

CONFIDENTIAL

LOAN PURCHASE AND SALE AGREEMENT

Date of Agreement: January 17, 2003

Seller: Genesis Financial Solutions, Inc.

Purchaser: MRC Receivables Corporation

Closing Date: January 17, 2003

Purchase Price: 708,510.80

THIS LOAN PURCHASE AND SALE AGREEMENT including any and all exhibits or schedules attached hereto or incorporated herein (collectively the "Agreement") is made by and between the Seller listed above (referred to as "Seller") and the Purchaser listed above ("Purchaser").

RECITALS:

WHEREAS, Seller owns and desires to sell certain Charged Off Accounts; and

WHEREAS, Purchaser has agreed to purchase such Charged Off Accounts from Seller on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser agree as follows:

1. Definitions. For purposes of this Agreement, the following terms have the following respective meanings:

"Account Documentation" means any and all available documents and instruments, whether originals or photocopies, in the possession of or obtainable by the Seller pertaining to a Purchased Account, and includes (but is not limited to) data described on Schedule B attached hereto and incorporated into this Agreement by this reference. Documentation may or may not be available on individual Purchased Accounts.

"Borrower" means the person who is obligated to repay a Charged Off Account or if there are multiple persons obligated to repay such an Account, all such persons collectively.

"Charged Off Account" means an account receivable due to Seller prior to the Cut-Off Date under a consumer loan agreement that is an asset of Seller and which meets the criteria set forth on Schedule A attached hereto and incorporated into this Agreement by this reference that has been charged off per the Lender's policy for writing off delinquent accounts.

"Closing Date" means the closing date set forth above, or such other date as may be agreed upon by Seller and Purchaser to transact the business described in this Agreement.

"Confidential Information" means portfolio or account data, consumer financial data or credit information, account histories, and any nonpublic personal information as defined by any of the Fair Debt Collection Practices Act, the Fair Credit Reporting Act and the Gramm-Leach-Bliley Act.

"Cut Off Date" means January 13, 2003.

"Lender" means the financial institution that originated or acquired the Charged Off Account prior to charge off and that charged off the Charged Off Account in accordance with its usual practices.

"Portfolio Documentation" means the tape, cartridge, diskette, E-mail delivery, or hard copy of data in a mutually agreed upon format, containing the Account Documentation and other information regarding the Purchased Accounts.

"Purchased Accounts" means those Charged Off Accounts to be purchased pursuant to this Agreement. The Purchased Accounts are listed in Schedule A, which is incorporated into this Agreement by this reference.

"Purchase Price" means the purchase price payable by Purchaser to Seller for the Purchased Accounts as set forth in Schedule A, which is incorporated into this Agreement by this reference.

"Unpaid Balance" means as to any Purchased Account, the total outstanding unpaid balance (expressed in United States Dollars) as of the Cut Off Date owed by a Borrower including any fees and finance charges assessed prior to the date of charge off by the Lender. The Unpaid Balance does not include fees, interest or other charges assessed by Seller.

"Non-Qualifying Account" means a Purchased Account that is not eligible for sale due to any of the following: settlement (including, without limitation, paid-in-full, released, or otherwise discharged including as a result of the filing of a Form 1099), bankruptcy, or death occurring prior to the Cut Off Date, or a written dispute was received prior to the Cut Off Date, or due to the Purchased Account being subject to a lien or other claim in favor of a third party or having been placed for collection or litigation prior to the Cut Off Date and not having been withdrawn prior to the Closing Date.

II. Purchase and Sale of Charge Off Accounts; Closing.

A. Subject to the terms and conditions of this Agreement, on the Closing Date, Seller will sell, assign and transfer to Purchaser, and Purchaser will purchase all Seller's rights, title and interest in and to the Purchased Accounts as of the applicable Cut Off Date.

In consideration for the sale by Seller to Purchaser of Charged Off Accounts, as provided in Section II.A, Purchaser agrees to place the Purchase Price in the account identified in Schedule C-2 as of the Closing Date. Payment of the Purchase Price shall be made by wire transfer to the account specified in Schedule C-2, in funds immediately available to Seller, or its agent, on the Closing Date.

B. On the Closing Date, prior to the delivery of payment described in Section II.B., Seller shall deliver to Purchaser a Bill of Sale and Assignment executed by the Seller's authorized representative. This Bill of Sale and Assignment shall sell, transfer, assign, set over, and convey, in each case without recourse (except as otherwise provided for herein), to Purchaser all right, title, and interest of Seller in and to each of the Purchased Accounts as of the Closing Date.

C. On the business date following the Cut Off Date, Seller will deliver to Purchaser the Portfolio Documentation prepared as of the Cut Off Date containing information on the Purchased Accounts. Purchaser will not contact any Borrowers or attempt collections on any Charged Off Accounts until after the Closing Date.

D. Closing may occur via facsimile, with original signatures to follow, or at such place as shall be mutually agreed to between the parties. The parties agree that the closing may take place in counterparts. The undersigned acknowledge and hereby agree that agreements and signatures transmitted by electronic facsimile have the same legal effect as signatures on originals or copies.

III. Covenants of Seller. Seller makes the following covenants with respect to the Purchased Accounts sold pursuant to this Agreement:

A. In compliance with the Fair Credit Reporting Act, Seller will promptly notify each of the credit bureaus it uses that the Purchased Accounts have been sold to Purchaser, to the extent that each bureau provides such reporting, and (if not) Seller will request deletion of its reporting thereon.

