

RETAIL SALES FINANCING AGREEMENT

This Retail Sales Financing Agreement (“Agreement”) between National Auto Acceptance, LLC (“National Auto ”), a Louisiana limited liability company, whose principal office is at 2600 Belle Chasse Hwy Ste 206 Gretna, La 70056, and the undersigned motor vehicle dealer whose name and address are shown below (“Dealer”), sets forth the terms under which National Auto may, from time to time, purchase motor vehicle retail installment sale contracts (“Contracts”) from Dealer and the rights and obligations of National Auto and Dealer with respect to the Contracts purchased and this Agreement.

Dealer Name: _____

Dealer Address: _____

RECITALS

Whereas, Dealer sells new and used motor vehicles (“Vehicles”) to retail buyers (“Buyers”);

Whereas, Dealer may, from time to time, offer to National Auto for purchase Contracts secured by such Vehicles arising out of Dealer’s business in accordance with the terms and conditions set forth in this Agreement;;

Whereas, National Auto may purchase such Contracts in accordance with the terms and conditions set forth in this Agreement;

Now, therefore, in consideration of the mutual promises and agreements contained herein, National Auto and Dealer agree as follows:

AGREEMENT

Section 1: Purchase and Sale of Contracts

1.1 No Required Sale or Purchase: Dealer is not required to sell any Contracts to National Auto and National Auto is not required to buy any Contracts from Dealer. National Auto may buy Contracts offered by Dealer if acceptable to National Auto, at National Auto’s sole discretion. For each Contract, Dealer shall execute and deliver to National Auto an assignment of the Contract in a form required by National Auto (“Assignment”), and shall deliver all other documents required for the purchase of a Contract by National Auto (collectively “Required Documents”).

1.2 Dealer’s Initial Submission of Buyer Information: In connection with an offered Contract, and to the extent permitted by law, Dealer shall: (i) provide National Auto

with all necessary credit information concerning a Buyer that Dealer may possess; and (ii) transmit to National Auto a copy of Buyer's application, including the credit information of any co-applicant. Upon receipt of complete credit information and completion of its investigation, National Auto shall determine whether it will purchase the Contract when offered by Dealer and will inform Dealer of its decision.

1.3 Dealer's Assignment to National Auto : Upon National Auto's decision to purchase the Contract, Dealer shall: (i) execute a written assignment of the Contract to National Auto ; (ii) deliver the original executed Contract to National Auto and copies of any other Required Documents; (iii) file and record all documents, pay all fees or charges, and take any other action as and when necessary to sell, transfer and assign to National Auto the Contract, to perfect a valid and enforceable first priority security interest in the Vehicle in favor of National Auto, to have National Auto recorded as a first lienholder on the Certificate of Title for the Vehicle, and to comply with all related provisions of applicable motor vehicle law; (iv) if and when required by applicable law, send to Buyer a notice that Dealer has assigned the Contract to National Auto; and (v) fully cooperate with National Auto in the completion and execution of such forms or applications as may be necessary to accomplish the actions described in this Section.

1.4 Dealer's Forwarding and Endorsement Obligation: After purchase of the Contract by National Auto, Dealer shall immediately forward without setoff to National Auto any payments on the Contract received from Buyer. In the event such payment is made by check or other instrument payable to Dealer, Dealer shall endorse such check or other instrument to National Auto.

Section 2: Fees and Contract Purchase Price

2.1 Contract Purchase Price: The purchase price of each Contract bought by National Auto shall be an amount specified by National Auto, not to exceed the Amount Financed under the Contract. The purchase price shall be paid to Dealer upon Dealer's compliance with or satisfaction of the terms, conditions, warranties and representations of this Agreement and the Assignment. Funds will be an ACH transfer from National Auto to Dealer within two business days after the day of receipt by National Auto of all Required Documents.

2.2 Payment of Dealer Fee: In addition to the Contract Purchase Price, National Auto may pay Dealer for each Contract purchased an amount equal to 0% of the amount financed to be paid at the time of funding.

