

**FINANCIAL ASSETS SALE AGREEMENT**

**BY AND BETWEEN**

**SANTANDER CONSUMER USA INC. ("Seller")**  
**1601 Elm Street, Suite 800**  
**Dallas, Texas 75201**

**AND**

**Cascade Capital, LLC ("Buyer")**  
**101 2<sup>nd</sup> St. Suite 100**  
**Petaluma, CA 94952**

## FINANCIAL ASSETS SALE AGREEMENT

THIS FINANCIAL ASSETS SALE AGREEMENT (the "Agreement") is entered into as of the date of the last signature below (the "Effective Date") by and between Santander Consumer USA Inc., an Illinois corporation, with its principal place of business at 1601 Elm Street, Suite 800, Dallas, TX 75201 ("Seller") and Cascade Capital, LLC, a limited liability company organized under the laws of California, with its principal place of business at 101 2<sup>nd</sup> St. Suite 100, Petaluma, CA, 94952 ("Buyer") (each individually referred hereto as a "Party", and collectively as the "Parties").

### WITNESSETH:

WHEREAS, Seller desires to sell certain Financial Assets (as defined herein);

WHEREAS, Buyer has reviewed and evaluated the Financial Assets, and pursuant to the terms and conditions set forth herein Buyer intends to review and evaluate the Data File and Evidence of Indebtedness (as defined herein) to Buyer's full satisfaction;

WHEREAS, Buyer is willing, subject to the express terms, provisions, conditions, limitations, waivers and disclaimers as may be expressly set forth herein, to purchase the Financial Assets for the consideration as set forth herein; and

WHEREAS, Seller is willing, subject to the express terms, provisions, conditions, limitations, waivers and disclaimers as may be expressly set forth in this Agreement, to sell, transfer, assign and convey to Buyer all of Seller's right, title and interest, in, to and under the Financial Assets.

NOW, THEREFORE, in consideration of the mutual promises herein set forth and other valuable consideration, the receipt of which is hereby acknowledged, Seller and Buyer agree as follows:

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### 1. DEFINITIONS:

As used herein, the following terms have the following meanings:

1.1 "Agreement" means this Financial Assets Sale Agreement, including the cover page and all Addenda, Exhibits and Schedules hereto.

1.2 "Affidavit of Sale & Certificate of Conformity" means the document to be delivered to Buyer on or after the Closing Date, in the form attached hereto as Exhibit "D".

1.3 "Aggregate Outstanding Balance" means the principal balance as identified on the Data File.



1.4 **"Bid"** means a bid which will be calculated as follows: [REDACTED]

1.5 **"Bill of Sale and Assignment"** means the document to be delivered to Buyer on or after the Closing Date, in the form attached hereto as **Exhibit "B"**.

1.6 **"Business Day"** shall mean Monday through Friday except for federal holidays (e.g. New Year's Day, Presidents Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas) and such other days when Seller is closed or authorized to close.

1.7 **"Chapter 13 Bankruptcy"** means a Chapter 13 proceeding filed under the U.S. Bankruptcy Code, pursuant to which an individual may formulate a plan for payment, in part, of his or her obligations.

1.8 **"Chapter 7 Bankruptcy"** means a Chapter 7 proceeding filed under the U.S. Bankruptcy Code.

1.9 **"Claim"** means any claim, demand, cause of action, judgment, loss damage, liability, regulatory investigation or inquiry, cost and expense (including attorneys' fees, whether suit is instituted or not), whether known or unknown, liquidated or contingent.

1.10 **"Claim Verification Date"** means the date which is one hundred twenty (120) days after the Closing Date, which shall be the latest date for the notification to Seller by Buyer of Accounts to be repurchased under Section 5.10.

1.11 **"Closing"** means the simultaneous delivery by Seller and Buyer at 1:00 p.m. Central Standard Time, on the Closing Date (hereinafter defined) of documents and funds, and the performance of the acts herein provided to be performed at the Closing, including the payment of Purchase Price.

~~1.12 **"Closing Date"** is July 25, 2014 and means the date on which the balance of the Purchase Price is due hereunder and must be paid on or before such date, unless otherwise specified by written agreement between Seller and Buyer.~~

1.13 **"Commercially Available Evidence"** means any information, data, document, or the like obtained by Buyer from a nationally-recognized source of information of the type and kind typically relevant to (i) obligations like the Financial Assets, (ii) Chapter 13 Bankruptcy, or (iii) any similar matter. Examples of sources of Commercially Available Evidence include but are not limited to US courts of law, duly appointed bankruptcy trustees, PACER (<http://pacer.psc.uscourts.gov/>), Lexis-Nexis Banko Solutions ([www.banko.com](http://www.banko.com)), American Infosource, Inc. ("AIS"), Lundquist Consulting, Inc. ("LCI"), National Data Center ([www.13datacenter.com](http://www.13datacenter.com)), or Lexis-Nexis (<http://www.lexisnexis.com>).



**1.14 "Confidentiality Agreement"** means that certain Mutual Non-Disclosure "Master Confidentiality" Agreement executed between a potential Buyer and Broker in connection with Buyer's examination of the Electronic Data, Financial Assets and Data Files (hereinafter defined).

**1.15 "Credit Bureau"** means those national credit-reporting agencies, including but not limited to Experian, Equifax, TransUnion, and CBCInnovis, to which Seller in the ordinary course of business reports information regarding Financial Assets.

**1.16 "Current Balance"** means the unpaid balance in United States Dollars for each Financial Asset identified in the Financial Asset Schedule as of the Cut-off Date. It is possible that payments may be made by or on behalf of any Obligor prior to the Cut-off Date or the date of this Agreement, which are not reflected in the Current Balance. This figure may also reflect payments made by or on behalf of any Obligor which have been deposited and credited to the Current Balance of such Financial Asset, but which may subsequently be returned to Seller uncollected due to insufficient funds, or other reasons. If requested, Seller will provide how it arrived at the balance for individual Financial Assets.

**1.17 "Cut-off Date"** means the July 17, 2014, which is the last day in which last day in which any activity will take place on the Data File, with no more accounts being added or removed.

**1.18 "Data File"** means all of those documents and records (excluding the Excluded Documents) within Seller's possession (including the detailed payment history) relating to each Financial Asset included on the Financial Asset Schedule, which such documents represent the primary source of information on the Financial Assets.

**1.19 "Debt"** means the obligations for the Financial Assets being sold pursuant to this Agreement as identified in the Data File. Nothing in this definition shall be deemed to imply that all the Debts are enforceable. It is Buyer's intention to have any such Ineligible Accounts substituted by Seller in accordance with the Repurchase provision of Ineligible Accounts as outlined in Section 5.10.

**1.20 "Detailed Payment History"** or DPH means a dot.txt-file containing every date and amount of every payment/reversal prior to the Cut-off Date of the Data File. This DPH file will include the breakdowns of the payments into principal, interest, late charge, and miscellaneous fees, as well as transaction descriptions if applicable and available. In most instances, the DPH will contain payments from the origination date of the loan to the Cut-off Date of the Data File. However, Seller's previously purchased contracts (receivables acquired by Seller) will have detailed payment histories prior to such conversion to Seller only in the event that such legacy details were provided to Seller upon such purchase.

**1.21 "Electronic Data"** means the electronic data regarding each Financial Assets identified in the Data File delivered to Buyer, including but not limited to scanned images of (i) the original executed vehicle retail installment sales finance contract, promissory



note, and/or security agreement, or a copy thereof if the original is unavailable; (ii) Obligor applications for credit underwriting, buyer's order and credit data, if available; and (iii) Obligor complete payment history and collection records.

**1.22 "Evidence of Indebtedness"** means with respect to each Financial Asset, the original or any copy contained in the Data File of: (a) a motor vehicle retail installment sales finance contract, a promissory note, record of debt, account, agreement, document or instrument and any affidavit of debt obtained; (b) any obligation renewed by the Financial Asset; or (c) any obligation or other evidence extending or renewing the Financial Asset in Seller's possession.

**1.23 "Excluded Documents"** shall mean those materials which were not included by Seller in the Data Files made available to Buyer by Seller and which may be missing or which Seller has deemed inappropriate to release to Buyer including, without limitation, (i) Seller's internal valuations and opinions regarding the Financial Assets, (ii) attorney-client privileged communications and work product, (iii) legal conclusions of non-lawyers related to legal conclusions reached or expressed by lawyers, (iv) financial statements and other information subject to a written confidentiality obligation or restriction and (v) conclusions and estimates of remediation costs set forth in environmental site assessments.

**1.24 "Financial Assets"** means each Obligor's Debt as shown in the motor vehicle retail installment sales finance contracts identified on the Financial Asset Schedule and the Data File.

**1.25 "Financial Asset Schedule"** means the computer file, to be provided by Seller to Buyer within five (5) business days prior to the Closing date, setting forth each Financial Asset purchased and sold hereunder (which shall not include the Excluded Financial Assets) and certain information concerning the Obligor(s) as of the Cut-off Date, including but not limited to the information identified on Exhibit "A".

**1.26 "Ineligible Account"** means any Account in which on or prior to the Cut-Off Date, ~~the circumstances described on Section 5.10 are or become present.~~

**1.27 "Limited Power of Attorney"** means the document to be delivered to Buyer on or after the Closing Date, in the form attached hereto as Exhibit "C".

**1.28 "Obligor"** means, with respect to each Financial Asset, the Obligor(s) specified in the Data File or in the Evidence of Indebtedness, including, without limitation, any and all makers, guarantors, sureties or other persons or entities liable for the Debt.

