

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA

CASE NO. 6:13-cv-01465-JA-GJK

WELLS FARGO BANK, N.A., a
National Association bank,

Plaintiff,

vs.

UNITED CREDIT RECOVERY, LLC,
a Delaware limited liability company,

Defendants.

AMENDED COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF

Plaintiff, Wells Fargo, Bank, N.A. (“Wells Fargo”) sues Defendant United Credit Recovery LLC (“UCR”), and alleges:

Allegations Common to Each Count

A. Nature of Action

1. This is an action for service mark infringement and dilution under the Trademark Act of 1946, as amended (the Lanham Act, 15 U.S.C. §§1051 *et seq.*), and related causes of action under the laws of the State of Florida, arising from the unauthorized use by UCR of the service marks WELLS FARGO®, WACHOVIA®, and WACHOVIA, A WELLS FARGO COMPANY (“the Marks”) in violation of Wells Fargo’s rights in the Marks, which arise under federal and Florida law. This is also an action to prevent UCR’s creation, execution, dissemination, and proliferation of false and fraudulent affidavits and other documents purportedly executed by Wells Fargo employees, which include Wells Fargo’s valuable service marks, and to enjoin such conduct and require UCR to rescind all such forged documents.

B. Parties, Jurisdiction, and Venue

2. Pursuant to 28 U.S.C. § 1348, Plaintiff Wells Fargo is a citizen of the State in which its main office, as set forth in its Articles of Association, is located. Wells Fargo's designated main office is in Sioux Falls, South Dakota, as reflected in its Articles of Association. Thus, Wells Fargo is a citizen of South Dakota.

3. Defendant UCR is a Delaware limited liability company with its principal place of business in Sanford, Florida.

4. This Court has original subject-matter jurisdiction pursuant to 15 U.S.C. § 1121, and 28 U.S.C. §§ 1331 and 1338(a), because this action arises under the laws of the United States and pertains to an Act of Congress that relates to copyrights and trademarks. The Court has supplemental jurisdiction over state law claims pursuant to 28 U.S.C. § 1367.

5. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391(a) because at least one defendant (UCR) resides or has its principal place of business in this district, and the false and forged instruments upon which this action is brought were created in this district. UCR has also committed a tortious act within this district, which is likely to and has caused confusion among consumers within the State. Alternatively, UCR has caused injury to persons or property within this State arising out of an act or omission by UCR outside this State; and/or UCR caused injury to persons or property outside this State arising out of an act or omission by the UCR inside this State.

6. All conditions precedent to this action have been met through performance, waiver or otherwise.

B. The Purchase Agreement

7. On January 6, 2010, Wells Fargo and UCR entered into a Purchase Agreement ("Purchase Agreement") concerning the sale of certain demand deposit checking accounts and

overdraft balances that had been charged off of Wells Fargo's books (the "Receivables"). (Exhibit A) Essentially, UCR purchased packages of delinquent consumer receivables from Wells Fargo.

8. Wells Fargo only made certain representations and warranties in the Purchase Agreement – i.e., that the bank had the power to sell the Receivables, that they were originated in compliance with the law, that Wells Fargo had title to sell them, and that the Receivables were valid at the time of sale. (Exhibit A ¶ 5). The Purchase Agreement explicitly provided that Wells Fargo made no other representations or warranties. (Exhibit A, ¶ 5(e); *see also* ¶ 9(f))

9. UCR represented and warranted that it independently investigated each Receivable.

It has made such independent investigation as it deems to be warranted into the nature, validity, enforceability, and value of the Receivables, and all other facts it deems Material to the purchase, and is entering into the transaction herein contemplated solely on the basis of that investigation and its own judgment, and is not acting in reliance on any representation (either written or oral) or other information furnished by Seller, or anyone purporting to represent Seller other than as set forth herein. Buyer is purchasing the Receivables with the knowledge that they may be uncollectible and without value and may be subject to rights of Obligor.

(Exhibit A, ¶ 8(d); *see also* ¶ 9(g))

10. UCR also represented, warranted, covenanted, acknowledged and agreed, with regard to each Receivable, that it had no authority to act for or in the name of Wells Fargo, or to use Wells Fargo's name except to identify the receivable:

Neither Buyer, nor anyone acting on its behalf, has any authority to act for or in the name of Seller or any of its Affiliates with respect to collection of any Receivables or with respect to any other matter. Buyer will not use, or refer to, the name of Seller or any of its Affiliates for any purpose relating to any Receivable, except that Seller's name may be used for the purpose of identifying a Receivable in connection with its collection or in identifying the chain of title to a purchaser of, or in connection with a securitization transaction involving, the Receivable. Buyer will not portray itself as an agent, partner or joint venture associate of Seller, or of any of Seller's

Affiliates, of or any of its agents with respect to any Receivable. Buyer will not expressly or impliedly represent at any time that it, or anyone acting on its behalf, is employed by or represents Seller or any of Seller's Affiliates as an independent or other agent or that it has any authority to act for or on behalf of Seller or any of Seller's Affiliates;

(Exhibit A, ¶ 9(b))

11. In the Purchase Agreement, Wells Fargo provided UCR with an extremely limited power of attorney, authorizing it only to: (i) endorse Wells Fargo's name on checks, drafts, notes and other forms of exchange received in payment of any Receivable; (ii) demand, collect and receive Receivables; (iii) provide receipts and releases of Receivables; and (iv) perfect security interests in security for Receivables. (Exhibit A, ¶ 16) UCR explicitly did not have the authority to initiate or prosecute litigation in Wells Fargo's name. *Id.*

12. UCR had the right to sell Receivables as specified in the Purchase Agreement. However, third party debt buyers had no right to rely on any Wells Fargo representations or warranties. (Exhibit A, ¶ 22) Such buyers had no rights under the Purchase Agreement and could not demand documentation from Wells Fargo. *Id.*

13. On August 23, 2010, the Purchase Agreement was amended to change the Commitment Period (i.e., the length of the contract), but the terms above were otherwise unaffected. (Exhibit B)

C. Termination

14. The Purchase Agreement expired pursuant to its terms on January 31, 2012. (Exhibit B) Wells Fargo elected not to renew the Purchase Agreement due to concerns about UCR's operations. UCR thereafter sued Wells Fargo in the Circuit Court of Miami-Dade County, Florida, alleging that it had a right of first refusal to continue purchasing Receivables from Wells Fargo after expiration of the Purchase Agreement, and seeking an injunction to enforce that alleged right. After removal by Wells Fargo, the district court denied UCR's

injunction request and dismissed its complaint against Wells Fargo with prejudice. *See United Credit Recovery, LLC v. Wells Fargo Bank, N.A.*, Case No. 12-21692-CIV-Lenard/O'Sullivan (S.D. Fla. 2012).

D. Actions in Violation of Law

1. Affidavits

15. During the life of the Purchase Agreement, Wells Fargo provided UCR with certain documents and information pertaining to the monthly Receivables packages purchased by UCR ("Receivables Documents"). (Exhibit A ¶ 21) Wells Fargo would provide an Affidavit of Correctness/Assignment ("Affidavit of Correctness"), which generally referenced the transfer to UCR of all rights and interest in the Receivables packages. Attached as Exhibit C is a legitimate example of an Affidavit of Correctness from Wells Fargo. The Affidavits of Correctness were notarized, printed on plain paper without a Wachovia or Wells Fargo letterhead, mark or logo, and contained information from one randomly selected delinquent account as a demonstrative indicator of the types of data and information fields included in the Receivables Documents (i.e., the name of debtor/obligor, account number, amount owed, and charge off date).

16. On or about December 14, 2012, Wells Fargo received an anonymous e-mail stating that UCR was producing assignments of debt with forged Wells Fargo signatures and fraudulent notarizations. (Exhibit D) The allegation was investigated but could not be verified at that time. Wells Fargo nevertheless sent UCR a cease and desist letter to UCR, demanding confirmation that such practices had not occurred and demanding document retention in connection with prospective litigation over the matter. (Exhibit E)

17. Wells Fargo was thereafter contacted by representatives of the Attorney General of the State of Colorado. The Attorney General provided Wells Fargo with thousands of copies of unauthorized "Notices of Correctness" and "Affidavits of Correctness/Assignment" provided

by UCR to third party debt purchasers. These documents purport to have been generated by Wells Fargo, but were not created by any Wells Fargo employee or otherwise authorized. The forged Affidavits of Correctness/Assignment appeared almost identical to the proper form of the Affidavit of Correctness, but contain forged signatures and forged notarizations. The Notices of Correctness were not notarized, but also contain forged signatures and otherwise appear almost identical to the proper form of the Affidavit of Correctness. (Examples are attached as Exhibits F & G)

18. Some of these documents have the mark WACHOVIA, A WELLS FARGO COMPANY, unlike the legitimate Affidavits of Correctness. The mark is not only blurry, as if from reproduction, but it is blurrier than the rest of the document.



