

## CREDIT ACCESS BUSINESS CSO-CAB SERVICES AGREEMENT

Credit Access Business Services Organization:		Customer: #Error	
Agreement Number:		Date of Agreement:	
CSO-CAB Fee: #Error		Interest Charge:	#Error
Amount Financed: #Error		Total Of Payments:	#Error
When Payments are Due: #Error			

In this Credit Access Business Services Agreement (this "CSO-CAB Agreement"), I, my, we, our, us, me means the borrower and any co-borrower under this Loan Agreement. Lender means Alpha Omega, with a mailing address of 716 Vauxhall Dr Nashville, TN 37221-4646. You, your, CSO, and CSO-CAB means, a company registered with Texas Secretary of State as a credit services organization, whose address is . Credit Service Agreement means the Credit Services Agreement and Security Agreement I have entered with CSO. Loan means the loan from lender to me under this Credit Service Agreement

This CSO-CAB Agreement sets forth the terms and conditions of my relationship with you for my receipt of credit services from you. I UNDERSTAND THAT YOU ARE REGISTERED WITH THE TEXAS SECRETARY OF STATE AS A CREDIT SERVICES ORGANIZATION("CSO"), THAT YOU ARE LICENSED AS A CREDIT ACCESS BUSINESS BY THE TEXAS OFFICE OF CONSUMER CREDIT COMMISSIONER, AND THAT YOU OPERATE UNDER CHAPTER 393 OF THE TEXAS FINANCE CODE. YOU ARE NOT A LENDER IN THIS TRANSACTION OR A FIDUCIARY OF A LENDER. YOU CANNOT PROMISE THAT A THIRD PARTY LENDER WILL EXTEND CREDIT TO ME. INSTEAD, A THIRD-PARTY LENDER INDEPENDENTLY MAKES ALL CREDIT DECISIONS. YOUR CREDIT SERVICES AND ANY LOAN YOU ARRANGE MAY NOT BE AT THE BEST OR LOWEST RATES. I MAY SHOP ELSEWHERE FOR CREDIT SERVICES AND EXTENSION OF CREDIT.

**Description of your credit services.**

**Cost of your credit services.**

**Other Charges.** In the event of default on the letter of credit, I agree to pay your reasonable attorneys fees if this CSO-CAB Agreement and the letter of credit is referred to an attorney for collection, regardless of whether legal proceedings are actually filed, and all costs and disbursements. I agree that past due amounts I owe you may bear interest at the rate of 10.00% per annum, subject to legal limits. Any payment not paid in full on or before the 10th day after the scheduled payment date on this contract shall be subject to a late fee not to exceed the greater of 5% of the payment amount or \$7.50 per month.

**The CSO-CAB Fee is not interest.** For Federal Truth-in-Lending Act purposes, however, the CSO-CAB Fee is required to be included in the Finance Charge calculation disclosed with any loan in a third-party lender's loan agreement with me. As an example, if I wish to receive a cash loan in the amount of \$100 payable in 30 days with interest at 10.00% per annum, and I finance within the loan a \$33.00 lien fee and the CSO fee being charged to me, the Amount Financed of such a loan is \$133.00, the Finance Charge is \$21.26, which consists of interest in the amount of \$1.26 and a CSO Fee of \$20.00, the Annual Percentage Rate is 194.4837%, and the total of Payments is \$154.26. I understand that although the CSO-CAB Fee is disclosed as part of the Finance Charge for purposes of compliance with the Federal Truth-in-Lending Act, the CSO-CAB Fee is not interest.