**1.29 "Purchase Price"** ~~\_\_\_\_\_~~  
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**1.30 "Purchase Price Percentage"** ~~\_\_\_\_\_~~



1.31 "Purchaser" means Buyer.

1.32 "Repurchase" means the event upon which Seller will repurchase the qualifying Ineligible Accounts by paying the Repurchase Price (as defined below).

1.33 "Repurchase Price" means the product of the Purchase Price Percentage multiplied by the Current Balance as reflected on the Financial Asset Schedule, less payments received by Buyer, with regards to a Financial Asset that Seller is required to repurchase under Sections 5.10 and 14 hereunder.

1.34 "Sale" means the negotiated sale of the Financial Assets.

1.35 "Transfer Documents" shall mean the unified document being comprised of the Financial Asset Schedule (Exhibit "A"), the Bill of Sale and Assignment (Exhibit "B"), the Limited Power of Attorney (Exhibit "C"), the Affidavit of Sale of Account by Original Creditor & Certificate of Conformity (Exhibit "D"), the Buyer's Due Diligence Materials (Exhibit "E"), the Closing Statement (Exhibit "F") and the Required Documentation for Repurchase of Ineligible Accounts (Exhibit "G").

## 2. PURCHASE AND SALE OF THE FINANCIAL ASSETS

2.1. Agreement to Sell and Purchase Financial Assets and Conditions Precedent to Closing. Prior to Broker's final acceptance of the potential Buyer's final bid, the potential Buyer shall forward to Broker the requested Due Diligence substantiation as delineated in Exhibit "E". If Broker and Seller agree that Buyer meets the due diligence qualifications and standards, and if Buyer and Seller agree upon a set price, Seller agrees to sell, and Buyer agrees to purchase the Financial Assets described in the Financial Asset Schedule, subject to the terms, provisions, conditions, limitations, waivers and disclaimers set forth in this Agreement. The Financial Assets shall be transferred and assigned on the Closing Date pursuant to the Transfer Document. Financial Asset(s) returned with case status information which would render said Financial Assets subject to repurchase under Section 5.10 shall be excluded from sale hereunder (each an "Excluded Financial Asset"). Seller shall thereafter ensure that the Excluded Financial Assets are not included in the Financial Asset Schedule, prior to delivering the Financial Asset Schedule to Buyer on the Closing Date.

1) Buyer's Due Diligence Pre-Bid and Post-Bid. Buyer's obligation to complete the purchase of Financial Assets and to close hereunder is subject Buyer's review and inspection of the Financial Assets to its satisfaction. Buyer shall conduct and complete its own due diligence and evaluation of Financial Assets prior to bidding. Buyer's pre-bid review and inspection may include, but not necessarily be limited to, a review of the Data File, Collateral Documents and Evidence of Indebtedness of the related Financial Assets. Based on Buyer's review and inspection thereof, Buyer shall determine, in its sole discretion, if the Financial Assets are acceptable to Buyer and in conformity with its appraisal of the Financial Assets.



2) **Seller's Due Diligence.** On or before the Effective Date, Buyer shall provide to Seller, in a format agreeable to Seller, the documents, information, and data regarding Buyer set forth with specificity on Exhibit "E" attached hereto ("Buyer's Due Diligence Materials"). Seller shall conduct and complete its due diligence and evaluation of Buyer's Due Diligence Materials at Seller's principal place of business on or before [insert]. Based on Seller's review and inspection of Buyer's Due Diligence Materials Seller shall determine, in its sole discretion, if Buyer's Due Diligence Materials are acceptable to Seller. If, at Seller's sole discretion, Buyer's Due Diligence Materials are unacceptable to Seller, then Seller may cancel this Agreement and all obligations hereunder by notifying Buyer, in writing, of Seller's cancellation hereunder on or before [insert].

3) **Delivery of Electronic Data.** Seller may deliver the Electronic Data, as described in the Data File and the Closing Statement, regarding the Financial Assets identified in the Data File on or before July 25, 2014, but in any event Electronic Data shall be delivered to Buyer thirty (30) days after.

**2.2. Purchase Price/Payment.** The Purchase Price shall be determined as of the Cut-off Date, and shall be subject to adjustment as provided in Section 2.3. All of such funds must be paid in immediately available funds in United States Dollars by wire transfer as instructed or by Certified or Cashier's check (without intervening endorsement) made payable to Seller. If the Purchase Price is not paid to Seller on or before the date, time and in the manner described, at the sole discretion of Seller, this Agreement may be terminated. On the Closing Date, an amount equal to the Purchase Price shall be paid to Seller by Buyer on or before 2:00 p.m. Eastern time in United States Dollars by wire transfer of immediately available funds to an account specified by Seller on Exhibit "F", attached hereto.

**2.3. Payments Received/Adjustments Purchase Price.**

1) **Payments Received Before the Cut-off Date.** If Seller receives, prior to the Cut-off Date, any payments or other consideration distributed or paid by or on behalf of an Obligor with respect to a Financial Asset, Seller shall process such payment in the normal course of business and post such payment to the account of the applicable Financial Asset, thereby reducing the Current Balance of such Financial Asset prior to the calculation of the Purchase Price.

2) **Payments Received From and After the Cut-off Date.** If Seller receives any payment(s) or other consideration distributed or paid by or on behalf of any Obligor with respect to a Financial Asset (hereinafter a "Payment") from or after the Cut-off Date and up until five (5) business days before the Closing Date, Seller shall notify Buyer of such receipt and Buyer shall be allowed to deduct such amount from the Purchase Price. If Seller shall receive any Payment(s) with respect to a Financial Asset on or after the above-mentioned five (5) day pre-Funding window which is not deducted from the Purchase Price, Seller shall pay over and/or deliver such Payment(s) to Buyer (without interest thereon from Seller) on or within thirty (30) days of its receipt thereof and, if necessary, with an endorsement in the form substantially as follows: "Pay to the order of Cascade Capital, LLC without representations, warranties, and without recourse."



Within five (5) business days of receipt of Payment, Seller will notify Buyer of receipt of any Payment received. With regard to any such Payment(s), Seller shall provide Buyer with the date of such receipt, amount of any such Payment(s), and the specific Financial Asset(s) to which such Payment(s) is to be applied. If Seller has deposited Payments received from any Obligor and issues a check, payment or credit therefore to Buyer, Buyer shall retain the risk that any such Payment so deposited by Seller shall be returned uncollected due to insufficient funds or other reasons. Seller shall have a period of sixty (60) days after the date Seller delivers to Buyer Payments made by or on behalf of any Obligor after the date of the Cut-off Date to notify Buyer in writing that any such Payment(s) were returned uncollected and specifying the amount thereof, whereupon Buyer shall immediately, and not later than ten (10) days following receipt of such notice, pay to Seller the amount of such Payment(s) by cashiers or certified check and identifying thereon this Agreement and the specific asset(s) to which such Payment relates. All Payments to be made by Buyer to Seller in accordance with Section 2.2, including, without limitation, the Purchase Price, may be paid by Buyer on a net basis, or offset, after deduction of the adjustment to the Purchase Price described herein.

**2.4. Transaction Taxes.** Buyer hereby agrees to perform all obligations with respect to federal and/or state tax reporting relating to or arising out of the Assets sold and assigned pursuant to this Agreement including, without limitation, the obligations with respect to Forms 1098 and 1099 and backup withholding with respect to the same, if required, after the Closing Date during which the Buyer owned the Assets and thereafter. Seller reserves the right to notify Buyer that Seller shall file such reporting forms relating to the period of the tax reporting year prior to the Closing Date during which Seller owned the Assets. In addition, Buyer shall be responsible and assume liability for the payment of all taxes (other than federal income taxes of Seller), if any, arising out of the sale contemplated hereby.

**2.5. Remedies of Seller.** If for any reason, without fault of Seller, Buyer fails to consummate the purchase of the Financial Assets upon the terms and conditions provided in this Agreement, Seller may either (i) terminate this Agreement or (ii) pursue any and all remedies available to Seller either at law or in equity, including without limitation hereby, enforcing specific performance of this Agreement by Buyer.

### **3. TRANSFER OF FINANCIAL ASSETS AND TRANSFER DOCUMENTS**

**3.1. Transfer of Electronic Data.** Thirty (30) days after the Closing Date, Seller shall deliver to Buyer, in electronic form, the Transfer Document and the Data File containing data regarding the Financial Assets purchased hereunder.

**3.2. Assignment of Financial Assets.** The Bill of Sale and Assignment of Financial Assets shall have the same effect as an individual and separate bill of sale and assignment of each and every Financial Asset and data File referenced therein. The responsibility and cost of preparing and executing the Transfer Document or such other documents as Seller deems necessary, proper and appropriate, to effect the sale of the Financial Assets hereunder, shall be borne by Seller. However, Buyer agrees, acknowledges, confirms and understands that Buyer shall be responsible for the recording and/or filing of the



originals of any such assignments and power of attorney as the same may be necessary, proper or appropriate and shall pay all costs, fees and expenses for such recording and/or filing of such assignments. Seller reserves the right to retain copies of all or any portion of the Data File and other documents delivered by Seller. Buyer shall have the sole responsibility to obtain any other documents in the possession of any attorneys, collection agencies or foreclosing trustees. Buyer shall have no right to communicate with any Obligor or otherwise take any action with respect to any Financial Asset or any Obligor until the Closing Date.