19. Some of the documents have the mark WELLS FARGO, and those marks are also blurrier than the rest of the document.



20. The unauthorized Notices and Affidavits of Correctness contain what appear to be signatures of Wells Fargo employees. However, the signature blocks, like the logos, are blurrier than the rest of the document. Moreover, many of these documents all have the same date.

21. For example, the signature on Exhibit C (a valid Affidavit of Correctness), appears to have been cut and pasted onto Exhibit F (a forged Certificate of Correctness). This particular forgery was done dozens if not hundreds of times. The other forged signatures appear to have been created in the same manner.

2. Other

22. It appears that UCR has been reselling the Receivables (debt) purchased from Wells Fargo and then simply forging Notices and Affidavits of Correctness to provide to the third party buyers. The third party buyers, in turn, have used the forged documents in connection with their efforts to enforce the debt, including using the forged Notices and Affidavits of Correctness in Court proceedings against debtors.

23. Third party buyers from UCR were thus deceived into thinking that they were receiving Wells Fargo authenticated and notarized account specific documents, when they were not.

3. The Lanham Act

24. UCR'S unauthorized Notices and Affidavits of Correctness prominently display the Marks, including the distinct design of the WACHOVIA, A WELLS FARGO COMPANY and the WELLS FARGO marks, without Wells Fargo's permission.

25. Upon information and belief, UCR is knowingly and intentionally using the Marks in an effort to confuse the public into believing that Wells Fargo is endorsing or sponsoring UCR, and that the services being offered by UCR are affiliated with Wells Fargo.

26. UCR began using the Marks without Wells Fargo's permission, with full knowledge of Wells Fargo's ownership of the Marks, and with the intention of trading upon the extensive fame and goodwill established by Wells Fargo therein.

27. UCR continues to use the Marks, without Wells Fargo's permission, and with full knowledge of Wells Fargo's ownership of the Marks.

28. Upon information and belief, and as evidenced by materials distributed by UCR, UCR is using the Mark to promote confusion with the Marks, all inuring to UCR's unearned benefit and to the detriment of Wells Fargo.

29. UCR's use of the Marks to solicit customers is likely to cause confusion, mistake or deception as to the source or origin of UCR's services, in that the public is likely to believe that UCR's products or services are provided by, sponsored by, approved by, licensed by, affiliated with, or in some way legitimately connected with Wells Fargo, or indeed are Wells Fargo's goods or services, all to Wells Fargo's irreparable harm, and this use infringes upon the intellectual property rights of Wells Fargo.

30. UCR's infringing and violative conduct was undertaken intentionally, willfully and with wanton disregard of Wells Fargo's rights.

31. Wells Fargo has spent considerable sums of money in establishing the fame and reputation of the Marks as an indicator to customers of the source of Wells Fargo's high-quality services and products.

32. For many years prior to the acts complained herein, those in the financial industry, as well as consumers throughout the United States, and the public in general, have come to recognize that the Marks identify a single particular source, which is Wells Fargo, and that as a result of the extensive advertising and promotional efforts relating to Wells Fargo's financial services, the Marks have come to be service marks that are recognized by the general public at large. All of these efforts have resulted in the Marks achieving fame as service marks.

5. FDUTPA

33. Florida's Deceptive and Unfair Trade Practices Act ("FDUTPA") provides remedies for unfair methods of competition, unconscionable acts or practices, and unfair or deceptive acts or practices in the conduct of any trade or commerce.

34. FDUTPA is enforced through injunctive and declaratory relief:

Without regard to any other remedy or relief to which a person is entitled, anyone aggrieved by a violation of this part may bring an action to obtain a declaratory judgment that an act or practice violates this part and to enjoin a person who has violated, is violating, or is otherwise likely to violate this par.

Fla. Stat. § 501.211.

6. Fees

35. Wells Fargo was required to retain the undersigned law firm to bring this action and to prosecute this claim, and has agreed to pay a reasonable fee for its services.

(COUNT I)

False Designation of Origin Under § 43 (a) of the Lanham Act

36. Wells Fargo repeats and realleges the allegations set forth in Paragraphs 1 through 35.

37. This Count arises under § 43(a) of the Lanham Act (15 U.S.C. § 1125(a)).

38. Wells Fargo's Marks have become uniquely associated with and identify Wells Fargo's products and services.

39. By the acts complained of herein, UCR intentionally engaged in conduct that constitutes false designation of origin in violation of 15 U.S.C. § 1125(a).

40. UCR's false designation of origin, false or misleading descriptions of fact, or false or misleading representations of fact, were likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection or association of UCR with Wells Fargo, or as to the origin, sponsorship, or approval of the goods, services, or commercial activities of UCR by Wells Fargo.

41. UCR's infringing and violative conduct has caused irreparable and immediate injury to Wells Fargo.

42. Wells Fargo has suffered damages as a result of UCR's violation of 15 U.S.C. § 1125(a).

(COUNT II)

Infringement of a Federally Registered Trademark

43. Wells Fargo repeats and realleges the allegations set forth in Paragraphs 1 through 42.

44. This is a suit for service mark infringement and arises under the trademark laws of the United States, namely, Title 15 of the United States Code and more particularly, 15 U.S.C. §§1114-18, inclusive.

45. UCR's use of the Marks on its Notice and Affidavits of Correctness is without Wells Fargo's approval or permission.

46. UCR is using the Marks in connection with the sale, offering for sale, distribution or advertising of goods (in this instance, the resale of delinquent consumer receivables) in a manner that is likely to cause confusion or mistake, or to deceive as to the source or origin of such goods or services.

47. UCR's conduct has created and will create confusion among the members of the relevant consuming public and will cause irreparable and immediate injury to Wells Fargo for which Wells Fargo has no adequate remedy at law.

48. Wells Fargo has been damaged by UCR's infringement of its registered marks.

(COUNT III)

Trademark Dilution Under §43(c) of the Lanham Act

49. Wells Fargo repeats and realleges the allegations set forth in Paragraphs 1 through 48.

50. The Marks are and have been famous marks.

51. The Marks are famous because of, among other things, their inherent or acquired distinctiveness, the duration and extent of use in connection with the goods or services with which it is used, the duration and extent of advertising and publicity of the Marks, the geographical extent of the trading area in which the Marks are used, the channels of trade for the goods or services with which the Marks are used, the degree of recognition of the Marks in the trading areas and channels of trade, the nature and extent of use of the same or similar marks by third parties, and the listing of the Marks on the principal register.

52. UCR began use of the Marks after the Marks became famous.

53. UCR's infringing use of the Marks has diluted the distinctive quality of the Marks and has caused and continues to cause harm to Wells Fargo.

(COUNT IV)

Injury to Reputation and Dilution Under Florida Law

54. Wells Fargo repeats and realleges the allegations set forth in Paragraphs 1 through 53.

55. This Count arises under § 495.151, Florida Statutes, (Injury to Business Reputation; Dilution) of Title XXXIII, Regulation of Trade, Commerce, Investments and Solicitations.

56. Wells Fargo is the owner of the Marks, as set forth herein, that have become and continue to be, distinctive and famous in the State of Florida and the nation.

57. Wells Fargo has expended significant sums of money, time and effort maintaining its superb nationwide reputation and the distinctive quality of its Marks.

58. UCR's use of the Marks in connection with their business as aforesaid has injured and will, unless enjoined by the Court, continue to cause injury to Wells Fargo's business

reputation and to dilute the distinctive quality of the Marks, in violation of §495.151, Florida Statutes, all to Wells Fargo's irreparable harm.

(COUNT V)

Deceptive and Unfair Trade Practices

59. Wells Fargo repeats and realleges the allegations set forth in Paragraphs 1 through 58.

60. This Count arises under § 501.204, Florida Statutes (Consumer Protection; Deceptive and Unfair Trade Practices) of Title XXXIII, Regulation of Trade, Commerce, Investments, and Solicitations.

61. UCR's use of the Marks in its Notices and Affidavits of Correctness violates § 501.204, Florida Statutes, because the fraudulent and unauthorized use of the Marks is an unfair or deceptive trade practice in the conduct of trade or commerce.

62. UCR's repeated forging of Wells Fargo employee signatures and false notarizations on the Notices and Affidavits of Correctness is an unfair or deceptive trade practice in the conduct of trade or commerce.

63. UCR has engaged in deceptive acts and/or fraudulent conduct contrary to honest practices in industrial and commercial matters. UCR's conduct was immoral, unethical, oppressive, or unscrupulous, and/or substantially injurious to Wells Fargo.

