



These TitleMax Personal Line of Credit Account Terms and Conditions (Online) (these “*Terms and Conditions*” or this “*Agreement*”) govern your TitleMax Personal Line of Credit Account. In this Agreement, “*you*” and “*your*” refer to the Borrower who has applied for and been approved for a TitleMax Personal Line of Credit Account. “*We*”, “*us*”, “*our*”, “*Lender*” and “*TitleMax*” refer to TitleMax of Kansas, Inc. d/b/a TitleMax. “*Account*”, “*Personal Line of Credit Account*” and “*TitleMax Personal Line of Credit Account*” means the TitleMax open-end, personal unsecured line of credit established between you and Lender in accordance with these Terms and Conditions. TitleMax is a licensee under and offers this open-end, personal unsecured line of credit product in accordance with and under the authority of the Kansas Uniform Consumer Credit Code (K.S.A. 16a-1-101 et seq.) (the “*UCCC*”).

These Terms and Conditions contain an arbitration provision. Unless you act promptly to reject the arbitration provision, it will have a substantial effect on your rights in the event of a dispute.

You should review these Terms and Conditions to fully understand how your TitleMax Personal Line of Credit Account works. If you have questions, you may contact TitleMax personal loan customer service at 1-888-869-4522. You should retain a copy of these Terms and Conditions for your records.

ACCOUNT OPENING DISCLOSURES

Refer to your Personal Line of Credit Account Opening Disclosures and Account Opening Acknowledgement for your Account Opening Disclosures.

TERMS AND CONDITIONS

A. Definitions.

“*Account*”, “*Personal Line of Credit Account*” and “*TitleMax Personal Line of Credit Account*” each means the TitleMax open-end, personal unsecured revolving line of credit established between you and Lender in accordance with these Terms and Conditions. The Account is “open end credit” as defined in K.S.A. 16a-1-301(31).

“*Account Opening Acknowledgement*” means the Personal Line of Credit Account Opening Disclosures and Account Opening Acknowledgement.

“*Application*” and “*Credit Application*” each mean the initial and any supplemental credit application you submit in connection with establishing and maintaining your Account with Lender.

“*Borrower*” means the individual identified as a Borrower on the Account.

“*Borrower Notice Address*” means the address provided by Borrower on Borrower’s Credit Application or such other address as Borrower designates to Lender in writing as the Borrower Notice Address.

“*Billing Cycle*” means the interval between the days or dates of regular periodic statements.

“*Cash Advance*” means a borrowing of cash made under your Account.

“*Credit Limit*” means the maximum amount you can borrow under your Account. Your available credit is based on the outstanding principal balance of Cash Advances made on your Account and is not reduced by accrued and outstanding Interest.

“*Due Date*” means the date reflected on your Periodic Statement on which your payment is due.

“*Interest*” means the periodic rate of interest charged on the daily principal balance of your Account.

“*Lender*” means TitleMax of Kansas, Inc. d/b/a TitleMax.

“*Lender Notice Address*” means TitleMax of Kansas, Inc. d/b/a TitleMax, Legal Department, P.O. Box 8323, Savannah, Georgia 31412.

“*Minimum Payment Due*” means the minimum payment you agree to make each Billing Cycle, consisting of the Minimum Principal Amount and billed Interest and other applicable fees.

“*Minimum Principal Amount*” means that portion of your Minimum Payment Due that is applied to the outstanding principal balance of your Account. The formula for calculating the Minimum Principal Amount is set forth in Section F below.

“*Outstanding Billed Amounts*” means all billed and unpaid amounts owing under the Account as of the end of the applicable Billing Cycle, including the Minimum Payment Due for such Billing Cycle plus previously billed amounts that remain unpaid and/or past due.

“*Periodic Statement*” means the written statement issued for each Billing Cycle that describes, among other things, Cash Advances, accrued Interest, assessed fees, payments made, other credits, balances that are past due, your previous balance, your new balance and your payment Due Date for that Billing Cycle.