**3.3. Data Files.** Within thirty (30) days from the Closing Date, Seller shall make available for pickup by Buyer at such place and at such time as Seller designates the Data File(s) including copies of each original obligation or other Evidence of Indebtedness in Seller's possession. Seller shall bear the expenses of any applicable storage, retrieval and transportation of such Data Files and Evidence of Indebtedness and of the other documents, instruments and files) to be delivered to Buyer pursuant to this Section 3.

**3.4. Buyer's Failure to Pick Up Data Files or Evidences of Indebtedness.** In the event Buyer fails to pick up any Data Files and Evidence of Indebtedness made available by Seller within sixty (60) days after the Closing Date, Seller may destroy all or any portion of such Data Files and/or documents without any obligation or liability to Buyer.

**3.5. Prior Assignments.** On the Closing Date and pertaining to those things particularly within Seller's possession, Seller shall deliver to Buyer any copies of assignments or copies of other documents evidencing title to Financial Assets obtained through prior acquisition. Additionally, upon the request of Buyer, Seller will provide any necessary Affidavits of Sale of Account by debt seller, where applicable.

**3.6. Additional Documentation.** In the event Buyer requests Seller to execute and deliver assignments or other documents (or, up until 180 days after the Closing Date, other similar documents in addition to the initial Transfer Document(s)), Buyer shall furnish Seller with copies of the proposed additional assignments or other documentation for review and approval. Seller shall respond to such requests in a reasonable period of time not to exceed thirty (30) days from the date a written request is received. Seller shall not be obligated to deliver assignments or other documents or other similar documents to replace documents, which may have been destroyed due to Buyer's failure to pick up and/or pay the costs and expenses of storing any Data Files and/or documentation. All costs, fees and expenses of preparing and filing or recording any such additional assignments or such other documentation shall be the sole responsibility of Buyer and preparation costs shall be due and payable upon demand from Seller.

#### **4. CLOSING AND SERVICING OF THE FINANCIAL ASSETS.**

**4.1. Place of Closing.** Closing shall take place at Seller's office located at 1601 Elm Street, Suite 800, Dallas, TX 75201 or at some other place that is thereafter mutually agreed upon between the parties.



**4.2. Servicing Transfer.** The Financial Assets shall be sold and conveyed to Buyer on a servicing-released basis. As of the Closing Date, all rights, obligations, liabilities and responsibilities with respect to the Financial Assets, including but not limited to servicing, shall pass to Buyer, and Seller shall be discharged from all liability or obligation therefore, unless otherwise specified in this Agreement. Buyer shall be bound by all actions taken by Seller with respect to the Financial Assets prior to the Closing Date. Buyer shall take no action to communicate with any Obligor or its accountants or attorneys or enforce or otherwise service or manage the Financial Assets until after the Closing Date unless as otherwise specified in this Agreement. Buyer shall take no action to communicate with Seller's loan manager unless and until the Purchase Price due to the Seller hereunder has been paid in full. For purposes of clarification and to avoid doubt, Seller has recalled all Financial Assets from any third party that is performing collection, legal or other services on behalf of Seller and Seller shall have paid all amounts due to such third party for all services up to the Closing Date.

**4.3. Obligor Notification.** Buyer shall be responsible for complying with all state and federal laws, if any, with respect to the ownership and/or servicing of any of the Financial Assets from and after the Closing Date including, without limitation, the obligation, where lawful, to notify any Obligor or guarantor of the transfer of servicing rights from Seller to Buyer. Further, Seller shall have the right, and the obligation where required by applicable law but not otherwise, to mail a notice addressed to any Obligor or guarantor, at the address shown in its records, notifying such Obligor or guarantor of the transfer of any Financial Asset from Seller to Buyer, where lawful.

**4.4. Credit Bureaus to be Updated.** Buyer acknowledges that Seller intends to update the information it reports to the Credit Bureaus regarding the Financial Assets and the customers obligated on such Financial Assets within sixty (60) days of the Closing Date and that it will be Seller's responsibility to provide an update file to each applicable Credit Bureau to reflect "account transferred or sold" regarding such Financial Assets.

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5. **REPRESENTATIONS AND WARRANTIES OF SELLER: REPURCHASE.**

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~~Seller hereby represents and warrants to Buyer as of the date hereof and at the Closing Date as continuing representations, warranties and covenants that survive execution of this Agreement and the Closing Date as follows:~~

**5.1. Requisite Authority.** Seller has all requisite power and authority to execute and deliver and to perform all of its obligations under this Agreement and all instruments and other documents executed and delivered by Seller in connection herewith.

**5.2. Due Authorization.** The execution, delivery and performance of this Agreement by Seller have been duly authorized by all necessary corporate action on the part of Seller, and do not and will not require any consent or approval of any other person that has not been obtained or violate any provision of Seller's charter or bylaws.

**5.3. Legal, Valid and Binding Obligation.** This Agreement constitutes a legal, valid and binding obligation of Seller enforceable against Seller in accordance with its term, except as limited by bankruptcy, insolvency, reorganization, moratorium and other



similar laws of general applicability relating to or affecting the enforcement of creditors' rights and general equitable principles which may limit the availability of equitable remedies, including without limitation, the remedy of specific performance. The execution and delivery of this Agreement and Seller's performance of its obligations will not conflict with any provision of any law or regulation to which Seller is subject or by which any of its assets may be bound or conflict with or result in a breach or constitute a default under any of the terms, conditions or provisions of any agreement or instrument to which Seller is a party or by which it or any of its assets may be bound, or any order or decree applicable to Seller.

**5.4. Compliance with Laws.** Performance of this Agreement by Seller will not violate any order of any court or government body having competent jurisdiction, or any law or regulation that applies to it. Seller represents that it will make commercially reasonable efforts to determine that no Obligor (i) appears on any list of blocked or prohibited parties designated by the U.S. Department of Treasury Office of Foreign Assets Control ("OFAC") or (ii) is otherwise subject to prohibitions set forth under OFAC sanctions regulations. To Seller's knowledge, the Financial Assets owned by Seller and being sold hereunder have been originated and collected in accordance with all laws, and as of the Closing Date are valid and binding obligations of the Obligors thereunder, except for those Financial Assets subject to repurchase under Section 5.10 or as such enforcement may be modified by bankruptcy, insolvency, or reorganization, and by general principles of equity (regardless of whether such enforcement is considered in a proceeding in equity or at law).

**5.5. Seller Ratification.** As of the Closing Date, Seller represents and warrants that the information provided by it to Buyer under this Agreement including but not limited to the Exhibits attached hereto and the Financial Asset Schedule, is true and accurate to the best of its knowledge.

**5.6. Title to Financial Assets.** Seller has title to the Financial Assets free and clear of any lien, pledge, claim, security interest, encumbrance, charge or restriction of any kind. Delivery by Seller of Exhibit "B" (Bill of Sale and Assignment of Financial Assets) to Buyer will vest in Buyer title to all the Financial Assets.

**5.7. Security Interest.** Upon execution and delivery of the Bill of Sale and Assignment of Financial Assets, Seller shall have assigned all of its right, title and interest in each such Financial Asset.

**5.8. No Litigation.** There is no action, suit, proceeding, claim or investigation pending or threatened against Seller, that, to the best of Seller's knowledge would adversely affect the transactions contemplated by this Agreement or Buyer.

**5.9. Financial Assets Legally Enforceable.** As of the Closing Date, the Financial Assets are valid, binding, and otherwise legally enforceable as to the Obligor(s) thereunder except as such enforcement may be modified by bankruptcy, insolvency, reorganization, or by general principles of equity, regardless of whether such enforcement is considered in a proceeding in equity or at law.



**5.10. Seller's Required Repurchase.** Notwithstanding anything to the contrary in this Agreement, for up to one-hundred and twenty (120) days after the Closing Date, Seller shall repurchase, with a limit of 10% of the Financial Assets, those Financial Assets by paying to Buyer the Repurchase Price to Buyer within thirty (30) days of Buyer's request. Seller will be required to repurchase a Financial Asset in the event of Seller's breach of any of the foregoing representations or warranties, which breach has an adverse effect upon Buyer, related to that Financial Asset. In addition, Seller will be required to repurchase a Financial Asset if, after written notice from Buyer (delivered to Seller on or before the Claim Verification Date), one or more of the following events or conditions for Ineligible Accounts occurs or has occurred and Buyer has delivered to Seller Commercially Available Evidence necessary to verify such event or condition:

- 1) **BANKRUPTCY**: As of the Cut-off Date, all Obligors for each Financial Asset are subject to an active Chapter 13 Bankruptcy or active Chapter 7 Bankruptcy that has not been dismissed.
- 2) **FRAUD**: A court of competent jurisdiction enters a finding of fact or conclusion of law that, as of the Closing Date, the Obligor's signature on the Financial Asset was forged or the Financial Asset was induced or created by an act or acts of fraud.
- 3) **DECEASED**: As of the Cut-off Date, all Obligors are deceased.
- 4) **PENDING LITIGATION**: it is determined that the Account is subject to pending litigation, other than a class action or a case purported to be a class action, or is being handled by a collection agency or attorney either through sale or assignment; or
- 5) **SETTLEMENT**: the Account was validly settled.