64. By its actions, UCR has damaged Wells Fargo and been unjustly enriched.

PRAYER AS TO ALL COUNTS

WHEREFORE, Wells Fargo demands:

A. That UCR, its agents, servants, officers, servants, employees and affiliates, and all those persons in active concert or participation with them, be permanently enjoined and restrained from:

1. using the Marks, or any other mark confusingly similar to Wells Fargo's marks alone or in combination with other words, as a service mark, trademark, trade name, component or otherwise, to market, promote, advertise or identify UCR's goods or services;

2. otherwise infringing the Marks;

3. using misleading advertising to suggest endorsement by Wells Fargo when no such endorsement exists;

4. forging Wells Fargo signatures and creating and forging false notarizations on Notices and Affidavits of Correctness or any other documents, to give a false impression that the subject documents originated from Wells Fargo; and

5. causing a likelihood of injury, injury to business reputation, or dilution of the distinctiveness of Wells Fargo's famous and distinctive marks.

B. Pursuant to 15 U.S.C. § 1117, that Wells Fargo be awarded its damages, UCR's profits, Wells Fargo's attorneys' fees and costs, and that this award of damages and profits be tripled pursuant to 15 U.S.C. § 1117, and enhanced under these circumstances pursuant to Section 495.151, Florida Statutes.

C. That as to Count V of the Complaint:

1. Wells Fargo be awarded damages in an amount sufficient to compensate for UCR's use and unjust enrichment through its misleading advertising, plus punitive damages;

2. a judicial declaration that the false Notices and Affidavits of Correctness were not authorized or created by Wells Fargo and are in fact forgeries, and

3. attorneys' fees and costs pursuant to Fla. Stat. §§ 501.211 & 501.2105.

D. that UCR be required, at its own expense, to recall and deliver up and destroy all such false and fraudulent Notices and Affidavits of Correctness and any other materials bearing the Marks; and

E. that Wells Fargo be allowed any such other and further relief the Court deems proper.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 2nd day of October, 2013, I electronically filed the foregoing with the Clerk of Court using the CM/ECF system which will send notification of such filing to all parties and by Process Server (hand-delivery) upon: United Credit Recovery, LLC, c/o Pamela Dorman, 5224 W. State Road 46, # 319, Sanford, FL 32771.

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J. Jay Thornton

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PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (the "Agreement") is made as of January 6, 2010 by and among United Credit Recovery of Sanford, Florida ("Buyer") and Wells Fargo Bank, N.A. ("Seller"). Buyer and Seller may each be individually referred to herein as a "Party" and shall be collectively referred to as the "Parties"

1. Recitals:

- (a) Buyer is a financial institution engaged, among other things, in the business of purchasing demand deposit checking accounts with overdraft balances;
- (b) Seller has originated such demand deposit accounts with overdraft balances;
- (c) Buyer wishes to purchase, and Seller wishes to sell, such demand deposit accounts;
- (d) In consideration of the premises, the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

2. Definitions: Except as otherwise expressly provided herein or unless the context otherwise requires, the following terms shall have the respective meanings specified for all purposes in this Agreement:

- (a) "Accepted Servicing Practices" means those servicing practices of prudent lending institutions which service accounts of the type represented by the Receivables, which practices shall be in accordance with all Laws;
- (b) "Affected Receivable" means a Receivable as to which Seller has breached its representations or warranties contained in Section 5 (d) of this Agreement, or which constitutes an Ineligible Receivable;
- (c) "Affected Receivable Notice" means a notice given by Buyer demanding Seller repurchase the subject Affected Receivable, which shall take the form and contain the information described and set forth in Section 6 of this Agreement;
- (d) "Affiliate" means any corporation, partnership, joint venture, stock company, limited liability company, trust, association or other entity the existence of which is recognized by any governmental authority (an "Entity") that directly or indirectly, through one or more intermediaries, controls or is controlled by or is under common control with a Party or any Entity in which a Party has any direct or indirect ownership interest. For the purposes of this definition, the term "controls", "is controlled by" and "under common control with" means the possession, direct or indirect, of the power to cause the direction of the

management and policies of such Entity, whether through the ownership of voting securities, by contract, or otherwise;

- (e) "Aggregate Receivables" means the total number of Receivables made subject to this Agreement;
- (f) "Agreement" means this Purchase Agreement. When used herein, unless otherwise indicated, all references to this Agreement shall also be deemed to be references to the SFPA;
- (g) "Obligor" means all persons or entities liable, responsible, obligated, or otherwise indicated as a borrower under the terms of the deposit account or other documents executed in conjunction or as a result of the creation of the demand deposit account constituting the subject Receivable;
- (h) "Business Day" any day other than a Saturday or Sunday or a day on which banking institutions in the states where the Parties are located are authorized or obligated by law or executive order to be closed;
- (i) "Closing Date" means a date or series of dates occurring during the Commitment Period and agreed to by the Parties on which Receivables are sold and the applicable Purchase Price is paid;
- (j) "Commitment Period" means the period of time beginning on February 1, 2010 and ending on June 30, 2011 including a first right of refusal on additional offerings of same product herein at conclusion of this agreement.
- (k) "Cut-Off Date" means the date so designated and set forth in the applicable SFPA or any other date on which the Parties determine the outstanding balance of the Receivables to be sold pursuant to the applicable SFPA;
- (l) "Eligible Receivable" means any Receivable that is not an Ineligible Receivable;
- (m) "Event of Default" means (i) any representation or warranty made by any Party in this Agreement being false, incorrect, or misleading in any Material respect on the date made, (ii) failure on the part of any Party to observe or perform any of the covenants or agreements on the part of such Party set forth in this Agreement, (iii) the loss by any Party of any license or authorization required in order to perform its duties or obligation under the terms of this Agreement, (iv) the entry against a Party or any Affiliate of a decree or order of a court, agency, or supervisory authority having jurisdiction for the appointment of a trustee, conservator, receiver, or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings, or for the winding-up or liquidation of such Party's or any Affiliate's affairs, and such decree or order remaining in force and undischarged for a period of sixty (60) days;

- (n) "Execution Date" means the date of this Agreement;
- (o) "Ineligible Receivables" means any Receivable as to which, on or before the Closing Date (i) a final judgment has been entered by a court of competent jurisdiction in favor of Seller pursuant to legal proceedings or litigation commenced before the applicable Closing Date, (ii) which has been filed in bankruptcy any time before or within sixty (60) days after the applicable Closing Date and which has not been dismissed, (iii) in which all Obligor were deceased, or (iv) which was fraudulently originated or which otherwise qualifies on or before the applicable Closing Date as a fraudulent Receivable such that a purported Obligor has no liability for such Receivable, (v) is deemed ineligible for legal process or litigation due to expiration of the statute of limitations thereby becoming an out-of-statute Receivable;
- (p) "Initially Requested Receivables Documents" means Receivables Documents requested by Buyer for a number of Receivables equal to one percent (1.0%) of the Aggregate Receivables;
- (q) "Law(s)" means (i) all applicable statutes, rules, regulations, and ordinances of any federal, state, local and other governmental or regulatory authority, including, but not limited to, Truth-In-Lending Act, Equal Credit Opportunity Act, Home Mortgage Disclosure Act, Real Estate Settlement Procedures Act, Fair Debt Collection Practices Act, Fair Credit Reporting Act, Graham-Leach-Bliley Act, Fair And Accurate Credit Transaction Act, and all other applicable consumer protection, collection and privacy statutes and regulations, (ii) all applicable requirements and guidelines of any governmental or government-sponsored entity, board, commission, agency, instrumentality or other governmental body or officer having jurisdiction, and (iii) all applicable judicial and administrative judgments, consent decrees, orders, stipulations, award, settlement agreements, writs, and injunctions;
- (r) "Losses" means one or more of any third party, non-Obligor, claims, damages, liabilities, costs, charges, expenses, penalties, payments, fines, forfeitures, actions, causes of action, and judgments, of any kind or nature whatsoever, actually incurred by a Party, including, without limitation, attorney fees and costs, costs of investigation, disbursements, and other out-of-pocket expenses;
- (s) "Master File(s)" means, for each Receivable, a data file or data files containing the information reflected on Exhibit B attached hereto;
- (t) "Material" or "Materially" means a condition, situation, or circumstance, or the occurrence of a condition, situation, or circumstance, which would be reasonably likely to have or to cause a Material Adverse Affect;
- (u) "Material Adverse Affect" means an affect upon the business, operations, properties, assets, condition (financial or otherwise) or prospects of a Party which

significantly impair its ability to perform its obligations under this Agreement or the ability of another Party to enforce such obligations or which significantly and adversely affect the collectability of a Receivable;

