

# INSTALLMENT LOAN AND SECURITY AGREEMENT

<b>Lender :</b> ALPHA OMEGA CONSULTING GROUP 716 VAUXHALL DRIVE NASHVILLE, TN 37221 615-662-9537	<b>Todays Date:</b> 11/29/2006 <b>Current Time:</b> 10:02:27 AM <b>Contract Number:</b> TL202 <b>Maturity Date:</b> 2/28/2007
<b>Borrower:</b> Ronnie C Johnson and Shirley R Martin 1015 East Concord Avenue Goodlettsville, TN 37072 Home Phone: (615) 855-1192 Work Phone: 615-662-9537	<b>Motor Vehicle</b> <b>Make:</b> BMW <b>Model:</b> 735i <b>Year:</b> 2000 <b>VIN:</b> 12345678912345678

By signing this contract, you choose to borrow the amounts described in the Amount Financed Itemization ("Credit") on the terms, conditions and agreements set forth on the front and back of this contract, and secure your Credit and other indebtedness by granting Lender a security interest in the vehicle described above ("Motor Vehicle").

<b>Annual Percentage Rate</b> The cost of your credit as a yearly rate.  <b>10.00%</b>	<b>Finance Charge</b> The dollar amount the credit will cost you.  <b>\$24.66</b>	<b>Amount Financed</b> The amount of credit provided to you or on your behalf.  <b>\$1,000.00</b>	<b>Total of Payments</b> The amount you will have paid after you have made all payments as scheduled.  <b>\$1,024.66</b>
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**SECURITY:** You are given a security interest in the Motor Vehicle described above.

**LATE CHARGE:** If any installment is not paid in full within 10 days of its scheduled due date, you will be charged 5% of the late amount or \$10 whichever is greater.

**PAYMENT:** If you pay off early, you may be entitled to a refund of part of the Finance Charge.

See the Note terms below and contract documents for any additional information about non-payment, default, any required repayment in full before the scheduled date, prepayment refunds or penalties and further information about security interests.

<b>ITEMIZATION OF AMOUNT FINANCED</b> 1. \$ \$1,000.00 Amount given to you directly 2. \$ \$0.00 Amount paid on your account 3. \$ 4. Amount paid by others on your behalf. <b>(The Lender may be retaining a portion of these amounts)</b> \$ \$25.00 Title Lien Fee \$ \$15.00 Fee Paid to Insurance \$ \$40.00 Total amount paid to others on your behalf 5. \$ \$1,040.00 Amount Financed (sum of 1 through 4)	<b>YOUR PAYMENT SCHEDULE WILL BE :</b> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="text-decoration: underline;">Payment No</th> <th style="text-decoration: underline;">Payments are due</th> <th style="text-decoration: underline;">Amount of Payment</th> </tr> </thead> <tbody> <tr> <td><i>Payment 1</i></td> <td><b>12/29/2006</b></td> <td><b>\$8.22</b></td> </tr> <tr> <td><i>Payment 2</i></td> <td><b>1/28/2007</b></td> <td><b>\$8.22</b></td> </tr> <tr> <td><i>Payment 3</i></td> <td><b>2/27/2007</b></td> <td><b>\$1,008.22</b></td> </tr> </tbody> </table>	Payment No	Payments are due	Amount of Payment	<i>Payment 1</i>	<b>12/29/2006</b>	<b>\$8.22</b>	<i>Payment 2</i>	<b>1/28/2007</b>	<b>\$8.22</b>	<i>Payment 3</i>	<b>2/27/2007</b>	<b>\$1,008.22</b>
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FOR VALUE RECEIVED, Borrower(s), jointly and severally, promise to pay to the order of Lender at its above stated office or to the holder the Total of Payments stated above in 2 installments of \$8.22 each beginning on 12/29/2006, and continuing every thirty days thereafter and with a final installment of \$1,008.22 due on 2/27/2007. Finance Charge begins to accrue 11/29/2006 if different from the date of transaction.