~~6. **CALIFORNIA SENATE BILL 1788.50 et seq.** Failure of Seller to provide any documentation required by California Senate Bill 1788.50 et seq. on any California account as of the Closing Date. For purposes of this Section, Buyer's right to require Repurchase by Seller of such accounts shall be two years from the Closing Date.~~

## **6. REPRESENTATIONS, WARRANTIES AND COVENANTS OF BUYER.**

In addition to and not in lieu of any other warranties, representations, or certifications heretofore or hereafter made by Buyer to Seller, Buyer hereby represents and warrants to Seller as of the Closing Date as continuing representations, warranties and covenants that survive execution of this Agreement as follows:

**6.1. Requisite Authority.** Buyer has all requisite power and authority to execute and deliver, and to perform all of its obligations under, this Agreement and all instruments and other documents executed and delivered by Buyer in connection herewith.



**6.2. Due Authorization.** The execution, delivery and performance of this Agreement by Buyer have been duly authorized by all necessary action on the part of Buyer and does not and will not require any consent or approval of any other person that has not been obtained or violate any provision of Buyer's charter or bylaws.

**6.3. Legal, Valid and Binding Obligation.** This Agreement constitutes a legal, valid and binding obligation of Seller enforceable against Seller in accordance with its term, except as limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws of general applicability relating to or affecting the enforcement of creditors' rights and general equitable principles which may limit the availability of equitable remedies, including without limitation, the remedy of specific performance. The execution and delivery of this Agreement and Buyer's performance of its obligations will not conflict with any provision of any law or regulation to which Buyer is subject or by which any of its assets may be bound or conflict with or result in a breach or constitute a default under any of the terms, conditions or provisions of any agreement or instrument to which Buyer is a party or by which it or any of its assets may be bound, or any order or decree applicable to Buyer.

**6.4. No Intention to Sell Securities/High Degree of Risk.** Buyer acknowledges, understands and agrees that the transactions contemplated by this Agreement are not 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 Buyer shall create any inference that the transactions involve any "security" or "securities". Buyer further acknowledges, understands and agrees that the acquisition of these Financial Assets involves a high degree of risk and is suitable only for persons or entities with substantial financial means who have no need for liquidity and who can hold the Financial Assets indefinitely or bear the partial or entire loss of the value.

**6.5. Acknowledgment that Financial Assets Have Limited Liquidity.** Buyer acknowledges that the Financial Assets will have limited liquidity and Buyer has the financial capacity to hold the Financial Assets for an indefinite period of time and to bear ~~the economic risk of an outright purchase of the Financial Assets.~~ Buyer acknowledges that the amount ultimately received by it in respect of the Financial Assets may be less than the Purchase Price and Buyer shall have no recourse to Seller for any such deficiency.

**6.6. Independent Evaluation.** Buyer warrants and represents that it is a sophisticated and experienced investor, has knowledge and experience in financial, collection of Financial Assets and business matters that enable it to evaluate the merits and risks of the transaction contemplated by this Agreement. Buyer agrees and represents that the descriptions of the Financial Assets, and Data Files made available to it provided Buyer with an adequate and sufficient basis on which to determine whether and at what price to purchase the Financial Assets. Buyer has made such inventory, review and independent investigations as it deems to be warranted into the number, nature, validity, enforceability, collectability, completeness and value of the Financial Assets and Data Files, and all other facts it deems material to its purchase and is entering into this transaction solely on the basis of that investigation and Buyer's own judgment, and is not



acting in reliance on any representation made or information furnished by Seller, its employees, agents, representatives or independent contractors, except as provided herein.

**6.7. Buyer Assumption of Risk.** Buyer has made such examination, review and investigation of the facts and circumstances necessary to evaluate the Financial Assets as it has deemed necessary or appropriate to form a basis for its evaluation of a purchase of the Financial Assets. Buyer further acknowledges and assumes the risk of full or partial loss, which is inherent with the credit, collateral and collectability risks associated with the Financial Assets.

**6.8. No Collusion.** Buyer's offer to purchase the Financial Assets is genuine and submitted in good faith. Buyer whether by itself or through its officers, investors, partners, owners, agents, representatives, employees, or parties in interest has not (a) in any way colluded, conspired, connived, or agreed directly or indirectly with any other firm or person in connection with the Financial Assets, other than a party entitled to examine confidential information on its behalf pursuant to the Confidentiality Agreement or (b) in any manner directly or indirectly sought by agreement, collusion, communication or conference with any other firm or person to fix the price or prices. The Purchase Price for the Financial Assets has not been disclosed by Buyer to any other party other than its counsel and a party entitled to examine confidential information on its behalf pursuant to the Confidentiality Agreement.

**6.9. Buyer is a U.S. Person.** Buyer is a "United States person" within the meaning of Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended.

**6.10. Broker.** Seller has engaged Streamline Consulting, LLC ("Broker") through that certain Debt Brokerage Consulting Services Agreement ("Broker Agreement") between Broker and Seller as the exclusive broker with respect to this transaction for whose fees Buyer shall be solely responsible, in accordance with its agreement with Broker and Seller covenants to defend with counsel approved by Buyer and hold harmless and indemnify Buyer from and against any and all costs, expense or liability for any compensation, commissions and charges claimed against Buyer by any broker or agent based upon a written agreement with Seller, contrary to the Broker Agreement, and relating to this Agreement or the transactions contemplated herein.

**6.11. Buyer Certification of Sophistication.** Buyer represents, warrants, and certifies that it is a sophisticated Buyer that is in the business of buying or originating or collecting Financial Assets of the type being purchased or that otherwise deals in Financial Assets of such type in the ordinary course of the Buyer's business. Buyer further represents that its collection practices are in compliance with the applicable provisions of the Federal Fair Debt Collection Practices Act and do not otherwise violate any federal or state statute(s). Buyer carries and will continue to carry general liability insurance in an amount not less than \$1,000,000.

**6.12. Buyer Expertise.** Buyer represents and warrants to Seller that it has knowledge and experience in financial and business matters and additionally that it has knowledge and experience in collecting distressed, non-performing or doubtful Financial Assets which enables Buyer to evaluate the merits and risks of the transactions contemplated



hereby. Buyer is registered with the appropriate authorities in the state where its principal place of business is located and it will conform to all applicable state and federal law within the state in which it is attempting to collect.

**6.13. No Breach or Default.** The execution and delivery of this Agreement and the performance of its obligations hereunder by Buyer will not conflict with any provision of any law or regulation to which Buyer is subject or conflict with or result in a breach of or constitute a default under any of the terms, conditions or provisions of any agreement or instrument to which Buyer is a party or by which it is bound or any order or decree applicable to Buyer.

**6.14. Excluded Documents.** Buyer understands that the Excluded Documents may be missing and may include significant and material information which, if made known to Buyer, could have a material, significant direct or indirect impact upon perceived, apparent or actual (i) value, (ii) merits, (iii) risks, and/or (iv) hazards inherent with respect to the Financial Assets. The risk that such Excluded Documents might be pertinent in order to make an informed decision with respect to or in connection with the Financial Assets is accepted by Buyer as a risk of entering into this Agreement and shall be borne by Buyer. It is the express intention and understanding between Seller and Buyer that the Excluded Documents are not included in the Data Files and are not to be sold, transferred, assigned or conveyed by Seller to Buyer, and Buyer shall at no time ask for, seek or be provided access to any or all of such Excluded Documents.

**6.15. Other Documents.** Not all documents within the Data Files relate to financial assets that are subject to sale. Buyer acknowledges and agrees that it is only purchasing Financial Assets as such term is specifically defined in this Agreement and that the fact that the Data File may contain or refer to other assets, collateral, claims or rights shall not be construed to evidence an intention on the part of Seller or Buyer to sell or acquire any such other assets, collateral, claims or rights.

**6.16. Due Diligence.** Buyer has been urged, invited and directed to conduct such due diligence review and analysis of the Data Files, Collateral Documents and related information, together with such records as are generally available to the public from local, county, state and federal authorities, record-keeping offices and courts as Buyer deemed necessary, proper or appropriate in order to make a complete informed decision with respect to the purchase and acquisition of the Financial Assets.

**6.17. Financial Assets Sold As Is.** BUYER ACKNOWLEDGES AND AGREES THAT THE FINANCIAL ASSETS ARE BEING SOLD SUBJECT TO EACH OF THE DISCLAIMERS CONTAINED HEREIN AND THAT IN ADDITION TO AND NOT IN LIMITATION OF SUCH DISCLAIMERS, SELLER HAS NOT AND DOES NOT REPRESENT, WARRANT OR COVENANT THE NUMBER, EXISTENCE, NATURE, ACCURACY, COMPLETENESS, ENFORCEABILITY OR VALIDITY OF ANY OF THE EVIDENCES OF INDEBTEDNESS, THE FINANCIAL ASSETS, COLLATERAL DOCUMENTS AND/OR DATA FILES UNLESS OTHERWISE SPECIFIED IN THIS AGREEMENT. ALL DOCUMENTATION, INFORMATION, ANALYSIS AND/OR CORRESPONDENCE, IF ANY, WHICH IS OR MAY BE



SOLD, TRANSFERRED, ASSIGNED AND CONVEYED TO BUYER WITH RESPECT TO ANY AND ALL FINANCIAL ASSETS IS DONE SO ON AN "AS IS, WHERE IS" BASIS, WITH ALL FAULTS UNLESS OTHERWISE SPECIFIED IN THIS AGREEMENT.

**6.18. Nondisclosure.** Buyer is in full compliance with its obligations under the terms of the Confidentiality Agreement executed by Buyer to review the information made available by Seller or its agents and will continue to be in full compliance for the period set forth in the Confidentiality Agreement.

