

**NON-RECOURSE
RETAIL FINANCING AGREEMENT**

This NON-RECOURSE RETAIL FINANCING AGREEMENT (hereinafter referred to as "Agreement") is made as of this _____ day of _____, 20____ by and between OnPath Credit Union (hereinafter collectively referred to as "Lender") and the undersigned Dealership (hereinafter referred to as "Dealer").

WHEREAS, Dealer sells Contracts, as defined herein, evidencing the time of sale of Collateral, as defined herein, to a Borrower, as defined herein; and

WHEREAS, Lender engages in the business of purchasing Contracts and is willing to purchase from Dealer Contracts that are acceptable to Lender in Lender's sole and absolute discretion.

NOW THEREFORE, in consideration of these premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lender and Dealer hereby agree as follows:

1. DEFINITIONS. For purposes of this Agreement, the words and terms in this Section shall have the meaning set forth in this Section.

1.1. **Borrower.** An individual or a business entity that is or is eligible to be a member of Lender and that purchases Collateral from Dealer upon the terms and conditions set forth in a Contract.

1.2. **Collateral.** The term "Collateral" shall mean motor vehicles, recreational vehicles, or power-sport vehicles of any type or description including but not limited to, cars, trucks, motor homes, fifth wheels, travel trailers, motorcycles, ATVs, and UTVs.

1.3. **Contract.** A writing such as a conditional sales contract, chattel mortgage, security agreement, or other title retention or lien instrument wherein the terms and conditions of Dealer's sale of Collateral to Borrower is stated.

2. TERM. This Agreement shall continue in effect until terminated by Lender or Dealer upon written notice to the other. Termination shall not affect the respective rights and obligations of each party as to the Contracts purchased by Lender prior to the termination's effective date, which shall be the date of the written notice of termination.

3. PURCHASE OF CONTRACTS.

3.1. **Contracts.** Lender shall make the final underwriting decision based upon its Rate Sheet and Buying Guidelines, which state among other items the credit criteria of Lender and which may change from time to time in Lender's sole discretion without prior written notice to Dealer, for any Contract that it might purchase.

Dealer agrees to properly execute the "Assignment and Warranty" or "Assignment" section on Contracts assigned to Lender, but if Dealer fails to execute properly the "Assignment and Warranty" or "Assignment" section, Lender's right to refuse to purchase any or all Contracts on any basis may be exercised by Lender at any time notwithstanding any past course of conduct between Dealer and Lender. Dealer agrees to assign the contract to the Lender within seven (7) days of the date of the contract. The original of any Contract to be purchased by Lender must be delivered to Lender within fourteen (14) days after the Contract is signed by Borrower.

3.2. **Purchase Price.** For each Contract that Lender purchases and that Dealer sells and assigns to Lender, Lender shall pay a Purchase Price. Lender does not utilize Dealer Reserves, which is an account controlled by Lender and used for charging back non-performing loans under certain conditions, but it does have the setoff rights stated in Section 13 hereof.

3.2.1. **Dealer's Participation.** The standard Purchase Price, which is known as "Dealer's Participation", is a percentage of the amount by which the Annual Percentage Rate stated in the Contract exceeds the Lender's Net Retention Rate a/k/a Buy Rate. The Dealer's Participation and Lender's Net Retention Rate a/k/a Buy Rate are stated in Lender's Rate Sheet and Buying Guidelines, which may change from time to time in Lender's sole discretion without prior written notice to Dealer.

3.2.2. **Enhanced Flat Option.** Lender, in its sole discretion, may from time to time offer a different method of calculating the Purchase Price, which method is known as an “Enhanced Flat Option”. In the event that such option is offered, Dealer, in its sole discretion and on a Contract-by-Contract basis, may choose whether it wants to use the Dealer’s Participation or the Enhanced Flat Option for calculation of the Purchase Price associated with a specific Contract. The Enhanced Flat Option, if offered, will be as set forth in Lender’s Rate Sheet and Buying Guidelines, which may change from time to time in Lender’s sole discretion without prior written notice to Dealer.

