

# STATEMENT OF LOAN, FEDERAL TRUTH-IN-LENDING DISCLOSURE SECURITY AGREEMENT AND PROMISSORY NOTE

Note: FOR VALUE RECIEVED, the undersigned jointly and severally, promise to pay to the order of Lender at its office shown below, the principal (the Amount Financed plus Prepaid Finance Charges), together with charges computed upon unpaid principal balances in the manner and at the rates shown in Agreed Rate of Charge below. Payments of principal and charges shall be made in consecutive payments as indicated below, beginning on the indicated First Payment Date and continuing until the entire principal and charges shall have been fully paid.

**Principal Amount** \_\_\_\_\_ Initial \_\_\_\_\_ Date \_\_\_\_\_

**DEFAULT:** Default in the payment of the full amount of any installment of principal and charges hereof, at the option of the Lender, shall render the entire unpaid balance and accrued charges thereon immediately due and payable. Payment in advance may be made on this loan in any amount at any time. The undersigned may be subject to charges in the event of a repossession of a motor vehicle as provided for by law. In the event that the Lender pursuant to authorization contained in any loan agreement, security agreement, or deed of trust executed in connection with the loan evidenced hereby, shall make any advance for the purpose of protecting any security given as collateral for this note, including the payment if real or personal property taxes, insurance maintenance or other charges, then the undersigned agrees, to repay such advance together with charges at the rate provided for herein from the date of the advance until the date of repayment.

**DELINQUENCY CHARGES:** A maximum of \$15 for a loan payment in default for not less than 15 days.

**A \$15.00 CHARGE WILL BE MADE ON ALL RETURN CHECK** \_\_\_\_\_ Initial \_\_\_\_\_ Date \_\_\_\_\_

**DEFERRAL:** Extension of the time of payment of all or any part of the amount owing hereon at any time or times shall not effect the liability of any party hereto or surety or guarantor hereof. Sureties, guarantors, and other parties hereto severally waive demand and presentment for payment, notice of nonpayment, notice of protest and protest of this note.

Loan No/ Account No: TL181	296	Date of Loan: 4/5/2006
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<b>Name and Address of Borrower</b>	<b>PRIOR LOAN</b>	<b>Lender Secured Party</b>
Ronnie C Johnson 1015 East Concord Avenue Goodlettsville TN 37072-	Balance: Principal Balance Deduct refunds on: Property Ins. Credit Ins. Net balance	Johnson's Title & Payday Loan 123 Anywhere Street San Diego, California 32452 615-789-4568 License No:

### FEDERAL TRUTH IN LENDING DISCLOSURE

<b>ANNUAL PERCENTAGE RATE</b> The cost of your credit as a yearly rate.  <b>22.00%</b>	<b>FINANCE CHARGE</b> The dollar amount the credit will cost you.  <b>\$20.40</b>	<b>AMOUNT FINANCED</b> The amount of credit provided to you on your behalf.  <b>\$1,125.00</b>	<b>TOTAL OF PAYMENTS</b> The amount you will have paid after you have made all payments as scheduled  <b>\$1,145.40</b>
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**Your payment schedule will be : Monthly**

No Pmt	First Payment Due Date	Amount Each Payment	FINAL PAYMENT DUE DATE
1	5/5/2006	\$1,145.40	5/19/2006

**SECURITY:** You are giving a security interest in

<input type="checkbox"/>	Personal Property
<input checked="" type="checkbox"/>	Auto
<input type="checkbox"/>	Insurance Proceeds
<input type="checkbox"/>	Other: _____

**DELINQUENCY CHARGES:** A maximum of \$15 for a loan payment in default for not less than 15 days.

**PREPAYMENT:** If you pay off early you will not have to pay a penalty. See your contract documents for any additional information about nonpayment, default and the right to accelerate the maturity of the obligation.

"e" means estimate.