**6.19. No Affiliation With Seller.** Except as may have been previously disclosed to Seller in writing, Buyer is not or has not been affiliated, directly or indirectly, with Seller or any of its agents or representatives.

**6.20. Assistance of Third Parties.** Buyer hereby agrees, acknowledges, confirms and understands that Seller shall have no responsibility or liability to Buyer arising out of or related to any third parties' failure to assist or cooperate with Buyer. In addition, except as otherwise specified in this Agreement, Buyer is not relying upon the continued actions or efforts of Seller or any third party in connection with its decision to purchase the Financial Assets.

**6.21. Enforcement/Legal Actions.** Buyer agrees and represents that Buyer shall not institute any enforcement or legal action or proceeding in the name of Seller, or any subsidiary thereof, or make reference to any of the foregoing entities in any correspondence to or discussion with any particular Obligor regarding enforcement or collection of the Financial Assets except to identify the origination of the Financial Assets. Buyer also warrants and covenants not to take any enforcement action against any Obligor where the enforceability may be limited by applicable statute of limitations or which would be commercially unreasonable based upon generally accepted collection industry standards. Buyer shall not misrepresent, mislead, deceive, or otherwise fail to adequately disclose to any particular Obligor or guarantor the identity of Buyer as the owner of the Financial Assets. Seller shall have the right to seek the entry of an order by a court of competent jurisdiction enjoining any violation hereof.

**6.22. Deceptive Trade Practices Act "DTPA" Waiver.** Buyer represents and warrants to Seller that it has knowledge and experience in financial, collections and business matters that enables Buyer to evaluate the merits and risks of the transactions contemplated hereby. Further, Buyer represents and warrants to Seller that it is not in a disparate bargaining position relative to Seller. Buyer hereby waives, to the maximum extent permitted by law, any and all rights, benefits and remedies under the Texas Deceptive Trade Practices Act as well as any other state deceptive trade practices and consumer protection act (collectively "DTPA"), with respect to the transactions contemplated hereby.

**6.23. Compliance With Laws.** Buyer shall, at all times and in all cases, observe and obey all applicable laws and regulations governing (i) Buyer, (ii) its performance and this Agreement, and (iii) its attempts to realize upon the Financial Assets. Buyer shall further



observe and obey all written rules, regulations, instructions, and other directions not in conflict with this Agreement as Buyer may from time to time promulgate for its operation. Buyer further understands and agrees that, at any time, statutes, laws, regulations, rules or the interpretation thereof could alter the marketability or collectability of the Financial Assets, and in such an event, Seller shall not be liable to Buyer for any associated lost revenue or cost.

**6.24. Debt Collection of Accounts.** If Buyer collects or attempts to collect on Financial Asset, Buyer will, and will cause its agent(s), at all times to:

- (a) comply with all state and federal laws applicable to debt collection including without limitation, the Consumer Credit Protection Act, the Telephone Consumer Protection Act, the California Rosenthal Fair Debt Collection Practices Act, the Fair Credit Reporting Act and the Fair Debt Collection Practices Act;
- (b) maintain licensure, insurance, bonding, registration, as required by all jurisdictions in which it attempts to collect on a Financial Asset;
- (c) actively maintain and abide by an established written information technology security plan to protect Financial Asset information in accordance with applicable laws and regulations;
- (d) for any Financial Asset where the statute of limitations has run, not falsely represent that a lawsuit will be filed if the Obligor does not pay;
- (e) not charge any Obligor any unauthorized charges; and
- (f) maintain a system to track, keep records and respond to Obligor complaints.

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## **7. INDEMNIFICATION.**

**7.1. Indemnification by Seller.** From and after the date of this Agreement, Seller shall indemnify, defend and hold harmless Buyer, its directors, officers, employees, subsidiaries, parent, affiliates, agents and assigns against and from any and all losses, claims, demands, actions, causes of action, suits, proceeds or judgments, including costs, expenses and reasonable attorney's fees (excluding consequential, punitive or special damages) and any liability for, and from and against any and all losses or damages Buyer may suffer as a result of, any claim, demand, cost, expense, or judgment of any type, kind, character or nature (including reasonable attorneys' fees), which Buyer shall incur or suffer as a result of (i) any action, suit, proceeding or claim or other litigation to the extent arising from the gross negligence or willful misconduct of Seller or Seller's agents in connection with the Financial Asset and its obligations in connection with the Financial Assets, (ii) the material inaccuracy of the Seller's representations or warranties, herein or (iii) the breach of the Seller's covenants herein; provided, however, that: (a) the sole remedy of Buyer in respect of a breach of any representation and warranty contained in Section 5 above will be limited solely to the Repurchase Price with respect to the



Financial Asset(s) as to which such representation and warranty has been breached; and (b) Buyer shall not be entitled to indemnification hereunder (other than Repurchase Amounts) until the aggregate amount of losses under this Agreement exceeds \$25,000 and Buyer shall not be entitled to indemnification hereunder (other than Repurchase Price) with respect to any losses under this Agreement that in the aggregate exceed the Purchase Price. Except for the payment of Repurchase Price, pursuant to Section 5.10, these indemnity obligations will be the sole obligation that Seller will have with respect to any breach of this Agreement and Buyer's sole remedy. The indemnification obligations set forth in this Section will expire two (2) years following the Closing Date unless Buyer has given notice to Seller within such time period of (i) any action required by Section 9.1 or 9.2 hereof, (ii) any allegation made by others which might or would give rise to a claim, demand, action, cause of action, suit, or proceeding against Buyer, or (iii) any discovery or investigation of Buyer which might or would give rise to such a claim or obligation of Seller to indemnify Buyer. Seller shall not be required to repurchase a Financial Asset Receivable pursuant to Section 5.10 or to indemnify Buyer pursuant to this Section in connection with (x) a Financial Asset being deemed to be unenforceable in a jurisdiction or (y) the impairment of receipt by Buyer of collections on a Financial Asset to the extent either (x) or (y) above occurs as a result of (i) Buyer's failure to obtain any license or consent necessary in connection with its ownership of the Financial Assets or (ii) any act, omission or fault of Buyer, its affiliates, any of their respective officers, directors, employees or agents, or any other person acting on behalf of or under the authority of Buyer or (iii) if Buyer materially impairs an account through Buyer's gross negligence, willful misconduct or bad faith.

**7.2. Indemnification by Buyer.** From the date of this Agreement up until the greater of five (5) years after or until the Buyer or any subsequent assignee is no longer collecting or servicing the Financial Assets, Buyer shall reimburse, indemnify, defend and hold Seller, its directors, officers, employees, subsidiaries, parent, affiliates, agents and assigns harmless for and against all losses, claims, demands, actions, causes of action, suits, proceedings or judgments, including costs, expenses and reasonable attorney's fees (excluding consequential, punitive or special damages) assessed against such indemnified party arising out of or resulting from claims by third parties: (i) arising, in whole or part, from Buyer's violation of any term, provision, or covenant of this Agreement or of any duty of Buyer to Seller or an Obligor contemplated hereby; (ii) arising, in whole or in part, from the material inaccuracy of any of Buyer's representations or warranties herein; (iii) arising, in whole or in part, from any claim by any Obligor regarding assignment, subsequent enforcement, servicing or administration of the Financial Asset and the Obligors after the Closing Date; or (iv) arising, in whole or in part, from the gross negligence or willful misconduct of Buyer, its agents, directors, officers, or employees; or (v) any action, suit, proceeding or claim or other litigation to the extent arising from the gross negligence or willful misconduct of Buyer or Buyer's agents in connection with the Financial Asset and its obligations in connection with the Financial Assets.

8. **(RESERVED)**



9. **BUYER'S DUTIES REGARDING FINANCIAL ASSETS SUBJECT TO CONSUMER AND/OR REGULATORY COMPLAINTS LITIGATION.**

**9.1. Notice of Regulatory Complaints.** Buyer shall immediately notify Seller and Seller shall immediately notify Buyer of any complaint, dispute, challenge or other claim made by any governmental and/or regulatory agency or body or made by an Obligor to any such agency or body regarding the origination, servicing or other handling of any Financial Asset and relating to events or alleged events which occurred prior to the Closing Date.

**9.2. Notice of Litigation.** Buyer shall immediately notify Seller and Seller shall immediately notify Buyer of any lawsuit or other proceedings affecting any of the Financial Assets where Seller is named a party to such proceedings.

**9.3. Financial Assets Subject to Litigation.** In addition to Seller's rights hereunder, in the event that any Financial Asset becomes subject to any lawsuit, claim or counterclaim filed by one or more Obligors against Seller before or after the date hereof and Seller is unable to compromise, settle or cause Seller to be dismissed as a defendant in the lawsuit within sixty (60) days after commencement of such lawsuit, Seller may, in its sole discretion, repurchase the Financial Assets which are subject to such litigation between Obligor and Seller at the Repurchase Price. Buyer shall require any assignee or transferee of any Financial Asset to comply with the terms and provisions of this paragraph.