3.3. **Flat Fee Payment.** Lender, in its sole discretion, may from time to time offer a “Flat Fee Payment” in addition to the Purchase Price calculated using the Dealer’s Participation method. The Flat Fee Payment shall be based upon the total amount of the Contract purchased and, if offered, will be set forth in Lender’s Rate Sheet and Buying Guidelines, which may change from time to time in Lender’s sole discretion without prior written notice to Dealer.

3.4. **Acquisition Fee.** Lender may assess a non-refundable Acquisition Fee for each Contract depending on the Borrower’s credit risk as determined by Lender in its sole discretion. The Acquisition Fee shall not be charged to the Borrower and shall be deducted from the Dealer’s Purchase Price at the time of funding. The Acquisition Fee shall be a percent of the Contract’s “Unpaid Balance of Cash Price”, which is typically Line 3 of a Contract and is defined as the cash sales price including sales tax less the total down payment. The said percent shall be determined by Lender, in its sole discretion, on a Contract-by-Contract basis after Lender’s consideration of the overall credit risk of Borrower.

3.5. **Payment Timing and Terms.** Subject to Lender’s right of offset, the amounts due to Dealer from Lender will be determined and paid on a month-to-month basis with a Contract’s Purchase Price due in the month following the month in which a Contract was purchased by Lender. Lender shall not be required to segregate or keep any amounts due to Dealer in a separate fund or to pay interest on all or any portion of such amounts. Dealer shall not pledge, hypothecate, mortgage or assign all or any portion of any amounts due to Dealer.

3.6. **Payments and Discontinuance of Contract Purchases.** If Lender discontinues purchasing Contracts from Dealer, Lender may hold and apply any amounts due to Dealer to reduce any indebtedness currently owed by or that might become due from Dealer to Lender until all Contracts purchased by Lender from Dealer have been paid in full or liquidated.

3.7. **Contract’s Initial 120 Days.** Within the initial 120 days of a Contract with the first day being the date of the Contract (hereinafter referred to as “initial period”), if the Contract is prepaid or if Lender, in its sole discretion, determines that the collectability of the Contract is questionable due to the occurrence of events including but not limited to, a Borrower defaulting on the first payment on the Contract, a Borrower becoming a debtor or co-debtor in a bankruptcy case, a Borrower being deemed insolvent, and a Borrower’s death, then Lender shall notify Dealer within a reasonable time of the prepayment or of its determination regarding collectability and Dealer shall refund to Lender any amounts paid to Dealer by Lender in connection with such Contract. Also during the initial period, if Lender incurs any loss that, if obtained, would have been covered by the insurance required under Section 5, then Dealer shall reimburse Lender for such loss.

3.8. **Purchase Incentives.** If a Contract that Dealer wants to assign to Lender does not bear an Annual Percentage Rate acceptable to Lender, then Dealer may offer Lender a Purchase Incentive. The Purchase Incentive shall be an amount, in cash or as a deduction from amounts owed to Dealer by Lender, necessary to bring the rate of finance charge to a level acceptable to Lender. Lender, in its sole discretion, may either accept the Purchase Incentive or decline the Purchase Incentive and to purchase the Contract to which it applied.

3.9. **No Obligations to Sell or Buy.** Regardless of any other provision to the contrary, Dealer is under no obligation to sell and Lender is under no obligation to purchase any Contracts.

4. **SECURITY INTERESTS.** Dealer shall immediately upon the execution of a Contract take all steps necessary to properly perfect the security interest of Lender in the Contract’s Collateral. Such steps shall include, but not be limited to, accurately completing the Contract and any other documents; obtaining Borrower’s signature on the Contract and if required, any other document; and then delivering the applicable documents along with the appropriate fees to the governmental agency with the authority to issue the certificate of title, registrations and/or otherwise record Lender’s lien on the Contract’s Collateral. Time is of the essence for perfection of title listing the Lender as the first lien holder,

and in no case will Dealer fail to perfect the Lender's security interest more than ten (10) days from the date of delivery of the Collateral to the Borrower. Dealer shall reimburse Lender for any loss it incurs as a result of the failure of Dealer or any third party other than Lender to promptly and properly perfect the security interest of Lender in a Contract's Collateral.

