

# AGREEMENT

First Austin Funding, LLC., Second Austin Funding, LLC., Fourth Austin Funding, LLC. and Fifth Austin Funding, LLC., jointly and severally, (Austin), and Name of Dealer (Dealer) wish to create an agreement by which Dealer will purchase vehicles, recondition them as necessary for sale, and sell them to third parties (Customer), and Austin will under the conditions noted herein finance the Customer and ultimately sell the Contracts to a third party. Nothing herein shall be deemed to constitute or create a partnership or joint venture between Austin and Dealer, and each party will be obligated to the other, and to any third parties for all acts or omissions in the conduct of each parties duties.

1. No income or expense will be recognized for tax purposes on either party's part until the Contracts have been consummated in full. Consummation of the Contract is realized when the Contract is sold to a new lender, paid in full by the Customer, or paid off or terminated due to an accident or such other incident which may terminate the Contract, whichever comes first. All monies not expended by either party will be held in escrow until consummation of the Contract.
2. Dealer will purchase vehicles and Austin will reimburse the Dealer for the 'cost' of said vehicles.
3. Austin shall have the non-exclusive right, but not the obligation, to purchase any or all of the Contracts offered by Dealer. For each Contract offered to Austin, Dealer shall provide the documentation required in Paragraph 25.
4. Austin may elect, in its sole and absolute discretion, not to purchase any Contract tendered by Dealer. Such election to not purchase shall not affect the duties and obligations of Dealer hereunder with respect to any other Contract previously or thereafter purchased by Austin.
5. All Customers will sign the Fee Schedule currently in effect.
6. All Customers will be offered a Guaranteed Automobile Protection (GAP) Contract and Austin shall pay for the 'cost' of said contact if accepted by the Customer.
7. All Customers will be offered a vehicle service contract (warranty) and Austin shall pay for the 'cost' of said contract, if accepted by the Customer.
8. Austin will provide and pay for a GPS unit with Starter Interrupt capability (GPS), of its choosing, for each Contract done under this Agreement. Austin will pay for the unit and Dealer will install it in the vehicle.
9. The Contract sales price of the vehicle will be approximately 150-200% of the purchase cost of the vehicle.
10. Austin will maintain a record of receipts and disbursements made by Austin and Dealer. These records will be available to Dealer upon request. Expenditures and receipts by Dealer and Austin will be tracked separately. Records will be maintained on a cash basis in the following format:

11. **Contract estimated disbursements:**

Description	Austin	Dealer
Vehicle Cost (attach docs)		
Recon (Provide List)		
Tax		
Registration		
Warranty		
GAP	175.00	
Dealer Pack		200.00
Flooring Fee	100.00	
Down Payment		(                    )
<b>Total</b>		

12. Documentation must be provided to verify all costs upon request.
13. Every vehicle sold must have a duplicate key kept at Dealer for purposes of repossession, if necessary.

14. Upon consummation of the Contract, proceeds from the contract will be made to Dealer and Austin in the following manner:
  - a. Definition of net expenditures means the total receipts subtracted from the total expenditures of Dealer or Austin on a specific Contract resulting in more money having been spent during the life of the contract than has been received.
  - b. If the proceeds from consummation of the Contract exceed the total net expenditures paid by the Dealer and Austin, the net expenditures paid by Dealer and Austin shall be reimbursed first. The excess proceeds, after the reimbursement, will be shared 50/50 between Dealer and Austin as soon as the consummation amounts have been finally calculated.
  - c. If the total proceeds from the consummation of the Contract are less than the net expenditures paid by the Dealer and Austin, then said net expenditures shall be paid to the Dealer and Austin in a ratio of the total net expenditures of Dealer and Austin, to the combined total of net expenditures of the Dealer and the total of net expenditures of Austin.
  - d. If Dealer or Austin has a negative net expenditure and the other party has a balance of net expenditures then the party with the negative net expenditure must pay that negative amount to the other party.
  - e. If Dealer and Austin both have negative net expenditures the negative amounts should be combined and the total thereof will be shared 25% to Dealer and 75% to Austin.
  - f. If the customer is turned over for collection for a deficiency balance and monies are subsequently recovered from the customer, said monies shall be disturbed to the Dealer and Austin in accordance with this paragraph 14.
15. Down payments will be treated as a cash receipt and may be kept by the Dealer. Sales taxes and registration fees will be treated as cash expenditure and will be paid by Dealer. Austin will pay to Dealer a \$200 Dealer Pack and a \$100 flooring fee. Reasonable recon fees will be paid by Austin. All of these factors will be considered in calculating the ratio, if the proceeds from consummation are less than the total expenditures.
16. Payments made by Customer shall be treated as cash receipts by either Austin or the Dealer, whichever actually received the funds. No breakout of principle and interest shall be made. Principle and interest shall be broken out only for the benefit of the Customer. Any contract payments received by Austin or the Dealer shall be shown on a cash receipts and cash disbursements schedule maintained for each customer.
17. Contract payments from the Customer will be scheduled on a bi-weekly, semi-monthly, or monthly basis.
18. Payments will be scheduled to be paid on or before Friday of their respective week due, unless circumstances of the Customer warrant another day.
19. If payments are not made when due, the vehicle may be repossessed immediately by Austin.
20. If a vehicle is repossessed, the vehicle may be redeemed by Customer, kept by Dealer for resale, or taken to auction for sale, subject to agreement by the Dealer and Austin.
21. Customer may pay in several ways.
  - a. Payment may be taken by the Dealership.
    - i. If Customers pay by Cash or money order, at the Dealer's they need to receive a receipt.
    - ii. Receipts need to be faxed or emailed to Austin not later than 72 hours after the payment.
    - iii. Receipt should have debtors name, amount paid, date, method of payment, and VIN.
    - iv. All payments not made through Austin's web site or EFT should be deposited on the first business day after receipt to Chase Bank. Account # 578178381 in the name of Austin Titles.
    - v. If Dealer has disbursements in excess of receipts, he may keep the payment to apply against said deficit until no more is due. Except for the down payment, all receipts not kept by Dealer will be faxed or mailed to Austin. Copy of the money order, check, or other means of payment shall be sent with the receipt.
  - b. Debit and credit card payments may be made on line at Austin's credit card website by the Dealer or by the Customer at <https://austinfundingpaymentcenter.com/>. When the credit card website asks for invoice number, enter BH and the last six numbers of the VIN, i.e. BH123456.
  - c. Austin automatically processes credit card for customer from customer authorized card on file.
  - d. Austin automatically drafts customer's bank account, by electronic funds transaction(EFT), based on a customer preapproved EFT authorization.
  - e. Customer can call in their Visa, MasterCard or Discover card to Austin who will then process the payment. Customer will subsequently need to sign an authorization and e-mail or fax back to Austin.
  - f. Limited Power Of Attorney. If Austin receives a check, bank draft, money order or other negotiable instrument payable to Dealer with respect to a Contract, Dealer nominates, constitutes and appoints Austin as its true and lawful attorney-in-fact, with full right, title and authority to endorse and negotiate such instrument in Dealer's name, place and stead, and shall otherwise cooperate with respect to such endorsement and negotiation.