B. Seller will report to Purchaser all amounts that it identifies as attributable to any payments on the Purchased Accounts received after the Cut Off Day by Seller for a period of one year from and after the Closing Date. Seller shall remit such payments on a weekly basis. Seller, at its option, will either (i) forward a payment received from a Borrower on a Purchased Account directly to Purchaser, endorsing such payment without recourse to the order of Purchaser, or (ii) issue Seller's check or other payment for any payments received from a Borrower which have been deposited by Seller. If Seller issues its own check or other payment for a Borrower payment, Purchaser shall retain the risk that such Borrower payment deposited by the Seller shall be returned unpaid by Borrower's bank. Within ten (10) days after Seller notifies Purchaser (and provides proof thereof) that a payment made by or on behalf of a Borrower has been returned unpaid, Seller will deduct the amount of the unpaid payment from the current week's trailing activity (so long as Seller provides a detailed accounting so that Purchase may accurately adjust the Unpaid Balances of each effected Purchase Account), or Purchaser will remit to Seller the amount of such returned payment. For purposes of this Agreement, and the avoidance of all doubt, Seller shall be entitled to retain any payments or money actually received by it prior to the Cut Off Date (provided such payments are properly reflected in the Unpaid Balance conveyed as of the Cut Off Date), however, to the extent the Lender receives any payments or credits prior to the Cut Off Date that are not delivered to Seller until after the Cut Off Date, such payments or credits shall belong to Purchaser.

C. Prior to the Closing Date, Seller will mark all Charged Off Accounts as sold on its system. Seller will use reasonable, good faith, efforts to forward to Purchaser any correspondence or other written communications received on a Purchased Account after the Closing Date.

D. After the Closing Date, Seller will forward any inquiries made by a Borrower or other account holder on a Purchased Account to the Purchaser, and will direct any inquiry to contact Purchaser at 1-800-825-8131, Attention: Account Manager.

E. At the Closing Date, Seller shall provide Purchaser with an updated list of Unpaid Balances as of the Cut Off Date, and (if applicable) shall include a refreshed list of Purchased Accounts. Within one hundred and eighty (180) days from and after the Closing Date, Purchaser, without limiting Purchaser's rights for a breach of a representation or warranty contained herein, has the right to submit any Purchased Account found by Purchaser to be a Non-Qualifying Account as defined above. Bankrupt or deceased Purchased Accounts must be identified through a third-party vendor and submitted electronically in the format attached hereto as Exhibit D which shall be conclusive proof that a Purchased Account is a Non-Qualifying Account. Purchased Accounts not eligible for sale due to settlement in full, release, etc. prior to the Closing Date may be submitted to Seller within fifty (50) days from and after the Closing Date, without any proof except a print-out from Purchaser's servicing agent showing that a Borrower has indicated settlement, release, etc. and Seller shall repurchase any such account and thereafter (during the remainder of the period) such Purchased Accounts may be submitted to Seller along with reasonable documentation to permit the Seller to determine such accounts eligibility for repurchase. Non-Qualifying Accounts will be repurchased by the Seller at the rate of \$0.0188 times the Unpaid Balance, minus any payments Purchaser may have received on the Purchased Account. Purchaser may submit Non-Qualifying Accounts no more than once per month. Seller will have thirty (30) days to review and approve Purchased Accounts for repurchase, and shall remit the balance paid to the Purchaser for the approved Non-Qualifying Accounts with account level detail. Purchaser agrees to ensure all approved Non-Qualifying Accounts are closed and returned to the Seller.

F. Except as otherwise provided herein, and subject to the percentage limitation set forth below, Seller retains (except as to any Purchased Accounts that have been settled or have payment arrangements pending) the right to repurchase, as sold in error accounts, Charged-Off Account that are subject to any litigation, lien or other claim in favor of a third party, including having been placed for collection, prior to the Cut Off Date and not having been withdrawn from collection prior to the Closing Date. Seller will submit any such request immediately upon discovery. Upon receipt of Purchaser's notification that the Purchased Account has been closed and returned to Seller, Seller will refund the Purchase Price for the Charged Off Account, less any payments received by the Purchaser.

Within one hundred and eighty (180) days from and after the Closing Date, without limiting any other rights or remedies available to Purchaser, whether at law, equity or pursuant to this Agreement, Purchaser may declare this Agreement to be NULL and VOID and require the return of the entire Purchase Price (less the Purchase Price paid for any Purchased Accounts that have been settled, or released by, or paid to, Purchaser prior to the declaration permitted by this paragraph) if three (3%) percent or more of the total Purchased Accounts transferred on the Cut-Off Date are Non-Qualified Accounts as a result of having been paid, settled, released or satisfied prior to the Cut Off Date, or repurchased by Seller as sold in error accounts, because such Purchased Accounts (as of the Cut Off Date) remain subject to litigation, lien or other claims in favor of a third party (at or) prior to the Closing Date. In such event and upon Purchaser's declaration of the Agreement as null and void, the Purchaser may retain (without limiting any other rights or remedies it may have), as LIQUIDATED DAMAGES or otherwise, any thing of value collected, paid or received by Purchaser on any and all Purchased Accounts. The parties agree that the existence of Non-Qualifying Account, which are unqualified by

reason of having been paid, settled, satisfied or released, or which are repurchased by Seller because such Purchased Accounts (as of the Cut Off Date) remain subject to litigation, lien or other claims in favor of a third party prior to purchase and which total in the aggregate three (3%) percent or more of the total Purchased Accounts transferred hereunder, materially effects the value and resulting worth of the pool of Purchased Accounts such that the retention of any sums of money collected, paid to or received by Purchaser as liquidated damages or otherwise would be reasonable in light of the anticipated breach or the actual harm resulting there from, the difficulties of proving the amount of loss and the inconvenience or difficulty of obtaining an adequate remedy. Upon the exercise of this provision by Purchaser, the Agreement (except for the provisions of this paragraph) shall become null and void and Seller shall immediately repay the Purchase Price, as calculated by this provision and upon final payment of such Purchase Price, the Purchaser shall execute and deliver to Seller a Bill of Sale, which execution and delivery shall be made by Purchaser without any representations or warranties of any kind or nature whatsoever, and the parties, except as to the provisions of this paragraph, shall be released from, or relieved of, any further responsibility or obligation with respect to the Agreement or each other.