**Terms of the letter of credit.** I agree that I have applied to you as an applicant ("Applicant") for a letter of credit to ensure my payment of a third-party loan. As an Applicant, I request you as issuer to issue your letter of credit in favor of a third-party lender as beneficiary (the "Beneficiary") pursuant to Title I, Chapter 5 of the Texas Business and Commerce Code in an amount not to exceed principal, interest, late charge, and dishonored item fee, as applicable, on the loan that you arrange for me. Payment under the letter of credit is conditioned on presentment by the Beneficiary to you of the Beneficiary's sight draft and drawing certificate stating that my loan secured by your letter of credit is in default and remains outstanding. The letter of credit will expire one (1) year from the date of the loan that you arrange for me. All matters pertaining to the letter of credit may be documented in properly authenticated electronic form including, without limitation, issuance of the letter of credit, presentations, drawings, drafts, certificates, and other communications between you and the Beneficiary related to this letter of credit. I instruct you to pay the Beneficiary's sight drafts up to the maximum amount of the letter of credit upon presentment to you of documentation complying with the conditions set forth above. I understand that you are not responsible for determining the accuracy of any statement made by the Beneficiary and that your duty is strictly to pay up on proper presentment of the required documents.

**CSO-CAB authority.** I authorize you to: (1) call me during reasonable hours at home or work to remind me when my payment is due on any loan; (2) exchange nonpublic personal information about me with the lender until any extension of payment or letter of credit arranged under this CSO-CAB Agreement is paid in full; (3) receive and remit payments on behalf of me and the lender; (4) communicate with me in the event of default on the loan as allowed by law including calling me, communicating with me in writing or via email, or communicating with my personal contacts whom I identified in my credit services and loan application (my "Application") to acquire location information; and (5) act as special, limited agent for the lender in connection with the handling of the loan.

**Assignment.** You may transfer or assign any of your rights, titles, and interest under this CSO-CAB Agreement at your sole discretion. I may not transfer my rights under this CSO-CAB Agreement without your prior written consent.

**Miscellaneous.** Your principal place of business is in Davidson County, Texas. Your agent in Texas authorized to receive service of process is: I acknowledge and agree that I have received a copy of your Disclosure Statement and Privacy Notice either on this date or within the last 12 months.

**Credit Information Reporting.** I authorize you to obtain my credit report from any consumer reporting agency. I understand that my failure to satisfy my obligations to you under this CSO-CAB Agreement or the letter of credit can result in you reporting negative credit information about me to the lender or to a consumer reporting agency. I agree to provide you new or updated information if any information contained in my Application changes. I acknowledge and agree that you and any lender may rely on my Application for any current or future credit services and extension of credit.

Borrower(s):

**Communications.** By signing this CSO-CAB Agreement, I authorize you to send me commercial electronic mail messages at the email address listed in my Application and text messages to my cell phone.

**Default.** I will be in default if any of the following happens: (1) I fail to make any payment when due; (2) any representation or statement made or furnished to you by me or on my behalf is false or misleading in any material respect either now or at the time made or furnished; or (3) I die or become insolvent, or any proceeding is commenced either by me or against me under any bankruptcy or insolvency laws.

**Savings clause.** No part of this Agreement, nor any charge or receipt by you, is intended to permit you to impose any amount in excess of lawful amounts. If an unlawful excess occurs, you will apply it as a credit or otherwise refund it, and the rate or amount involved will automatically be reduced to the maximum lawful rate or amount. To the extent permitted by law, for purposes of determining your compliance with the law, you may calculate charges by amortizing, prorating, allocating, and spreading.

**Interstate commerce.** You and I agree that the transaction represented by this CSO-CAB Agreement involves interstate commerce for all purposes.

**Governing Law.** This CSO-CAB Agreement shall be governed by the laws of the State of Texas, except that the Arbitration Provision shall be governed by the Federal Arbitration Act, 9 U.S.C. 1-16.

**Right to Proceed Against Surety Account.** You have filed a surety account in the amount of \$10,000 with the Texas Secretary of State under Chapter 393 of the Texas Finance Code: Under Chapter 393, the surety is in favor of (1) the State of Texas for the benefit of a person damaged by a violation of Chapter 393 or (2) a person damaged by a violation of Chapter 393. A person making a claim for violation of the Chapter may file suit against the principal and surety on this bond. The aggregate liability of the surety for damages arising from a violation of the Chapter may not be less than the amount paid to you, plus reasonable attorney's fees, and court costs awarded under Section 393.500 of the Texas Finance Code. The aggregate liability of surety to all persons damaged may not exceed the amount of the bond. The surety bond must be maintained until the second anniversary of the date in which you cease operations.