#### ITEMIZATION OF THE AMOUNT FINANCED

1 \$	\$1,000.00	TO: Amount Given To You Directly	6 \$	N/A	TO: Credit Disability Insurance
2 \$	\$0.00	TO: Amount Paid On Your Account	7 \$	\$0.00	TO: Auto Insurance *
3 \$	\$125.00	TO: Motor Vehicle Fees	8 \$	N/A	TO: Personal Propety Insurance
4 \$	N/A	TO: County Recorder Filing Fee	9 \$	\$0.00	TO: Processing Fee
5 \$	N/A	TO: Credit Life Insurance *	10 \$	\$0.00	TO: Administrative Fee
<b>TOTAL OF AMOUNT FINANCE</b>					<b>\$1,125.00</b>



## Arbitration Agreement

Throughout this Arbitration Agreement, Checks Cashed 4 Less (“Lender”) is referred to as “we” and “us,” and all of Lender’s customers who sign this Arbitration Agreement are referred to as “you.”

**1. Dispute Resolution by Arbitration:** Any and all claims, controversies, or disputes arising out of or related in any way to that Truth-in-Lending Disclosure, Note and Personal Property Security Agreement entered into by you and us on the same date as this Arbitration Agreement shall be subject to binding arbitration pursuant to the Commercial Arbitration Rules of the American Arbitration Association (“AAA”) under the Federal Arbitration Act. This includes, without limitation, (1) all issues concerning the transaction in connection with which this Arbitration Agreement has been executed; (2) initial claims, counterclaims, cross-claims, and third-party claims, whether arising in law or equity, and whether based upon federal, state, or local law; contract; tort; fraud or other intentional tort; constitution, common law, or statute; (3) any issue as to whether any such claims, controversies, or disputes are subject to arbitration; and (4) any claims, controversies, or disputes that would otherwise be subject to class actions. This means that all claims, controversies or disputes that are the subject of class actions will also be subject to binding arbitration under this Arbitration Agreement. **THE ARBITRATOR SHALL NOT CONDUCT CLASS ARBITRATION; THAT IS, THE ARBITRATOR SHALL NOT ALLOW YOU TO SERVE AS A PRIVATE ATTORNEY GENERAL, AS A REPRESENTATIVE, OR IN ANY OTHER REPRESENTATIVE CAPACITY FOR OTHERS IN THE ARBITRATION.**

**2. Consent to Arbitration:** You and we understand and agree that you and we are choosing arbitration rather than litigation to resolve disputes. You and we understand that you and we have the right to litigate disputes but that you and we prefer to do so through arbitration. In arbitration, you may choose to have a hearing and be represented by counsel.

**THEREFORE, YOU UNDERSTAND THAT BY ENTERING INTO THIS ARBITRATION AGREEMENT, YOU VOLUNTARILY AND KNOWINGLY:**

- (a) WAIVE ANY RIGHTS TO HAVE A TRIAL BY JURY TO RESOLVE ANY CLAIM OR DISPUTE ALLEGED AGAINST US OR RELATED THIRD PARTIES;**
- (b) WAIVE YOUR RIGHT TO HAVE A COURT, OTHER THAN A SMALL CLAIMS COURT, RESOLVE ANY CLAIM OR DISPUTE ALLEGED AGAINST US OR RELATED THIRD PARTIES; AND**
- (c) WAIVE YOUR RIGHT TO SERVE AS A REPRESENTATIVE, AS A PRIVATE ATTORNEY GENERAL, OR IN ANY OTHER REPRESENTATIVE CAPACITY, AND/OR TO PARTICIPATE AS A MEMBER OF A CLASS OF CLAIMANTS, IN ANY LAWSUIT FILED AGAINST US AND/OR RELATED THIRD PARTIES.**

**3. Procedure for Arbitration:** Any claimant under this Arbitration Agreement must first submit to the other party a written notice of the claimant’s claim against or dispute with the other party. That notice must include an explanation of the claim and a statement of the claimant’s request for resolution. The party receiving the claim or dispute shall then be entitled to a period of thirty (30) days to cure that claim or dispute. If either party fails to do so, that party shall be liable for all costs and expenses, including reasonable attorneys’ fees, incurred by the other party with respect to compelling and pursuing the arbitration. If the parties are unable to resolve the claim or dispute within this 30-day period, then the claim or dispute shall be resolved by arbitration. Arbitration may be heard, at the claimant’s election, by AAA, the National Arbitration Forum, or any other arbitration forum as both parties may agree. The Arbitration shall take place in the federal district of your residence. Each party, you and we, shall bear our own costs and expenses, including attorneys’ fees, that we incur with respect to the arbitration. However, if circumstances relating to the dispute (including, among other things, the size and nature of the dispute, the nature of the services that we have provided you, and your ability to pay) it would be unfair or burdensome for you to pay the arbitration filing fees, we will advance the initial filing, administration, and hearing fees required by the arbitrator, who will ultimately decide who will be responsible for paying those amounts.