22. Contracts that are able to be sold (consummated) will be sold to an unrelated third party as soon as possible, usually around 90-180 days. Austin, therefore, may sell, transfer, encumber or assign this Agreement and/or any Contract purchased by Austin hereunder without Dealer's consent and without prior notice. Dealer may not assign this Agreement or any of its rights or obligations hereunder without the prior written consent of Austin, which consent may be withheld by Austin for any reason in Austin's sole discretion. Any such assignment or attempt to assign, without Austin's written consent, which consent may be withheld by Austin in its sole discretion, shall be null and void.
23. Distribution of excess receipts, if any, will be made within 30 days following consummation of the Customer Contract, unless the accounting cannot be accomplished within such time.
24. Changes may be made to this agreement only upon agreement of both Austin and Dealer and set forth in writing. Said agreement may amended by e-mail, as long as consent to the amendment is transmitted by e-mail back to the amending party, and will contain the name of each party and persons authorizing the change.
25. Documents and items required before funding a Contract purchase:
  - a. Customer e-mail address.
  - b. Color of the vehicle.
  - c. At least three references located at a different address.
  - d. Copy of auction slip.
  - e. Copy of recon costs, if any.
  - f. Legible copy of drivers license.
  - g. Insurance:
    - i. Maximum of \$500 deductibles for comprehensive and collision.
    - ii. Austin Titles must be the lien holder.
  - h. Power of Attorney for Austin Titles, LLC (original to be mailed to Austin).
  - i. Customer(s) application (original to be mailed to Austin).
  - j. Retail Installment Contract (original to be mailed to Austin).
    - i. Execute the assignment to Austin Titles, LLC.
  - k. Title and Registration Application.
  - l. Odometer Statement \_\_\_\_\_miles.
  - m. GAP Disclosure.
  - n. Fee Agreement.
  - o. GPS & Starter Interrupt Disclosure, (4 pages).
  - p. Service Warranty.
  - q. GPS Serial Number \_\_\_\_\_.
  - r. Austin Titles, LLC. maintenance of insurance acknowledgement.
26. This Agreement constitutes the entire Agreement between the parties with respect to the subject matter herein. All prior contemporaneous agreements, understandings, representations, warranties and statements, oral or written, relating to the subject matter hereof are superseded by this Agreement. No modification to or amendment to this Agreement shall be binding, unless in writing and executed by both parties.
27. This Agreement shall be construed and interpreted in accordance with the laws of the State of Colorado. Venue in any action brought with respect to any provision of this Agreement shall be in Adams or Jefferson County, Colorado and Dealer specifically consents to the jurisdiction of any state court sitting in either of the aforementioned counties.
28. In the event of any dispute under this Agreement, the prevailing party shall be entitled to an award of attorney's fees and costs and in the event of a default in this agreement, the defaulting party shall pay the non-defaulting party its attorney's fees and costs, whether or not suit is actually filed.
29. In the event of litigation between the parties, both parties waive their right to a jury trial.
30. Austin or Dealer may terminate the Agreement at any time, by giving written notice to the other party along with an effective date of termination. Upon the effective date of termination, whether such termination is pursuant to the occurrence of a Default or otherwise, all existing indebtedness shall become immediately due and payable without further notice or demand. No such termination of this Agreement shall affect liabilities and obligations of Dealer or the rights, powers and remedies of Austin under this Agreement, or the security interest granted Austin hereunder with respect to existing or future Collateral, until all indebtedness has been satisfied or paid in full and all pending transactions have been completed. Each party agrees to make a good faith effort to complete its duties to as not to adversely affect any pending transaction.

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

Name of Dealer (Dealer)

First Austin Funding, LLC., Second Austin Funding, LLC., Fourth Austin Funding, LLC. and Fifth Austin Funding, LLC. (Austin)

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By: Authorized Representative

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By: Authorized Representative