**Name and Address of the Surety Company that issued the Surety Account.**

**Statement as to the Availability of Nonprofit Credit Counseling Services** I may want to consider other sources to obtain credit services. There are numerous local and national nonprofit credit counseling organizations, which may be found in my local telephone directory. For example, the National Foundation for Credit Counseling (1-800-388-2227) is a national network of nonprofit centers, dedicated to helping people learn how to budget better and use credit wisely.

**My Fair Credit Reporting Act and Texas Business and Commerce Code Rights.** I have certain rights under the Fair Credit Reporting Act (15 U.S.C. Section 1681 et seq.) and Chapter 20 of the Texas Business and Commerce Code. I have a right to review information maintained about me in a file by a consumer reporting agency, as provided by the Fair Credit Reporting Act. Accurate information cannot be permanently removed from the files of a consumer reporting agency. If I am not entitled to a free file disclosure as discussed above, I may still obtain a copy at any time from the consumer reporting agency for a minimal charge. I have the right to dispute directly with a consumer reporting agency the completeness or accuracy of an item contained in the consumer's file maintained by the agency. When consumer information becomes obsolete a consumer reporting agency is prevented from issuing a report containing obsolete information.

**Entire agreement.** This CSO-CAB Agreement is the entire agreement between you and me relating to the subject matter of this CSO-CAB Agreement. No modification of this CSO-CAB Agreement shall be effective unless in writing and signed by you and me. If any provision of this CSO-CAB Agreement is determined to be invalid or unenforceable, such provision shall be reformed if practicable so as to achieve its intended purpose(s) and shall not in any way affect the remaining provisions of this CSO-CAB Agreement.

**Warning. Your credit services and any loan by a third-party lender are NOT intended to meet long-term financial needs.** This transaction should only be used to meet immediate short-term cash needs. Repeat or frequent use can create serious financial hardships. I should evaluate the costs and benefits of all alternatives before entering into this CSO-CAB Agreement. Other forms of short-term credit services or loans that may be less expensive include credit services from another credit service organization/credit access business, a loan from another institution or from family or friends, a credit card cash advance, an account with overdraft protection, or a salary advance.

**BORROWER'S Representations and Warranties.** BORROWER represents and warrants that BORROWER has the right to enter into this Loan Agreement, is at least 18 years of age, and understands that no credit insurance is offered with this Loan Agreement. BORROWER represents and warrants that the Motor Vehicle is not stolen, has no liens or encumbrances against it, and that BORROWER will not attempt to transfer any interest in the Motor Vehicle or attempt to obtain a duplicate title to the Motor Vehicle until all obligations under this Loan Agreement have been paid in full. BORROWER is not a debtor under any proceeding in bankruptcy and BORROWER has no intention to file a petition for relief under any chapter of the united states bankruptcy code. BORROWER also represents that the information submitted in this loan application in connection with the CSO-CAB agreement and this loan agreement is up to date, true, correct and complete, include, without limitation, representation that borrower IS NOT a regular or reserve member of the army, navy, air force, marine corps, or coast guard, serving on active duty under a call or order that does not specify a period of THIRTY (30) days or fewer, or a dependant of such a member. BORROWER understands that the CSO-CAB and the lender are relying upon that information.

**Governing Law; Enforceability.** This Loan Agreement shall be construed, applied and governed by the laws of the State of Texas, office of consumer credit commissioner 2601 N. Lamar Blvd. Austin, TX. 78705 (1-800-538-1579) and specifically Section 302.001 of the Texas Finance Code. The unenforceability of invalidity of any portion of this Loan Agreement shall not render unenforceable or invalid the remaining portions hereof.