**4. Interpretation of this Arbitration Agreement:** Any dispute as to the validity of the portion of this agreement that prohibits class arbitration shall be a matter for resolution by a court and not by the arbitrator. In the event that the court deems the portion of this agreement that prohibits class arbitration to be unenforceable, then the ensuing class action shall be heard by the court and not by the arbitrator.

**5. Statutes of Limitations:** All statutes of limitations that are applicable to any claim or dispute shall apply to any arbitration between you and us.

**6. Attorneys' Fees:** The arbitrator may, but is not required to, award reasonable attorneys' fees to the prevailing party if allowed by statute or applicable law.

**7. Enforcement of Award:** The award of the arbitrator shall be binding and final after fifteen (15) days passed, and judgment upon the arbitrator's award may thereafter be entered in any court having jurisdiction.

**8. Appeal Procedure:** Within fifteen (15) days after an award by the arbitrator, any party may appeal the award requesting in writing a new arbitration before a panel of three neutral arbitrators designated by the same arbitration service. The decision of the panel of three neutral arbitrators will be immediately binding and final.

**9. Small Claims Court:** Notwithstanding any other provision of this Arbitration Agreement, either you or Notwithstanding any other provision of this Arbitration Agreement, either you or we shall retain the right to seek adjudication in Small Claims Court of any matter within its jurisdiction. Any matter not within the Small Claims Court's jurisdiction shall be resolved by arbitration as provided above. Any appeal from a Small Claims Court judgment shall be conducted, at the appellant's option, either (a) in accordance with the provisions of Sections 116.710-116.795 of the California Code of Civil Procedure, or (b) in accordance with Section 7 of this Arbitration Agreement.

**10. Counterparts:** This Arbitration Agreement may be executed in counterparts, each of which shall be deemed to be an original but all of which together shall be deemed to be one instrument.

**SIGNING BELOW, YOU ACKNOWLEDGE THAT YOU KNOWINGLY AND VOLUNTARILY AGREE TO THE ABOVE TERMS AND CONDITIONS OF THIS ARBITRATION AGREEMENT.**

Your Signature	Date	Checks Cashed 4 Less Representative's Signature	Date
Co-Buyer, Co-Lesser or Co-Borrower	Date		

**IMPORTANT NOTICE CONCERNING OUR PRIVACY POLICY  
A GUIDE TO HOW WE COLLECT, USE AND PROTECT CUSTOMER INFORMATION**

At Johnson's Title & Payday Loan maintaining our customers' trust and confidence is a high priority. That's why we want you to understand how we protect your privacy when we collect and use information about you, and the measures we take to safe guard that information. The provisions of this Notice will apply to former customers as well as current customers.

**HOW WE COLLECT CUSTOMER INFORMATION AND THE TYPES OF INFORMATION WE COLLECT**

We obtain these types of customer information from a number of sources such as:

- Information we receive from you on Applications or other forms, such as your name, address, social security number, and telephone number;
- Information we receive from other on your behalf on Applications, forms and other means, such as assets, income and liabilities;
- Information about your transactions with us or non-affiliated third parties such as your account balance, payment history, and account activity;
- Information we receive from a Consumer Reporting Agency, such as your credit bureau reports and other information relating to your credit worthiness;
- Information from outside sources such as motor vehicle dealers; employers and other involving vehicle financing information, employment status, and verification of information.

**PROTECTING CUSTOMER INFORMATION AND PARTIES TO WHOM WE DISCLOSE CUSTOMER INFORMATION**

Protecting customer information is important to us. We use polices, procedures and systems to maintain the accuracy of customer information and to protect from improper use or loss. Only those persons who need it to perform their job responsibilities in order to effect, administer or enforce a customer's account are authorized to have access to customer information, We provide training and communication programs to educate our personnel about the meaning and requirements of this privacy policy. In addition, we maintain physical, electronic and procedural security measures that comply with State and Federal regulations to safe guard your information, We do not disclose any non-public personal information about our customers or former customers to anyone, except as permitted or required by law.