5. INSURANCE, EXTENDED SERVICE CONTRACTS AND AUTOMOBILE CLUB MEMBERSHIPS.

Physical damage insurance acceptable to Lender covering the Collateral vehicle referred to in any Contract against fire, theft and collision is required and must be effective upon delivery of the Collateral to the Borrower. The insurance policy shall have deductibles and limits in amounts acceptable to Lender and the Lender shall be named as loss payee. Dealer will be responsible for any loss suffered by Lender if such loss would have been covered by the required insurance.

If any Contract purchased by Lender from Dealer includes a charge for an automobile club membership, mechanical breakdown insurance, extended service protection or any other service agreement offered by or through Dealer, Dealer agrees to repurchase the Contract from Lender upon demand, for the amount of the unpaid balance, if a dispute arises in connection with such automobile club membership, insurance or service contract and Dealer is not able to resolve the dispute with the buyer within (90) days.

Dealer further agrees that purchase information (including, but not limited to, his or her name and address); product information (including, but not limited to, make, model and serial number); purchase price information (including, but not limited to, purchase price, outstanding balance and monthly payment amount); insurance information (including, but not limited to, coverages and insurance expiration dates); and the Contract maturity date shall become Lender's property and Dealer hereby waives all rights and interest in and to such information.

6. LIMITED POWER OF ATTORNEY. Dealer hereby grants to Lender a Limited Power of Attorney. With this Limited Power of Attorney, Dealer authorizes Lender to (1) endorse Dealer's name on checks or any other form of payment received in association with a Contract purchased by Lender; or (2) sign Dealer's name on a Contract or any other document submitted in connection with Lender's purchase of a Contract and without such signature Lender could not purchase the Contract. This Limited Power of Attorney and the authority granted therein shall remain in effect until all Contracts purchased by Lender from Dealer have been paid in full or liquidated.

7. COLLECTIONS. Dealer waives presentment, demand, notice and protest on all Contracts, and agrees that without affecting Dealer's liability hereunder, Lender may grant extensions of time; make compromises with Borrower or other persons liable on a Contract; and otherwise handle collections in a manner that Lender, in its sole discretion, deems best. It being understood that none of the foregoing, nor any impairment of, or failure or delay on Lender's part in enforcing any rights against a Borrower or other person obligated with respect to a Contract, shall release or discharge Dealer from its obligations to Lender or shall affect or impair any of Lender's rights hereunder or under any specific assignment or other instrument or agreement heretofore or hereafter delivered to Lender with respect to any Contract. Dealer shall promptly remit to Lender all amounts due to Lender in association with Contracts purchased by Lender hereunder.

8. DUE DILIGENCE. In accordance with federal and state laws and regulations, Lender shall evaluate the reputation, experience and financial condition of Dealer before entering into a business relationship with it. Lender may also periodically re-evaluate Dealer. Lender's initial and/or periodic evaluations may include but are not limited to, a review of Dun and Bradstreet or similar reports on Dealer; of information and records from the Louisiana Office of Motor Vehicles and the Better Business Bureau; and of Dealer's audited financial statements. Dealer shall fully cooperate with Lender in the performance of its initial and any subsequent due diligence as required or permitted by this Agreement. Such cooperation by Dealer shall include but not be limited to, providing Lender access to its financial statements. The obligations set forth in this Section shall continue for the term of this Agreement and thereafter until there are no longer any outstanding obligations that have arisen from the relationship of Dealer and Lender.

9. REGULATORY COMPLIANCE. Dealer shall promptly and fully comply with all applicable federal, state and local laws, regulations, Interagency Guidelines and/or written governmental agency orders (collectively referred to in this Section as "laws"). The laws include but are not limited to, the USA PATRIOT Act, the Equal Credit Opportunity Act and any other Acts under the Consumer Credit Protection Act, and 12 CFR Sections 717, 748 and 1016. While the following subsections elaborate on some actions necessitated by the laws, they are not intended to nor do they enumerate all acts required of Dealer in order to be in full compliance with the laws.