**Prepayment** I may prepay this loan in full at any time and I will not incur any additional charge, fee, or penalty. Furthermore, I may also cancel this Loan without incurring any costs. To cancel this Loan Agreement, I need to (1) timely cancel the CSO Agreement, and (2) return the amount given to me at closing or paid on my prior loan account with you within (3) days after the date I sign the Loan Agreement. In addition, if this is my first loan with you, then you will also credit my account with any fees paid to the state or county government to secure your lien on the Motor Vehicle certificate of title.

I contracted with CSO-CAB to provide credit services, which include helping me obtain a loan and issuing a letter of credit to lender on my behalf, and I agreed to pay CSO-CAB a fee for those services. Neither CSO-CAB, nor any of its affiliates (collectively ""), is owned by, operated by, or affiliated with Lender. does not have authority to make or renew loans. Call or write Texas Office of the Consumer Credit Commissioner for credit information or assistance with credit problems, 2601 N. Lamar Blvd., Austin, Texas 78705. 800-538-1579.

**Correspondence with Lender** Unless otherwise directed in writing, all correspondence concerning this Note, including communications after default or bankruptcy of the borrower, must be directed by Lender, in care of CSO, at the following address and telephone numbers: PHONE: a FAX: a.

Borrower(s):

**Third-Party Lender:** The third-party lender for whom the extension of consumer credit ("loan") will be obtained from is: Alpha Omega ("Lender"). After receiving and approving my application, the Lender has agreed to make me a loan. The Lender requires that I provide it a security interest in my motor vehicle as collateral for this loan.

**CSO-CAB Fee, Title Lien Fee and Interest:**

There is no prepayment penalty on my Loan with the Lender, the Extension of Credit or the Credit Access Business transaction, if I elect to pay off my loan before the due date.

A Credit Access Business must comply with Chapter 392 and the Federal Fair Debt Collection Practices Act (15 U.S.C. Section 1692 et seq.) with respect to an extension of consumer credit described by Section 393.602(a) of the Texas Finance Code.

A Credit Access Business may not threaten or pursue criminal charges against a consumer related to a check or other debit authorization provided by the consumer as security for a transaction in the absence of forgery, fraud, theft, or other criminal conduct.

A Credit Access Business must comply, to the extent applicable, with 10 U.S.C. Section 987 and any regulations adopted under that law with respect to an extension of consumer credit described by Section 393.602(a) of the Texas Finance Code.

An advance of money obtained through a payday loan or auto title loan is not intended to meet long-term financial needs. A payday loan or auto title loan should only be used to meet immediate short-term cash needs. Refinancing the loan rather than paying the debt in full when due will require the payment of additional charges.

**I NOTE THAT THIS CSO-CAB AGREEMENT CONTAINS A BINDING ARBITRATION PROVISION THAT WILL SUBSTANTIALLY AFFECT MY RIGHTS WITH RESPECT TO ANY DISPUTES WITH YOU. I ACKNOWLEDGE THAT I HAVE READ, UNDERSTAND, AND AGREE TO THE ARBITRATION PROVISION.**

**I ACKNOWLEDGE RECEIPT OF A COPY OF (1) A SEPARATE CREDIT ACCESS BUSINESS DISCLOSURE STATEMENT (the Disclosure Statement and Privacy Notice) WHICH I READ AND EXECUTED BEFORE EXECUTING THIS CSO-CAB AGREEMENT OR PAYING ANY FEE OR OTHER CONSIDERATION; (2) THIS CSO-CAB AGREEMENT WITH ALL NECESSARY SPACES COMPLETED AND TWO ATTACHED NOTICES OF CANCELLATION; AND (3) AND OTHER DOCUMENT THAT I HAVE BEEN REQUESTED TO SIGN. I HAVE READ, UNDERSTAND, AND AGREE TO ALL OF THE PROVISIONS OF THIS CSO-CAB AGREEMENT, INCLUDING THE NOTICES OF CANCELLATION, AUTHORIZATION FOR AUTOMATED CLEARING HOUSE (ACH) DEBITS, ARBITRATION PROVISION, AND DISCLOSURE STATEMENT AND PRIVACY NOTICE.**