Section 3: Representations, Warranties, and Covenants

Dealer represents, warrants and covenants with respect to each Contract and Assignment that:

3.1 Furnished All Credit Information: Dealer furnished National Auto all credit information received by Dealer relative to the Contract and such information is to the best of Dealer's knowledge, true, complete and accurate;

3.2 Contract is Valid and Genuine: The Contract and any guaranty of the Contract is valid and genuine and correctly and fully states the terms of the transaction between Dealer and Buyer and Dealer and any guarantor;

3.3 Vehicle Delivered and Accepted: The Vehicle described in the Contract and all optional equipment, goods and services agreed to by Dealer and Buyer to be delivered with the Vehicle have been delivered to and accepted by Buyer;

3.4 Down Payment: The down payment was paid in full, in cash (except for any manufacturer's rebate) or in trade equity, and no part was loaned and no part was otherwise provided directly or indirectly by Dealer;

3.5 Dealer's Title to Vehicle: Dealer had good title to the Vehicle and the right to sell the Vehicle to Buyer and the Vehicle is free of all liens, claims and encumbrances;

3.6 Cash Price: The Cash Price of the Vehicle as shown on the Contract is the "Cash Price" as defined by applicable State and Federal Law and was not increased because the Vehicle is being sold in a credit transaction or is being sold to a member of a protected class as defined under state or federal law;

3.7 Vehicle Warranties: Any optional mechanical breakdown protection, warranty protection or service contract sold under the Contract is offered for sale in comparable cash transactions at a price equal to that disclosed in the Contract;

3.8 Right of Assignment: Dealer has the right to sell and assign the Contract to National Auto , and has no knowledge of any fact that would impair the Contract's validity or enforceability;

3.9 Buyer Provided With Completed Copies: On the date of the Contract, Dealer executed and delivered to each Buyer a completed copy of the Contract and any other document required by applicable law and to the guarantor a completed copy of the Contract and required federal and state notices explaining guarantor's obligations;

3.10 Dealer Complied With Applicable Law: Dealer has complied with all requirements of the Truth in Lending Act, Regulation Z, the Equal Credit Opportunity Act, Regulation B, the Fair Credit Reporting Act, and all Federal Trade Commission Rules applicable to the transaction contemplated by the Contract, any and all applicable laws of the state wherein the Contract was executed, and any and all other applicable federal, state and local laws, rules and regulations;

3.11 Insurance in Effect: Insurance is in effect with respect to the Vehicle as required by National Auto, and all other conditions established by National Auto for purchase of the Contract have been satisfied;

3.12 Governmental Fees: Dealer does not charge Buyer for filing fees or other costs paid by Dealer to public officials to perfect National Auto's security interest in the Vehicle, except where allowed by law, nor does Dealer make any type of charge, including documentary or processing charges, which Dealer does not make in any other cash transaction; and

3.13 No Representations to Buyer: Dealer has made no representations, warranties, statements, claims or comments regarding the finance charge, including obtaining the lowest interest rate available for Buyer.

Each of the warranties, representations, agreements and covenants herein and in the separate Assignment (i) are material to National Auto's purchase of any Contract, (ii) shall be deemed remade each time National Auto acquires a Contract from Dealer, and (iii) are in addition to any warranties, representations, agreements and covenants in the separate Assignment of the Contract. Such warranties will not be considered waived if National Auto buys any Contract with knowledge that the warranty, representation or covenant is breached.

Section 4: Additional Dealer Obligations and Agreements

4.1 Licenses: Dealer has and will maintain all licenses required by law.

4.2 Advertising and Promotion: Without National Auto's prior written permission, Dealer shall not refer to National Auto or any of its affiliates in any manner in any advertisements or promotions.

4.3 Responsibility for Sale: Dealer shall have the sole responsibility for the underlying sale transaction and for the nature, quality, and performance of all goods and services purchased from Dealer and financed under any Contract. Such responsibility includes any liability for any actions or omissions in connection with the sale of goods and services, for failure to deliver goods or perform services, for failure to properly handle, sell, or dispose of as agreed any down payment or trade-in or the proceeds of the trade-in or down payment, and for any and all representations and warranties, express or implied, made in connection with such goods and services, whether by Dealer, the manufacturer or provider of the goods and services, or any third party.