Payments shall be first applied to accumulated interest and the remainder to the unpaid balance until the loan is fully paid and shall be applied in the order in which they become due. Interest is payable in arrears. Borrower(s) agree to pay a documentation preparation fee in the amount of \$25 if charged therefore and to pay all costs and disbursements, including reasonable attorney's fees incurred in legal proceedings to collect the loan or to realize on the security after default. If any check drawn by Borrower(s) given to Lender in connection with the loan is not honored because of insufficient funds or uncollected funds or because no such account exists, Borrower(s) agree to pay Lender a charge of \$20.00 plus any actual expenses incurred by Lender in connection therewith.

**PRIOR TO SIGNING THIS CONTRACT, BORROWER (S) HAVE READ ALL THE PROVISIONS OF THIS CONTRACT AND AGREE TO THE TERMS, CONDITIONS, AND AGREEMENTS SET FORTH IN THIS CONTRACT, AND TO BE BOUND BY THE OBLIGATIONS ON BORROWER (S) PART TO BE PERFORMED. BORROWER (S) HAVE SIGNED THIS CONTRACT AND RECEIVED A COMPLETELY FILLED IN DUPLICATE**

NOTICE TO BORROWER (S):

1. Do not sign this contract before you have read it, or if it contains any blank spaces.
2. You are entitled to an exact copy of the contract(s) you sign.
3. Under the law you have the right, among others, to pay in advance the full amount due.

**PRIVACY NOTICE**

"We do not disclose any nonpublic personal information to anyone, except as permitted by law."

By: \_\_\_\_\_ BORROWER (S) \_\_\_\_\_  
 Duly Authorized

**INSURANCE REQUIREMENTS:** Borrower(s) agrees to keep the Vehicle fully insured against loss by fire, theft and collision for the entire term of this contract in companies acceptable to Lender. Lender is authorized to purchase all insurance included in this contract if Borrower(s) fails to do so. Insurance coverage other than required insurance, have been voluntarily contracted for the Borrowers(s). Borrower(s) may elect to purchase any required insurance from an insurance company, agent or broker of his own choice. If Borrower(s) so elects, he shall furnish Lender with a pre-paid, one-year insurance policy effective the date hereof issued by a company acceptable to Lender, and inclusion of Borrower(s)'s premiums in this contract is optional with Lender. All policies procured by Borrower(s) shall provide that loss, if any, shall be payable to Borrower(s) and to Lender, as their respective interests may appear and a clause requiring insurer to give the Lender 10 days' written notice of cancellation. Any unearned insurance premium refund received by the Lender shall be credited to the final maturing installment of this contract except to the extent applied toward payment for similar insurance protecting the interests of Borrower(s) and Lender, or either of them. Borrower(s) hereby grants Lender, on default of Borrower(s), the sole and exclusive right to cancel all policies of insurance on the Vehicle for which premiums have been advanced and paid by Lender.

Borrower(s) hereby appoints Lender Borrower(s) attorney in fact, for Borrower(s) and in Borrower(s)'s name, to effect cancellation of such policies and to receipt for unearned premiums and loss payments including any acts necessary thereto including the execution of lost policy waivers and the endorsing of all checks and drafts and to make proofs of loss. Borrower(s) agrees that all loss payments and unearned premiums shall be applied to any unpaid installments of the Total of Payments in inverse order except to the extent that any unearned premiums are applied toward payment for similar insurance protecting the interests of Borrower(s) and Lender, or either of them, at the discretion of Lender.

**LATE CHARGES:** Borrower(s) agrees to pay a late charge on any amount due not paid in full within 10 days of its scheduled due date of 5% of the late amount or \$10 whichever is greater. After default, Borrower(s) agrees to pay all costs, expenses and reasonable attorney's fees paid or incurred by Lender in enforcing this note or to realize on any security. The agreed rate of interest maybe charged on the unpaid principal balance until fully paid.

**ACCELERATION:** Borrower(s) agrees that if (1) Borrower(s) shall default in the making of any payment which is due hereunder, or (2) Borrower(s) shall be in default of any agreement, representation or warranty made by Borrower(s) herein, or (3) if the Vehicle shall be lost, stolen, substantially damaged, destroyed, sold, encumbered, removed from the State of Illinois, concealed, attached, or levied upon, or (4) if the Vehicle shall be seized or forfeited as the result of a violation of any statute, law or ordinance, federal, state, or local, or (5) a proceeding under any bankruptcy or insolvency statute shall be instituted by or against Borrower(s) or Borrower(s)'s assets, or (6) Borrower(s) shall die or be adjudicated an incompetent, or (7) Borrower(s) shall fail to keep the Vehicle insured for the entire term of this contract, as provided herein, the Lender and/or any holder may declare the Total of Payments and other indebtedness hereunder arising and secured hereby immediately due and payable, without notice or demand, and have all the rights and

**BORROWER (S) AND CO-BORROWER (S) RESPONSIBILITY:** A "Borrower" or "Borrower" is a person who agrees to be primarily responsible, jointly and severally in the event of Co-Borrower(s) for paying the entire amount due, plus applicable Finance and other Charges. As used herein, the terms, conditions and agreements of this contract shall apply to and the term "Borrower" shall mean, the "Borrower(s) and Co-Borrower(s)", if any. All masculine pronouns used herein shall mean and include the feminine.

**ASSIGNMENT:** The Lender may, without notice to the Borrower(s), assign its interest in this contract to any assignee lawfully authorized to take and receive it. Such assignment maybe "with recourse" or "without recourse", but notwithstanding such assignment, the terms, conditions and agreements set forth in this Contract shall continue in full force and effect, unless this contract is thereafter terminated in accordance with

**LENDER'S PROVISION OF INSURANCE:** Unless Borrower(s) provides Lender with evidence of the insurance coverage required by this Agreement Lender may purchase insurance at Borrower(s) expense to protect Lender's interests in the collateral (Vehicle). This insurance may, but need not protect Borrower(s) interests. The coverage that Lender purchases may not pay any claim that Borrower(s) makes or any claim that is made against the Borrower(s) in connection with the collateral. Borrower(s) may later cancel any insurance purchased by Lender but only after providing Lender with evidence that Borrower(s) has obtained insurance as required by this Agreement. If Lender purchases insurance for the collateral, you (Borrower(s)) will be responsible for the costs of that insurance, including interest and any other charges Lender may impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to Borrower(s) total outstanding balance or obligations. The costs of the insurance may be more than the costs of insurance Borrower(s) may be able to obtain your own.

**PREPAYMENT:** Borrower(s) may prepay in full or in part without penalty or premium, the unpaid balance of this contract at any time and from time to time. If Borrower(s) prepays all or any part of the balance of this contract Borrower(s) may be entitled to receive a refund of a portion of the Finance Charge. If prepayment occurs prior to the first installment due date, Lender may charge interest for each day from the date of the loan to the date of the prepayment plus a documentation preparation fee. No refund will be made if it is less than \$1.00. Prepayment in full will also reduce the insurance charge for the loan.

**SECURITY INTEREST:** To secure the payment of the amounts due hereunder, Borrower(s) grants to Lender a security interest in (1) the vehicle described above, (2) all equipment and accessories thereon and (3) any proceeds of insurance policies or service contracts on the Vehicle. This security interest is being granted under the Illinois Uniform Commercial Code until the total of the Amount Financed and all future indebtedness payable to or on behalf of Lender under this contract are paid in full. Borrower(s) also grants Lender the right of set-off of any monies, credits or other properties of Borrower(s) in the possession of Lender, on deposit or otherwise, except as otherwise provided or required to be disclosed by law. This security agreement also secures Borrower(s) other agreements' representations and warranties to Lender under this contract. If the fees for perfecting, maintaining, amending, continuing or terminating the security interest of Secured Party subsequently increase, such increased amount shall be added to the loan balance due, shall become part of the debt secured hereby and shall be payable by Debtor on demand of Secured Party.

**RIGHTS ON DEFAULT:** Upon the occurrence of any event of default hereunder, including, without limitation, non-payment of any sums required to be paid under this contract, the parties shall have the rights and remedies provided at law or equity under Article 9 of the Illinois Uniform Commercial Code including, without limitation, the rights of the Holder (a) to take immediate possession of the motor vehicle, with or without judicial process, and for such purpose, to enter upon the premises where it may be located; and (b) to give buyer reasonable notice of the time and place of any public disposition thereof is to be made; and (c) to dispose of the motor vehicle at a public or private disposition in accordance with said notice to Buyer and to buy at a public disposition and (d) to apply the proceeds of disposition first to the reasonable expenses of retaking, holding, preparing for disposition, processing and disposing, and to reasonable attorney's fees and legal legal expenses incurred by the Holder and second, to satisfaction of the obligations secured by the security interest in the motor vehicle, and third, to satisfaction of any subordinate security interest or subordinate lien in the motor vehicle if demand therefore is received by Holder before distribution of the proceeds is completed, and to account to Buyer for any pay to Buyer any surplus remaining. Buyer shall be liable for any deficiency. If the Buyer has paid an amount equal to 30% or more of the deferred payment price or the total of payments due at the time of repossession, the Buyer may, within 21 days of the date of repossession, reinstate the contract and recover the motor vehicle from the Holder by tendering (a) the total of all unpaid amounts including any unpaid delinquency or deferral charges due at the time of the tender and at the date of reinstatement, without acceleration; and (b) performance necessary to cure any default other than nonpayment of the amounts due; and (c) all reasonable costs and fees, including attorneys' fees, incurred by the Holder in retaking, holding, and preparing the motor vehicle for disposition and in arranging the sale of the motor vehicle. The tender must be in cash, certified check or money order. By law, Buyer has the right to reinstate the contract and recover the motor vehicle only once. It is expressly agreed by Buyer that the requirements of reasonable notice shall be met if notice is mailed to Buyer at the address of buyer shown herein not less than 21 days prior to the sale or other disposition. In the event of repossession by said motor vehicle, Holder may take possession of any personal effects or property found therein and hold the same as gratuitous bailee for delivery to Buyer, all at Buyer's risk and without any liability on the part of the holder. All rights and remedies of the Holder, whether provided for in this contract or conferred by law or equity, are cumulative.

**KEYS:** Upon execution of this Agreement, Borrower(s) agrees to deposit a duplicate set of keys to the Vehicle with the Lender and in the event of repossession Borrower(s) specifically authorizes the Lender to use the keys to gain access to and take possession of the Vehicle.

**REPRESENTATIONS AND WARRANTIES:** Borrower(s) hereby agrees, represents and warrants to Lender that, (1) the Vehicle is not "Rebuilt" or "salvage" and the Vehicle title does not indicate that the Vehicle is the subject of a rebuilt title or salvage title, (2) the Vehicle's odometer reading at the date hereof is true and correct, (3) there are no liens or encumbrances on the Vehicle except as shown on its title, (4) the Vehicle is not subject to seizure or forfeiture proceedings under any federal, state, municipal or local law or statute, (5) the Vehicle was not acquired from any governmental office or public agency, and (6) no person other than Borrower(s) or other lienholder shown on title has any interest, direct or indirect in the Vehicle. Borrower(s) is not less than eighteen (18) years of age and is a resident of the State of Illinois, (8) the transaction evidenced by this Contract, and the negotiations preceding the same were conducted solely in English language, (9) the Vehicle is now and will be maintained in good condition and repair, (10) the Vehicle is now and will at all times be duly and properly licensed as required by law and will not be used for any unlawful purpose or in violation of any law, ordinance or regulation, nor will any activity occur or be permitted in, on or about the Vehicle which may result in its seizure, impoundment or forfeiture, (11) Borrower(s) will pay promptly and in full all applicable license fees, taxes and other amounts necessary to the proper ownership and operation of the Vehicle in a lawful manner, (12) Borrower(s) will insure the Vehicle for physical damage and cause the Vehicle to be insured as required by law.

**SALE OF THE REPOSSESSED VEHICLE:** Lender shall have and be entitled to exercise the rights of a secured party respect to the Vehicle under the provisions of the Illinois Uniform Commercial Code, as amended from time to time. Following a default and repossession, if the Borrower(s) does not redeem the vehicle as provided herein and by law, Lender may sell it as authorized by law. The net proceeds shall be applied to Borrower(s) indebtedness to Lender. The net proceeds of sale will be calculated in this manner: any late charges and any charges for taking and storing the Vehicle, cleaning, repainting, storing and advertising, etc., and any attorneys' fees and court costs will be subtracted from the selling price. If Borrower(s) owes the Lender less than the net proceeds of sale, Lender will pay Borrower(s) the difference unless required to pay it to someone else. If Borrower(s) owes Lender more than the net proceeds of sale, then Borrower(s) must pay Lender the difference between the net proceeds of sale and what Borrower(s) owes to Lender. If Borrower(s) do not pay this amount when asked, Borrower(s) may also be charged interest at the highest lawful rate until Borrower(s) pays all sums Borrower(s) owes to Lender.

**COLLECTION COSTS:** If Lender hires an attorney to collect what Borrower(s) owe, or otherwise to defend or enforce its rights under this contract, Borrower(s) will pay the attorney's reasonable fee. If a judgment is entered against Borrower(s), Borrower(s) will pay any court costs the court awards Lender.

**DELAY IN ENFORCING RIGHTS:** Lender can delay or refrain from enforcing any of its rights under this contract without losing them. For example, Lender may extend the time for certain payments without extending others. Additionally, Lender may choose to enforce certain rights in one transaction without having to enforce such rights in another transaction. All Lender's rights and remedies herein and at law are cumulative and may be exercised simultaneously or successively.

**ARBITRATION:** All disputes, claims, or controversies arising from or relating to this agreement or the relationships which result from it, or the validity or enforceability of this arbitration clause or the entire agreement, other than collection of amounts due to Lender under this agreement, or Lender's right to foreclose on any security related to this agreement, shall be resolved by binding arbitration by one arbitrator selected by Lender with the consent of Borrower(s), the fees of such arbitrator to be paid by Lender. This arbitration provision is made pursuant to and shall be governed by the Federal Arbitration Act. Judgment upon the award may be entered by any court having jurisdiction. The parties agree and understand that they choose arbitration instead of litigation to resolve disputes, and agree and understand that they have the right or opportunity to litigate disputes through court, but that they prefer to resolve their disputes through arbitration, except as provided herein. **THE PARTIES EACH VOLUNTARILY AND KNOWINGLY WAIVE ANY RIGHTS THEY HAVE TO TRIAL BY JURY, EITHER PURSUANT TO ARBITRATION UNDER THIS CLAUSE OR PURSUANT TO A COURT ACTION BY LENDER (AS PROVIDED HEREIN).** The parties agree and understand that all disputes arising under case law, statutory law, and all other laws including but not limited to all contract, loan, and property disputes, will be subject to binding arbitration in accord with this agreement in an individual proceeding in which no class claims on behalf of any class of persons shall be included.

Each party shall bear the expense of their attorney's fees regardless of which party prevails. The parties agree and understand that the arbitrator shall have all powers provided by law and this agreement including the power to decide the scope of this arbitration agreement. These powers shall include all legal and equitable remedies, including but not limited to, money damages, declaratory and injunctive relief but excluding, however, the power to award punitive or exemplary damages. Nothing contained in this arbitration provision shall limit the right of any party to this agreement to exercise self-help remedies such as setoff or to obtain provisional or ancillary remedies from a court of competent jurisdiction before, after, or during the pendency of any arbitration or other proceeding. The exercise of a remedy does not waive the right of either party to resort to arbitration.

**MISCELLANEOUS:** Any amendment to this contract must be in writing and signed by Borrower(s) and Lender. No oral changes shall be biding on Borrower(s) or Lender. As this contract embodies the complete agreement of the parties with respect to the loan transaction herein. If any part of this contract is found to be invalid, Borrower(s) agrees all other parts will be enforceable. Borrower(s) agrees to execute and deliver to Lender any and all documents and instruments required or deemed necessary by Lender to consummate this loan transaction in accordance with the laws of the State of Illinois.

If this document is signed by more than one Borrower, then the obligations of said Borrowers shall be joint and several.

Borrower (s) initials \_\_\_\_\_