G. Seller consents to Purchaser's preparation and filing of financing statements prepared on Form UCC-1 covering the Purchased Accounts sold hereunder, and Seller shall take all other steps and shall execute and deliver all documents and instruments reasonably requested by Purchaser to vest in Purchaser good and valid sole title to the Purchased Accounts, and to permit Purchaser to collect the Purchased Accounts in accordance with applicable law.

H. Seller will not seek, consent or agree to any amendment or modification of the original purchase agreement (without the prior written consent of Purchaser) if such amendment or modification could or does, to any degree, diminish or effect the Purchased Accounts or the value thereof, or the rights, duties or obligations of Purchaser.

IV. Covenants of Purchaser.

A. Purchaser will not communicate with any Borrower or otherwise take any action with respect to any Purchased Account or any Borrower until the Closing Date.

B. Purchaser agrees that after the Closing Date it will handle any Borrower inquiries directly with the Borrower and not refer any Borrower with an inquiry on a Purchased Account to the Lender or Seller. In the event that Purchaser needs information from Seller in order to resolve the inquiry, Purchaser shall contact Seller (subject, however, to the limitations set forth in Section 5) and Seller agrees to act as an intermediary between Lender and Purchase for the purpose of handling, coordinating, requesting or doing any and all things necessary, or arising out of, or relating to this Agreement or the Purchased Accounts.

C. In the performance of its collection efforts on the Purchased Accounts, Purchaser agrees at all times to comply with all requirements of all applicable Federal, State, and local law, rules and regulations applicable to the conduct of such activities. These include but are not limited by the requirements of the Fair Debt Collection Practices Act (15 U.S.C. Section 1692 *et seq.*), the Fair Credit Reporting Act (15 U.S.C. §§ 1681 *et seq.*), and the Gramm-Leach-Bliley Act (15 U.S.C. §§ 6801 *et seq.*) and regulations promulgating there under. Purchaser shall not misrepresent, mislead, deceive, or

otherwise fail to adequately disclose to any particular Borrower or guarantor the identity of Purchaser as the owner of the Purchased Accounts.

D. Confidential Information may not be used or disclosed by Purchaser until the Closing Date and thereafter Confidential Information may only be disclosed if permitted by law.

V. Documentation and Borrower Files.

A. With respect to Purchased Accounts, Purchaser shall deliver to Seller, a listing of the specific Purchased Accounts and the type of Account Documents requested in connection therewith on the form attached hereto and incorporated as Exhibit H. Seller shall use its best efforts to forward any such requests to (and obtain from) Lender any requested documents or any other information that Purchaser may request.

B. For twelve (12) months from the Closing Date, Seller agrees to forward such requests and deliver to Purchaser any of the documents made available from Lender, and to the extent Seller is able to obtain such documentation, Purchaser agrees to reimburse Seller the exact amount charged by Lender for such documents plus any direct costs incurred by Seller not to exceed \$2.00 an account. As to any requests, Seller shall use reasonable efforts to obtain return of Account Documents with 90 days from the date of the request and within 14 days if Purchaser designates a "rush" request. Documents may or may not be available on any individual Purchased Account.

C. If Seller cannot provide or deliver the requested Account Document(s), or information, Purchaser may prepare and Seller shall execute an affidavit, at a cost to the Purchaser of \$2.00 per affidavit, that is identical to the form set forth in the original purchase agreement, or (if none) that is substantially in the form attached hereto as Exhibit E.

VI. Representations and Warranties of Seller.

Seller represents and warrants, as of the date hereof and as of the Closing Date, that:

A. Seller is a corporation duly formed, validly existing and in good standing under the laws of the State of Delaware and has the full power, authority and legal right to execute and deliver, engage in the transactions contemplated by, and perform and observe the terms and conditions of, this Agreement. Execution and delivery of this Agreement and performance of Seller's obligations hereunder have been duly authorized by all necessary action and do not and will not violate, conflict with or result in a breach of any of the terms, conditions and provisions of Seller's articles of association or by-laws, any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award, or any material agreement or instrument to which Seller is a party or by which it or its properties are bound or affected or constitute a default thereunder.

B. This Agreement constitutes the legal, valid and binding obligations of Seller, enforceable against Seller in accordance with the terms of this Agreement, except as such enforcement may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally, and by principals of equity (regardless of whether such enforcement is considered in a proceeding in equity or at law), and no consent, approval, license, exemption or

authorization of, or filing or registration with, any governmental body, which has not been made or obtained, is or will be required in connection with the execution and delivery of this Agreement or the performance by Seller of its obligations hereunder.

C. Seller represents that Seller has good and valid title to, and is the sole owner of, the Purchased Accounts, and owns the Purchased Accounts free and clear of all liens and encumbrances, and no financing statement or like instrument is on file in any jurisdiction with respect to any of the Purchased Accounts.