B. Eligibility for a TitleMax Personal Line of Credit Account; Validation of Information and Credit Reporting; Account Suspension

You may be eligible for a TitleMax Personal Line of Credit Account if you meet certain eligibility criteria established by us, which may change from time to time at our sole discretion. As of the date of this Agreement, the eligibility criteria are as follows:

- You have a regular source of income;
- You are at least 18 years old;
- You meet all other credit underwriting standards established by Lender from time to time; and
- You are not in default as defined in [Section I](#) of these Terms and Conditions.

TitleMax may verify all information provided in your Application and your continuing eligibility for your Account as follows: (a) by obtaining and reviewing information about you from one or more consumer reporting agencies and other information sources; (b) by obtaining and reviewing past or current credit and payment history information about you from affiliates and third party source(s); and (c) by contacting any person or company listed on your Application, including any persons that you may add at a later date. Your Application may be denied and access to your Account may be suspended or terminated if any information provided by you to Lender is found to be inaccurate, incomplete, incorrect or false.

***Reporting to Credit Bureaus:* Lender may report information concerning your Account and/or transactions with Lender to credit bureaus. Late payments, missed payments or other defaults on your Account may be reflected in your credit report.**

If at any point while your Account remains open Lender determines in its sole discretion that you no longer meet one or more of the eligibility criteria for the Account, Lender may suspend access to your Account and restrict your right to request and receive Cash Advances until such time as Lender has validated your satisfaction of all eligibility criteria. Lender may also suspend access to your Account and restrict your right to request and receive Cash Advances as described in [Section H](#) and [Section I](#) of these Terms and Conditions.

C. Opening Your Account; Credit Limit

In order to open an account with Lender, you must

1. execute and submit to Lender an accurate and complete Credit Application;
2. satisfy all of Lender’s eligibility criteria;
3. execute the Account Opening Acknowledgement; and
4. provide to Lender such other information and documentation as Lender may request in order to permit Lender to evaluate your Application.

The Account is an open-end, personal unsecured revolving line of credit with a maximum Credit Limit assigned by Lender. Subject to Borrower’s continuing eligibility and satisfaction with the Terms and Conditions, Borrower may borrow, repay and re-borrow amounts from time to time, up to the Credit Limit. Your available credit at any given time is equal to the Credit Limit amount less the outstanding principal balance of Cash Advances made on your Account; available credit is not reduced by accrued and outstanding Interest or fees.

D. Accessing Your Account

You can request an initial Cash Advance as part of the Account opening process. Subsequent Cash Advances may be requested via the TitleMax mobile application and via other methods as made available by TitleMax from time to time. Aggregate outstanding Cash Advances may not exceed your Credit Limit, and individual Cash Advances are limited to the amount of available credit on your Account. Proceeds of Cash Advances will be issued by electronic funds transfer to your designated bank account. Lender may offer other funding methods in its discretion.

E. Interest, Fees and Charges; Balance Computation Method; Billing Rights

Interest will accrue on the outstanding principal balance of your Account at the annual periodic interest rate set forth in the Account Opening Acknowledgement. Interest accrues based on the number of days elapsed over a 365-day year. Interest will continue to accrue on delinquent principal amounts as permitted by Kansas law.

- *Late Fee* – If you fail to pay at least the Minimum Payment Due within ten (10) days of the Payment Due Date, Lender may assess a late fee in an amount not to exceed 5% of the unpaid amount of the Minimum Payment Due or \$25, whichever is less.
- *NSF Fee* – Lender may impose an insufficient funds charge in the amount of \$30 for any payment instrument that is returned, is not honored, or otherwise cannot be processed due to insufficient funds.

We calculate your balance using a method called “daily principal balance method (including new cash advances)”. We figure a portion of the Interest on your Account by applying the periodic Interest rate to the “daily principal balance” of your account for each day in the Billing Cycle. To get the “daily principal balance” we take the beginning principal balance of your Account each day, add any new Cash Advances and subtract any payments or credits to principal. This gives us the daily principal balance.

Information on your rights to dispute transactions and how to exercise those Billing rights is provided in [Section J](#) of these Terms and Conditions.

F. Promise to Pay; Payments; Calculation of Minimum Principal Amount

You promise to pay the total of all Cash Advances outstanding on your Account from time to time, together with all Interest and fees that accrue on your Account from time to time as described in these Terms and Conditions. You also promise to pay all costs and fees, including reasonable attorneys’ fees, which we incur in referring your Account to an attorney for collection or enforcement.