- 9.1. **Confidential Information.** Dealer shall maintain or cause to be maintained at all times appropriate security, monitoring, access, and vulnerability assessment controls of any of Lender's Confidential Information to ensure that such Confidential Information is not accessed, used or disclosed for any purpose other than in the performance of its obligations under this Agreement or a Contract purchased by Lender. For purposes of this Agreement, the term "Confidential Information" shall mean any data regardless of how or in what form it is provided to Dealer and/or its directors, officers, employees, agents, successors, assigns, and any third party affiliates, and regardless of whether it is or is not protectable under intellectual property rights, and regardless of whether it is received from Lender or its directors, officers, employees, agents, successors, assigns, any third party affiliate, or its Members, regarding the Lender's business, its business's operation, its business relationships, its Members, or regarding any other subject that a reasonable person would assume is subject to the protection of this Agreement and/or that is defined as such under the laws. The only exclusion from the meaning of the term "Confidential Information" shall be any data that is known to the public prior to its disclosure to Dealer.

Examples of Confidential Information shall include but not be limited to, Lender's financial information, its product information, its rate sheets, its "buying" guidelines, and any data of Lender's Members including but not limited to, Nonpublic Personal Information, as defined in 12 CFR § 1016.3(p) (hereinafter referred to as "NPI").

- 9.2. **Duration of Confidentiality.** The confidentiality of any information including but not limited to NPI shall survive the termination of this Agreement and of any Contracts purchased under the terms of this Agreement, as now stated or hereafter amended.
- 9.3. **Breach of Confidential Information.** Dealer shall immediately notify Lender of any known or suspected unauthorized access, use or disclosure of any of Lender's Confidential Information. The term "immediately" shall mean within 24 hours from the date and time that Dealer knew or suspected such breach or potential breach had occurred. Such notice shall be in writing to Lender and shall state the nature of the breach, the possible effect of it, details to the extent commercially reasonable to determine the specific Confidential Information that was accessed, and any corrective and responsive actions taken by Dealer. The notice shall also provide any information required by the laws. Dealer agrees to indemnify and hold Lender harmless in the event of a breach of the confidentiality obligations in any manner by Dealer or its officers, employees, agents, successors, assigns, subcontractors, and / or sub servicers.
- 9.4. **Right to Review and Audit.** Lender shall have, at any time and upon reasonable notice, the right to review and audit Dealer's records associated with any Contract purchased by Lender or any Collateral for such Contract, as well as Dealer's procedures and if applicable, policies used to ensure compliance with the laws and to maintain the security and confidentiality of all Confidential Information including but not limited to, a Member's NPI.

10. REPRESENTATIONS AND WARRANTIES.

- 10.1. **Dealer's Representations and Warranties.** Dealer represents and warrants to Lender as of the date of this Agreement or if such representation and warranty is concerning the Contracts, then as of the date of each such Contract, that:
- 10.1.1. It is and will remain in good standing in the state of its incorporation, organization, or formation, and if applicable, it is and will remain qualified and in good standing as a foreign entity in the state of its place of business if different from its state of incorporation, organization, or formation;
- 10.1.2. If it conducts business under a fictitious or registered alias, then it will remain in compliance with all applicable laws pertaining to the operation of a business under a fictitious or registered alias;
- 10.1.3. It has all licenses and permits required to conduct its business including but not limited to, a license to finance and sell any or all types of Collateral as defined herein;
- 10.1.4. It has read, understood, and either has had or has had the opportunity to have the attorney of its choosing review this Agreement;