D. Each Purchased Account is a valid, genuine and existing account receivable obtained from Lender through the ordinary course of business. Each Purchased Account conforms in all respects with the criteria set forth on Schedule A attached hereto. To the best of the knowledge of Seller, none of the Borrowers are deceased or have commenced any bankruptcy, reorganization or insolvency proceedings, state or federal, or proceedings under any other act or law pertaining to debtor relief (collectively "bankruptcy") with regards to the sold debt. No Purchased Account was assessed interest or any other fees or amounts by the Seller. The Unpaid Balances on the Purchased Accounts are true and accurate. The Purchased Accounts designated hereunder shall have been charged-off pursuant to Lender's usual and customary business practices. There is not now pending or, to the best of the knowledge of Seller, threatened, any litigation, claim, arbitration or governmental proceedings against Seller, which would affect the Purchased Accounts. There are no judgments, decrees, or consent orders outstanding, which relate to the collection of the Purchased Accounts. No attorney or collection agency or other party has any claim to any of the proceeds from collection of the Purchased Accounts being sold to Purchaser hereunder.

E. Seller represents that the Purchased Accounts have been collected by Seller and its agents in a manner that complies with all relevant laws and regulations. All requirements of federal, state, or local law and all orders, decrees, settlements or judgments entered by a court of competent jurisdiction or governmental authority that are applicable to Seller's origination, ownership, enforcement, servicing and collection of each Purchased Account have been complied with, including without limitation those pertaining to truth-in-lending, consumer credit protection, disclosure, debt collection and sales financing.

F. The information set forth in the due diligence tape provided by Seller or its agents is true, complete and correct to the best of Seller's knowledge.

G. Each Purchased Account (to the best of Seller's knowledge after conducting reasonable due diligence) has been originated, maintained, serviced (worked or collected) and charged off by the Lender or its agents in compliance with state and federal laws, including, without limitation, the Truth-in-Lending Act, the Equal Credit Opportunity Act, the Fair Debt Collection Practices Act and the Fair Credit Billing Act.

H. None of the Purchased Accounts has, since the respective date of charge off, been: (i) assigned or placed with more than one collection agency, whether by the Lender or Seller, (ii) worked, placed, collected or recalled (whether internally by Lender or Seller or externally by a servicing agent) in a manner inconsistent with the policies, procedures or information outlined in the attached

EXHIBIT F, or (iii) sent to an attorney, nor has Seller sent, or caused to be delivered, a demand (or other correspondence) on the letterhead of any attorney.

I. Seller acknowledges that the bid (forming the basis for the Purchase Price) was determined, in part, by Purchaser in reliance upon the tape of Charged Off Accounts presented to Purchaser by Seller prior to the date of this Agreement, and accordingly Seller and its agents have not removed any of the Charged Off Accounts, other than Non-Qualifying Accounts, or otherwise altered the characteristics or attributes of such Charged Off Accounts since presented to Purchaser and Seller agrees to deliver such Charged Off Accounts on the Closing Date.

J. Each Purchased Account sold to Purchaser was selected on a random basis (as between those Charged Off Accounts transferred to the Purchaser, other transferees or as to those Charged Off Accounts retained by Seller for internal processing or placement with a collection agent) from the universe of available Charge Off Accounts held by Seller from this Lender and the Charged Off Accounts to be sold pursuant hereto were not selected for retention, placement or this sale as a result of any adverse selection or credit scoring by or on behalf of Seller except for what is specified in Seller's survey.

K. No Purchased Account is subject to any terms or conditions of a credit card agreement requiring claims, disputes or any other controversy to be submitted to any form of arbitration or alternative dispute resolution or process including, without limitation, binding arbitration.

L. As of the Closing Date, Seller has fully satisfied and discharged, and from and after the Closing Date, will fully satisfy and discharge its remaining obligations and liabilities, if any, under the original purchase agreement.

M. Seller, prior to its purchase or acquisition of the Charged Off Accounts from the Lender, conducted a reasonable and prudent due diligence investigation and inquiry in and to the Lender's policies and procedures which, among other matters, addressed the pre and post charge-off collection/recovery efforts of the Lender and/or Lender's internal and external agents and Seller's due diligence process (or investigation) did not disclose any information or material that if known to Purchaser would be material and which would cause a prudent investor to refrain from purchasing the Charged Off Accounts, or to pay less than the Purchase Price for the Purchased Accounts.

N. With respect to the Purchased Accounts, none have been: (i) subjected to an offer to settle or compromise for an amount less than 50% of the Unpaid Balance; (ii) subjected by Lender or Seller (or any agents of either) to a mass settlement offer ("mass settlement offer" means any offer of settlement or compromise made on a number of Charged Off Accounts rather than a negotiated offer relating to a single Charged Off Account, e.g., a blanket offer to settle or compromise a Charged Off Account made or distributed to more than one Borrower via any written, oral, electronic or telephonic medium, means or method); and (iii) the subject of Litigation (e.g., a petition, complaint or other pleading has been filed by the Lender or Seller or an agent against a Borrower or its representative, or a petition, complaint or other pleading has been filed against the Lender, Seller or a servicing agent by a Borrower or its representative).

O. The Seller (to the best of its knowledge) has recalled each Purchased Account from any servicing agent, such that no Purchased Account remains subject to a collection or contingency agreement by which any entity or person is entitled to a fee or payment based upon the amount of monies collected, or by virtue of a judgment obtained, on behalf of the Lender or Seller.