Initials \_\_\_\_\_ Date: \_\_\_\_\_

Initials \_\_\_\_\_ Date: \_\_\_\_\_

**HOW WE USE YOUR INFORMATION**

The information we maintain about your relationship helps us identify you and helps prevent unauthorized persons from accessing your information. We use your information to help administer your account. We do not disclose your information to any affiliates, non-affiliated third parties or unrelated companies except as to the administration of your personal account. We do not disclose any of your information to be used on mailing lists or telemarketing for promotional offers.

**FORMER CUSTOMERS**

If your account becomes paid, inactive or is closed for any reason, we will continue to treat and safe guard your information as described in this Notice.

**CONCLUSION**

We will attempt to keep your customer files complete, up to date and accurate. We will tell our customers how and where to conveniently access their account information (except when we're prohibited to do so by law) and how to notify us about errors which we will promptly correct.

For purposes of credit reporting, verification and risk management, we will exchange information about our customers with reputable reference sources and clearing-house services only.

## QUESTIONS?

Should you have any questions about this Notice feel free to contact us at 1-714-632-5200.

X \_\_\_\_\_  
Borrower Date

X \_\_\_\_\_  
Co-Borrower Date

## CLAIM PROCEDURE

If you become disabled, tell us (your creditor) right away. (We advise you to send this information to the same address to which you are normally required to send your payments, unless a different address or telephone number is given to you in writing by us as the location where we would like to be notified.) We will tell you where to get claim forms. Send in the completed form to the insurance company as soon as possible and tell us as soon as you do.

If your disability insurance covers all of your missed payment, WE CANNOT TRY TO COLLECT WHAT YOU OWE OR FORECLOSE UPON OR REPOSSESS ANY COLLATERAL UNTIL THREE CALENDAR MONTHS AFTER your first missed payment is due or until the insurance company pays or rejects your claim, which ever comes first. We can, however, try to collect, foreclose, or repossess if you have money due and owing us or are otherwise in default when your disability claim is made or if a senior mortgage or lien holder is foreclosing.

If the insurance company pays the claim within the three calendar months, we must accept the money as though you paid on time. If the insurance company rejects the claim, within the three calendar months or accepts the claim within the three calendar months as a partial disability and pays less than for a total disability, you will have 35 days from the date that the rejection or the acceptance of the partial disability claim is sent to pay past due payments, or the difference between past due payments and what the insurance company pays for the partial disability, plus late charges. You can contact us, and we will tell you how much you owe. After that time, we can take action to collect or foreclose or repossess any collateral you may have given.

If the insurance company accepts your claim but requires that you send in additional forms to remain eligible for continued payments, you should send in these completed additional forms no later than required. If you do not send in these forms on time, the insurance company may stop paying, and we will then be able to take action to collect or foreclose or repossess collateral you may have given.

## SECURITY AGREEMENT

In consideration of this loan made by Lender and to secure payment thereof and of any extensions or renewals thereof, Borrowers hereby grant to Lender a security interest in the property herein called collateral and described on the reverse hereof.

Borrowers agree: (1) Until all obligations secured hereby are fully satisfied, Borrowers will not, without written consent of Lender, sell, transfer, exchange lease, or otherwise dispose of such collateral, nor permit any lien or security interest to attach thereto, nor permit such collateral to be removed from the herein designated location, except in the case of a motor vehicle or similar item which shall not be removed from this state. (2) to exhibit and permit Lender or its agent to inspect collateral at any reasonable time. (3) To maintain collateral in good condition and repair, preserve it against loss or damage, and at all times keep it fully insured for coverages required herein naming Lender as loss payee.