- 10.1.5. It and the officers or representatives acting on its behalf have full power and authority to enter into, execute, deliver, and perform its obligations under this Agreement, and when executed, this Agreement shall constitute a valid and binding obligation of it;
- 10.1.6. It is neither currently in violation of nor will the execution of this Agreement constitute a violation with respect to any agreement, an order of any court, or any regulation of any federal, state or other governmental agency which would materially and adversely affect its ability to perform under this Agreement;
- 10.1.7. No judicial or administrative proceeding of any kind is pending or threatened against it which would adversely affect its ability to perform under the terms of this Agreement;
- 10.1.8. All of Dealer's acts, operations and procedures including but not limited to, all disclosures, all Contracts and all sales and financing of Collateral are in compliance with all applicable federal, state and local laws, regulations, and ordinances including but not limited to, the Fair Credit Reporting Act, the Equal Credit Opportunity Act and Regulation B, and the Truth-in-Lending Act and Regulation Z, and that Lender will suffer no loss by Dealer's failure to so comply;
- 10.1.9. It does not and will not discriminate on any prohibited basis in the sale and financing to a Borrower of Collateral, or of any related options, products or services;
- 10.1.10. It has the legal right to sell any Contract's Collateral free of any claims, counterclaims, liens, and other encumbrances with the exception of any liens created by the sales transaction itself;
- 10.1.11. It has not transferred, sold, assigned or otherwise had encumbered a Contract that is being offered for sale or that is sold to Lender or such Contract's Collateral, and it has full power and authority to assign the Contract and the security interest in the Contract's Collateral to Lender free and clear of any liens and encumbrances;
- 10.1.12. It has performed or if applicable, had Borrower perform all actions required by Section 4 hereof and by applicable law to properly perfect a valid and enforceable first priority security interest in the Collateral in favor of Lender, it guarantees that Lender has a properly perfected, valid and enforceable first priority lien in the Collateral for each Contract purchased or to be purchased by Lender, and it has filed or recorded the security interest in accordance with the law to preserve the priority of such lien;
- 10.1.13. The Contract and the security interest in its Collateral arose entirely from the sale of the Collateral and if applicable, the options, products, accessories, and/or services described in the Contract;
- 10.1.14. The Contract accurately sets forth and describes (a) all amounts charged to Borrower or any other party; (b) any options, products, accessories, or services sold or financed in connection with the Contract; and (c) the Collateral sold and conveyed to Borrower including but not limited to, the Collateral's Sales Price, its Vehicle Identification Number, and its Make, Model and Year;
- 10.1.15. No amounts charged to Borrower under a Contract are for the payment of any other obligation of Borrower to Dealer or any other person or entity;
- 10.1.16. No amounts charged to Borrower under a Contract are fees assessed to Dealer by Lender and that Lender has specifically stated in this Agreement are not to be passed through to Borrower;
- 10.1.17. No Contract's Collateral and if applicable, options, products and/or accessories are comprised of re-built, salvaged, previously flood/water damaged, "gray market" or other similar Collateral, merchandise or product;
- 10.1.18. A Contract purchased by Lender has been signed by all Borrowers and if applicable, guarantors and other parties, and that such person had the legal capacity, which means he was at least 18 years of age, was not under the influence of alcohol or drugs, or was otherwise of sound mind, to enter into and make a bona fide Contract;

- 10.1.19. It has verified the identity of each Borrower or other person signing a Contract or related documentation purchased by Lender through all appropriate identification and authorization inquiries such as reviewing and copying the person's photo identification, which may be a valid driver's license, military identification card, or passport and which shall be submitted with the Contract;
- 10.1.20. All Contracts purchased by Lender are genuine, valid and enforceable obligations of the applicable Borrowers, makers and other parties to said Contracts, except to the extent limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other laws of general application relating to or affecting the enforcement of a creditors' rights generally and/or as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies;
- 10.1.21. All disclosures required by federal, state and local laws, regulations, and ordinances as well as a completed copy of the Contract was given prior to the transaction's completion, which occurred on the date stated in such Contract, to Borrower and any other party obligated under such Contract and entitled to such documentation;
- 10.1.22. Any credit information that has been or will be disseminated by it to Lender, Borrower or any other party entitled to such information is or shall be true, complete and accurate to the best of its knowledge.
- 10.1.23. All options, products and/or accessories sold and financed under a Contract were installed pursuant to manufacturer guidelines and/or requirements prior to delivery of such Contract's Collateral;
- 10.1.24. Possession of a Contract's Collateral was delivered only to the party named as Borrower in such Contract and did not occur until after the transaction's completion, which occurred on the date stated in such Contract;
- 10.1.25. A Contract's Collateral and, if applicable, options, products, accessories, and/or services have been sold, provided, and furnished to the satisfaction of Borrower, who accepted them;
- 10.1.26. A Contract's Collateral will be insured with a company acceptable to Lender against such risks as Lender may require under an insurance policy acceptable to Lender;
- 10.1.27. Any insurance premium or any other charges included in the Contracts have been or will actually be paid to the insurance carrier or other appropriate party;
- 10.1.28. Where insurance coverage is included in any Contract, Dealer will notify the insurance carrier of the assignment of the Contract to the Lender and request that Lender be named beneficiary or loss payee as applicable;
- 10.1.29. All Warranty obligations, whether expressed or implied, from Dealer or a Manufacturer to Borrower have been and shall continue to be fulfilled by Dealer;
- 10.1.30. All amounts stated in a Contract shall be or have been paid to the appropriate party including, but not limited to, an insurance premium;
- 10.1.31. If required by a Contract, then a down payment has been received from the Borrower and immediately remitted to Lender in the form received and no part of such down payment was advanced or financed, directly or indirectly, by Dealer;
- 10.1.32. It has not received any payments on a Contract such that the Contract's full amount, which may be referred to as Total of Payments, remains unpaid as of Lender's purchase of such Contract;
- 10.1.33. It has neither knowingly communicated to Lender incorrect information relating to a Borrower's application or credit statement nor knowingly failed to communicate information to Lender relating to such application or credit statement;
- 10.1.34. No Contract involves a "straw purchase";