4.4 Physical Damage Insurance, Credit Life, Accident and Health Insurance, Warranty and Service Contract Refunds: At the time the Contract is bought by National Auto, Dealer will provide National Auto with written evidence of physical damage insurance acceptable to National Auto including deductibles acceptable to National Auto, covering the Vehicle against comprehensive and collision losses, and noting the secured party and loss payee as instructed by National Auto . If such written evidence is not

provided by Dealer to National Auto, Dealer will pay for any loss that would have been covered by comprehensive and collision insurance. Dealer will inform Buyer that no insurance coverage is required to obtain credit (other than comprehensive and collision insurance) and that any insurance may be obtained from anyone of Buyer's choice. Dealer agrees with and represents and warrants to National Auto that with respect to credit life or accident and health insurance financed or sold in connection with a Contract:

4.5 Dealer Changes: Dealer shall notify National Auto of any material or significant change in Dealer's ownership, organization or business, including the death of a principal, whether a shareholder, general partner, or owner, a dissolution, merger, consolidation, or reorganization, or a conversion to another form of legal entity or type of business. Such notice shall be provided 30 days before such change or, if unknown to Dealer before the change, then within 30 days after Dealer has knowledge of such change.

Section 5: Indemnification and Repurchase

Dealer unconditionally agrees to repurchase from National Auto any Contract bought by National Auto and pay National Auto, upon demand, the full amount unpaid under the Contract and all other indebtedness then due from Buyer thereon, plus any Dealer Fee or Flat Fee remitted to Dealer for the Contract, together with any costs, expenses and attorney fees incurred by National Auto or expended in attempts to enforce the terms of the Contract upon the occurrence of any of the following events:

5.1 Breach or Misrepresentation: Any representation, warranty, agreement or covenant herein or in the separate Assignment for any Contract is breached or is untrue or inaccurate;

5.2 Dispute Concerning Dealer Performance: Any dispute, claim or defense concerning any act or omission on the part of Dealer, the underlying sale transaction, the nature, quality, or performance of the goods or services financed under any Contract, or any insurance, warranty, service contract, or the like sold by Dealer in connection with any Contract;

5.3 Failure to Demonstrate Perfected Security Interest: National Auto does not receive a title from the respective state, reflecting National Auto's lien, within 90 days from the time National Auto buys the Contract, that a security interest is perfected as required hereunder (the proof must include proof of recording with the appropriate public agency or government official); or

5.4 Non-Compliance with Applicable Law: Dealer fails to comply with any requirement of applicable law;

In addition, Dealer agrees to indemnify and hold National Auto harmless from and against any and all losses, liabilities, expenses, and damages (including reasonable

attorney fees and other costs) arising out of any of the above events, and if Dealer breaches this Agreement or the Assignment of any Contract, Dealer shall pay National Auto all losses and expenses incurred by National Auto because of such breach. All Contracts repurchased by Dealer hereunder shall be reassigned to Dealer, without recourse to National Auto or its assignee, if any, and without warranties or representations, expressed or implied. National Auto shall not be bound to exhaust its recourse against any security or any Buyer or obligor before being entitled to payment by Dealer.

Section 6: Dealer Liability

6.1 Buyer's Prepayment: In the event of prepayment of a Contract in full, or default by a Buyer, Dealer shall be responsible for repaying Dealer's proportionate share of any unearned Finance Charges. Notwithstanding anything contained in this Agreement to the contrary, in the event of prepayment of a Contract in full, or default by a Buyer, Dealer shall, in every case, be responsible for repaying or causing to be repaid amounts included in the Contract for goods, services and benefits, including but not limited to, insurance premiums, GAP coverage contract charges and, on a prorata basis, charges for extended warranty contracts, mechanical breakdown protection contracts, service contracts, or comparable optional coverage, whether or not this Agreement has been terminated.

6.2 Default: An event of default under this Agreement shall include, but shall not be limited by, the following:

6.2.1 Breach of Agreement: A default by Dealer in the payment of any indebtedness or performance of any obligation under this Agreement or any other agreement between National Auto and Dealer.

6.2.2 Bankruptcy: The institution of a proceeding in bankruptcy, receivership or insolvency by or against Dealer.

6.2.3 Assignment for Creditors: An assignment by Dealer for the benefit of creditors.

6.2.4 Failure to Maintain License or Permit: Dealer's failure to maintain, in good standing, any franchise, license, permit, or other matter necessary for the proper operation of Dealer's business.

6.2.5 Impairment of National Auto's Benefit: The occurrence of any event, or material adverse change in Dealer's financial condition or business operations which causes National Auto in its judgment, to believe Dealer's ability to repay its indebtedness or honor its obligations to National Auto has been substantially impaired.