You agree to make the Minimum Payment Due shown on each Periodic Statement on or before the applicable Due Date for such payment. The Minimum Payment Due consists of the Minimum Principal Payment and accrued and outstanding Interest and fees.

We credit each payment to your Account effective the business day on which such payment is received. Each payment received will be applied as follows: (1) past due billed unpaid Minimum Principal Payment amounts, (2) past due billed unpaid fees, (3) past due billed unpaid Interest, (4) current billed Minimum Principal Payment amount, (5) current billed fees, (6) current billed Interest, and (7) the outstanding principal balance of your Account.

Lender accepts payments by bank-issued debit card, recurring payments from my designated bank account, or other methods accepted by Lender and specified in writing. Lender does not accept personal checks or credit cards. Payments may be made by phone by calling 1-888-869-4522 or by mail to TitleMax, Attn: E-Commerce Customer Service, 2312 E. Trinity Mills Rd., Carrollton, Texas 75006. To be timely, payment must be received before 5 p.m. Central time (2 p.m. Central time on Saturdays) on the Payment Due Date.

We encourage you to pay more than the Minimum Payment Due to minimize the amount of Interest and fees you may incur. You may prepay any outstanding principal amount and billed Interest and fees owed on your Account in whole or in part at any time without penalty.

The Minimum Principal Amount due for each Billing Cycle is calculated at the end of each Billing Cycle and will be an amount equal to a percentage of the ending principal balance for such Billing Cycle. For example, if the starting principal balance for a Billing Cycle is \$500.00, you make a Cash Advance of \$200.00 during the Billing Cycle, and you make a payment during such Billing Cycle of which \$100.00 is applied to principal, the ending principal balance for such monthly Billing Cycle will be \$600.00 (\$500.00 + \$200.00 - \$100.00). For monthly Billing Cycles, the Minimum Principal Amount due under the statement for such monthly Billing Cycle will be 3% of \$600.00 = \$18.00. For non-monthly Billing Cycles (*i.e.*, twice monthly or bi-weekly), the Minimum Principal Amount due under the statement for such non-monthly Billing Cycle will be 1.5% of \$600.00 = \$9.00.

G. Periodic Statements

Not less than once each Billing Cycle during which there is (i) one or more transactions, (ii) a payment is received, or (iii) there is an outstanding balance owing on your Account, we will make available to you a Periodic Statement reflecting, among other things, the Minimum Payment Due, Outstanding Billed Amounts, Cash Advance transactions, accrued Interest and assessed fees, payments made, other credits, balances that are past due, your previous balance, and your new balance. In addition, we will provide you from time to time with any other disclosures or information required by applicable law and these Terms and Conditions. The Periodic Statement

for each Billing Cycle will be generated and delivered to Borrower's designated electronic mail address at least fourteen (14) days prior to the applicable Due Date for such Billing Cycle.

H. Periodic Income Review

Your Credit Limit is based in part on your income. At all times during the term of your Account, you must maintain regular income sufficient to support the Credit Limit. Your income is subject to review and verification every 6 months during the term of your Account. If Lender requests a periodic income review and you fail to comply, Lender will suspend access to your Account and restrict your right to request and receive Cash Advances until the income review is completed and Lender determines, in its discretion, that your regular income is sufficient to support the Credit Limit. If at any time Lender, in its discretion, determines that your regular income is not sufficient to support the Credit Limit, Lender reserves the right to suspend access to your Account and reduce your Credit Limit accordingly.

I. Delinquency and Default; Account Suspension; Consequences of Default

Your Account will be delinquent if you fail to pay any Minimum Payment Due in full on or before the Due Date for such amount. Interest will continue to accrue on delinquent principal amounts. While your Account remains delinquent, Lender will suspend access to your Account and restrict your right to request and receive Cash Advances. Lender may also suspend access to your Account and restrict your right to request and receive Cash Advances as described in Section H of these Terms and Conditions.