10.1.35. No Borrower has a defense or counterclaim to his payment obligation as evidenced by a Contract;

10.1.36. It has complied and will continue to comply with its obligations as set forth in this Agreement, the Contracts and as regard the Collateral of such Contracts; and

10.1.37. Regardless of the assignment of a Contract to Lender, it shall handle and settle any claims relating to Collateral directly with Borrower or any other party, to whom it may have liability due to the Collateral's sale by it.

10.2. Lender's Warranties. Lender represents and warrants to Dealer as of the date of this Agreement or if such representation and warranty is concerning the Contracts, then as of the date of each such Contract, that:

10.2.1. It is duly organized, validly existing and in good standing under the laws of the State of Louisiana;

10.2.2. It and the officers or representatives acting on its behalf have full power and authority to enter into, execute, deliver, and perform its obligations under this Agreement, and when executed, this Agreement shall constitute a valid and binding obligation of it;

10.2.3. It is neither currently in violation of nor will the execution of this Agreement constitute a violation with respect to any agreement, an order of any court or regulatory agency, or any regulation of any federal, state or other governmental agency which would materially and adversely affect its ability to perform under this Agreement;

10.2.4. No judicial or administrative proceeding of any kind is pending or threatened against it which would adversely affect its ability to perform under the terms of this Agreement; and

10.2.5. All of Lender's acts, operations and procedures are in compliance with all applicable federal, state and local laws, regulations, and ordinances.

10.3. Duration. The representations and warranties set forth in this Section shall continue for the term of this Agreement and of any Contracts purchased under the terms of this Agreement, and thereafter until there are no longer any outstanding obligations that have arisen from the relationship of Dealer and Lender.

11. INDEMNIFICATION.

11.1. Dealer's Indemnity. Dealer shall defend, indemnify and hold Lender, its directors, officers, employees, agents, successors, assigns, and any third party affiliate harmless from any claims, liabilities, damages, and expenses including but not limited to, reasonable attorney's fees and court costs that relate to (1) Dealer's sale of a Contract's Collateral to Borrower, (2) a Contract purchased by Lender and arise from Dealer's breach of or default, whether due to its actions or inactions, under such Contract, or (3) a loan made by Lender to Borrower and arise from Dealer's breach of or default, whether due to its actions or inactions, under this Agreement including but not limited to, Dealer's failure to comply with its representations and warranties. This Subsection is not intended to require any indemnity with regard to a Borrower's breach of or default under the terms and conditions of the Contract. Dealer specifically agrees to provide the "Holder in Due Course" notice as required by law. Dealer agrees to use its best efforts to resolve any dispute with a customer. Lender shall not indemnify and hold Dealer harmless or otherwise be responsible to Dealer for any claims by customer or any third party. This provision will survive termination of the Agreement.

11.2. Lender's Indemnity. Lender shall defend, indemnify, and hold Dealer harmless from any claims, liabilities, damages, and expenses including but not limited to, reasonable attorney's fees and court costs that relate to a loan made by Lender to Borrower and arise from Lender's breach of or default, whether due to its actions or inactions, under this Agreement. This Subsection is not intended to require any indemnity with regard to a Borrower's breach of or default under the terms and conditions of the Contract.