**9.4. Seller's Name Not to be Used.** At all times after Closing, Buyer shall not litigate or prosecute any claim in the name of Seller, nor shall Buyer, intentionally or unintentionally, through misdisclosure or nondisclosure, mislead or conceal its identity or its ownership of the Financial Assets purchased pursuant to this Agreement. With respect to any Financial Asset which is, on or after the Closing Date, the subject of litigation (excluding any lawsuit filed by or on behalf any Obligor against Seller), bankruptcy, repossession, replevin or other remedy, Buyer shall use its best efforts, within sixty (60) days after the Closing Date, to (i) notify the Clerk of the Court, any public official and all counsel of record in each such proceeding of the transfer of the Financial Asset from Seller to Buyer, (ii) file pleadings to relieve Seller's counsel of record from further responsibility in such litigation (unless said counsel has agreed, with written notice to Seller, to represent Buyer in said proceedings at Buyer's expense), and (iii) remove Seller as a party in such action and substitute Buyer as the real party-in-interest, and change the caption thereof accordingly. In connection therewith, Seller shall sign such documents as may have been prepared by Buyer and approved by Seller's counsel all at Buyer's expense as may be reasonably necessary to accomplish the foregoing. After the Closing Date, Buyer shall have the sole responsibility to determine the appropriate direction and strategy for such litigation or proceeding. If Buyer fails to use its best efforts to comply with the above requirements, Seller, upon prior written notice to Buyer, may on Buyer's behalf and at Buyer's expense complete any of the actions specified in clauses (i), (ii) and (iii) above. Buyer acknowledges that its failure to comply with the provisions of this paragraph may affect Buyer's rights in any such litigation or proceeding (including, without limitation, any dismissal with prejudice or the running of any statute of limitations), if any such action or proceeding is dismissed.



## 10. FILES AND RECORDS.

**10.1. Records Retention; Audit.** Buyer shall retain all such books and records relating to (i) this Agreement, (ii) Buyer's performance hereunder, and (iii) the Financial Assets for two (2) years after the Closing Date or such longer period as may be required by applicable law. At any time prior to the Closing Date and for a period of two (2) years thereafter, upon reasonable suspicion of non-compliance with this Agreement, Seller and/or its auditors or other reputable accounting firm, upon five (5) business days' prior written notice, shall be entitled to audit the books and records of Buyer relating to this Agreement and the Financial Assets, solely to confirm Buyer's compliance herein. Buyer shall reasonably cooperate in the audit, shall make available on a timely basis the information reasonably required to conduct the review, and shall assist the designated representatives of Seller or its auditors as reasonably necessary. Buyer shall be solely responsible for any reporting requirements and/or filings required by any federal, state or local law or rule that is applicable after the Closing Date with respect to the Financial Assets.

**10.2. Use and Inspection by Seller.** After the transfer of documents or files to Buyer pursuant to the terms of this Agreement, Buyer agrees that Seller, at Seller's cost and expense, shall have the continuing right to use, inspect, and make extracts from, or copies of, any such documents or records, upon Seller's reasonable notice to Buyer. Buyer further agrees to allow Seller the temporary possession, custody and use of original documents for any lawful purpose.

## 11. NOTICES

~~less otherwise provided for herein, notices and other communications required or permitted hereunder shall be in writing (including a writing delivered by facsimile transmission) and shall be deemed to have been duly given (a) when delivered, if sent by registered or certified mail return receipt requested, (b) when delivered, if delivered personally, (c) when received but no later than the second business day following mailing, if sent by overnight mail or overnight courier, or (d) when received, if sent by facsimile, in each case to the parties at the following addresses (or at such other addresses as shall be specified by like notice):~~

If to the Buyer: Cascade Capital, LLC  
101 2<sup>nd</sup> St. Suite 100  
Petaluma, CA 94952  
Attention: Lee Brockett



If to the Seller: Santander Consumer USA Inc.  
1601 Elm Street, Suite 800  
Dallas, Texas 75201  
Attention: Jason Grubb

With a copy to: Santander Consumer USA Inc.  
1601 Elm Street, Suite 800  
Dallas, Texas 75201  
Attention: General Counsel

12. CONFIDENTIALITY.

ALL ORAL AND WRITTEN INFORMATION ABOUT SELLER AND BUYER, THEIR BUSINESSES, PROJECTIONS, THEIR CUSTOMERS, INCLUDING OBLIGORS, AND THIS AGREEMENT (INCLUDING THE PURCHASE PRICE, THE TERMS OF THIS TRANSACTION, AND ANY AND ALL INFORMATION PROVIDED AS DUE DILIGENCE MATERIALS) (COLLECTIVELY, THE "RECORDS"), ARE VALUABLE AND PROPRIETARY ASSETS OF SELLER AND BUYER, AS APPLICABLE, WHETHER DISCLOSED ORALLY OR IN WRITING, AND REGARDLESS OF THE MANNER OF DISCLOSURE. EACH SELLER AND BUYER, THEIR EMPLOYEES AND THEIR AGENTS SHALL TREAT THE RECORDS OF THE OTHER PARTY HERETO AS STRICTLY CONFIDENTIAL AND WILL NOT DISCLOSE SUCH RECORDS TO ANYONE, PROVIDED BUYER MAY DISCLOSE SUCH RECORDS TO ANY SUBSEQUENT PURCHASER OR POTENTIAL PURCHASER OF THE FINANCIAL ASSETS, PROVIDED THAT BUYER WILL REQUIRE SAID PURCHASER TO AGREE TO THE TERMS OF THIS CONFIDENTIALITY PROVISION AND THE CONFIDENTIALITY AGREEMENT. EACH PARTY HERETO WILL USE COMMERCIALY REASONABLE EFFORTS TO ENSURE THAT ITS EMPLOYEES AND AGENTS MAINTAIN SUCH CONFIDENTIALITY, AND WILL BE RESPONSIBLE FOR ANY DISCLOSURE OF THE OTHER PARTY'S RECORDS BY ONE OF ITS EMPLOYEES AND/OR AGENTS. EACH PARTY HERETO WILL NOTIFY THE OTHER PARTY HERETO IMMEDIATELY UPON RECEIVING A SUBPOENA OR OTHER LEGAL PROCESS ABOUT THE OTHER PARTY'S RECORDS AND WILL COOPERATE WITH THE OTHER PARTY THERE TO TO COMPLY WITH OR OPPOSE THE SUBPOENA OR LEGAL PROCESS. THIS ARTICLE XII DOES NOT APPLY TO INFORMATION, DOCUMENTS, AND MATERIAL THAT ARE IN THE PUBLIC DOMAIN OTHER THAN THROUGH A WRONGFUL ACT OR OMISSION OF A PARTY HERETO. WITH RESPECT TO INFORMATION IN THEIR RESPECTIVE POSSESSION REGARDING ANY OBLIGOR OF THE OTHER PARTY, EACH OF THE PARTIES SHALL COMPLY WITH THEIR RESPECTIVE POLICIES AND PROCEDURES APPLICABLE TO INFORMATION SECURITY AND PRIVACY OF INFORMATION IDENTIFIABLE TO SUCH OBLIGORS, AS AMENDED FROM TIME TO TIME.



13. **DISCLAIMER SALE WITHOUT RECOURSE AND NO WARRANTIES OR REPRESENTATIONS BY SELLER.**

13.1. It is understood and agreed that the sale of all Financial Assets made by Seller under this Agreement shall be without recourse, representation or warranty other than as specifically provided in this Agreement. Buyer acknowledges and agrees that neither Seller nor any of its affiliates nor any of their respective officers, employees, agents, attorneys or representatives, except as otherwise specified in this Agreement, have made nor do they make and have specifically disclaimed any representations, warranties, promises, covenants, agreements or guaranties or any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning or with respect to: (a) the marketability, value, quality or condition of the Financial Assets; (b) the validity, enforceability, or collectability of the evidences of indebtedness, guaranties and all other collateral documents; (c) the validity, priority, or perfection of any liens which may have been created by any of the Collateral Documents; (d) the state of title, perfection or priority of liens, with respect to or pertaining in any manner to the properties which are collateral for the Financial Assets; (e) the compliance by Seller or any predecessor to Seller with any and all applicable federal, state or local laws and all rules, regulations, or ordinances promulgated pursuant thereto, pertaining to or in any manner related to the Financial Assets or the properties which are collateral for the Financial Assets; and (f) the compliance of the Financial Assets with any state or federal usury laws and regulations applicable thereto. In addition, Seller expressly disclaims any express or implied warranties or merchantability or fitness for a particular purpose.

13.2. Buyer further acknowledges and agrees that Buyer is being given the opportunity to inspect the Financial Assets and therefore, Buyer will be purchasing the Financial Assets pursuant to its independent examination, study, inspection and knowledge of the Financial Assets and Buyer is relying upon its own determination of the quality, value and condition of the Financial Assets and the properties which are collateral for such Financial Assets.

13.3. Finally, Buyer understands that the Excluded Documents could contain information which, if known to Buyer, could have a material impact of its determination of value of the Financial Assets. The purchase and sale hereunder shall constitute an acknowledgment by Buyer that the Financial Assets were accepted without representation or warranty, express or implied or reliance by Buyer on any representation or warranty of any kind and otherwise in an "as is, where is", and "with all faults" condition, except as otherwise specified in this Agreement, and no event or condition shall entitle Buyer to have a Financial Asset repurchased by Seller, except as otherwise specified in this Agreement.

14. **SELLER'S DISCRETIONARY REPURCHASE**

If Seller determines, in its sole discretion, that the following circumstances exist with respect to any Financial Asset or Assets, then Seller shall have the right, but not the obligation, to Repurchase at the Repurchase Price any of the Financial Assets at any time or from time to time.

14.1. **Litigation.** The Financial Asset is or becomes the subject of litigation in which Seller is or becomes a party defendant thereto;



**14.2. Consumer or Regulatory Complaint.** The Financial Asset is or becomes the subject of a complaint raised by a consumer and/or governmental and/or regulatory agency.

