

## Loan Agreement, Promissory Note and Security Agreement

Lender: Alpha Omega Consulting Group  
 716 Vauxhall Drive  
 Nashville, TN 37221

Borrower(s): TIFFANY JONES  
 155 WINDWARD WAY  
 TESTCITY, TN 37221

Date of Loan 10/7/2008  
 Contract Number TL205

Motor Vehicle:  
 Year \_\_\_\_\_  
 Make \_\_\_\_\_  
 Model \_\_\_\_\_  
 Vin # \_\_\_\_\_

### DISCLOSURES REQUIRED BY FEDERAL TRUTH IN LENDING

<b>ANNUAL PERCENTAGE RATE</b>	<b>FINANCE CHARGE</b>	<b>AMOUNT FINANCED</b>	<b>TOTAL OF PAYMENTS</b>
<i>The cost of your credit as a yearly rate</i>  <b>117.74%</b>	<i>The dollar amount the credit will cost you</i>  <b>\$108.25</b>	<i>The amount of credit provided to you or on your behalf</i>  <b>\$1,082.48</b>	<i>The amount you will have paid after you have made all payments as scheduled</i>  <b>\$1,190.73</b>

Your payment schedule will be:

			Filing Fee: \$0.00
Number of Payments	Amount of Payment(s)	When Payment(s) are Due	
1	\$1,190.73	11/7/2008	

Late Charge: Any payment not paid in full on or before the 10th day after its scheduled due date shall be subject to a late fee not to exceed the greater of 5% of the unpaid amount or \$7.50.

Security: You are giving a security interest in the motor vehicle described above.

Prepayment: If you pay off this loan early you will not have to pay a penalty and will not be entitled to a refund of any portion of the Finance Charge.

Please see the remainder of this document for additional information about nonpayment, default and any required repayment in full before the scheduled date.

Itemization of Amount Financed of \$1,082.48

<u>\$1,082.48</u>	Amount given to you directly
<u>\$0.00</u>	Amount paid on your account
<u>\$0.00</u>	Amount paid to Government Official for Lien Fee
<u>\$0.00</u>	Prepaid Finance Charge

This Loan Agreement, Promissory Note and Security Agreement (Loan Agreement) is executed by and between BORROWER and LENDER on the date set forth above.

1. **Promise to Pay.** For value received, BORROWER hereby promises to pay LENDER, according to the Payment Schedule shown above and in immediately available United States currency, the principal amount of \$1,082.48 together with interest calculated at the rate of 10.00% per annum until the full amount of the principal, interest and fees, including any late fees and LENDER'S costs of foreclosing upon its lien, has been repaid. All sums due hereunder shall be paid without prior demand, notice or claim of set off and shall be paid at the address where this Loan Agreement was executed. BORROWER, without penalty, has the right to pay the Loan Agreement in full or in part with no additional charge.
2. **Right to Rescind.** BORROWER may rescind this loan on or before the close of business on the third business day following the date this Loan Agreement was executed. To rescind the loan, BORROWER must deliver to LENDER, at the address where this Loan Agreement was executed, either (i) the original check which LENDER gave to BORROWER to fund this loan; or (ii) a sum of money, in cash or certified funds, equal to the amount of the loan proceeds disbursed to BORROWER.
3. **Interest Calculation; Payment Applications.** Interest under this Loan Agreement will be calculated on a simple interest basis and shall accrue at a daily rate of 1/365th of the annual rate of (10.00%) multiplied by the unpaid balance for each day that any amount remains due to LENDER. Interest shall continue to accrue after the scheduled maturity of this Loan Agreement on any balance that remains unpaid. All payments shall be applied first to any costs due LENDER and allowed by law, then accrued interest, and finally to the unpaid principal amount.
4. **Late Fee.** Any payment not paid in full on or before the 7th day after its scheduled due date shall be subject to a late fee not to exceed the greater of 5% of the unpaid amount of the payment or \$7.50.
5. **Security Interest in Collateral.** To secure BORROWER'S obligations under this Loan Agreement and any extensions or renewals thereof, BORROWER hereby grants to LENDER a security interest in the motor vehicle described above (the "Motor Vehicle"), all accessories and accessions to the Motor Vehicle, and all proceeds related thereto, including all insurance proceeds or refunds of insurance premiums related to the Motor Vehicle (all such property referred to herein as "Collateral"). BORROWER agrees to reimburse LENDER upon its request for any costs incurred by LENDER in perfecting its lien or enforcing its rights against the collateral.