12. DEFAULT.

12.1. Events of Default. The happening of any of the following events or conditions shall constitute a default by Dealer:

- 12.1.1. Dealer's failure to perform any obligations under this Agreement including but not limited to, repurchasing a Contract or Collateral as required pursuant to the assignment provisions of the Contract or the terms of this Agreement, providing audited statements of its financial condition when requested by Lender, or its failure to perform any obligations under the assignment provisions of any Contract purchased by Lender under this Agreement or any other agreement with Lender;
- 12.1.2. Dealer's failure to pay any indebtedness due and owing Lender under this Agreement or any other agreement with Lender;
- 12.1.3. If any warranty, representation or statement made or furnished to Lender by or on behalf of Dealer, in connection with this Agreement or any Contract purchased by Lender is false or has been breached, or Lender reasonably deems itself insecure as a result of misrepresentations by Dealer;
- 12.1.4. Dealer ceases to do business as a going concern or to conduct its operations in the normal course of business;
- 12.1.5. Dealer's dissolution, termination, insolvency, inability to meet any debt as it matures, or the appointment of a receiver for Dealer or its property, or an assignment for the benefit of creditors, or the commencement of any proceeding under bankruptcy or insolvency laws by or against Dealer;
- 12.1.6. Death, if Dealer is a natural person owner or partner of any non-corporate entity; or
- 12.1.7. The suspension or revocation of Dealer's business license or any other license, permit, or similar authorization, whether issued by the Department of Motor Vehicles or another government agency, that is required by law for Dealer to perform the obligations set forth in this Agreement or any Contract purchased by Lender.

12.2. **Repurchase.** Upon written notice from Lender and in the event of a default under this Agreement as to a specific Contract purchased by Lender, Dealer shall immediately repurchase said Contract from Lender by paying to Lender, at Lender's sole election, one or more of the following amounts: (1) a refund of all amounts paid to Dealer by Lender in the purchase of the Contract; (2) the current payoff, as calculated by Lender, of the Contract; (3) all losses and expenses paid or incurred by Lender as a result of the default including but not limited to, reasonable attorney's fees; and/or (4) reasonable expenses paid or incurred by Lender in connection with the collection of any amount due under the Contract including but not limited to, reasonable attorney's fees, court costs, and expenses of repossessing, storing, repairing and selling the Contract's Collateral. Notwithstanding anything to the contrary herein, Dealer shall have a period of thirty (30) days in which to cure the breach or circumstances giving rise to such default. If Dealer is unable to cure such breach or default within the thirty (30) day period, then Dealer shall repurchase the Contract from Lender as described above. After all sums required to repurchase the Contract have been received by Lender, Lender shall re-assign to Dealer all of its right, title and interest in and to the Contract and/or its Collateral without recourse and without warranties of any kind and shall execute the documentation necessary to evidence such transfer. It shall be Dealer's sole responsibility to record, if necessary, any such documentation.

12.3. **Remedies in General.** In the event of a breach of or default under this Agreement or any other agreement between Lender and Dealer and in addition to all remedies provided in this Agreement and by law or equity, Lender, in its sole discretion, shall have the right to immediately terminate this Agreement; deem null and void any approvals issued by Lender for the purchase of Contracts on which Dealer has not yet been paid the Purchase Price; and exercise any other rights available to Lender including but not limited to, those rights under the Uniform Commercial Code. Lender shall have no obligations to Dealer, Borrower or any other party for any Contracts for which approval has been nullified and voided pursuant to this Subsection. Lender's rights under this Section shall be cumulative and any failure by Lender to exercise its rights under this Section shall not operate as a waiver of such rights.

13. **SETOFFS.** Lender shall be entitled to offset any amount Dealer owes it against any amounts owed to Dealer by Lender including, but not limited to, any payments associated with any other Contracts purchased by Lender from Dealer.