(4) Upon expiration, cancellation, or modification of, or Borrower's failure to supply prior to payment in full of this loan any insurance required herein, Lender is authorized (but not required) to place, renew, or replace same in any company of Lender's choice. (5) Lender is authorized to add premiums for insurance procured by Lender to the amount due hereunder plus charges at the agreed rate of charge and payable in installments over the remainder of the term hereof. (6) In the event of a default herein of more than 10 days, Borrowers authorize Lender to cancel any insurance policy paid from loan proceeds, and Borrowers authorize and direct any insurance carrier who cancels or modifies any insurance policy paid from loan proceeds to deliver to Lender for credit to the amount due hereunder any and all premium refunds, but Lender thereby assumes no responsibility for any loss or damage to property covered by such policies. (7) Any difference in amounts indicated on the the reverse hereof and actual premiums charged by an insuror for insurance procured by Lender hereunder, may, at Lender's option be added or credited to the amount due hereunder, and, if added, shall bear charges at the agreed rate of charge until paid. (8) Lender shall receive, same being hereby assigned, the proceeds of any insurance coverings collateral on which Lender is named Loss Payee, paid by reason of loss, damage, or otherwise, for application to or payment of Borrowers' obligations hereunder, or, at Lender's option, for repair or replacement of collateral. (9) Borrowers assume all risks of damage to or loss of collateral whether insured against or not.

(10) To join with Lender in executing, filing, and doing whatever may be necessary to perfect, continue, and protect Lender's interest in collateral, including but not limited to, appearing in, prosecuting, and defending any action or proceeding, however instituted, which purports to affect such collateral or to affect, declare or construe the rights or powers of Lender therein, all at Borrowers' sole expense. Borrowers' expense in that regard unless prohibited by law, shall include any costs of Lender in connection with any such action or proceeding. (11) Except as prohibited or limited by law, all payments made by Lender for or on account of this agreement or of said collateral, including but not limited to insurance premiums, taxes, repairs, storage, and costs of foreclosure, litigation, repossession and return, may be added to the amount due hereunder and shall bear interest at the agreed rate of charge.

Should borrowers fail or neglect to comply with any term, condition, warranty, or agreement herein contained, commit any act for which collateral might be confiscated, or in case of Borrowers' insolvency or bankruptcy, Borrowers shall be in default. In case of default, in addition to any other remedies set forth in the California Commercial Code, this agreement, or any other pertinent laws, Lender may declare all secured obligations immediately due and payable, less any required rebates, and, in addition, may in any lawful manner take possession of any such collateral, or may require Borrowers to assemble collateral and made the collateral or any part of it available to Lender at a place designated by Lender which is reasonably convenient to both parties, surrendering possession of same to Lender at said place. In either event upon Lender obtaining possession of said collateral, Lender may dispose of same in any manner permitted by law. Borrower agrees to pay any deficiency after sale thereof.

Time is of the essence with respect to all provisions of this agreement.

\_\_\_\_\_  
Co-Buyer, Co-Lesser or Co-Borrower

\_\_\_\_\_  
Date

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Date

### Notice

IF A SUBSTANTIAL PORTION OF THE PROCEEDS OF THIS LOAN IS USED FOR THE PURCHASE OF CONSUMER GOODS, ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.

### NOTICE OF BORROWER'S RESPONSIBILITY

UNDER SECTION 1788.21 OF THE CALIFORNIA CIVIL CODE, YOU ARE REQUIRED TO NOTIFY LENDER OF ANY CHANGE IN YOUR NAME, ADDRESS OR EMPLOYMENT WITHIN A REASONABLE TIME AFTER SUCH CHANGE OCCURS.

FOR INFORMATION CONTACT THE DEPARTMENT OF CORPORATIONS, STATE OF CALIFORNIA

**NOTICE: SEE OTHER DOCUMENTS FOR IMPORTANT INFORMATION**

**Johnson's Title & Payday Loan  
123 Anywhere Street  
San Diego, California 32452  
615-789-4568**

**CUSTOMER INFORMATION PRIVACY POLICY DISCLOSURE**

**PRIVACY POLICY**

We at Johnson's Title & Payday Loan, recognize that your financial information is personal. We only use and share information about you to effect your loan transaction and for related purposes, or as permitted or required by law. We are careful to use only accurate, current, and complete information. We will correct any erroneous information quickly if you so request. We are also careful to protect the security of your information from third parties and unauthorized employees. This privacy policy is subject to change. We will notify you of any changes as required by law. Please contact us at 615-789-4568 if you have any financial privacy concerns.

**Acknowledgment**

By signing below, you acknowledge that you have received and read a copy of this Customer Information Privacy Policy Disclosure.

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Borrower

Date

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Co-Borrower,  
Co-Lesser or  
Co-Buyer

Date