6. 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.
7. Event of Default. The following constitute events of default under this Loan Agreement: (a) BORROWER fails to keep any of BORROWER'S promises under this Loan Agreement, including but not limited the promise to pay pursuant to this Loan Agreement; (b) any representation or information given to LENDER by BORROWER is false or misleading; or (c) BORROWER cancels its agreement with a third-party CSO (as defined herein) which has agreed to guarantee BORROWER'S loan.
8. LENDER'S Rights in the Event of Default. Upon the occurrence of any event of default, LENDER may at its option, do any one or more of the following: (a) declare the whole outstanding balance due under this Loan Agreement due and payable at once and proceed to collect it; (b) foreclose upon its lien and liquidate the Collateral securing this Loan Agreement according to law, including by using self-help repossession; (c) exercise all other rights, powers and remedies given by law; (d) recover from BORROWER all charges, costs and expenses, including all collection costs and reasonable attorney's fees incurred or paid by LENDER in exercising any right, power or remedy provided by this Loan Agreement or by law; and/or (e) assign any and all of LENDER'S interest in and to this Loan Agreement to a third party, thereby vesting in such third party all rights, powers and privileges of LENDER hereunder. Any delay by LENDER in exercising any or all of these rights shall not be a waiver of such rights.
9. Use of Credit Service Organization. If a portion of the principal of this loan is being paid on BORROWER'S behalf to a Credit Service Organization ("CSO"), BORROWER hereby agrees that such amount is not interest being paid to LENDER, or any party, but rather compensation owed by BORROWER to such CSO for services agreed to between such parties outside this Loan Agreement. BORROWER acknowledges and understands that a fee paid to a CSO for arranging the loan (though required to be treated as a finance charge for the purposes of federal law disclosures as shown above) is for a separate service and not interest for the purposes of Texas law. BORROWER hereby authorizes LENDER to share personal and credit information about BORROWER with CSO.
10. General, (a) BORROWER will deposit with LENDER a duplicate set of keys to the Motor Vehicle upon execution of this Loan Agreement; (b) BORROWER agrees to pay LENDER a returned check fee of \$30.00 each time a check given by BORROWER and accepted by LENDER is not honored for any reason, notwithstanding the forgoing LENDER shall not be under any obligation to accept a check for any payment; (c) BORROWER shall bear the entire risk of loss or damage to the Motor Vehicle while it is in BORROWER'S possession and agrees to indemnify and hold LENDER harmless from any and all claims for property damages or personal injuries arising from the operation of the Motor Vehicle, including but not limited to, all judgments, attorney's fees, court costs and any incurred expenses; (d) if more than one BORROWER executes this Loan Agreement, each BORROWER will be jointly and severally liable; (e) time is of the essence of this Loan Agreement; (f) the parties agree that BORROWER should not be charged under this Loan Agreement more than the highest rate of interest and fees which lawfully may be charged by LENDER and that should any amount be paid to LENDER in excess of such legal rate, such excess shall be deemed to have been paid in reduction of the principal balance of the Loan Agreement and/or an overpayment which LENDER shall be entitled to refund, without penalty, upon notice of overcharge from BORROWER to LENDER; and (g) this Loan Agreement constitutes the entire Loan Agreement between the parties and no other agreements, representations or warranties other than those stated herein shall be binding unless reduced in writing and signed by both parties.
11. Assignment LENDER may assign or transfer any or all of its rights, title and interest under this Loan Agreement at its discretion. BORROWER may not assign or transfer BORROWER'S rights under this Loan Agreement without the prior written consent of LENDER.
12. Governing Law; Enforceability. This Loan Agreement shall be construed, applied and governed by the laws of the State of Texas, 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.
13. Arbitration Agreement.

## ATTENTION BORROWER(S):

READ THIS ARBITRATION AGREEMENT. IF YOU DONT REJECT IT IN ACCORDANCE WITH PARAGRAPH (a) BELOW, IT WILL BECOME PART OF THIS LOAN AGREEMENT AND WILL HAVE A SUBSTANTIAL IMPACT ON THE WAY IN WHICH YOU OR LENDER WILL RESOLVE ANY CLAIM WHICH YOU OR LENDER 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 Loan Agreement, Promissory Note and Security Agreement (the "Loan Agreement") between BORROWER and LENDER 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. As solely used in this Arbitration Agreement, the term LENDER means the Lender identified at the top of this Agreement, 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 the Loan Agreement (or any prior loan or loans LENDER provided to BORROWER) if such third party is named as a party by BORROWER in any lawsuit between BORROWER and LENDER. For the purposes of this Arbitration Agreement, the words "BORROWER" and "BORROWERS" mean each and every borrower who signs the Loan Agreement.

- a. Your Right to Reject: If BORROWER doesn't want this Arbitration Agreement to apply, BORROWER may reject it by mailing LENDER a written rejection notice which contains all of the following:
  - o The date and account number of the Loan Agreement.
  - o The names, addresses and phone numbers of each BORROWER.
  - o A statement that all of BORROWERS reject the Arbitration Agreement of the Loan Agreement.

The rejection notice must be sent to LENDER at: Alpha Omega Consulting Group 716 Vauxhall Drive Nashville, TN 37221. A rejection notice is only effective if it is signed by all of BORROWERS and if LENDER receives it within fifteen (15) days after the date of the Loan Agreement. If BORROWER rejects this Arbitration Agreement, that will not affect any other provision of the Loan Agreement or the status of the Loan Agreement. It will also not affect any prior arbitration agreement between BORROWER and LENDER which will remain in full force and effect. If BORROWER doesn't reject this Arbitration Agreement, it will be effective as of the date of the Loan Agreement.