**I AGREE TO THE TERMS OF THIS CSO-CAB AGREEMENT AND ACKNOWLEDGE RECEIPT OF A COMPLETED COPY OF THIS CSO-CAB AGREEMENT, INCLUDING THE NOTICES OF CANCELLATION, AUTHORIZATION FOR AUTOMATED CLEARING HOUSE (ACH) DEBITS, ARBITRATION PROVISION, DISCLOSURE STATEMENT AND PRIVACY NOTICE.**

**I UNDERSTAND THAT THE ARBITRATION PROVISION WILL SUBSTANTIALLY AFFECT MY RIGHTS WITH RESPECT TO ANY DISPUTES WITH YOU UNLESS I FOLLOW THE PROCEDURE TO REJECT ARBITRATION.**

**I VOLUNTARILY AGREE TO BE BOUND BY THE ARBITRATION PROVISION.**

**THE CUSTOMER MAY CANCEL THIS CONTRACT AT ANY TIME BEFORE MIDNIGHT OF THE THIRD DAY AFTER THE DATE OF THE TRANSACTION. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR THE EXPLANATION OF THIS RIGHT.**

By: \_\_\_\_\_

Names: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Borrower

## Arbitration Agreement

**CUSTOMER SHOULD READ THIS ARBITRATION AGREEMENT. IF CUSTOMER DOESN'T REJECT IT IN ACCORDANCE WITH PARAGRAPH (A) BELOW, IT WILL BECOME PART OF THIS CSO AGREEMENT AND HAVE A SUBSTANTIAL IMPACT ON THE WAY IN WHICH THE PARTIES TO THE CSO AGREEMENT RESOLVE ANY CLAIM WHICH THEY HAVE AGAINST EACH OTHER NOW OR IN THE FUTURE.**

This Arbitration Agreement describes when and how a Claim (as defined below) arising under or related to this Credit Access Business and Credit Services Agreement (the "CSO-CAB Agreement") between myself and KJC AUTO TITLE LOANS CORP may be arbitrated. Arbitration is a method of resolving disputes in front of one or more neutral persons, instead of having a trial in court in front of a judge and/or jury. It can be a quicker and simpler way to resolve disputes. I agree that as solely used in this Arbitration Agreement, the terms "KJC AUTO TITLE LOANS CORP", "CSO-CAB," "you" or "your" means not only "KJC AUTO TITLE LOANS CORP", but also its parent companies, wholly or majority-owned subsidiaries, affiliates, commonly-owned companies, management companies, successors, assigns and any of their shareholders, employees, officers and directors. For purposes of this Arbitration Agreement, these terms also mean any third party providing any goods and services in connection with the origination, servicing and collection of this CSO-CAB Agreement, or any prior credit services agreements executed by me, if such third party is named as a party by me in any lawsuit between myself and KJC AUTO TITLE LOANS CORP. For the purposes of this Arbitration Agreement, the words "I," "me," "my," and "myself" means each and every customer who signs this CSO-CAB Agreement.

IF THE LENDER AND/OR THE CSO-CAB COMPANY HAVE NOT BEEN NOTIFIED IN WRITING OF INTENTION TO INITIATE ARBITRATION AND/OR THE BORROWER IS IN DEFAULT OF THE LOAN AND/OR CAB AGREEMENT PER THE EXPLANATION OF THE DEFAULT TERMS THEREIN, THEN THE LENDER AND/OR CSO-CAB COMPANY AND/OR THEIR AFFILIATES MAY INITIATE THE RIGHT TO REPOSSESS AND/OR COLLECT ALL AMOUNTS DUE PER THE LOAN AND CAB AGREEMENTS. THIS INCLUDES THE RIGHT TO PROCURE THE VEHICLE AND/OR DEBIT THE BORROWER'S ACCOUNT AND TO SELL THE VEHICLE IN ORDER TO OBTAIN THE FUNDS TO SATISFY THE LOAN AND/OR FEES AND INTEREST ASSOCIATED WITH THE LOAN AND CAB AGREEMENTS. THE COLLECTION PROCESS WILL NOT CEASE UNLESS A WRITTEN AGREEMENT TO INITIATE ARBITRATION PROCEEDINGS HAS BEEN AGREED UPON BY ALL PARTIES INVOLVED. THE BORROWER GIVES FULL PERMISSION FOR THE LENDER, CSO-CAB COMPANY AND/OR THEIR AFFILIATES TO PROCEED WITH COLLECTIONS IF THE BORROWER'S LOAN IS IN DEFAULT. NO PRIOR ARBITRATION OR NOTIFICATION IS NEEDED TO PROCEED WITH COLLECTIONS AGAINST BORROWER.