- (v) "Purchase Price" means a sum equal to the product of the Purchase Price Percentage and the aggregate outstanding balance of the Receivables on the applicable Cut-Off Date;
- (w) "Purchase Price Percentage" means 2.67%;
- (x) "Receivables" means those demand deposit accounts with overdraft balances, which do not constitute Ineligible Receivables, which have been charged off Seller's books prior to the applicable Cut-Off Date, and which are made the subject of purchase and sale under the terms of this Agreement;
- (y) "Receivables Document(s)" means all information contained in Exhibit B as well as any application, agreement, billing statement, notice, correspondence, or other documentation or information in Seller's possession related to a Receivable;
- (z) "Re-Purchase Price" means the Purchase Price for each affected Receivable less any payments or amounts received or recovered by or on behalf of Buyer.
- (aa) "Retrieval Period" means the time period of 365 days beginning on and including the Execution Date;
- (bb) "Service" or "Servicing" or "Serviced" regardless whether being performed by a Party referred to as a "servicer" or as a "sub-servicer" means, by way of inclusion and not limitation, the rights, duties, and obligations under the Agreement or otherwise, to administer, collect the payments of the reduction of principal and application of interest, remit collected payments, engage in enforcement and collection activities regarding the Receivables, make advances, and perform all other obligations and duties required under or by reason of this Agreement, or any other agreement to which a Party performing such functions and activities may be bound, or by the general and accepted industry standards or requirements relating to the Receivables an/or any collection and/or enforcement activities relating thereto;
- (cc) "SFPA" mean a short form purchase agreement, along with the schedules and attachments, in the form of Exhibit A attached hereto;

3. Sale of Receivables. Upon the terms and subject to the conditions hereof, and of the applicable SFPA, Seller will, on a monthly basis during the Commitment Period, sell and assign to Buyer, and Buyer will purchase from Seller, certain Receivables contained in the electronic file to the applicable SFPA, said file to be prepared as of the applicable Cut-Off Date. Seller shall execute and deliver a SFPA to Buyer in connection with each sale and assignment of Receivables. Buyer shall assume all obligations, liabilities, duties and responsibilities of Seller to

be performed by Buyer with regard to each such Receivable and the attendant Receivable Documents.

4. Closing Date. On each applicable Closing Date, Buyer shall tender the applicable Purchase Price to Seller and Seller shall sell and assign to Buyer the Receivables received in the electronic file to the applicable SFP. The applicable Purchase Price payment, or the applicable Alternative Purchase Price payment, depending on whether or not the affected Receivables are Supplemental Receivables, shall be made by wire transfer of immediately available funds to an account or accounts previously designated by Seller and shall be received no later than 5:00 PM Eastern Time on the applicable Closing Date. The Master Files shall be delivered two days prior to the Closing Date.

5. Seller Warranties. Seller represents and warrants as of the Execution Date and each applicable Closing Date, that:

- (a) It is an entity duly formed and validly existing under the laws of the United States of America with full power, authority, and legal right to sell the Receivables, to enter into this Agreement, to perform all of its obligations under this Agreement, and to carry out the transactions contemplated herein and therein. All necessary corporate action on the part of Seller has been or shall be duly taken to authorize the sale of the Receivables and to accomplish the due execution of this Agreement by a duly authorized officer or representative.
- (b) Seller has the power and authority and all licenses and permits, if any, required by any governmental body or regulatory authority to carry on its business as now being conducted which relates to the Receivables. Apart from such as have already been obtained, no further authorization, consent, approval, license, qualification, or formal exemption from, nor any filing, declaration or registration with, any governmental agency or regulatory authority or any other body is required in connection with the execution, delivery, or performance by Seller of this Agreement and the sale of the Receivables;
- (c) To the best of Seller's knowledge, the Receivables have, in all Material respects, been originated, underwritten and Serviced in Material compliance with all Laws.
- (d) Seller has good and marketable title to all of the Receivables, free and clear of all claims, liens, pledges and other encumbrances of any kind whatsoever.
- (e) Seller will sell and transfer the Receivables to Buyer without recourse, and without any express or implied representation or warranty, except as provided in this Agreement. Seller has made no representation, and now makes no representation, with respect to any of the Receivables or with respect to the completeness and accuracy of any Receivables Documents. To the best of Seller's knowledge, Seller has performed all of its obligations regarding the Receivables and there is no requirement for future advances or performance on the part of Seller

- (f) The sale of the Receivables hereunder (i) is not made in contemplation of the insolvency of Seller, (ii) is not made with the intent to hinder, delay or defraud Seller or its creditors, (iii) will be recorded in the records of Seller in accordance with its policy and applicable Law, and (iv) represents a bona fide and arm's length transaction undertaken for adequate consideration and in the ordinary course of business. Seller acknowledges and represents that Buyer is neither an insider nor an Affiliate of Seller;
- (g) All Receivables sold or to be sold by Seller pursuant to this Agreement, together with any instruments securing the same, were made for valuable consideration and now constitute valid and legally enforceable obligations of the respective persons shown as indebted thereon, as set forth therein, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, or similar laws affecting the rights of creditors generally, statutes of limitation, and by general equitable principals (regardless whether such enforcement is considered a proceeding at law or in equity).

Should any representation or warranty of Seller in Section 5 (d) with respect to any Receivable be breached in any Material respect or should a Receivable be determined to be an Ineligible Receivable, and should Buyer deliver an Affected Receivable Notice to Seller within one hundred fifty (150) days from and including the applicable Closing Date, Seller shall repurchase the Affected Receivable for the Re-Purchase Price within thirty (30) days of receipt of the Affected Receivable Notice; Provided, however, such breach must have caused a decrease in value of at least ten percent (10%) from the amount of indebtedness reflected on Schedule A relating to such Receivable; Provided, further, should the Re-Purchase Price be less than zero, such Receivable shall be re-assigned to, and remain the property of Buyer, and neither Party shall have any obligation to pay any amounts to the other Party or to any other party with regard to such Receivable. Seller shall have no obligation to re-purchase an Affected Receivable more than one hundred fifty (150) days from and including the applicable Closing Date or until the resolution of any contest or objection made in good faith by Seller as to its obligation or duty to repurchase any given Receivable. In connection with the re-purchase by Seller of any Affected Receivable, Buyer shall provide the appropriate SFPA. Except for the indemnification provisions set for the elsewhere in this Agreement, the remedies provided for in this Section shall be Buyer's sole remedies with respect to a breach by Seller of the representations or warranties set forth in Section 5 (d).

6. Required Form of Affected Receivable Notice. The Affected Receivable Notice shall (i) contain the related Obligor(s) name and the Seller account number related to such Affected Receivable, (ii) provide a written description of the basis for the demand for repurchase, (iii) specify the amounts, if any, collected or recovered by or on behalf of Buyer with regard to the Affected Receivable, and (iv) if relevant, enclose any or all of the following documentary evidence: **Bankruptcies**; One or more of the following (A) credit bureau listing of non-dismissed bankruptcies, (B) name of Obligor's attorney, case number(s) and date(s) of filing, (C) court certified copies of court pleadings, (D) BANKO, PACER or Accurint listing or report of non-dismissed bankruptcies, or (E) any other third party documentation establishing the

Obligor's bankruptcy status as of the Cut-Off Date; **Deceased**; One or more of the following: (A) certified copy of death certificate(s), (B) copy of nationally recognized credit bureau indicating date(s) of death, (C) affidavit of executor of Obligor's estate(s) verifying date(s) of death, or (D) any other third party documentation establishing the Obligor's death, including information received from Lexis Nexus, Accurint, or the Social Security Death Index; **Fraud**; One or more of the following (A) a sworn and notarized affidavit from the Obligor(s), (B) a copy of the police report related to such allegation of fraud, (C) a copy of an identity theft complaint with a nationally recognized credit bureau with respect to such Affected Receivable, or (D) any third party documentation establishing the fraud claim of the Obligor(s); **Out Of Statute**; (A) a statement of statutory time permissions for legal process debt collection in state of Obligor's principal place of residence.

7. Seller's Right of Repurchase. Upon ten (10) days prior notice and for a period of ninety (90) days from the applicable Closing Date, for reasons which are not related to the settlement of any Receivable, Seller shall have the right to repurchase for the Re- Purchase Price any Receivable that has not been paid in full, released, or settled by Buyer, if Seller determines that there is a pending or threatened suit, arbitration, bankruptcy proceeding or other legal proceeding, or a threatened, pending or existing investigation relating to fraud or negligence, relating to a Receivable or the Obligor(s) thereon, naming Seller or otherwise involving Seller's interest therein in a manner unacceptable to Seller, or should Seller otherwise determine (in its sole discretion) that issues relating to such Receivable cannot be resolved and/or that Seller's interest therein cannot be adequately protected without Seller owning such Receivable. Seller shall notify Buyer, in writing, of the identity of such Receivable(s). Seller shall also have the right to repurchase (in its sole discretion) any Receivable should it determine there has been a Material failure on the part of Buyer to adhere to the requirements of Sections 8 or 9 of this Agreement or that any of Buyer's representations and warranties contained in Sections 8 or 9 or elsewhere in this Agreement are false or inaccurate. In the event of a repurchase pursuant to the terms of this Section, Buyer shall assign the subject Receivable to Seller and shall execute an appropriate SPPA and such other documentation as may be necessary to properly complete the re-assignment of the subject Receivable.