- b. What Claims Are Covered: "Claim" means any claim, dispute or controversy between BORROWER and LENDER that in any way arises from or relates to the Loan 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 the Loan Agreement. For purposes of this Arbitration Agreement, "Claim" also means any claim, dispute or controversy between BORROWER and LENDER that in any way arises from or relates to any prior loan or loans BORROWER obtained from LENDER. The term "Claim" shall not mean, however, LENDER'S right to seek possession of the collateral securing this Loan Agreement by the use of self-help repossession, or its right to thereafter liquidate the collateral pursuant to law. Further, LENDER will not choose to arbitrate an individual Claim that BORROWER brings against LENDER in small claims court or BORROWER'S state's equivalent court, if any. But if that Claim is transferred, removed or appealed to a different court, LENDER will then have the right to choose arbitration. This Arbitration Agreement, if not rejected by BORROWER under paragraph (a) above, will super cede any prior arbitration agreement between BORROWER and LENDER that would otherwise be applicable.
- c. How Arbitration Is Started: Either BORROWER or LENDER 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: 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](http://www.adr.org)) or National Arbitration Forum ("NAF"), P.O. Box 50191, Minneapolis, MN 55405, (800) 474-2371 ([www.arb-forum.com](http://www.arb-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: If arbitration is chosen with respect to a Claim, all of the following apply:
- o There will be no right to try that Claim in court.
  - o There will be no jury trial on that Claim.
  - o Limited discovery will be permitted pursuant to the arbitration rules of the Administrator and/or this Arbitration Agreement.
  - o LENDER and BORROWER 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 LENDER nor BORROWER 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.
  - o Claims brought by or against one Borrower (or Co-Borrower) may not be joined or consolidated in the arbitration with Claims brought by or against any other borrower who obtained a different loan (the "Consolidation Waiver"). This also means that the arbitrator has no power or authority to conduct any consolidated arbitration.
  - o Except as allowed by this Arbitration Agreement and the Federal Arbitration Act, the arbitrator's decision will be final and binding.
  - o Other rights that BORROWER or LENDER would have in court may also not be available in arbitration.
- f. Effect of Class Action and Consolidation Waivers: 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 BORROWER and LENDER, 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 must take place at a location reasonably convenient to BORROWER'S residence.
- h. Cost of Arbitration: Each Administrator charges fees to administer arbitration proceeding and the arbitrator also charges fees. This includes fees not charged by a court. If either LENDER or BORROWER require a Claim to be arbitrated, BORROWER may tell LENDER in writing that BORROWER can't afford to pay the fees charged by the Administrator and the arbitrator or that BORROWER believe those fees are too high. If BORROWER'S request is reasonable and in good faith, LENDER will pay or reimburse BORROWER for all or any part of the fees charged to BORROWER by the Administrator and/or arbitrator to the extent such fees exceed filing fees that BORROWER would be required to pay if the Claim had been brought in court. LENDER will always pay the fees if applicable law requires LENDER to or if a court requires such payment in order for this Arbitration Agreement to be enforced. LENDER will not ask BORROWER to pay or reimburse LENDER for any fees LENDER 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 Loan 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 UFAA"), 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, LENDER will consider any good faith, reasonable request for LENDER to pay all or any part of those fees if BORROWER is the appealing party and LENDER 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 Loan Agreement (or any prior loan(s) obtained by BORROWER from LENDER), the termination, cancellation or suspension of credit privileges under the Loan Agreement, any repossession of the Collateral, any legal proceeding, and any bankruptcy by BORROWER, 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 Loan Agreement (or any prior loan(s) obtained by BORROWER from LENDER) 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 Loan Agreement, on the other hand, this Arbitration Agreement shall govern.
- m. Breach of Arbitration Agreement: If LENDER or BORROWER fail 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, BORROWER ACKNOWLEDGES THAT: (1) BORROWER HAS READ THIS ENTIRE ARBITRATION AGREEMENT CAREFULLY; (2) BORROWER IS ENTERING INTO THIS ARBITRATION AGREEMENT VOLUNTARILY AND NOT IN RELIANCE ON ANY PROMISES OR REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS ARBITRATION AGREEMENT; (3) BORROWER WILL HAVE THE RIGHT TO REJECT THIS ARBITRATION AGREEMENT IN ACCORDANCE WITH PARAGRAPH (a) ABOVE; AND (4) BORROWER HAS BEEN PROVIDED WITH A DUPLICATE COPY OF THIS ARBITRATION AGREEMENT.

**Borrower hereby agrees to repay this loan in accordance with the terms and conditions contained herein and agrees to the terms and conditions of the Arbitration Agreement made a part hereof.**

X  
\_\_\_\_\_  
BORROWER

X  
\_\_\_\_\_  
LENDER  
By its authorized representative

X  
\_\_\_\_\_  
BORROWER