- a. **My Right to Reject:** If I don't want this Arbitration Agreement to apply, I agree that I may reject it by mailing KJC AUTO TITLE LOANS CORP a written rejection notice which contains all of the following:

**The date and agreement number of this CSO-CAB Agreement.**

**The names, addresses and phone numbers of each Customer hereunder.**

**A statement that each Customer rejects the Arbitration Agreement of this CSO-CAB Agreement.**

I understand that the rejection notice must be sent to KJC AUTO TITLE LOANS CORP: , , . I understand that a rejection notice is only effective if it is signed by all customers and if KJC AUTO TITLE LOANS CORP receives it within fifteen (15) days after the date of this CSO-CAB Agreement. I understand that if I reject this Arbitration Agreement that will not affect any other provision of this CSO-CAB Agreement or the status of this CSO-CAB Agreement. It will also not affect any prior arbitration agreement between Alpha Omega and myself which will remain in full force and effect. I understand that if I don't reject this Arbitration Agreement, it will be effective as of the date of this CSO-CAB Agreement.

- b. **What Claims Are Covered:** I understand that "Claim" means any claim, dispute or controversy between myself and KJC AUTO TITLE LOANS CORP that in any way arises from or relates to this CSO-CAB Agreement. Claim has the broadest possible meaning, and includes initial claims, counterclaims, cross-claims and third-party claims. It includes disputes based upon contract, tort, consumer rights, fraud and other intentional torts, constitution, statute, regulation, ordinance, common law and equity (including any claim for injunctive or declaratory relief). Subject to paragraph (F) below, it also includes disputes about the validity, enforceability, arbitrability or scope of this Arbitration Agreement or this CSO-CAB Agreement. For purposes of this Arbitration Agreement, "Claim" also means any claim, dispute or controversy between myself and KJC AUTO TITLE LOANS CORP that in any way arises from or relates to any prior agreements between us. I understand that this Arbitration Agreement, if not rejected by me under paragraph (A) above, will super cede any prior arbitration agreement between me and KJC AUTO TITLE LOANS CORP that would otherwise be applicable. I understand that KJC AUTO TITLE LOANS CORP will not choose to arbitrate an individual Claim that I bring against it in small claims court or my state's equivalent court, if any, but if that Claim is transferred, removed or appealed to a different court, that KJC AUTO TITLE LOANS CORP will then have the right to choose arbitration.
- c. **How Arbitration Is Started:** I agree that either I or KJC AUTO TITLE LOANS CORP may require any Claim to be arbitrated. Arbitration is started by giving written notice to the other party of the intent to start or to compel arbitration. This notice may be given before or after a lawsuit has been started over the Claim or with respect to other Claims brought later in the lawsuit. The notice may be in the form of a motion or petition to compel arbitration. Arbitration of a Claim must comply with this Arbitration Agreement and, to the extent not inconsistent or in conflict with this Arbitration Agreement, the applicable rules of the arbitration Administrator.
- d. **Choosing the Administrator:** I agree that the party requiring arbitration must choose one of the following arbitration organizations as the Administrator: American Arbitration Association ("AAA"), 335 Madison Avenue, New York, NY 10017, (800) 778-7879(www.adr.org) or National Arbitration Forum ("NAF"), P.O. Box 50191, Minneapolis, MN 55405, (800) 474-2371 (forum.com). In all cases, the arbitrator(s) must be a lawyer with more than 10 years of experience. If for any reason the chosen organization is unable or unwilling or ceases to serve as the Administrator, the party requiring arbitration will have 20 days to choose a different Administrator consistent with the requirements of this Arbitration Agreement.
- e. **Court and Jury Trials and Class Actions Prohibited and Other Limitations on Legal Rights:**