Section 7: Termination

National Auto or Dealer may terminate this Agreement at any time upon written notice to the other party, effective immediately. Such termination shall in no way affect, and this Agreement shall remain fully operative as to, any transactions entered into, or rights granted or obligations incurred, before termination. No termination shall relieve Dealer or National Auto from any responsibility or obligation hereunder with respect to any Contract sold or proposed to be sold by Dealer to National Auto hereunder before such termination. Upon termination of this Agreement, Dealer shall immediately return to National Auto all forms, documents, software, training materials, equipment, and any other materials provided by National Auto to Dealer. This section shall survive the termination of this Agreement.

Section 8: Books and Records

National Auto may, from time to time and during normal business hours, inspect Dealer's books and records and files of Buyers and customers whose applications are submitted to National Auto . Upon National Auto's request, Dealer will provide National Auto with such financial statements or other information as National Auto may require from time to time. Dealer agrees and warrants that such financial statements will be true and correct in all respects.

Section 9: Right of Set-Off

Dealer agrees that National Auto has the ongoing right to deduct from any funds, deposit, account, obligation or other amounts due Dealer any and all amount(s) Dealer owes National Auto .

Section 10: Information and Payment Received by Dealer

Dealer shall promptly forward to National Auto all payments, inquiries, and communications received by Dealer with respect to any Contract bought by National Auto , and shall reimburse National Auto for any and all losses National Auto may suffer as a result of Dealer's failure to do so. After purchase of a Contract by National Auto , Dealer will not accept any payments on the Contract. Dealer hereby appoints National Auto and each of its officers as Dealer's attorney-in-fact with full power to endorse, without recourse, Dealer's name upon any and all notes, checks, drafts or other instruments made payable to Dealer which are payments under a Contract purchased by National Auto .

Section 11: Dealer Not National Auto 's Agent

Dealer agrees that (i) Dealer is not a partner, joint venturer, legal representative, or agent of National Auto in connection with any Contract or the sale transaction related thereto or for any purpose whatsoever, and (ii) Dealer has no authority to assume or to create any obligation on behalf of or in the name of National Auto . Dealer agrees that National Auto shall not be responsible for any statements, promises, or other matters in connection with the sale or attempted sale of any goods, services, insurance, warranties or other products financed, sold, or otherwise discussed in connection with any Contract

or any other matters related thereto. Dealer shall not hold itself out as having any authority to act for National Auto, and shall not by any action or omission cause any Buyer or any other person to conclude that Dealer has any authority to act for National Auto. Neither party owes the other any fiduciary obligation.

Section 12: Confidential and Proprietary Information

Prior to and throughout the duration of this Agreement Dealer will have access to certain proprietary and confidential business information of National Auto. Dealer acknowledges that such information is and shall remain the exclusive property of National Auto. Dealer acknowledges that any and all National Auto methods and materials, procedures, techniques, and forms (the "Information") used by National Auto to operate its business is and is continually being developed at great expense, effort, and time. Dealer agrees to protect and maintain the confidentiality of the Information and not to communicate the Information, in whole or in part, to any person or entity without prior written permission and consent of National Auto. This section shall survive the termination of this Agreement.

Section 13: Binding Arbitration

Any dispute, claim or controversy arising out of, connected with or relating to this Agreement shall be resolved by binding arbitration administered and conducted under the Commercial Arbitration Rules of the American Arbitration Association and Title 9 of the United States Code. The prevailing Party in any arbitration, or judicial action to enforce the arbitration order or otherwise, shall be entitled to reimbursement from the other Party for costs, filing fees, arbitration filing fees, reasonable attorney's fees, witness fees, expert fees, arbitration panel fees, and travel fees. A judgment upon the arbitration award may be entered in any court having jurisdiction. Nothing in this section, however, shall prevent either Party from seeking equitable relief for the other Party's breach of its confidentiality obligations or infringement of intellectual property rights. For such a proceeding seeking equitable relief from a court, the Parties agree that all disputes shall be brought in a court of competent jurisdiction in Metairie, Louisiana. All arbitration hearings shall take place in Metairie, Louisiana, unless the Parties mutually agree on a different location to hold any such arbitration hearing.