8. Corporate Representations and Warranties of Buyer. Buyer represents and warrants as of the Execution Date and of each Closing Date, that:

- (a) It is a duly incorporated and validly existing corporation with full power, authority and legal right to enter into this Agreement, to perform all of its obligations hereunder, and to carry out the transactions contemplated hereby; Buyer has full power, authority, and legal right to perform all of its obligations hereunder, and to acquire and hold the Receivables, to enter into this Agreement, and the SPPA, and to perform all of its obligations hereunder and thereunder, and to carry out the transactions contemplated hereby and thereby;
- (b) It is duly qualified or otherwise authorized to do business as a limited liability company in good standing under the laws of each state, or other such jurisdiction in which either the ownership or servicing of the Receivables requires such

qualification. It has all necessary licenses and permits, all of which are in full force and effect, required by any governmental authority to carry on its business as now being conducted and to own and service the Receivables;

- (c) All necessary action has been or shall be duly taken to authorize the execution of this Agreement by a duly authorized officer and to authorize the purchase of the Receivables;
- (d) It has made such independent investigation as it deems to be warranted into the nature, validity, enforceability, and value of the Receivables, and all other facts it deems Material to the purchase, and is entering into the transaction herein contemplated solely on the basis of that investigation and its own judgment, and is not acting in reliance on any representation (either written or oral) or other information furnished by Seller, or anyone purporting to represent Seller other than as set forth herein. Buyer is purchasing the Receivables with the knowledge that they may be uncollectible and without value and may be subject to rights of Obligors;

9. Operational Representations, Warranties and Covenants of Buyer. Buyer, for itself and its officers, agents, employees and representatives, hereby represents, warrants, covenants, and/or acknowledges and agrees, as appropriate and as the context requires, with regard to each purchased Receivable that:

- (a) It shall comply with all Accepted Servicing Practices and with all applicable Laws in connection with its ownership and the Servicing of the Receivables;
- (b) Neither Buyer, nor anyone acting on its behalf, has any authority to act for or in the name of Seller or any of its Affiliates with respect to collection of any Receivables or with respect to any other matter. Buyer will not use, or refer to, the name of Seller or any of its Affiliates for any purpose relating to any Receivable, except that Seller's name may be used for the purpose of identifying a Receivable in connection with its collection or in identifying the chain of title to a purchaser of, or in connection with a securitization transaction involving, the Receivable. Buyer will not portray itself as an agent, partner or joint venture associate of Seller, or of any of Seller's Affiliates, or of any of its agents with respect to any Receivable. Buyer will not expressly or impliedly represent at any time that it, or anyone acting on its behalf, is employed by or represents Seller or any of Seller's Affiliates as an independent or other agent or that it has any authority to act for or on behalf of Seller or any of Seller's Affiliates;
- (c) Buyer will not allege with respect to a Receivable any legal rights that do not exist (including representing that a lawsuit will be filed with regard to a Receivable for which the applicable statute of limitations has run);
- (d) Buyer will not take any enforcement action against any Obligor, or other person or entity, in connection with a Receivable that would be commercially

unreasonable, or that would misrepresent or otherwise fail to adequately disclose to any particular Borrower or other person or entity the identity of the Buyer, or any other party, as the owner of the Receivable;

- (e) After each applicable Closing Date, Buyer will handle any inquiries about the Receivables directly and will not refer to Seller any Obligor or other person or entity with an inquiry about a Receivable;
- (f) The sale and transfer of each Receivable as provided for in this Agreement and in the applicable SFPAs is expressly made solely with the recourse and representations or warranties set forth herein and without any other recourse, representation or warranty, express or implied, or any kind or character whatsoever;
- (g) Buyer is a sophisticated investor and has sufficient knowledge and experience in business matters to enable it to evaluate the merits and risks of the transaction contemplated hereunder. It has made such independent investigation as it deems to be warranted into the nature, title, validity, enforceability, and value of the Receivables, and all other facts it deems Material to the purchase of the Receivables and is entering into the transaction herein provided for solely on the basis of that investigation and its own judgment and is not acting in reliance on any representations or warranty of information furnished by Seller except as otherwise provided for herein;
- (h) All, or a substantial number, of the Receivables may be non-performing and may be subject to actual or potential claims by Obligors or other persons or entities. Notwithstanding, Buyer purchases the Receivables subject to any rights, pending or potential, of Obligors or other persons or entities. Further, each Purchase Price properly and accurately reflects the quality of the assets (including any faults, liabilities, defects or other adverse matters that may be associated with the Receivables or the underlying documents) and the "as is" nature of the sale. Buyer has been fully informed as to the nature of these Receivables and has agreed to the purchase of them as contemplated by this Agreement.
- (i) Should Buyer, or any of its successors or assigns, or anyone acting on its behalf, file or otherwise become engaged in a legal or administrative action or proceeding regarding a Receivable and request or subpoena Seller, or any of its officers, agents, employees or representatives to appear at a trial, hearing, arbitration, deposition, or any other nature or manner of legal or administrative proceeding to testify with regard to, or to discuss or converse about or regarding, a Receivable, Buyer shall compensate Seller at a daily rate of \$200 while Seller, or any of its officers, agents, employees, or representatives are traveling to, attending and testifying, discussing or conversing as provided for herein, whether or not Seller, or any of its officers, agents, employees or representatives is called as a witness. Seller shall also be reimbursed from the same source as making the other

payments under this Subsection, for reasonable out-of-pocket travel and related expenses.

10. Notice of Claims. Buyer will immediately notify Seller of any claim or threatened claim against Seller, or any claim or threatened claim that may affect Seller, discovered by Buyer or of which Buyer becomes aware, through whatever source and for whatever reason.

11. Consumer Reporting Agencies/Customer Contact. To the extent possible, Seller will notify a consumer reporting agency (i.e. ChexSystems and EWS Systems) of the transfer of accounts as sold per transaction as referenced by each SFPA. To the extent possible, Buyer will notify a consumer reporting agency (i.e. ChexSystems and EWS Systems) with updates to the status of accounts purchased per transaction as referenced by each SFPA.

(a) Buyer will not report any of the Accounts to any credit-reporting agency nor will any subsequent purchaser be allowed to report the accounts to a credit reporting agency.

12. Reg AB. None of the Receivables will, at any time, be subject to the provisions of United States Securities Regulation AB or any similar Law. At no time shall Seller be responsible to Buyer, or to any other party whatsoever, to provide the materials or information required by Regulation AB or by any similar Law or, except as may be expressly stated herein, to provide Buyer, or any other third party whatsoever and information, material, or documentation of any kind, type, or nature..

13. Assumption of Debt. Buyer does not assume or incur, and shall not in any manner become liable for, any debt, obligation, or liability of Seller, except as specifically provided herein.

14. Notices. Seller consents (insofar as it may lawfully do so) to permit Buyer, and Buyer hereby agrees, to advise the Borrower on and after each applicable Closing Date that Buyer has purchased his, her or their Receivable and that all future payments thereon shall be made to Buyer. The Parties will mutually agree on acceptable language to be used in any such mailings. The mailings will be consistent with all applicable Laws.

15. Post Cut-Off Date Payments. Payments, proceeds, or refunds on or relating to the Receivables, including without limitation, payment, proceeds, or refunds in connection with any insurance policies, received by Seller prior to the applicable Cut-Off Date shall be posted prior to such applicable Cut-Off Date. Further, an amount equal to the total of any such payments, proceeds, or refunds received by Seller in the period of time between the applicable Cut-Off Date and the related Closing Date shall be delivered to Buyer on, or promptly following, such Closing Date; otherwise Buyer may, at Buyer's option, deduct the amount of any such payments from the Purchase Price or Alternate Purchase Price. Payments, proceeds, or refunds received by Seller after the applicable Closing Date shall be delivered to Buyer within five (5) Business Days of receipt.

16 Attorney-In-Fact. Seller hereby constitutes and appoints Buyer its true and lawful attorney-in-fact with full power of revocation and substitution in the name and stead of Seller, but on behalf of and for the benefit of Buyer, to do any and all of the following:

- (a) To endorse Seller's name upon all checks, drafts, notes, powers and other forms of exchange received in payment on any of the Receivables purchased pursuant to this Agreement; and
- (b) To demand, collect, and receive any and all of the Receivables, to enforce any of the rights in respect thereof (except the right to initiate or prosecute a suit in Seller's name), to give receipts and releases for and in respect of the same, and to do all acts necessary to perfect in Buyer's name any liens or security interests in real or personal property held as security for the Receivables by such Seller.