VII. Representations and Warranties of Purchaser. Purchaser hereby represents and warrants, as of the date hereof and as of the Closing Date that:

A. Purchaser is a sophisticated investor, has knowledge and experience in financial and business matters that enable it to evaluate the merits and risks of the transaction contemplated by this Agreement. Purchaser has relied on its own investigation and has not relied upon any statements other than those specifically contained in this Agreement.

B. Purchaser is a corporation duly formed, validly existing and in good standing under the laws of the State of Kansas, and has the full power, authority and legal right to execute and deliver, engage in the transactions contemplated by, and perform and observe the terms and conditions of, this Agreement.

C. Neither Purchaser, its affiliates, nor any of their respective officers, partners, agents, representatives, employees or parties in interest: (i) has in any way colluded, conspired, connived, or agreed directly or indirectly with any other bidder, firm or person to submit a collusive or sham bid, or any bid other than a bona fide bid, in connection with the Sale resulting in Purchaser being the highest bidder for the Purchased Accounts, or (ii) has, in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other bidder, firm or person to fix the price or prices, or to fix any overhead, profit or cost element of the bid price or the bid price of any other bidder at the Sale resulting in Purchaser being the highest bidder for the Purchased Accounts, or to secure any advantages against any other bidder or Seller.

D. Seller shall, except as otherwise provided for herein, have no responsibility or liability to Purchaser arising out of or related to any third party's failure to assist or cooperate with Purchaser. In addition, Purchaser (except as otherwise provided for herein) is not relying upon the continued actions or efforts of Seller or any third party in connection with its decision to purchase the Purchased Accounts. Except as otherwise provided for herein, the risks attendant to the potential failure or refusal of third parties to assist or cooperate with Purchaser and/or Seller in the effective transfer, assignment, and conveyance of the Purchased Accounts, and /or assigned rights shall be borne by Purchaser.

E. Assuming the due authorization, execution and delivery of this Agreement by Purchaser, this Agreement constitutes the legal, valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally and by general equity principles (regardless of whether such enforcement is considered in a proceeding in equity or at law).

VIII. Use of Seller's Name.

A. In any litigation or other enforcement action which Purchaser takes to collect the Unpaid Balance owed on the Purchased Accounts, Purchaser shall use its own name and shall not name Seller, the Lender, or any affiliate or subsidiary thereof, as plaintiff or in any other way in the caption of the action.

B. Purchaser shall not use the name of Seller, the Lender, or any of Seller's or Lender's subsidiaries or affiliates or make reference to Seller or any such entities, in any way in its collection of the Purchased Accounts; provided, however, the Purchaser may refer to Seller, Lender or any subsidiaries or affiliates thereof as the previous owner of any Purchased Account in the body of a collection letter, the body of any pleading, or when communicating with a debtor as a Charged Off Account purchased from Seller, or originating with Lender.

C. Purchaser agrees, acknowledges, confirms and understands that there may be no adequate remedy at law for a violation of the terms, provisions, conditions and limitations set forth in this section, and Seller shall have the right to seek the entry of an order by a court of competent jurisdiction enjoining any violation of this Section.

IX. Indemnification.

A. From and after the date of this Agreement, Purchaser shall indemnify and hold harmless Seller from and against any and all liability, losses, costs, damages, and expenses (including, without limitation, reasonable attorneys' fees and costs) which Seller may incur or suffer as a result of, or in any way related to, (i) any act or omission of Purchaser or Purchaser's agents or transferee in connection with the Purchased Accounts, (ii) the inaccuracy of any of Purchaser's representations or warranties herein, (iii) the breach of any of Purchaser's covenants herein. Purchaser shall have the right to employ separate counsel at Purchaser's own expense and to participate in the defense of any action or proceeding with respect to which Purchaser is obligated to indemnify Seller. Seller shall not compromise any claim without the prior written consent of Purchaser, which consent shall not be unreasonably withheld or delayed.

B. From and after the date of this Agreement, Seller shall indemnify and hold harmless Purchaser from and against any and all liability, losses, costs, damages, and expenses (including, without limitation, reasonable attorneys' fees and costs) which Purchaser may incur or suffer as a result of, or in any way related to, (i) any act or omission of Seller or Seller's agents in connection with Purchased Accounts, (ii) the inaccuracy of any of Seller's representations or warranties herein, (iii) the breach of any of Seller's covenants herein. Seller shall have the right to employ separate counsel at Seller's own expense and to participate in the defense of any action or proceeding with respect to which Seller is obliged to indemnify Purchaser and (iv) any matter, thing or event to the extent Seller is entitled to or actually receives such indemnification from the Lender pursuant to the terms of the original purchase agreement. Purchaser shall not compromise any claim which has been filed in a court of competent jurisdiction without the prior written consent of Seller, which consent shall not be unreasonably withheld or delayed.

C. In no event shall either party be liable to the other hereunder for exemplary, punitive, consequential or similar special damages of any kind, whether based on contract, tort, warranty or any other legal or equitable ground, even if such party has been advised of the possibility of such damages; provided, however, that in the event a third party asserts a claim for any special damages precluded by the foregoing against either Seller or Purchaser and (i) such third party claim gives rise to a claim for indemnification pursuant to subsections (A) or (B) above, (ii) the party seeking indemnification provides the indemnifying party with prompt notice of the third party claim and copies of all documents and filings related to such claim along with the opportunity to participate, at its own expense, in the defense of the third party claim in any reasonable manner desired by the indemnifying party, and (iii) the third party ultimately prevails on its claim for such special damages, then this subsection (C) shall in no event preclude the indemnified party from obtaining from the indemnifying party the recovery under this Article IX of the special damages payable to the third party and/or any out-of-pocket expenses or losses incurred or suffered by the indemnified party as a direct result of any such third party claim for special damages.