Section 14: Miscellaneous

14.1 Entire Agreement. This Agreement, including any addenda, schedules, exhibits, or other documents attached hereto or referenced herein or therein, each of which is hereby incorporated into this Agreement and made an integral part of this Agreement, constitutes the entire agreement between the Parties relating to the subject matter of this Agreement and there are no representations, warranties or commitments except as set forth herein. This Agreement may not be amended or modified except in a written document signed by both Parties. This Agreement supersedes all prior understandings, negotiations and discussions, written or oral, of the Parties relating to the transactions contemplated by this Agreement.

14.2 Survival: Each party agrees that any and all of the agreements, warranties, representations and obligations of either of the parties hereunder or under any Contract or separate Assignment shall survive the purchase of any Contract by National Auto , repurchase of any Contract by Dealer, and the termination this Agreement.

14.3. Successors and Assigns: This Agreement shall inure to the benefit of and be binding upon the respective successors, legal representatives, and assigns of the parties. Dealer's rights and obligations hereunder shall not be assigned by Dealer without National Auto's prior written consent.

14.4 Notices. All notices and other communications shall be in writing and shall be deemed given (i) 3 business days after being deposited in the U.S. mail, first class, postage prepaid; (ii) upon transmission, if sent by facsimile transmission; or (iii) upon delivery, if served personally or sent by any generally recognized overnight delivery service, and sent to the following addresses, or to any other address as may hereafter be designated in writing by notice pursuant to this subsection:

If to Dealer:

_____ (Dealer Name)

_____ (Street Address)

_____ (City, State, Zip)

If to National Auto :

National Auto Acceptance, LLC
Attn: Eric Wallis
2600 Belle Chasse Hwy Ste 206
Gretna, La 70056

14.5 Governing Law. This Agreement shall be governed by and interpreted in all respects by the Laws of the state of Louisiana without regard to any conflicts of law principles or choice of laws, which would require the application of laws of another jurisdiction.

14.6 Provisions Severable. If any provision of this Agreement shall be or become wholly or partially invalid, illegal or unenforceable, such provision shall be enforced to the extent that its legal and valid and the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby, unless such enforcement is in manifest violation of the present intention of the parties reflected in this Agreement.

14.7 Validity; Amendment. This Agreement shall not be valid until signed and accepted by an authorized officer of each Party. The Parties agree that this Agreement,

together with any addenda, schedules, exhibits or other documents attached hereto, may be amended from time to time in writing by mutual agreement of the Parties. No Party shall be bound by any change, alteration, amendment, modification or attempted waiver of any of the provisions of this Agreement unless in writing and signed by an authorized officer of the Party against whom it is sought to be enforced.

14.8 Waivers; Remedies are Cumulative. No waiver of any breach of any provision of this Agreement shall constitute a waiver of any prior, concurrent or subsequent breach of the same or any other provisions of this Agreement, and no waiver shall be effective unless made in writing and signed by an authorized representative of the waiving Party. All rights with respect to a Contract, unless otherwise provided in this Agreement, shall continue until all Contracts have been fully paid. All rights and remedies provided in this Agreement are cumulative and not alternative; and are in addition to all other available remedies at law or in equity.

14.9 Captions; Sections; Counterparts. The captions or headings in this Agreement are for convenience only and shall not be considered a part of or affect the construction or interpretation of any provision of this Agreement. Any reference to a Section in this Agreement shall refer to all paragraphs and subparagraphs within that Section. This Agreement may be executed in two or more counterparts, each of which together shall be deemed an original, but all of which shall constitute one and the same instrument.

14.10 No Third Party Beneficiaries. Except as otherwise provided in this Agreement, nothing in this Agreement, express or implied, is intended or shall be construed to create any rights in, or confer any benefits upon, any person or entity other than the Parties to this Agreement.

14.11 Expenses. Unless specifically provided for elsewhere in this Agreement, each Party will bear all costs and expenses incurred by it in connection with the transactions herein, including legal fees, accounting fees and taxes which are imposed upon that Party based upon its activities hereunder.

14.12 Signing Authority. The signatories on behalf of the Parties warrant and represent that they have the authority to enter into this Agreement and to bind their respective principal on whose behalf the signatory acts.

National Auto Acceptance, LLC

(Name of Dealer)

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Address: 2600 Belle Chasse Hwy Ste206
Gretna, La 70056

Address: _____

Date: _____

Date: _____