**14.3. Same Obligor or Guarantor.** The Financial Asset involves an Obligor who is also an Obligor or guarantor of another obligation retained by Seller;

**14.4. Prior Settlement or Sale.** The Financial Asset is subject to an agreement between Seller and Obligor where the Financial Asset had previously been sold or satisfied for less than a full payoff of the Financial Asset based on a valid settlement agreement; or

**14.5. Participation.** Prior to the Closing Date, the Financial Asset is a participation in a loan or other asset held by another lender or a Financial Asset in which a participation has been sold to another holder;

1) Seller may, in its sole discretion, exercise its rights described in any of subparagraphs 14.1-14.5 to Repurchase any Financial Asset described which has not been theretofore fully paid off or released by giving Buyer a written notice of intent to Repurchase such Financial Assets at any time or from time to time. Buyer shall be required to execute and deliver to Seller such assignments or documents as Seller may reasonably require to effectuate the transfer of the applicable Financial Asset. For purpose of clarification and to avoid doubt, the rights user this 15.5 (1) shall be applicable for purchase of individual Accounts sold as part of the Financial Assets and shall not be construed to allow for a bulk Repurchase of Financial Assets by Seller.

2) Within thirty (30) days after Buyer's compliance with the requirements, Seller shall pay the Repurchase Price less any amounts previously received by Buyer with respect to the Financial Asset subject to Repurchase to Buyer in the form of a cashier's check or by wire transfer, at Seller's option. If Seller Repurchases the Financial Assets covered hereby and no other Financial Assets are covered by this Agreement, Seller and Buyer shall have no further obligations to each other hereunder, except as specified in the Confidentiality Agreement. Buyer may retain and apply to the affected Financial Assets all principal and/or interest payments received by Buyer between the Closing Date and the date on which Seller Repurchases the Financial Assets.

**15. (RESERVED)**

**16. MISCELLANEOUS PROVISIONS.**

**16.1. Severability.** If any term, covenant, condition or provision hereof is unlawful, invalid, or unenforceable for any reason whatsoever, and such illegality, invalidity, or unenforceability does not affect the remaining parts of this Agreement, then all such remaining parts hereof shall be valid and enforceable and have full force and effect as if the invalid or unenforceable part had not been included.



**16.2. Rights Cumulative; Waivers.** The rights of each of the parties under this Agreement are cumulative and may be exercised as often as any party considers appropriate under the terms and conditions specifically set forth. The rights of each of the parties hereunder shall not be capable of being waived or varied otherwise than by express waiver or variation in writing, any variation of that, or any other such right. Any defective or partial exercise of any such rights shall not preclude any other or further exercise of that or any other such rights. No act or course of conduct or negotiation on the part of any party shall in any way preclude such party from exercising any such right or constitute a suspension or any variation of any such right.

**16.3. Assignment.** If the Financial Assets are assigned, the assignment will be subject to the terms, covenants, conditions, provisions, obligations, undertakings, rights and benefits hereof, including the Addenda, Exhibits and Schedules hereto, shall be binding upon, and shall inure to the benefit of, the undersigned parties and their respective heirs, executors, administrators, representative, successors, and assigns.

**16.4. Prior Understandings.** This Agreement supersedes any and all prior discussions and agreement between Seller and Buyer with respect to the purchase of the Financial Assets and other matters contained herein, and this Agreement contains the sole and entire understanding between the parties hereto with respect to the transaction contemplated herein.

**16.5. Integrated Agreement.** This Agreement and all Addenda, Schedules and Exhibits hereto constitute the final expression of the intent and understanding of Buyer and Seller. This Agreement shall not be altered or modified except by a subsequent writing, signed by both Buyer and Seller.

**16.6. Governing Law/Choice of Forum.** This Agreement shall be construed, and the rights and obligations of Seller and Buyer hereunder determined, in accordance with the law of the State of Delaware, without regard to the conflict of laws principles. In the event of litigation under this Agreement, the prevailing party shall be entitled to an award of attorneys' fees and costs.

**16.7. Calculation of Calendar/Business Day.** If any date (whether calculated on the basis of calendar days or Business Days) upon which or by which action is required under this Agreement is a Saturday, Sunday or legal holiday recognized by the federal government, then the date for such action shall be extended to the first day that is after such date and is not a Saturday, Sunday or legal holiday recognized by federal government.

**16.8. Survival; Non-Merger.** All representations, warranties and agreements in the Agreement, including, without limitation, all representations, warranties and agreements with respect to indemnity and confidentiality will survive the delivery of the Transfer Document and shall not merge into the Transfer Document, but instead shall be independently enforceable.

**16.9 Relationship of the Parties.** The relationship between Buyer and Seller is that of independent contractors and nothing in this Agreement shall be construed as constituting



or establishing an agency, joint venture, partnership or fiduciary relationship between the parties and neither party shall have the right or authority to act for or on behalf of the other party.

**16.10. No Gratuities.** The Buyer will not offer a gratuity, payment or other benefit to Seller's staff, employee, agent or representative, or any other individual which might or would confer any benefit upon such person with the intent to influence the business or affairs of such person or Seller.

**16.11. Assignment/Resale.**

- (a) **Assignment of Agreement Prior to Closing Date.** Prior to the Closing Date, Buyer shall not assign, encumber, transfer or convey its rights under this Agreement without the prior written consent of Seller, in each instance, which approval shall not be unreasonably withheld except as provided herein.
- (b) **Assignment After Closing Date.** With respect to any Asset, Buyer and any subsequent owner shall have the right, at any time after the Closing Date, to assign its rights in, under and/or to any Asset to any subsequent transferee of such Asset; provided, however, that such transferee shall be bound by all of the terms and provisions of this Agreement, and Buyer shall remain liable for all obligations of Buyer to Seller hereunder (including Claims against subsequent transferee of Buyer), notwithstanding such assignment. Buyer, and any subsequent transferee shall provide any subsequent Buyer with a copy of this Agreement; and Buyer and any subsequent transferee shall notify Seller of any such transfer at the address provided in Section 11 within thirty (30) days after such transfer.

**16.12. Headings.** The headings of the Articles and Sections contained in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any provision hereof.

**16.13. Construction.** ~~Unless the context otherwise requires, singular nouns and pronouns, when used herein, shall be deemed to include the plural of such noun or pronoun and pronouns of one gender shall be deemed to include the equivalent pronoun of the other gender.~~

**16.14. Counterparts.** This Agreement may be executed in any number of counterparts, including facsimiles, each of which shall constitute one and the same instrument, and either party hereto may execute this Agreement by signing any such counterpart.

**16.15. Waiver of Jury Trial.** EACH PARTY HEREBY, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES (TO THE EXTENT PERMITTED BY APPLICABLE LAW) ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT AND AGREES THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY.



**16.16. No Third-Party Beneficiaries.** This Agreement is for the sole and exclusive benefit of the parties hereto and their respective affiliates, officers, employees, agents, attorneys and representatives and none of the provisions of this Agreement shall be deemed to be for the benefit of any other person or entity.

**16.17. Limitation of Damages.** Neither Seller nor Buyer shall be liable to the other for any special, incidental, indirect, consequential or punitive damages, regardless of the form of action, whether or not such party has been informed of, or otherwise might have anticipated, the possibility of such damages. Notwithstanding the foregoing, no limitation on either party's liability shall apply to (i) damages resulting from the gross negligence, bad faith or willful misconduct of such party or intentional breach of this Agreement, (ii) damages arising in respect of claims for a party's breach of its obligation of indemnification, a party's breach of its obligation of confidentiality or for a party's breach of its non-publicity obligations, or (iii) claims for personal injury or property damage caused by the negligence of such party, its employees, agents or subcontractors.

**16.18. Sales Tax Refunds.** Buyer agrees that all rights and interests in any and all Financial Assets created with respect to the purchase of tangible personal property which is subject to sales tax, whether currently in existence or created in the future, including the right to claim sales tax refunds, deductions or credits ("Sales Tax Refunds"), are retained by Seller and not transferred and relinquished to Buyer under this Agreement. Buyer agrees that Seller is the party entitled to claim any potential Sales Tax Refunds or deductions on any and all Financial Assets currently existing or created in the future, which Seller has assigned to Buyer. Buyer agrees that it has not and will not claim a deduction or refund with respect to any Sales Tax Refunds currently existing or created in the future and hereby relinquishes to Seller all rights to the Sales Tax Refunds and all rights to claim such deductions or refunds.

**16.19. UCC Financing Statement.** Seller hereby consents to Buyer's filing, at its own expense, a UCC Financing Statement necessary or appropriate to give effect to the Buyer's purchase of the Financial Assets hereunder. Seller hereby represents it is a corporation organized under in the state of Illinois.

IN WITNESS WHEREOF, the parties to this Agreement have caused it to be executed by their duly authorized officers as of the day and year first written above.

SELLER:  
SANTANDER CONSUMER USA INC.

BUYER:  
Cascade Capital, LLC

By:   
Name: Jason Grubb

By:   
Name: Lee Brockett

Title: COO

Title: Managing Director







**EXHIBIT "A"**

**FINANCIAL ASSET SCHEDULE**  
(Computer File – Required Data Fields)

Account Number	Charge Off Principal
First Name	Date Funded
Last Name	Name of Originator
Address	Amount Financed
City	Current Balance
State	Last Transaction Date
Zip	Last Transaction Amount
SSN	Last Payment Date
Co- First Name	Last Payment Amount
Co- Last Name	Collateralized (Y/N)
Co-SSN	Title (Y/N)
Vehicle VIN	Title Vendor Code
Model Year	Application ID
Vehicle	Detailed Payment History
Manufacturer	
Vehicle Model	
Contract State	
Charge Off Date	



**EXHIBIT "B"**  
**BILL OF SALE AND ASSIGNMENT**

Santander Consumer USA Inc. ("Seller"), for value received and pursuant to the terms and conditions of the Financial Assets Sale Agreement, Effective Date of **July 22, 2014**, with a Closing Date of **July 25, 2014**, between Seller and Cascade Capital, LLC ("Buyer"), its successors and assigns ("Financial Assets Sale Agreement"), hereby assigns effective as of the Closing Date:

(a) all rights, title and interest of Seller in and to those certain receivables, judgments or evidences of debt described in the Financial Assets Sale Agreement and Financial Asset Schedule (attached hereto as Exhibit "A") attached hereto and made part hereof for all purposes, and

(b) all principal, interest or other proceeds of any kind with respect to the Financial Assets described on the Financial Asset Schedule, but excluding any payments or other consideration received by Seller on or prior to the Cut-off Date.

Pursuant to the foregoing assignment, the Seller stipulate that Buyer may be substituted for Seller as the valid owner of the Accounts and hereby waives any notice or hearing requirements or otherwise.

**SANTANDER CONSUMER USA INC.**

By: 

Name: Jason Grubb

Title: COO

STATE OF TEXAS        )

)

COUNTY OF DALLAS    )

Sworn before me this 20<sup>th</sup> day of September, the year of our Lord, 2014.



  
(Notary Stamp & Signature)

My commission expires: 11/07/2017



**EXHIBIT "C"**  
**LIMITED POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS, that Santander Consumer USA Inc., d/b/a Drive Financial Services (hereinafter "Seller") for the sole and exclusive purposes set forth herein pursuant to that certain Financial Assets Sale Agreement effective **July 22, 2014** (hereinafter "Agreement"), between Cascade Capital, LLC (hereinafter "Buyer") hereby names, constitutes and appoints Buyer, or any of its authorized agents, employees or representatives, its duly authorized attorney and agent with limited power and authority to perform the following as its attorney-in-fact, and to do these acts incident to such Agreement, which the undersigned has had or was entitled to exercise as the owner of certain Financial Assets as follows:

- a) Executing on behalf of Seller such documents as are necessary for Buyer to perfect any security interest or lien in favor of Seller on the lien certificate or certificate of title of any vehicle financed pursuant to any of the Financial Assets;
- b) To sign and endorse Seller's name on any check, draft, money order or other form of payment delivered to Seller or Buyer on account of any Financial Asset;
- c) For the purpose of exercising all rights and remedies Seller would have with respect to any Financial Asset and any vehicles securing any Financial Asset; and
- d) To execute on behalf of Seller all actions, deliver all instruments, documents or other writings as appropriate in any way which Seller could do with respect to enforcing its rights with respect to the Financial Assets.


Buyer is authorized to delegate said power of attorney to its officers, agents, employees, representatives and to any other person or persons it deems appropriate, but only for the limited purposes set forth herein.

For value received, the receipt and sufficiency of which is hereby acknowledged Seller agrees and does hereby intend that this power of attorney be coupled with an interest, and declares this power of attorney to be irrevocable by Seller or otherwise, renouncing all right to revoke this power or appoint any other person to perform any of the acts enumerated herein.

Seller hereby instructs and authorizes anyone presented with this Limited Power of Attorney, or a copy hereof, to comply with the Limited Power of Attorney and rely on Buyer's statements and instructions in connection therewith. Anyone who relies on and complies with this Limited Power of Attorney or Buyer's statements or instructions in connection therewith shall have no liability to Seller for doing so.

EXECUTED on this the 30<sup>th</sup> day of September, 2014.

Santander Consumer USA Inc., d/b/a Drive Financial

By:   
Name: Jason Grubb  
Title: COO

STATE OF TEXAS     )  
                                  )  
COUNTY OF DALLAS   )

Sworn before me this 30<sup>th</sup> day of September, the year of our Lord, 2014.



  
(Notary Stamp & Signature)

My commission expires: 11/07/2017



**EXHIBIT "D"**  
**AFFIDAVIT OF SALE**  
**OF ACCOUNT BY ORIGINAL CREDITOR &**  
**CERTIFICATE OF CONFORMITY**

State of Texas, County of Dallas.

Eldridge Burns being duly sworn, deposes and says:

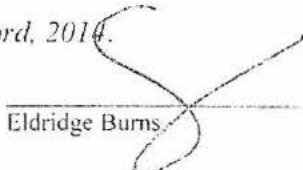
I am over 18 and not a party to this action. I am the Secretary for the Board of Directors of the creditor, Santander Consumer USA Inc. In that position I am a custodian of creditor's books and records, and am aware of the process of the sale and assignment of electronically stored business records.

On July 25, 2014, Santander Consumer USA Inc. closed the sale of a pool of accounts by a Financial Assets Sale Agreement and a Bill of Sale and Assignment to Cascade Capital, LLC ("Debt Buyer"). As part of the sale of the Accounts, electronic records and other records were transferred on individual Accounts to the Debt Buyer. These records were kept in the ordinary course of business of Santander Consumer USA Inc.

I am not aware of any errors in these accounts, except for that which is described in the Financial Assets Sale Agreement. The above statements are true to the best of my knowledge.

**CERTIFICATE OF CONFORMITY:** Moreover, I do hereby certify that I am an attorney-at-law admitted to practice in the State of Texas and that the Affidavit of Sale of Account by Original Creditor executed herein is executed in the manner prescribed by and in conformity with the laws of the State of Texas, which is the place where the Affidavit and acknowledgement was taken.

Signed this 30<sup>th</sup> day of September, the year of our Lord, 2014.

  
\_\_\_\_\_  
Eldridge Burns

STATE OF TEXAS     )  
                                  )  
COUNTY OF DALLAS   )

Sworn before me this 30<sup>th</sup> day of September, the year of our Lord, 2014.

  
LISA MARIE GORDON  
Notary Public, State of Texas  
My Commission Expires  
November 07, 2017  
My commission expires: 11/07/2017



**EXHIBIT "E"**  
**BUYER'S DUE DILIGENCE MATERIALS**

I. Organizational Documents

- A. Complete corporate organizational charts.
- B. A schedule indicating the jurisdiction of formation and each jurisdiction, whether in the U.S. or abroad, in which the Company conducts business, has employees, stores inventory or owns, leases or licenses real or personal property.
- C. All names under which the Company or any predecessor thereof has conducted business in the past.

II. Capitalization and Shareholders

- A. List of all equity holders of the Company, listing names and the number of securities owned.

III. Litigation

- A. This section is waived if Company is publicly traded or executes and files Asset-Backed Securitizations. Otherwise, Company will supply a schedule of all material outstanding, pending or threatened litigation (including, where relevant, copies of proceedings, correspondence or summaries prepared by counsel, consent decrees, judgments or orders), involving the Company and litigation to which any executive or director of the Company is a party that identifies the parties, the nature of the proceedings, the date and method commenced, the court and the amount of damages or other relief sought.

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IV. General Financial Statement Information

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- ~~A. Audited consolidated and consolidating financial statements of the Company and the Subsidiaries for the last three years.~~
  - B. Most recent unaudited interim financial statements of the Company.



**EXHIBIT "F"**  
**CLOSING STATEMENT**

Cut-off Date:	MONTH DAY, YEAR
Seller:	Santander Consumer USA Inc.
Buyer:	INSERT
Number of Financial Assets:	TBD
Aggregate Outstanding Balance:	\$TBD
Purchase Price Percentage:	<u>TBD%</u>
Purchase Price:	\$TBD
LESS:	
Payments Received from and After Cut-Off Date	(\$TBD)
Total Due on Closing Date	\$TBD
Closing Date:	MONTH DAY, YEAR
Seller's Wire Transfer Instruction:	JPMorgan Chase Bank
	ABA/Routing Number: 021000021
	Beneficiary Account Name: Santander
	Consumer USA Inc.
	Beneficiary Account Number: 113289905
	Attn: M. McCastlain (214) 292-2709



## EXHIBIT "G"

### REQUIRED DOCUMENTATION FOR REPURCHASE OF INELIGIBLE ACCOUNTS

#### BANKRUPTCY

- Chapter and
- Date filed and
- Docket No and
- Joint or Individual Filing and
- Attorney Name and Telephone Number and
- Court District Name
- Bankruptcy filing date must be on, or prior to, the Cut-Off Date. If the bankruptcy is an individual filing and the Account is a joint Account, the Account will not be replaced unless the Obligor holder has filed.

#### DECEASED

- Copy of death certificate or
- Letter from attorney indicating date of death or
- Verification from Department of Social Security indicating date of death or
- Copy of Credit Bureau indicating date of death or
- Copy of obituary
- Date of death of all the Obligors must be on or prior to the Cut-Off Date or the Account will not be replaced.

#### FRAUD OR DISPUTE CLAIMS

- Letter from Obligor or Obligor's attorney alleging fraud received on or prior to the Cut-Off Date, which allegation has not been resolved to the Seller's satisfaction by the Cut-Off Date.

#### PREVIOUSLY SETTLED

- Letter from either the Seller or Collection Agency stating the Account was settled.

#### PENDING LITIGATION

- A copy of a properly served complaint.