D. In no event shall a claim be brought against Seller for indemnification pursuant to Section IX.B above at any time on or after the second anniversary of the Closing Date.

X. Miscellaneous.

A. Nothing in this Agreement is intended to or shall be construed to constitute or establish an agency, joint venture, partnership or fiduciary relationship between Purchaser and Seller.

B. Unless provided otherwise, notice and other communications required or permitted under this Agreement shall be in writing and given by certified mail return receipt requested, delivered by Federal Express or similar carrier for next day delivery or delivered personally to the party at the address set forth at the end of this Agreement.

C. This Agreement constitutes the entire understanding between the parties and supersedes all prior written and oral proposals, understandings, agreements and representations, all of which are merged herein, with respect to the subject matter hereof, including (without limitation) the agreement previously entered into between Seller and Midland Credit Management, Inc., as purchaser, reflecting the same date as this Agreement, which agreement incorrectly reflected the purchasing entity. No amendment or modification of this Agreement shall be effective unless in writing and executed by each of the parties hereto.

D. No waiver by either party of any condition or of any breach of any term, representation, warranty or covenant under this Agreement, whether by conduct or otherwise, will be deemed to be a further or continuing waiver of any such conditions or breach or a waiver of any other condition or breach.

E. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. This Agreement may not be assigned by either party, in whole or in part, without the prior written consent of the other party. It being understood however, that Purchaser is free to assign, pledge, transfer or hypothecate each individual Purchased Account sold

pursuant hereto without the prior written consent of Seller, and that Purchaser is only prohibited from delegating or assigning the duties and/or obligations of Seller hereunder with the consent of Seller

F. If any provision of this Agreement is void, invalid or unenforceable, either in whole or in part, that invalidity or unenforceability (unless material to the benefits contemplated by either party) will not affect the validity or enforceability of any other provision hereof.

G. This Agreement shall be governed by, construed and enforced in accordance with, the laws of the State of Oregon.

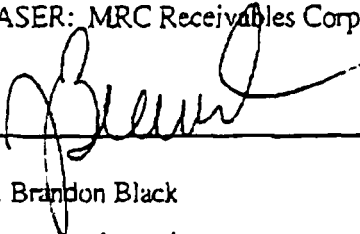
H. The transaction contemplated by this Agreement does not involve, nor is it intended in any way to constitute, the sale of a "security" or "securities" within the meaning of any applicable securities laws, and none of the representations, warranties or agreements of Purchaser shall create any inference that the transactions involve any "security" or "securities".

I. This Agreement is for the sole and exclusive benefit of the parties hereto, and none of the provisions of this Agreement shall be deemed for the benefit of any other person or entity.

J. The prevailing party in any litigation arising out of or relating to this Agreement shall be entitled to recover its reasonable attorneys' fees and costs incurred in such litigation.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the day and year first above written.

PURCHASER: MRC Receivables Corporation
Inc.

By: 

Name: J. Brandon Black

Date: 1/22/03

SELLER: Genesis Financial Solutions,

By: 

Name: Vernon Fuller

Date: 1.22.03

Purchaser's Address for Notices:
MRC Receivables Corporation
c/o Midland Credit Management, Inc.

Seller's Address for Notices
Genesis Financial Solutions, Inc

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5775 Roscoe Court
San Diego, CA 92123
Attn: General Counsel

8705 SW Nimbus Ave Suite 300
Beaverton OR 97008
Attn: Vernon Fuller VP, Marketing

Schedule A

Purchased Accounts included in the sale were purchased under a forward flow agreement with Household International. Purchased Accounts are Charge Off Accounts, no older than 11/2000, are not bankrupt, deceased, previously settled or released and have minimum Unpaid Balances of \$25.

# of Purchased Accounts	38,594
Unpaid Balances	\$37,686,744.71
Purchase Price (as a % of Current Balance)	1.88%
Purchase Price (as \$)	\$708,510.80
Return/Repurchase Rate	1.88%

Schedule B

Genesis Financial Solutions agrees to provide the following Account Documentation, where available, subject to the conditions set forth in the Agreement. It being understood and agreed by the parties that nothing contained herein shall prevent or prohibit the Purchaser from requesting (and Seller from forwarding requests for) Account Documents not specifically set forth below.

Terms and Conditions applicable to the Purchased Accounts

Schedule C

ASSIGNMENT AND BILL OF SALE

For value received and pursuant to the terms and conditions of the Purchase Agreement between Genesis Financial Solutions ("Seller") and MRC Receivables Corporation ("Purchaser"), dated January 17, 2003 (the "Agreement"), Seller does hereby absolutely convey, transfer and assign to Purchaser all right, title and interest of Seller in and to those certain receivables, judgments or evidences of debt (the "Purchased Accounts"), described in Schedule A attached hereto and made a part hereof for all purposes, together with the right to collect all principal, interest, or other proceeds of any kind that may be due and owing as of the Closing Date with respect to the Purchased Accounts.

Capitalized terms shall have the meaning set forth in the Agreement.

This Bill of Sale is executed without recourse except as stated in the Agreement.