I agree that if arbitration is chosen with respect to a Claim, all of the following apply:

**There will be no right to try that Claim in court.**

**There will be no jury trial on that Claim.**

**A person may not threaten or pursue criminal charges against a consumer related to a check or other debit authorization provided by the consumer as security for a transaction in the absence of forgery, fraud, theft, or other criminal conduct.**

**Limited discovery will be permitted pursuant to the arbitration rules of the Administrator and/or this Arbitration Agreement.**

**I and KJC AUTO TITLE LOANS CORP are prohibited from participating in a class action in court or class-wide arbitration with respect to that Claim (the "Class Action Waiver"). This means that neither I nor KJC AUTO TITLE LOANS CORP can be a representative or member of any class of claimants or act as a private attorney general in court or in arbitration with respect to that Claim. This also means that the arbitrator has no power or authority to conduct any class-wide arbitration.**

Borrower(s):

Claims brought by or against one Customer may not be joined or consolidated in the arbitration with Claims brought by or against any other customers who entered into a separate credit services agreement with KJC AUTO TITLE LOANS CORP (the "Consolidation Waiver"). This also means that the arbitrator has no power or authority to conduct any consolidated arbitration.

Except as allowed by this Arbitration Agreement and the Federal Arbitration Act, the arbitrator's decision will be final and binding. Other rights that I or KJC AUTO TITLE LOANS CORP would have in court may also not be available in arbitration.