17 Public Statements. Except as may be required by Law, no Party shall make any public statements with respect to this Agreement or the transactions contemplated herein, or make any such statement to an unaffiliated third party, other than to auditors, legal counsel, financing providers, regulatory authorities, rating agencies or potential purchasers, without the consent of the other Parties; provided, however, that nothing contained herein shall prohibit any Party from communicating directly with its employees or the employees of any of its Affiliates about this Agreement or the transactions contemplated herein or from making an announcement or disclosure that is required by applicable Law or in response to legal or administrative process. Further, this Agreement incorporates the terms and conditions of any confidentiality or nondisclosure agreement which may be currently in effect between the Parties and makes such agreement applicable to this Agreement.

18 Indemnity; Insurance.

- (a) Buyer will defend, indemnify and hold Seller and its directors, officers, employees agents and representatives harmless from and against any Loss resulting, directly or indirectly, from either (i) the occurrence of an Event of Default on the part of Buyer or (ii) from an act or omission of Buyer, or any of its directors, officers, employees, agents or representatives with respect to any Receivable prior to the applicable Closing Date.
- (b) Seller will defend, indemnify and hold Buyer and its directors, officers, employees, agents and representatives harmless from and against any Loss resulting, directly or indirectly, from either (i) the occurrence of an Event of Default on the part of Seller or (ii) from an act or omission of Seller or its directors, officers, employees, agents or representatives with respect to any Receivable subsequent to the applicable Closing Date.
- (c) At all times that Buyer or any of its Affiliates or direct or indirect assignees owns or handles Receivables, Buyer (or its servicing agent) will maintain standard commercial general liability insurance with a per occurrence liability limit of not

less than two million Dollars (US\$2,000,000.00) and an aggregate liability limit of not less than two million Dollars (US\$2,000,000.00)), which also covers Buyer's indemnity obligations under this Agreement. This requirement shall be satisfied if such insurance is maintained by a servicing agent or by a subsequent purchaser or assignee of Receivables.

(d) This Section will survive the expiration or termination of this Agreement.

19. Arbitration. As between the Buyer and Seller:

(a) This Section concerns the resolution of any controversies or claims between the Buyer and Seller, including but not limited to those arising or resulting from this Agreement (including any extensions, modifications, amendments or renewals thereof), or arising or resulting from any document, instrument or other items or material related to or delivered in connection with this Agreement, or arising or resulting from any violation or breach of the terms or conditions of this Agreement, or with regard to any claims for indemnification or damages, or relating to the re-purchase of a Receivable.

(b) At the request of either of the Parties, any such controversy or claim will be settled by arbitration conducted in accordance with the United States Arbitration Act. The United States Arbitration Act shall apply regardless of any other choice of law provisions contained in this Agreement. A request for arbitration may only be made following a good faith attempt on the part of the Parties to resolve the dispute(s) through an exchange of correspondence and, should correspondence fail to resolve the dispute(s), to be followed within a reasonable time by a meeting between authorized representatives of the Parties, each representative having authority to settle or otherwise resolve the dispute(s).

(c) Any arbitration proceedings will be administered by and conducted under the rules and practices of the American Arbitration Association and will be subject to its commercial rules of arbitration. All arbitration proceedings will be conducted at, or within a two hundred mile radius of, Des Moines, Iowa.

(d) Any claim or controversy arbitrated under this Section shall be subject to any applicable statute of limitations. For the purposes of the application of statutes of limitations, the filing of an arbitration proceeding pursuant to this Section shall be the equivalent of the filing of a lawsuit and / or shall toll the statute. The arbitrators shall have the authority to decide whether any such claim or controversy is barred by statute of limitations and, if so, to dismiss the arbitration proceeding on that basis. The arbitrators shall have the authority to determine whether a claim or controversy is capable of arbitration. The decision resulting from an arbitration proceeding may be submitted to any authorized court of law to be confirmed and enforced.

(e) This Section does not limit the right of either Party to exercise self-help remedies such as setoff, or to appear in a court of law before, during, or after the arbitration proceeding, in order to obtain either an interim remedy and / or additional or supplemental remedies.

(f) The pursuit of or a successful action for interim, additional, or supplemental, remedies or the filing of a court action, does not constitute a waiver of the right of either Party, including the Party appearing in court, to submit the controversy or claim to arbitration should the other Party contest the lawsuit or action.

20 Entire Agreement. This Agreement, and the annexes, exhibits and schedules hereto or thereto constitute the entire agreement on this subject between the Parties, and supersede all other prior agreements and understandings, both written and oral, between the Parties or their Affiliates, with respect to the subject matter hereof. Any modification, alteration, supplement or amendment to, or replacement of, this Agreement shall be in writing and executed by all Parties.

21 Receivables Documents.

- (a) During the Retrieval Period, Seller shall make best efforts to provide available requested Receivables Documents to Buyer at no cost to Buyer in an amount equal to but not to exceed the Initially Requested Receivables Documents. For all Receivable Documents requested by Buyer during the Retrieval Period in excess of the Initially Requested Receivables Documents Buyer shall pay a charge of \$5.00 per request.
- (b) Buyer's request for a Receivables Document must be made with sufficient specificity to enable Seller to locate the Receivable Document in a reasonable time. Seller will use commercially reasonable efforts to provide requested Receivables Documents within thirty (30) Business Days of Buyer's request. The failure of Seller to locate a requested Receivable Document shall not be deemed a breach of this Agreement. If unable to locate a requested Receivables Document, Seller shall provide Buyer with an affidavit attesting to the name of the obligor(s), account number, amount owed, interest rate, and charge-off date of such Receivable.
- (c) Seller shall not be obligated to furnish Buyer with verbal information. Should Buyer request verbal information, and should the information be available to Seller, then in consideration of an hourly compensation rate of twenty-five dollars (US \$25.00), Seller may, at its option and in its sole discretion, provide the requested information.

22. Third Party Assignment. Buyer may sell or assign any Receivables acquired hereunder to a third party (including an Affiliate of Buyer), provided that (a) Buyer uses its best efforts to ensure that any such subsequent purchaser or assignee is a reputable and financially sound entity that shall provide Buyer with industry typical indemnifications, and (b) Buyer requires, and every such purchaser of any right, title or interest in and to any Receivable expressly agrees in writing to assume all of Buyer's obligations under this Agreement, including, without limitation, its indemnity and insurance obligations and its obligations with respect to sales or assignments under this and other Sections of this Agreement. Buyer shall only sell or assign Receivables after making a good faith investigation of, and a determination with respect to, the potential

purchaser's or assignee's integrity and financial reliability. No sale or transfer of Receivables by Buyer to a third party will (i) relieve Buyer of any of its obligations under this Agreement, including, without limitation, its indemnity and insurance obligations under the terms of this Agreement, or (ii) entitle such third party to any rights against Seller hereunder, including, without limitation, any right to (w) rely or bring an action upon Seller's representations, warranties, or covenants hereunder, (x) require Seller to repurchase any Receivable, (y) indemnification under the terms of this Agreement or otherwise, or (z) request or obtain any Receivable Document from Seller.

23. Assignment or Subrogation. Without the express prior written consent of Seller, neither Buyer nor any other person or entity shall have any right to assign this Agreement, or the rights, privileges, duties and obligations hereunder. Further, Buyer shall have no right of subrogation with regard to this Agreement, or its rights, privileges, duties, responsibilities or remedies.

24. Tax Information. Seller shall comply with all tax information-reporting requirements related to the Receivables for the time prior to the applicable Closing Date, and Buyer shall comply with all tax information-reporting requirements related to the Receivables after the Closing Date. Buyer agrees to permit Seller and Seller's representatives to have access to such personnel and records of Buyer as Seller may reasonably request in order to accomplish such reporting. Buyer agrees that Seller shall retain its right to claim any potential sales tax refunds or deductions as a result of bad debt losses charged off by Seller on any and all Receivables. To the extent permitted by applicable Law, Buyer agrees that it will not claim any future deduction or refund with respect to any Receivable related to sales tax and hereby relinquishes any claim it may have to any such future deduction or refund.

25. Brokers. The Parties represent and warrant each to the other that neither it nor any of its respective officers or directors has employed or authorized any broker or finder to act directly or indirectly on its behalf or incurred any liability for any financial advisory fees, brokerage fees, commissions or finder's fees in connection with this Agreement or the transactions contemplated hereby.

26. Notices. Notices permitted or required hereunder shall be in writing and shall be addressed as follows:

If to Buyer:

United Credit Recovery LLC
5224 5524 West SR 46 - Suite 319
Sanford, FL 32771
Fax# 877-486-5340

Attention: Len Pottillo

If to Seller:

Wells Fargo Bank, N.A.
18700 NW Walker Road
Beaverton, OR 97006
Attention: Dann King

With a copy to:

Wells Fargo Bank, N.A.
Attn: General Counsel
MAC# F4030-010
800 Walnut Street
Des Moines, IA 50309
Fax: 515-557-7602

All such notices shall be sent via facsimile and overnight mail or courier service and shall be conclusively deemed received on the date indicated on the facsimile confirmation sheet and/or overnight mail or courier receipt, as applicable.

27. Fees. Whether or not any of the transactions contemplated hereby are consummated, all fees and expenses incurred in connection with this Agreement, and the transactions contemplated hereby, shall be paid by the Party incurring such expenses.

28. Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to confer upon any person or entity other than the Parties hereto or their respective successors any rights or remedies under or by reason of this Agreement.

29. Ordinary Course of Business. The consummation of the transactions contemplated by this Agreement are in the ordinary course of business of Seller, who is in the business of selling accounts of a type represented by the Receivables and the Receivables are not subject to the bulk transfer or any similar statutory provisions in effect in any applicable jurisdiction.

30. Sale Treatment. Seller has determined that the disposition of the Receivables pursuant to this Agreement will be afforded sale treatment for accounting and tax purposes.

31. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of Iowa (without reference to conflicts of laws rules thereof).

32. Future Assurances. Each of the Parties agrees, upon the request of the other Party, to do, make, execute and deliver or cause to be done, made, executed and delivered, all such further acts, instruments, documents and things as may be reasonably required to carry out the intent and purpose of and to give full effect to this Agreement as set forth and reflected herein.

33. Confidentiality. This Agreement, and the consideration paid for the Receivables, and the nature and terms of this transaction, will remain confidential and will not be disclosed by either Party, without the written consent of the other, except to the extent such disclosure is (i) required

to be made under any applicable court order, law, or regulation, (ii) required to be made to any tax, banking, or other regulatory authority or legal or financial advisor of either Party, (iii) made in connection with the Seller's assignment of substantially all its consumer accounts to an Affiliate, or (iv) is made in connection with the sale or other transfer of any Receivable or interest therein by the Buyer or its successors or assigns. With respect to other information in their respective possession regarding customers of the other Party, each Party shall comply with their respective policies and procedures applicable to information security and privacy of information identifiable to such customers, as amended from time to time. The Parties intend to generally meet accepted industry standards, as the same may relate to information security and privacy. With respect to their electronic data storage and transmission, the Parties shall mutually resolve issues related to network or system security breaches or known threats or risks that may impact the Parties, or either of them.

34. Waivers. No waiver of any single breach or default will be deemed a waiver of any other breach or default of this Agreement. All rights and remedies, either under this Agreement or by law or in equity afforded to a Party shall be cumulative and not alternative.

35. Independent Contractors. Nothing in this Agreement shall be deemed to create partnership or joint venture between the Parties. Except as expressly set forth herein, no Party shall have any authority to bind or commit the other Party. In the performance of its duties or obligations under this Agreement or any other contract, commitment, undertaking, or agreement made pursuant to this Agreement, each Party shall not be deemed to be, or permit itself to be, understood as an agent of the other Party and shall at all times take whatever measures are necessary or appropriate to ensure that its status shall be that of an independent contractor operating a separate entity.

36. Counterparts. This Agreement may be executed by facsimile and in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. The exchange of copies of this Agreement and of signature pages by facsimile transmission shall constitute effective execution and delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes. Signatures of the Parties transmitted by facsimile shall be deemed to be their original signature for all purposes.

37. Waivers. No waiver of any single breach or default will be deemed a waiver of any other breach or default of this Agreement. All rights and remedies, either under this Agreement, or by law or otherwise, afforded to a Party shall be cumulative and not alternative.

38. Time. Time shall be of the essence of this Agreement.

39. Headings. The Section headings contained in this Agreement are inserted for convenience only, and shall not affect the meaning or interpretation of this Agreement or if any provision thereof.

(Signature Page Follows)

IN WITNESS WHEREOF, the Parties have duly executed this PURCHASE AGREEMENT
as of the date first set forth above.

Buyer:

UNITED CREDIT RECOVERY
OF SANFORD, FLORIDA

By: 
Name: Leonard G Potho
Title: SVP

Seller:

WELLS FARGO BANK, N.A.

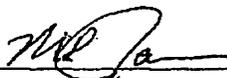
By: 
Name: MICHAEL R. James
Title: GEVP

EXHIBIT A

SHORT FORM PURCHASE AGREEMENT

This Short Form Purchase Agreement ("SFPA") is entered into this ___ day of _____, 20__ by and between United Credit Recovery of Sanford, Florida, as Buyer, and Wells Fargo Bank, N.A. as Seller.

Pursuant to the terms of a Purchase Agreement (the "Agreement") executed by the Parties and this SFPA, Buyer hereby purchases and accepts, and Seller hereby sells, assigns, transfers, and conveys to Buyer, all its rights, interest and title in and to the Receivables listed on the attached Schedule A. The Agreement is incorporated herein and made a part hereof as if fully set forth. In the event of a conflict between the terms of this Bill of Sale and those of the Agreement, the terms of the Agreement shall prevail. All terms defined in the Agreement shall have the same meaning as given in the Agreement when used in this SFPA.

Seller: Wells Fargo Bank, N.A.

Buyer: United Credit Recovery of Sanford, Florida

Number of Receivables: _____

Outstanding Gross Balance of Receivables: \$ _____

List of Receivables attached hereto as Schedule A

Purchase Price: \$ _____

Cut-Off Date: _____

Closing Date: _____

BUYER.

SELLER.

UNITED CREDIT RECOVERY OF SANFORD,
FLORIDA

WELLS FARGO BANK, N.A.

By: _____
Name:
Title:

By: _____
Name:
Title:

EXHIBIT B

Master File Information

Company ID
Account Number
Charge off reason code
Last Monetary transaction date
Last Monetary transaction amount
Current Amount Due
Hard dollar amount
Soft dollar amount
Charge-Off Date
Last payment amount
Last payment date
APR
Last Payment Amount
Last Payment Date
Borrower Name(s)
Borrower SSN
Co-Borrower
Co-Borrower SSN
Address
Telephone Number
Phone Type
Phone Availability
Account open date
Third Party date assigned
Third Party amount placed
Third Party date returned
Third Party return reason
Third Party recall reason
Third Party Total payment amount
Third Party Last payment date
Third Party Last payment amount
Third Party number of payments
Original portfolio type

AMENDMENT TO PURCHASE AGREEMENT

This Amendment To Purchase Agreement (the "Amendment") is entered into and shall be effective as of the 23rd day of August, 2010 by and between United Credit Recovery of Sanford Florida ("Buyer") and Wells Fargo Bank, N.A. ("Seller"). Buyer and Seller may each be individually referred to herein as a "Party" and may be collectively referred to as the "Parties".

1. **Recitations:**

a. Previously, on or about January 6, 2010, the Parties entered into a Purchase Agreement (the "Agreement") for the purchase by Buyer from Seller, from time to time, of certain demand deposit accounts with overdraft balances.

b. The Parties now wish to amend the terms of the Agreement to extend the term of the Agreement and to modify the pricing terms, all as set forth therein.

c. The Parties have entered into this Amendment for the purposes of effectuating the wish to amend the Agreement.

2. **Amendment of Defined Terms:** Unless otherwise indicated, or unless the context requires otherwise, all defined terms shall be given the same meaning when used in this Amendment as is given when used in the Agreement. The following defined term shall be amended as follows:

"Commitment Period" means the period of time beginning on August 1, 2010 and ending January 31, 2012, unless sooner terminated in accordance with the terms of this Agreement.

"Purchase Price Percentage" means 2.80%;

3. **Incorporation:** The Agreement, and all its terms and conditions, is incorporated herein and made a part hereof as if fully set forth. The terms of this Amendment and of the Agreement shall, whenever possible, be read each consistent with the other; however, in the event of a conflict between the terms of the Agreement and of this Amendment, the terms of this Amendment shall prevail.

4. **Terms of Agreement:** Unless otherwise expressly and specifically modified by the terms of this Amendment, all terms, conditions, representations, warranties, duties, responsibilities, rights, and privileges of the Agreement remain in full force and effect.

5. **Assurances:** The Parties agree to execute such additional documents as are reasonably deemed necessary to carry out the intent of this Amendment.

Exhibit "B"

WELLS
FARGO

Wells Fargo Document ID: 12116857

6. **Governing Language:** No terms of the Agreement shall be modified by this Amendment unless expressly stated herein. The terms and conditions of the Agreement and of this Amendment shall be read consistently each with the other. However, to the extent there is any conflict between the Agreement and this Amendment with regard to any term or condition of the Agreement, the terms of this Amendment shall be controlling

7. **Amendment:** Neither this Amendment nor any of its provisions may be changed, waived, or discharged orally. Any change, waiver, or discharge may be effected only by a writing signed by the Party against which endorsement of such change, waiver, or discharge is sought.