DATED: 1.22, 2003

Genesis Financial Solutions

By: [Signature]

Title: VP, Marketing

Schedule C-1

CLOSING STATEMENT

SELLER: Genesis Financial Solutions, Inc.

PURCHASER: MRC Receivables Corporation

Portfolio or Package Name: GFS 1

Number of Accounts	Face Amount	Purchase Rate	Purchase Price
38,594	\$37,686,744.71	1.88%	\$708,510.80

INITIAL DEPOSIT: 0

BALANCE OF PURCHASE PRICE DUE SELLER:

Closing Date:

A. On, or before, the Closing Date, Purchaser shall pay the Purchase Price to Seller by Wire Funds, certified, or guaranteed funds. Purchaser shall use the wire Instructions provided by the Seller as Schedule C-2 and deposit the full Purchase Price in the Bank of America Account designated therein.

B. Seller agrees to transfer ownership and possession of the entire portfolio of Accounts, as set forth in Exhibit "A", to Purchaser on or immediately after the Closing Date upon notification the full amount has been deposited.

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Schedule C-2

**Genesis Financial Solutions, Inc.
Funds Transfer Request
12/8/2003**

**Transaction Date:
Amount:**

Bank Name: Union Planters Bank, N.A. (5135)
Spanish Lake, Redman Road
1944 Redman Road
St. Louis, MO 63138-104
(314) 355-8433
Attn: Wire Transfers

ABA Number: 081001387

Credit to Account: National Loan Exchange Inc., Trust Account

Account Number: 6900574361

Reference: Please indicate that the funds are for the 2003 National Loan Exchange I, Portfolio Name, Lot #, along with your company name

In order to assure proper allocation of funds to each Purchaser's balance due, this information must be included on all wire transfers.

Exhibit D

SPECIFICATIONS FOR PUTBACK FILE LAYOUT

A. Data File Format

1. Excel

B. Individual Account Data Fields Needed

1. MCM Account Number
2. Customer Social Security Number
3. Customer First Name
4. Customer Middle Initial
5. Customer Last Name
6. Home Street Address
7. Home Address – City
8. Home Address – State
9. Home Address – Zip Code
10. Account Charge-off Date
11. Purchase Dollar Balance
12. Issuer Account Number
13. Deceased Flag(1=Yes or 0=No)
14. Deceased Date
15. Bankruptcy Flag (1=Yes or 0=No)
16. Bankruptcy Chapter
17. Bankruptcy Status
18. Bankruptcy Filing Date
19. Other
20. Sale Date

EXHIBIT E

Affidavit of Debt

I am the <<title>> for _____ (the "Seller"), which owned the account of the customer named below under the account number specified. The statements in this affidavit are based on the computerized and hard copy books and records of the Seller, maintained in the ordinary course of business the entries having been made by a regularly operated business. The affiant is authorized to make the statements and representations herein.

Customer Name: _____
Account #: _____

A computerized open date, ending balance and last payment date were maintained on the Seller's database. The balance purchased from _____ (the <<variable per contract terminology">>) was \$ _____. The ending balance on our books and records on _____, the date that all right, title and interest was transferred to <<Purchaser Name>> under the terms of a Purchase Agreement was _____. To the best of the affiant's knowledge, information and belief, there were no un-credited payments, just counterclaims or offsets against such debt at that time.

DATE this _____ day of _____, 200 ____.

Name:

Duly sworn to before me this _____ day of _____ 200 ____.

Notary Public

My commission expires: _____

Exhibit F

GENESIS RESELLER SURVEY
(Household Accounts – December 2002)

Reseller Information

1. What type of Accounts are these?

Credit Cards

2. Did you purchase the accounts from the originator of the debt?

If Yes, Who?

Accounts were purchased as fresh charge offs from Household International.

3. When did you acquire the accounts?

Forward flow between 11/1/2000 and 10/1/2001

4. What agency level were the accounts worked prior to your purchase?

Worked internally by original lender.

5. Have the accounts been worked by any third party collector since your purchase?

Yes.

6. If yes, please complete all applicable agency status categories:

SINCE AQUISITION	<u>Current Balance</u>
<input checked="" type="checkbox"/> Internal collection effort only	_____
<input checked="" type="checkbox"/> 1 Agency placement	_____
<input type="checkbox"/> 2 Agency placement	_____
<input type="checkbox"/> 3 Agency placement	_____
<input type="checkbox"/> Beyond 3 agencies	_____

See Agency field on data file. 0 means internal only, 1 means agency placement.

7. Briefly explain the collection activity since purchase.

Accounts were worked internally or placed at agency. All received standard collections treatments.

8. What is your approximate ratio of collectors to accounts internally?

500-800 Accounts per collector

9. Did you (or outside agency) send mass settlement letters? If so, please describe.

Agencies had settlement authority of 70%. A limited number of accounts may have received a lower settlement offer at the end of placement.

10. What settlement authority do your collectors have.

70%

11. How long have the accounts been worked by your company since purchase?

Accounts were worked for 8-12 months.

12. Were any accounts assigned for legal action during either internal collection efforts or at any agency level?

No.

13. If accounts were at an outside agency, what was the recall date of the accounts?

Accounts were recalled between 4/2002 and 8/2002.

14. Are any accounts subject to contingency/other fees from prior agencies or attorneys?

No.

15. In identifying the accounts for sale, what criteria was assigned to generate the pool (ie. credit score, liquidation rate, no-pays, random selection, etc.)?

Accounts available for transfer by 11/14/2002, no payments to GFS.

16. Have these accounts been scored since acquisition?

A portion were scored as a test pool. Score has not been applied in generating the sale pool.

17. Since acquisition, have interest and late fees been accrued to the accounts? Are these amounts included in the sale price? What is the name of the field that should be used for the sales balance?

No post-charge off interest or late fees were applied.

18. How was the sale balance calculated in the original sale? Were interest and fees accrued to the accounts after charge-off included in the sale price?

The sale balances is the current balance on the accounts as of 10/31/2002. No interest and fees were applied to the accounts after charge off.

19. How are these accounts currently reported to the credit bureaus?

Charge off

20. Which credit bureaus are these accounts reported to?

Experian, Equifax, Transunion

21. Once sold, how will you be reporting these accounts to the credit bureaus?

Sold

22. Are co-makers reported to the credit bureaus?

No co-maker information on this portfolio.

23. Our bidding pool expects supporting documentation to be accessible as governed by the Purchase and Sale Contract. Describe what percentages of each are available in the file. Estimate the time frame(s) needed to retrieve and the desired duration of servicing such documentation:

- | | |
|--|---|
| <p>_____ Written applications</p> <p>_____ Other applications</p> <p>_____ Statement of account</p> <p>_____ Payment histories</p> | <p>_____ Charge slips</p> <p>_____ Correspondence</p> <p>_____ Loan agreement</p> <p>_____ Other (please explain)</p> |
|--|---|

Please explain in detail what documentation is available on site. Will the buyer be able to obtain documentation from the original issuer? If so, for what period of time, cost, and through what channels.

We can provide payment history/correspondence with Genesis. Examples of terms and conditions are available. Original lender does not provide further documentation on the accounts.

24. What documentation is included in a typical file (refer to next question for auto deficiency documentation)?

25. For each category, what percentage of information is available:

<u>Category</u>	<u>Est. %</u>	<u>Category</u>	
<u>Est. %</u>			
Social Security number	_____	Employer phone	

Home phone	_____	Charge-off amount	

Last pay amount	_____	Original account number	

Last pay date	_____		

Please see data file.

26. Are you agreeable to marketing the portfolio in geographic regions and/or individual states?

Yes

27. Is resale permitted?

Yes, with GFS permission.

28. Can you supply a sample of loan agreements and/or credit applications used for this portfolio? If so, please overnight hard copies of the agreements; they will be included in the Bid Information Package.

29. Are you willing to repurchase or replace accounts sold that, prior to closing date, were documented bankrupt, fraud, deceased or otherwise legally uncollectible? Do you have the capability of identifying these accounts prior to the sale date?

We are willing to repurchase unqualified accounts.

30. Are you willing to repurchase or replace accounts which are aged beyond the statute of limitations?

No.

Originator History

31. Are credit scores (from time of origination) available?

No.

32. How were the accounts originally solicited (telemarketing, mailers, direct marketing, etc.)?

Traditional channels.

33. What guidelines had to be met for credit approval?

34. What credit ranking did these accounts receive at origination (A, B, C, D)?

C-D

35. Describe the re-aging policy used on these accounts.

36. Collection efforts on accounts before charge-off:

Were mass settlement letters sent? Yes or No
If so, please describe.

No.

Were settlement offers made on a per account basis? Yes or No
If so, please describe.

No.

Were any accounts sent to any form of collection agency prior to charge-off? Yes or No
If so, please describe.

No.

37. What were the interest rates charged prior to charge-off (high/low range)?

38. What was the charge-off policy governing these accounts?

Standard.

39. After charge-off, did the originator work accounts internally prior to agency placement? If so, please describe:

No. They were purchased as fresh charge offs.

40. How many levels of collection agencies were these accounts placed and for how long at each level?

Some were placed at agency for 12 months. The rest were worked internally. See above for distributions.

47. How was the sale balance calculated (ex. all principle, interest, and fees accrued prior to charge-off minus all payments received to date) and what is the name of this field?

Current balance is equal to the Charge Off balance including all principle, interest and fees prior to charge off minus any adjustments, corrections or payments.

Additional Comments Section:

Add any additional comments that you feel would assist the buyer in making a decision to bid on this portfolio.

Please call with questions.

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Exhibit G

LETTER TO BORROWERS

[LETTERHEAD OF _____]

[date]

[address of Borrower]

RE: [account number]

[account balance]

Dear _____:

Please take notice that Genesis Financial Solutions, Inc. has recently sold, transferred and assigned ownership of a Household account (as specifically referenced above) to MRC Receivables Corporation.

To ensure timely processing of your payment(s), please direct all inquiries and/or payments to the following address:

MRC Receivables Corporation
c/o Midland Credit Management, Inc.
5775 Roscoe Court
San Diego, CA 92123

If you have any questions, please contact Midland Credit Management, Inc. at 800-825-8131, and ask to speak with an Account Manager.

Sincerely,

[name]

[title]

cc: MRC Receivables Corporation

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Exhibit H

MCM MEDIA REQUEST

To order media, please complete this form and return by E-MAIL.
Requests received by FAX will not be processed.

*"This request for media is made subject to the terms and conditions of the Purchase Agreement,
dated _____, 200__."*

TO:	Designated Rep	
Company:	MRC Receivables Corporation	Tel:
CC:		
FROM:	<i>[Requested By]</i>	
Company:	<i>[Purchaser's Name]</i>	
Date:	<i>[Date of Request]</i>	

Consumer's Name	SSN	Orig Account #	Application	Charge Off Statement	Rush
Example	111-11-1111	6011569845213568	Yes	Yes	No