- f. Effect of Class Action and Consolidation Waivers: I agree that regardless of anything else in this Arbitration Agreement, the validity and effect of the Class Action Waiver and/or Consolidation Waiver must be determined only by a court and not by an arbitrator or by any policies or procedures of the Administrator. If a court limits or voids the Class Action Waiver and/or Consolidation Waiver in a proceeding involving me and KJC AUTO TITLE LOANS CORP, then this entire Arbitration Agreement (except for this sentence) shall be null and void. Nothing in this paragraph (F) shall affect the right of any party to appeal any invalidation or no enforcement of the Class Action Waiver and/or Consolidation Waiver.
- g. Location of Arbitration: Any arbitration hearing that I attend must take place at a location reasonably convenient to my residence.
- h. Cost of Arbitration: I understand that each Administrator charges fees to administer arbitration proceeding and the arbitrator also charges fees. This includes fees not charged by a court. I agree that if either I or KJC AUTO TITLE LOANS CORP requires a Claim to be arbitrated, I may tell KJC AUTO TITLE LOANS CORP in writing that I can't afford to pay the fees charged by the Administrator and the arbitrator or that I believe those fees are too high. I understand that KJC AUTO TITLE LOANS CORP will not ask me to pay or reimburse them for any fees KJC AUTO TITLE LOANS CORP pays the Administrator or arbitrator. Each party must pay the expense of that party's attorneys, experts and witnesses, regardless of which party prevails in the arbitration, unless applicable law, this Arbitration Agreement and/or the CSO-CAB Agreement gives a party the right to recover any of those fees from the other party. I understand that KJC AUTO TITLE LOANS CORP will not ask me to pay or reimburse them for any fees KJC AUTO TITLE LOANS CORP pays the Administrator or arbitrator. Each party must pay the expense of that party's attorneys, experts and witnesses, regardless of which party prevails in the arbitration, unless applicable law, this Arbitration Agreement and/or the CSO-CAB Agreement gives a party the right to recover any of those fees from the other party.
- i. Governing Law: This Arbitration Agreement is governed by the Federal Arbitration Act, 9 U.S.C. §§ 1 et seq. (the "FAA"), and not by any state arbitration law. The arbitrator must apply applicable substantive law consistent with the FAA and applicable statutes of limitations and claims of privilege recognized at law. The arbitrator is authorized to award all remedies permitted by the substantive law that would apply if the action were pending in court (including, without limitation, punitive damages, which shall be governed by the Constitutional standards employed by the courts). At the timely request of either party, the arbitrator must provide a brief written explanation of the basis for the award.
- j. Right to Discovery: In addition to the parties' rights to obtain discovery pursuant to the arbitration rules of the Administrator, either party may submit a written request to the arbitrator to expand the scope of discovery normally allowable under the arbitration rules of the Administrator. The Arbitrator shall have discretion to grant or deny that request.
- k. Arbitration Result and Right of Appeal: Judgment upon the award given by the arbitrator may be entered in any court having jurisdiction. The arbitrator's decision is final and binding, except for any right of appeal provided by the FAA. However, if the amount of the Claim exceeds \$100,000 or the arbitration award grants or denies any claim for injunctive relief, any party can appeal the award to a three-arbitrator panel administered by the Administrator which shall reconsider any aspect of the initial award requested by the appealing party. The decision of the panel shall be by majority vote. Reference in this Arbitration Agreement to "the arbitrator" shall mean the panel of arbitrators if an appeal of the arbitrator's decision has been taken. Subject to applicable law, costs of such an appeal will be borne by the appealing party regardless of the outcome of the appeal. However, KJC AUTO TITLE LOANS CORP will consider any good faith, reasonable request for it to pay all or any part of those fees if I am the appealing party and KJC AUTO TITLE LOANS CORP will pay those fees to the extent necessary for this Arbitration Agreement to be enforced.
- l. Rules of Interpretation: This Arbitration Agreement shall survive the repayment of all amounts owed under the CSO-CAB Agreement (or any prior agreement(s) between the parties), the termination, cancellation or suspension of the CSO-CAB Agreement, any legal proceeding, and any bankruptcy by me, to the extent consistent with applicable bankruptcy law. If any portion of this Arbitration Agreement (other than the Class Action and Consolidation Waivers referred to in paragraph (F)) is deemed invalid or unenforceable, it shall not invalidate the CSO-CAB Agreement (or any prior CSO-CAB agreements between the parties) or the remaining portions of this Arbitration Agreement. In the event of a conflict or inconsistency between this Arbitration Agreement, on the one hand, and the applicable arbitration rules or the other provisions of the CSO-CAB Agreement, on the other hand, this Arbitration Agreement shall govern.
- m. Breach of Arbitration Agreement: If I or KJC AUTO TITLE LOANS CORP fails to submit to arbitration following a proper demand to do so, that party shall bear all costs and expenses, including reasonable attorney's fees, incurred by the other party compelling arbitration.

**ACKNOWLEDGMENT**

BY SIGNING BELOW, I ACKNOWLEDGE THAT: (1) I HAVE READ THIS ENTIRE ARBITRATION AGREEMENT CAREFULLY; (2) I AM ENTERING INTO THIS ARBITRATION AGREEMENT VOLUNTARILY AND NOT IN RELIANCE ON ANY PROMISES OR REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS ARBITRATION AGREEMENT; (3) I WILL HAVE THE RIGHT TO REJECT THIS ARBITRATION AGREEMENT IN ACCORDANCE WITH PARAGRAPH (A) ABOVE; AND (4) I HAVE BEEN PROVIDED WITH A DUPLICATE COPY OF THIS ARBITRATION AGREEMENT. I UNDERSTAND THAT THE ARBITRATION PROVISION WILL SUBSTANTIALLY AFFECT MY RIGHTS WITH RESPECT TO ANY DISPUTES WITH YOU UNLESS I FOLLOW THE PROCEDURE TO REJECT ARBITRATION. I VOLUNTARILY AGREE TO BE BOUND BY THE ARBITRATION PROVISION.

By: \_\_\_\_\_  
Its Authorized Representative

KJC AUTO TITLE LOANS CORP

By: \_\_\_\_\_  
Borrower

\_\_\_\_\_  
Borrower

Borrower(s):