- 14. PARTIES' RELATIONSHIP.** This Agreement does not designate or otherwise establish Dealer as an agent or representative of Lender for any purpose. Dealer is not granted any expressed or implied right to bind Lender in any manner whatsoever.
- 15. ADVERTISING.** No advertisements in any media format shall identify Lender without Lender's prior written approval.
- 16. FORM OF CONTRACTS.** Dealer is responsible for the purchase of its own Contract forms. However, such Contract forms shall be substantially similar to the Retail Sales Installment Contract-Simple Interest Charge that is commonly referred to in the industry today as the "Law" Contract. Lender makes no representations or warranties of any kind, express or implied, with regard to any form Contract used by Dealer.
- 17. GENERAL.**
- 17.1. Severability and Enforceability.** Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Agreement.
- 17.2. Entire Agreement and Modification.** This Agreement shall be applicable to all Contracts heretofore or hereafter purchased by Lender from Dealer, and shall supersede any and all prior written or oral agreements between Lender and Dealer relating to the purchased Contracts. No waiver, modification or change of this Agreement shall be valid unless agreed to by Lender and Dealer in writing. The agreements made by Dealer herein shall be in addition to, and not in limitation of, any and all agreements, warranties and representations made by Dealer in any assignment or other instrument or agreement heretofore or hereafter delivered to Lender with respect to any specific Contract. Dealer understands that each party hereto shall do such further acts and execute and deliver such further documents as are reasonably necessary to carry into effect this Agreement or to better assure and confirm to the requesting party its rights, powers and remedies hereunder.
- 17.3. Binding Effect and Non-Assignability.** This shall constitute an Agreement between Lender and Dealer, which will inure to and bind each Party's respective successors, assigns, and any company affiliated with Lender which may transact business hereunder. Neither Party may assign any of its rights or obligations under this Agreement without the express written consent of the other Party.
- 17.4. Waiver.** Any failure to delay on Lender's part in the exercise of any right or remedy shall not operate as a waiver thereof, and no single or partial exercise by Lender of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy. Lender's failure to exercise any rights hereunder shall not operate as a waiver of said rights, and all rights and remedies contained herein shall be cumulative and not alternative. No waiver, modification or change of this Agreement shall be valid unless agreed to by Lender and Dealer in writing.
- 17.5. Governing Law and Venue.** This Agreement shall be interpreted, construed, applied and enforced in accordance with the laws of the State of Louisiana, without giving effect to its choice of law or conflicts of law principles. The venue of any action deemed necessary by either party hereto and in construction, interpretation or enforcement of this Agreement shall be a court of competent jurisdiction in Harahan, Jefferson Parish, Louisiana.
- 17.6. Attorney Fees.** The prevailing party in any adjudicated dispute between the parties shall be entitled to its reasonable attorney fees and court costs.
- 17.7. Notices.** All notices, requests, demands, and other communications permitted or required under this agreement must be in writing. Notices will be considered given upon delivery if delivered in person or by overnight carrier, or five (5) days after the postmarked date if mailed via registered or certified United States mail, postage prepaid. Notices should be sent to the mailing addresses listed below the signature and identifying information of each party's authorized representative, or to another address designated by either party through written notice.
- 17.8. Headings, Gender and Pronouns.** Headings are included herein solely for purposes of convenience and shall not affect the interpretation of this Agreement. Any reference within this Agreement to masculine shall include the feminine and neuter, and to the singular shall include the plural, and vice versa as the context requires.

17.9. **Independent Review.** Dealer acknowledges that before entering into this Agreement, it has had ample opportunity to review and to employ legal counsel of its choice to review and advise it regarding this Agreement and Dealer’s rights and obligations under it.

17.10. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which when executed and delivered by facsimile transmission or by email delivery of a “.pdf” format data file shall be deemed an original hereof, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

IN WITNESS WHEREOF, this Agreement is executed as of the date indicated above. Each signatory below affirms and represents that they possess the requisite authority to enter into this Agreement either personally or as a duly authorized representative of the entities specified herein.

LENDER:

DEALER:

ONPATH CREDIT UNION

Dealership’s Legal Name (printed):

DBA, if applicable: _____

Authorized Representative: _____

Authorized Representative: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Mailing Addresses for Notice (no P.O. Boxes please):

For Lender:

OnPath Credit Union
3131 N I-10 Service Rd. East
Metairie, LA 70002

For Dealer:

