

# CONSUMER LOAN AGREEMENT

No.: CA100 \_\_\_\_\_

Date: 4/19/2006 \_\_\_\_\_

LENDER:

BORROWER:

Johnson's Title & Payday Loan  
123 Anywhere Street  
Columbus, Ohio 45623  
456-789-4568

RON JOHNSON  
600 W QUEEN STREET  
HAMPTON, VA 23669-

In this Consumer Loan Agreement (hereinafter this "Agreement"), the words "you" and "your" mean the the borrower who has signed it. The words "us" and "ours " mean Johnson's Title & Payday Loan, licensed pursuant to Ohio Revised Code 1315.21 et seq. and regulated by the Ohio Department of Commerce, Division of Financial Institutions.

You promise to pay us the Total of Payments according to the terms of the Federal Truth-In-Lending Disclosures set forth below and other permitted charges. On the date stated in your Payment Schedule (the "Payment Date") you will pay us, at the address indicated above, or at such other address as we direct you in writing, the amount stated. You grant us a security interest in your personal check, or checks, in the amount of the Total Payments (the "Check") which we may negotiate on the Payment Date or thereafter.

## FEDERAL TRUTH-IN-LENDING

<b>ANNUAL PERCENTAGE RATE</b>	<b>FINANCE CHARGE</b>	<b>AMOUNT FINANCED</b>	<b>TOTAL OF PAYMENTS</b>
The cost of your credit as a yearly rate	The dollar amount the credit will cost you	The amount of credit provided to you or on your behalf	The amount you will have paid after you have made all payments as scheduled
<b>182.50%</b>	<b>\$30.00</b>	<b>\$200.00</b>	<b>\$230.00</b>

Payment Schedule: One payment in the amount of \$230.00 due on Friday, May 19, 2006.

Security: Your check(s) is security for this loan.

Prepayment: If you pay off early, you will not be entitled to a refund of part of the finance charge.

See the terms below and on the other side of this Agreement for any additional information about nonpayment, default, and prepayment r

Itemization of Amount Financed: Amount given to you directly: \$200.00

## OHIO DISCLOSURES

The total amount of fees and charges you will be required to pay in connection with this loan are as follow: (1) A non-refundable loan origination fee of \$35.00; (2) Interest in the amount of \$24.75; (3) A fee of \$20 if the Check is returned for any reason. In addition, you agree to pay a fee of \$6, which is the cost we incur from our financial institution if the Check is returned because it has been dishonored. Pursuant to Ohio law, the rate of interest contracted for under this loan based solely on the principal of this loan is 608.33%. The rate of interest contracted for under this loan based upon the sum of the principal of the loan, loan origination fee, check collection charge, and all other fees or charges contracted for under this Agreement is 182.50%. For your payment schedule, see the information in the Federal Truth-in-Lending Disclosures above.

**WARNING: The rate of interest charged on this loan is higher than the average rate of interest charged by financial institutions on substantially similar loans.**

At any time prior to the close of business on the business day immediately following the date of this Agreement, you may prepay to us the Amount Financed in cash in full satisfaction of your obligations under this Agreement. Thereafter, you may prepay in full the amount due under this Agreement at any time and you will not incur any additional charge or fee, but you will not receive a refund or rebate of part of the finance charge.

**Electronic Check Presentment:** As an alternative method of collecting any amount that you may owe under this Note, you authorize us to initiate, after the Due Date, an Electronic Funds Transfer (EFT) to debit your checking account identified on your application. You agree to sign any additional document(s) that we may require in order to activate the EFT described above.

**Electronically Monitoring and Recording: NOTICE -** For quality control purposes, the Company may monitor and record telephone calls that use the Company's telephone equipment or system. You should not have any expectation of privacy with respect to telephone calls to or from the Company. By signing this Agreement, you agree to the monitoring, recording, storing, copying and/or deleting of any telephone call, message or conversation which may involve you and the use of the Company's telephone equipment or system.

**Please note that this Agreement contains a binding arbitration provision,** By signing this Agreement, you acknowledge that it was filled in before you did so and that you have received a completed copy of it. You agree that the information you gave us prior to entering into this Agreement is accurate. You also warrant that you are not a debtor under any proceeding in bankruptcy and have no intention to file a petition for relief under any chapter of the United States Bankruptcy Code. You further acknowledge that you have read, understand, and agree to all of the terms on both sides of this Agreement, including the provision on the other side entitled, "Waiver of Jury Trial and Arbitration Provision."

Borrower's Signature \_\_\_\_\_

Date \_\_\_\_\_

By \_\_\_\_\_

Date \_\_\_\_\_

## ADDITIONAL TERMS AND CONDITIONS OF THIS AGREEMENT

**DEFAULT.** You will be in default under this Agreement if you do not pay us any amount you owe us under the Agreement. If you are in default, you agree to pay us all costs and disbursements that we become entitled to by law in connection with any suit to collect this loan after default.

**METHOD OF PAYMENT.** The Check is both security and payment for your obligations under this Agreement. We may negotiate the Check on the Payment Date or thereafter if you have not paid in cash or other immediately available funds the Total of Payments before noon on the Payment Date. If payment is made prior to negotiation of the Check, we will negotiate or transfer the Check to you at the time we receive payment.

**GOVERNING LAW.** This Agreement will be governed by the laws of the State of Ohio, except that the arbitration provision is governed by the Federal Arbitration Act, 9 U.S.C. Sections 1-16 ("FAA").

### **WAIVER OF JURY TRIAL AND ARBITRATION PROVISION.**

Arbitration is a process in which persons with a dispute: (a) waive their rights to file a lawsuit and proceed in court and to have a jury trial to resolve their disputes; and (b) agree, instead, to submit their disputes to a neutral third person (an "arbitrator") for a decision. Each party to the dispute has an opportunity to present some evidence to the arbitrator. Pre-arbitration discovery may be limited. Arbitration proceedings are private and less formal than court trials. The arbitrator will issue a final and binding decision resolving the dispute, which may be enforced as a court judgment. A court rarely overturns an arbitrator's decision.

### **THEREFORE, YOU ACKNOWLEDGE AND AGREE AS FOLLOW**

1. For purposes of this Waiver of Jury Trial and Arbitration Provision (hereinafter the "Arbitration Provision"), the words "dispute" and "disputes" are given the broadest possible meaning and include, without limitation (a) all claims, disputes, or controversies arising from or relating directly or indirectly to the signing of this Arbitration Provision, the validity and scope of this Arbitration Provision and any claim or attempt to set aside this Arbitration Provision; (b) all federal or state law claims, disputes or controversies, arising from or relating directly or indirectly to this Customer Loan Agreement (including the Arbitration Provision), the information you gave us before entering into this Customer Loan Agreement, including the Customer Application, and/or any past agreement or agreements between you and us; (c) all counterclaims, cross-claims and third-party claims; (d) all common law claims, based upon contract, tort, fraud, or other intentional torts; (e) all claims based upon a violation of any state or federal constitution, statute, or regulation; (f) all claims asserted by you individually against us and/or any of our employees, agents, directors, officers, shareholders, governors, managers, members, parent company or affiliated entities (hereinafter collectively referred to as "related third parties"), including claims for money damages and/or equitable or injunctive relief; (h) all claims asserted on your behalf by another person; (i) all claims asserted by you as a private attorney general, as a representative and member of a class of persons, or in any other representative capacity, against us and/or related third parties (hereinafter referred to as "Representative Claims"); and/or (j) all claims arising from or relating directly or indirectly to the disclosure by us or related third parties of any non-public personal information about you.

2. You acknowledge and agree that by entering into this Arbitration Provision

- (a) **YOU ARE WAIVING YOUR RIGHT TO HAVE A TRIAL BY JURY TO RESOLVE ANY DISPUTE ALLEGED AGAINST US OR RELATED THIRD PARTIES;**
- (b) **YOU ARE WAIVING YOUR RIGHT TO HAVE A COURT, OTHER THAN A SMALL CLAIMS TRIBUNAL, RESOLVE ANY DISPUTE ALLEGED AGAINST US OR RELATED THIRD PARTIES; and**
- (c) **YOU ARE WAIVING 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. Except as provided in Paragraph 6 below, all disputes including any Representative Claims against us and/or related third parties shall be resolved by binding arbitration only on an individual basis with you. **THEREFORE, THE ARBITRATOR SHALL NOT CONDUCT CLASS ARBITRATION; THAT IS, THE ARBITRATOR SHALL NOT ALLOW YOU TO SERVE AS A REPRESENTATIVE, AS A PRIVATE ATTORNEY GENERAL, OR IN ANY OTHER REPRESENTATIVE CAPACITY FOR OTHERS IN THE ARBITRATION.**

4. Any party to a disputes, including related third parties, may send the other party written notice by certified mail return receipt requested of their intent to arbitrate and setting forth the subject of the dispute along with the relief requested, even if a lawsuit has been filed. Regardless of who demands arbitration, you shall have the right to select any of the following arbitration organizations to administer the arbitration: The American Arbitration Association (1-800-778-7879) <http://www.adr.org>, J.A.M.S./Endispute (1-800-626-5267) <http://www.jamsadr.com>, or National Arbitration Forum (1-800-474-2371) <http://www.arbforum.com>. However, the parties may agree to select a local arbitrator who is an attorney, retired judge, or arbitrator registered and in good standing with an arbitration association and arbitrate pursuant to such arbitrator's rules. The party receiving notice of arbitration will respond in writing by certified mail return receipt requested within twenty (20) days. If you demand arbitration, you must inform us in your demand of the arbitration organization you have selected or whether you desire to select a local arbitrator. If related third parties or we demand arbitration, you must notify us within twenty (20) days in writing by certified mail return receipt requested of your decision to select an arbitration organization. The parties to such dispute will be governed by the rules and procedures of such arbitration organization applicable to consumer disputes, to the extent those rules and procedures do not contradict the express terms of this Customer Loan Agreement or the Arbitration Provision, including the limitations on the arbitrator below. You may obtain a copy of the rules and procedures by contacting the arbitration organization listed

5. If you demand arbitration, then at your request we will advance your portion of the expenses associated with the arbitration, including the filing, administrative, hearing and arbitrator's fees ("Arbitration Fees"). If related third parties or we demand arbitration, then at your written request we will advance your portion of the Arbitration Fees. Throughout the arbitration, each party shall bear his or her own attorneys' fees and expenses, such as witness and expert witness fees. The arbitrator shall apply applicable substantive law consistent with the FAS, applicable statutes of limitation, and shall honor claims of privilege recognized at law. The arbitration hearing will be conducted in the county of your residence, or within 30 miles from such county, or in the county in which the transaction under Customer Loan Agreement occurred, or in such other place as shall be ordered by the arbitrator. The arbitrator may decide with or without any hearing, any motion that is substantially similar to a motion to dismiss for failure to state a claim or a motion for summary judgment. In conducting the arbitration, the arbitrator shall not apply any federal or state rules of civil procedure or evidence. At the timely request of any party, the arbitrator shall provide a written explanation for the award. The arbitrator's award may be filed with any court having jurisdiction. If allowed by statute or applicable law, the arbitrator may award you statutory damages and/or your reasonable attorneys' fees and expenses. Regardless of whether the arbitrator renders a decision or an award in your favor resolving the dispute, you will not be

6. All parties, including related third parties, shall retain the right to seek adjudication in a small claims tribunal for disputes within the scope of such tribunal's jurisdiction. Any dispute, which cannot be adjudicated within the jurisdiction of a small claims tribunal, shall be resolved by binding arbitration. Any appeal of a judgment from a small claims tribunal shall be resolved by binding arbitration.

7. This Arbitration Provision is made pursuant to a transaction involving interstate commerce and shall be governed by the FAA. If a final non-appealable judgment of a court having jurisdiction over this transaction finds, for any reason, that the FAA does not apply to this transaction, then our agreement to arbitration shall be governed by the arbitration law of the State of Ohio.

8. This Arbitration Provision is binding upon and benefits you, your respective heirs, successors and assigns. The Arbitration Provision is binding upon and benefits us, our successors and assigns, and related third parties. The Arbitration Provision continues in full force and effect, even if your obligations have been paid or discharged through bankruptcy. The Arbitration Provision survives any termination, amendment, expiration or performance of any transaction between you and us and continues in full force and effect unless you and we otherwise agree in writing.