8. **Counterparts:** This Amendment may be signed in counterparts, each of which shall constitute part of the original document.

BY SIGNING BELOW, the Parties accept and agree to the terms and covenants contained in this Amendment.

WELLS FARGO BANK, N.A.

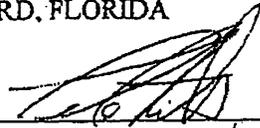
By: _____

Name: _____

Title: _____



UNITED CREDIT RECOVERY OF
SANFORD, FLORIDA

By: 

Name: Len Potillo

Title: Director



AFFIDAVIT OF CORRECTNESS/ASSIGNMENT

This notice references the transfer of all rights, title and interest in the sale of Demand Deposit Accounts purchased by United Credit Recovery, LLC, a Delaware corporation, on the closing date of October 19, 2011. To the best of its knowledge, Wachovia Bank, a division of Wells Fargo hereby verifies the accuracy and validity of the Demand Deposit Account files totaling 32,823 accounts on both an aggregate and individual account basis. The amount of the Demand Deposit Accounts is reflected in the prior signed short form purchase agreement dated October 19, 2011 between Wachovia Bank, a division of Wells Fargo and United Credit Recovery, LLC.

To the best of its knowledge, Wachovia Bank, a division of Wells Fargo verifies that the aforementioned file also contains the correctness and validity of the following fields:

Wachovia Bank DDA Account Number:
Borrower Name:
Open Date: 10/26/2009
Charge off Date: 12/28/2009
Gross Balance: \$558.50

By: Marcus O'Sullivan Date: 2/2/12
Title: VP COLLECTIONS

Subscribed and sworn to before me this 2 day of February, 2012

Judith E. Armstrong
Notary Public

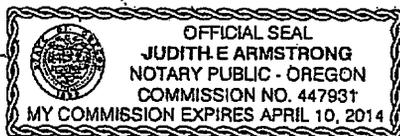


Exhibit "C"

Jay Thornton

From: Jeff Smith <jeffsmith32366@aol.com>
Sent: Friday, December 14, 2012 8:39 PM
To: Jay Thornton
Subject: Fwd: United Credit Recovery Fraud

-----Original Message-----

From: Consumer Advocate <consumadvocat41576@gmail.com>
To: jeffsmith32366 <jeffsmith32366@aol.com>
Sent: Fri, Dec 14, 2012 12:33 PM
Subject: Re: United Credit Recovery Fraud

On Friday, December 14, 2012, Consumer Advocate wrote:

Jay,

It is common knowledge in the collections industry that United Credit Recovery produces hundreds of thousands of documents called "assignments" in the name of Wells Fargo and then pastes a Wells Fargo VP signature with a notary seal on them. They then sell these accounts with the assignments and the forged notary seal to other debt collectors. I saw that you are currently in a lawsuit defending Wells Fargo against United Credit Recovery. Quite frankly, I think it baffles everyone in the collection industry that the banks have not yet obtained a restraining order preventing United Credit from creating fraudulent documents in the name of the banks he buys debt from. It gives the appearance that the bank approves of this practice. This is openly discussed by members of the debt collection community. You should really take a look at the following webpages: <http://www.insidearm.com/forum/topic/what-should-these-ddas-cost/> and <http://www.insidearm.com/forum/topic/wells-and-wachovia-dda/>. These webpages even have an image file of a document that United Credit created in the bank's name with an identical notary and signature on all four documents!

Exhibit D

GRAY | ROBINSON
ATTORNEYS AT LAW

LAS OLAS CITY CENTRE
401 EAST LAS OLAS BOULEVARD
SUITE 1850 FORT LAUDERDALE
P.O. BOX 2328 (33303-9998) JACKSONVILLE
FORT LAUDERDALE, FL 33301 KEY WEST
TEL 954-761-8111 LAKELAND
FAX 954-761-8112 MELBOURNE
gray-robinson.com MIAMI
NAPLES
ORLANDO
TALLAHASSEE
TAMPA

954-761-8111

JAY.THORNTON@GRAY-ROBINSON.COM

January 22, 2013

VIA E-MAIL & U.S. MAIL

Joshua Shore, Esq.
Black Srebnick Kornspan & Stumpf, P.A.
201 S. Biscayne Boulevard
Suite 1300
Miami, Florida 33131

Re: United Credit Recovery alleged misconduct ("UCR")

Cease & Desist

Dear Mr. Shore:

I write following the recent dismissal with prejudice of UCR's federal lawsuit against Wells Fargo in *United Credit Recovery, Inc. v. Wells Fargo Bank, N.A.*, Case No. 1:12-CV-21692-JAL, to address a different matter. Enclosed please find a copy of a troubling email I received from a consumer advocate, in my capacity as Wells Fargo's outside counsel. According to this email:

"It is common knowledge in the collection industry that United Credit Recovery produces hundreds of thousands of documents called 'assignments' in the name of Wells Fargo and then pastes a Wells Fargo VP signature with a notary seal on them. They then sell these accounts with the assignments and the forged notary seal to other debt collectors." (emphasis supplied)

Wells Fargo is unaware and obviously does not approve of such alleged conduct, and the bank is investigating the matter. In the interim, Wells Fargo demands that UCR provide written assurances within seven (7) days, in the form of an affidavit or sworn declaration, that the allegations in the enclosed e-mail are untrue. To the extent any part of these allegations are true, Wells Fargo demands that UCR immediately cease and desist such conduct, provide a detailed written explanation of all such forged or false notary seals as well as copies, and provide the names and addresses of all UCR assignees and others who have received such documents purporting to be from Wells Fargo.

Lastly, please instruct UCR that it must preserve and not destroy any and all such related documents and communications of any kind, which may become important evidence in future legal proceedings. Wells Fargo reserves all rights and remedies, including without limitation the right to seek appropriate injunctive relief.

Exhibit E

GRAYROBINSON
PROFESSIONAL ASSOCIATION

I look forward to hearing from you.

Respectfully submitted,
GRAYROBINSON, P.A.



Jay Thornton

JT/by
Enclosure
cc:

Jared Lopez, Esq.
Jennifer Thornton, Esq.
Spencer Schulz, Esq.



WACHOVIA

A Wells Fargo Company

NOTICE OF CORRECTNESS

This notice references the transfer of all rights, title and interest in the sale of Demand Deposit Accounts purchased by United Credit Recovery, LLC, a Delaware corporation, on the closing date of September 21, 2011. To the best of its knowledge, Wachovia Bank, a division of Wells Fargo hereby verifies the accuracy and validity of the Demand Deposit Account files totaling 47,648 accounts on both an aggregate and individual account basis. The amount of the Demand Deposit Accounts is reflected in the prior signed short form purchase agreement dated September 21, 2011 between Wachovia Bank, a division of Wells Fargo and United Credit Recovery, LLC.

To the best of its knowledge, Wachovia Bank, a division of Wells Fargo verifies that the aforementioned file also contains the correctness and validity of the following fields:

Wachovia Bank DDA Account Number: ✓
Borrower Name: ✓
Open Date: 10/26/2009
Charge off Date: 12/28/2009
Gross Balance: \$182.33

By: Marcus O'Sullivan Date: 2/2/12
Title: VP COLLECTIONS

Exhibit F



WACHOVIA

A Wells Fargo Company

FILED Document - County Court
CO Jefferson County-County Court 1st JD
Filing Date: Feb 15 2012 2:56PM MST
Page ID: 42532726
Review Clerk: Amy R

AFFIDAVIT OF CORRECTNESS/ASSIGNMENT

This notice references the transfer of all rights, title and interest in the sale of Demand Deposit Accounts purchased by United Credit Recovery, LLC, a Delaware corporation, on the closing date of August 22, 2011. To the best of its knowledge, Wachovia Bank, a division of Wells Fargo hereby verifies the accuracy and validity of the Demand Deposit Account files totaling 51,835 accounts on both an aggregate and individual account basis. The amount of the Demand Deposit Accounts is reflected in the prior signed short form purchase agreement dated August 22, 2011 between Wachovia Bank, a division of Wells Fargo and United Credit Recovery, LLC.

To the best of its knowledge, Wachovia Bank, a division of Wells Fargo verifies that the aforementioned file also contains the correctness and validity of the following fields:

Wachovia Bank DDA Account Number: _____
Borrower Name: _____
Open Date: 09/23/2009
Charge off Date: 11/18/2009
Gross Balance: \$966.41

By: Yanola Fowler Date: 9/16/11
Title: OCA Liason

Subscribed and sworn to before me this 16 day of Sept, 2011.

Diane L. Robinson
Notary Public

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
Diane L. Robinson, Notary Public
City of Chester, Delaware County
My commission expires June 22, 2015

Exhibit G