding Company, Inc. (8192); and USA Discounters Credit, LLC (3128). The Debtors' address is 6353 Center Drive, Building 8, Suite 101, Norfolk, Virginia, 23502.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion or the Consent Judgment, as applicable.

and 157, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated February 29, 2012; and it appearing that the Motion is a core matter pursuant to 28 U.S.C. § 157(b)(2) and that the Court may enter a final order consistent with Article III of the United States Constitution; and it appearing that venue of these Cases and of the Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that due and adequate notice of the Motion has been given under the circumstances, and that no other or further notice need be given; and it appearing that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and after due deliberation, and good and sufficient cause appearing therefor, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is GRANTED, as set forth herein.
2. Pursuant to Bankruptcy Code section 105(a) and Bankruptcy Rule 9019, the Consent Judgment, which is attached hereto as **Exhibit 1**, is approved in its entirety.
3. The Debtors and the Colorado Administrator are authorized and empowered to take such actions as may be necessary or appropriate to implement the terms of this Order and the Consent Judgment, and to perform their obligations under the Consent Judgment.
4. Upon entry of the Consent Judgment by the Colorado Court, the Consent Judgment shall be binding upon and shall inure to the benefit of the parties thereto and their respective successors and assigns, including, for the avoidance of doubt, any trustee subsequently appointed on behalf the Debtors' estates.
5. Notwithstanding any provision in the Bankruptcy Rules to the contrary, this Order shall be effective immediately and enforceable upon its entry and the Debtors are not subject to any stay in the implementation, enforcement, or realization of the relief granted in this Order.

6. The Court retains jurisdiction and power with respect to all matters arising from or related to the implementation or interpretation of this Order.

Dated: Wilmington, Delaware

_____, 2016

Honorable Christopher S. Sontchi
United States Bankruptcy Judge

EXHIBIT 1

Consent Judgment

DISTRICT COURT, CITY AND COUNTY OF DENVER, COLORADO 1437 Bannock Street Denver, Colorado 80202 <hr/> JULIE ANN MEADE, ADMINISTRATOR, UNIFORM CONSUMER CREDIT CODE, Plaintiff, v. USA DISCOUNTERS, LTD d/b/a USA LIVING and d/b/a FLETCHER'S JEWELERS Defendant.	▲ COURT USE ONLY ▲
	Case No.: 2015CV32520 Division: 368 Courtroom: 280
FINAL CONSENT JUDGMENT	

Plaintiff, Julie Ann Meade, Administrator of the Uniform Consumer Credit Code (the "Administrator"), and Defendant, USA Discounters, LTD d/b/a USA Living and d/b/a Fletcher's Jewelers ("USA") (together, "Parties"), hereby consent to entry of final judgment in this matter as embodied in this Final Consent Judgment to resolve fully and finally the claims and issues in the above-captioned case, without trial or hearing, and to avoid the additional time and expense associated with continuing litigation.

The Court, having considered this matter and being otherwise fully advised in the premises,

DOES HEREBY FIND, CONCLUDE, ORDER, and ADJUDGE, as follows:

I. JURISDICTION AND VENUE

1. This Court has jurisdiction over the parties and subject matter of this action, and shall retain jurisdiction over this matter for all purposes, including, but not limited to, the purpose of enabling any party to this Final Consent Judgment to apply to the Court at any time for any further orders which may be necessary or

appropriate for the construction, modification, or execution of this Final Consent Judgment, and for the enforcement or compliance herewith and the punishment of violations hereof.

2. This Court has jurisdiction over any claim, cause of action, or proceeding arising out of or based upon this Final Consent Judgment.

3. Venue is proper in the City and County of Denver, Colorado.

II. PARTIES

4. The Administrator is the duly appointed Administrator of the Colorado Uniform Consumer Credit Code, C.R.S. §§ 5-1-101, *et seq.* (2013) (“UCCC” or “Code”). She is authorized to enforce compliance with the UCCC, *see* C.R.S. §§ 5-6-101, *et seq.*, and may bring a civil action against those who make or collect charges in excess of those permitted by the UCCC. In such actions, the Administrator may seek injunctive relief to restrain persons from violating the UCCC, obtain consumer restitution, and collect civil penalties for UCCC violations. *See* C.R.S. §§ 5-6-111, 5-6-112, 5-6-113, and 5-6-114.

5. USA, doing business as USA Living and/or Fletcher’s Jewelers, is a foreign company organized under Virginia law. USAD identifies its principal place of business as 6353 Center Drive, Bldg 8 Ste 101, Norfolk, Virginia 23502.

III. DEFINITIONS

6. Consumer credit sale. The term “consumer credit sale” has the definition set forth in C.R.S. § 5-1-301(11).

7. Affected Consumer. The term “Affected Consumer” includes (a) the 526 previously-identified Colorado consumers USA obtained a judgment against in Virginia and (b) the 55 previously-identified Colorado consumers USA obtained a judgment against in Colorado.

IV. FINDINGS OF FACT & ADMISSIONS

8. All facts identified as stipulated in the March 17, 2016 Trial Management Order are adopted here by reference.

V. GENERAL PROVISIONS

9. Scope of Final Consent Judgment. This Final Consent Judgment is entered pursuant to the UCCC. Unless otherwise provided, this Final Consent Judgment shall apply to USA and its officers; directors; agents; servants;

employees; affiliates; subsidiaries; heirs; together with the other parties described in C.R.C.P. 65(d); all entities that USA may own, operate, or control, in whole or in part; and all entities in which USA has invested capital in an amount that exceeds \$25,000.

10. Release of Claims. Subject to the conditions in paragraph 13, the Administrator agrees and acknowledges that execution of this Final Consent Judgment is a complete settlement and release of all claims under the Code on behalf of the Administrator against USA and its directors, employees, managers, and officers (as well as the officers and directors of USA's parent company, USA Discounters Holding Company, Inc.), whether past or present, in each case solely in their capacity as such, that were asserted or could have been asserted under the Code; that arose prior to entry of the Final Consent Judgment; and that relate to or are based upon the acts or practices which are the subject of the Complaint.

11. Bankruptcy Claim. Promptly following the effectiveness of this Final Consent Judgment, the Administrator will amend her general, non-priority unsecured claim in USA's bankruptcy case ("Administrator's Unsecured Claim") to the penalty amount described in paragraph 35 and will not file, assert, or otherwise pursue any further claims in the bankruptcy case (whether unsecured, secured, priority, administrative or otherwise). The Administrator's Unsecured Claim shall be deemed allowed in such amended amount as a general, non-priority unsecured claim against USA's bankruptcy estate.

12. Statement Regarding Liability. USA neither admits nor denies any wrongdoing. It is agreeing to this Final Consent Judgment for settlement purposes.

13. Preservation of Law Enforcement Action. Nothing herein precludes the Administrator from enforcing the provisions of this Final Consent Judgment or from pursuing any non-released claims, including any law enforcement action with respect to any acts or practices of USA not covered by this Final Consent Judgment or any acts or practices in which USA engages after entry of this Final Consent Judgment.

14. Compliance with and Application of State Law. Nothing herein relieves USA of its duty to comply with applicable laws of the State of Colorado nor constitutes authorization by the Administrator for USA to engage in acts and practices prohibited by such laws. This Final Consent Judgment shall be governed by the laws of the State of Colorado.

15. Non-Approval of Conduct. Nothing herein constitutes approval by the Administrator of any of USA's past, present, or future business practices, and USA shall not make any representation to the contrary.

16. Preservation of Private Claims. Unless otherwise provided, nothing in this Final Consent Judgment shall limit, constrain, abridge, abrogate, waive, release, or otherwise prejudice any private rights, causes of action, or remedies of any person against USA with respect to the acts and practices covered by this Final Consent Judgment.

17. Contempt. The parties understand and agree that a finding of any violation of any term or provision of this Final Consent Judgment shall give rise to all contempt remedies available to the Court. The parties agree to waive any requirement of personal service provided that they provide written notice in accordance with the terms of this Final Consent Judgment.

18. Execution in Counterparts. This Final Consent Judgment may be executed in counterparts.

19. Severability. If any provision(s) of this Final Consent Judgment is held to be invalid, illegal, unenforceable, or in conflict with the law of any jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

20. Amendment. This Final Consent Judgment may be amended solely by written agreement signed by both Parties or their authorized representatives and with the Court's approval.

21. Complete Agreement. This Final Consent Judgment represents the entire agreement between the parties hereto and a complete merger of prior negotiations and agreements.

22. Effective Date. On the date this Final Consent Judgment is entered by the Court, this Court shall enter it as a final judgment of the Court and that date shall be the effective date of this Final Consent Judgment for all purposes.

23. Attorney Fees and Costs. Except as otherwise provided herein, each party shall bear its own attorney fees and costs in connection with this matter.

VI. INJUNCTIVE RELIEF

24. USA is immediately and permanently enjoined from violating any provision of the Code.

25. Within 30 days of entry of this Final Consent Judgment, USA will adjust the account balances for all Colorado consumers from the previously-identified 7,897 credit agreements who still have outstanding account balances to reflect the maximum possible finance charge under C.R.S. § 5-2-201, including

interest and debt cancellation. Within 45 days of effectiveness of this Final Consent Judgment, USA will furnish the Administrator with proof of the adjusted account balances.

26. Upon entry of this Final Consent Judgment, USA will immediately and permanently cease and desist from charging any additional fees when a Colorado consumer makes a payment via any form of electronic means.

27. Upon entry of this Final Consent Judgment, USA will immediately and permanently cease and desist from communicating with any Colorado consumer's employer before obtaining a final judgment against the consumer except to verify the consumer's employment, to ascertain the consumer's whereabouts, or to request that the consumer contact USA.

28. Upon entry of this Final Consent Judgment, USA will immediately and permanently cease disclosure of Colorado consumers' indebtedness to any third-party other than where appropriate to a consumer credit bureau, or with a consumer's employer as described above, or with a personal reference previously provided by the consumer as describe above.

29. Upon entry of this Final Consent Judgment, USA will henceforth file suit against defaulted Colorado consumers only in Colorado or, if the consumer no longer resides in Colorado, in the county and state where the consumer currently resides.

30. Upon entry of this Final Consent Judgment, USA will issue letters henceforth providing notice of the right to cure that are fully compliant with C.R.S. § 5-5-110.

31. Within 30 days of effectiveness of this Final Consent Judgment, USA will send to any consumer who received a notice of the right to cure that was defective under C.R.S. § 5-5-110 a new notice of the right to cure compliant with C.R.S. § 5-5-110, and provide the opportunity to cure the default before taking additional collection actions on the account. Within 45 days of effectiveness of this Final Consent Judgment, USA will furnish the Administrator with proof of the sent notices of the right to cure.

32. Within 45 days of effectiveness of this Final Consent Judgment, USA will report revised account balances (after applying all injunctive, monetary, or other relief specified in this Final Consent Judgment), to all credit bureaus to which USA previously reported. Within 60 days of effectiveness of this Final Consent Judgment, USA will furnish the Administrator with proof of the reporting.

33. Within 45 days of effectiveness of this Final Consent Judgment, USA

will provide notice to all persons with adjusted account balances which provides: "Because of a settlement USA Discounters recently reached with the State of Colorado with respect to certain accounts, USA has adjusted your account balance on ____ (date) by \$____ (amount). As of that date, your new (adjusted) account balance was \$____ (amount)." The notice shall be in not less than 14-point bold typeface. USA may provide such notice by United States mail or by electronic mail to the consumers' last known address. USA will provide proof of such mailings within 60 days of effectiveness of this Final Consent Judgment.

VII. MONETARY PROVISIONS

34. USA agrees that it will afford debt relief to Affected Consumers as follows: for all judgments arising from lawsuits filed in Virginia against a Colorado consumer, USA will agree to debt relief of sixty percent (60%) of the judgment at the time it was issued. If the amount of the debt relief is less than the current legal balance, USA will adjust the balance downward accordingly. If the amount of debt relief extinguishes the current legal balance, USA will adjust the balance to zero. Any remaining amount of debt relief that exceeds the current legal balance has been incorporated into and is included within the Administrator's Unsecured Claim as described in Paragraph 35. USA will accomplish these measures within 30 days of effectiveness of this Final Consent Judgment. USA will furnish proof of same within 45 days of effectiveness of this Final Consent Judgment.

35. The Court enters judgment for a civil penalty against USA in the amount of one million dollars (\$1,000,000.00). This specified penalty amount comprises the Administrator's Unsecured Claim.

36. The Court immediately enters judgment on the full penalty amount.

VIII. MISCELLANEOUS

37. Except as expressly provided in this Final Consent Judgment, nothing herein shall be construed as relieving USA of its obligation to comply with all state and federal laws, regulations or rules, or granting permission to engage in any acts or practices prohibited by such law, regulation, or rule.

38. The Parties acknowledge that they have thoroughly reviewed this Final Consent Judgment with their counsel, that they understand and agree to its terms, and that they agree that it shall be entered as an Order of this Court. The Parties knowingly and voluntarily enter into this Final Consent Judgment and waive any right to a formal hearing on the matters forming the basis of this Final Consent Judgment and any right to appeal herefrom.

39. Each of the non-Court signatories to this Consent Judgment warrants and represents that he or she has authority to agree to this Consent Judgment on behalf of the party for which he or she is signing.

40. Notice. All notices to the State shall be sent to the following:

David B. Shaw
Assistant Attorney General
Colorado Department of Law
Consumer Protection Section
Ralph L. Carr Colorado Judicial Center
1300 Broadway, 6th Floor
Denver, CO 80203
david.shaw@coag.gov

All notices to USA shall be sent to the following:

Greg Goldberg
Steven T. Collis
Holland & Hart, LLP
555 17th St., #3200
Denver, CO 80202
GGoldberg@hollandhart.com
stcollis@hollandhart.com

SO ORDERED, ADJUDGED, and DECREED this ____ day of _____ 2016.

By the Court:

Catherine A. Lemon
Denver District Court Judge

For the Plaintiffs

s/ Julie Ann Meade
JULIE ANN MEADE
Administrator, Uniform Consumer Credit Code

Dated: _____

Attorneys for Plaintiff

s/ David B. Shaw
DAVID B. SHAW, #40453
TRINA K. TAYLOR, #47194
Assistant Attorneys General
Colorado Department of Law
Consumer Protection Section
Consumer Credit Unit

Dated: _____

For the Defendant

s/
Print Name:
Title:

Dated: _____

Attorneys for Defendant

HOLLAND & HART, LLP

s/ Greg E. Goldberg
GREG E. GOLDBERG
STEVEN T. COLLIS
Attorneys for Defendant

Dated: _____

Attorneys for Defendants

Pursuant to C.R.C.P. 121, § 1-26(7), the original of this document with original signatures is maintained in the offices of the Colorado Department of Law, Consumer Protection Section, Ralph L. Carr Judicial Center, 1300 Broadway, 6th Fl., Denver, CO 80203, and will be made available for inspection upon request.