If you fail to timely pay in full a Minimum Payment Due for a Billing Cycle and do not bring your Account current by the close of business on the 11th day following the Due Date for such missed or incomplete payment, your Account will be in default status. Unless you timely cure such default, Lender may accelerate the repayment of all amounts owing on the Account. Lender may also refer the Account to an attorney for collection or enforcement. Lender's rights under these Terms and Conditions and under applicable law are cumulative and not exclusive.

We reserve the right to close your Account at any time following default without notice. We also reserve the right to close your Account after 12 months of inactivity on your Account. You remain obligated to pay all amounts owing on your Account notwithstanding the suspension or closure of your Account.

J. Billing Rights

Your Billing Rights: Keep This Document For Future Use
This notice tells you about your rights and our responsibilities under federal law.

What To Do If You Think You Find A Mistake On Your Statement

If you think there is an error on your statement, write to us at:

TitleMax of Kansas, Inc. d/b/a TitleMax
Legal Department
P.O. Box 8323
Savannah, Georgia 31412.
(DO NOT SEND PAYMENTS TO THIS ADDRESS)

In your letter, give us the following information:

- *Account information:* Your name and account number.
- *Dollar amount:* The dollar amount of the suspected error.
- *Description of Problem:* If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us within 60 days after the error appeared on your statement.

You must notify us of any potential errors in writing. You may call us, but if you do we are not required to investigate any potential errors and you may have to pay the amount in question.

What Will Happen After We Receive Your Letter

When we receive your letter, we must do two things:

1. Within 30 days of receiving your letter, we must tell you that we received your letter. We will also tell you if we have already corrected the error.

2. Within 90 days of receiving your letter, we must either correct the error or explain to you why we believe the bill is correct.

While we investigate whether or not there has been an error:

- We cannot try to collect the amount in question or report you as delinquent on that amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount.
- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your credit limit.

After we finish our investigation, one of two things will happen:

- *If we made a mistake:* You will not have to pay the amount in question or any interest or other fees related to that amount.
- *If we do not believe there was a mistake:* You will have to pay the amount in question, along with applicable interest and fees. We will send you a statement of the amount you owe and the date payment is due. We may then report you as delinquent if you do not pay the amount we think you owe.

If you receive our explanation but still believe your bill is wrong, you must write to us within 10 days telling us that you still refuse to pay. If you do so, we cannot report you as delinquent without also reporting that you are questioning your bill. We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us.

If we do not follow all of the rules above, you do not have to pay the first \$50 of the amount you question even if your bill is correct.

K. Change in Terms

We reserve the right to change these Terms and Conditions at any time with notice to you as required by applicable law. We will notify you of any significant change in these Terms and Conditions by providing written notice of such change to the Borrower Notice Address and/or Borrower's designated electronic mail address at least 45 days before the effective date of such change. Continued use of your Account after the effective date of such change constitutes your acceptance of and agreement to the changed Terms and Conditions. If you wish to decline the changes to your Account, Lender will suspend access to your Account and restrict your right to request and receive Cash Advances, pending the payment in full and closure of your Account. You will still be required to repay all amounts that you owe on your Account pursuant to the prior Terms and Conditions.

L. Regulatory Complaint Notice Address

Complaints about Lender may be submitted to the Kansas Office of the State Bank Commissioner at the following address:

Office of the State Bank Commissioner
Attn: Consumer Affairs
700 SW Jackson, Suite 300
Topeka, KS 66603
Fax - 785-296-6037
E-Mail - complaints@osbckansas.org

The Kansas Office of the State Bank Commissioner Complaint Form can be downloaded from the agency website at <https://www.osbckansas.org/consumers/complaints.html>.

M. Telephone Recording

You agree that Lender (directly or via its account servicing representative) may monitor and record any phone conversation with you.

N. Correspondence and Notices

All correspondence concerning these Terms and Conditions, the Account Opening Acknowledgement, or the Account, including communications after default or bankruptcy of Borrower, must be directed to Lender at the Lender Notice Address. Notices to Borrower shall be sent to the Borrower Notice Address, provided that Lender

also may send Account communications (including Periodic Statements and other important Account Information) to Borrower's designated electronic mail address.

O. Notice and Cure

Before starting litigation or an arbitration regarding a legal dispute or claim relating in any way to these Terms and Conditions, the Account, or the Account Opening Acknowledgement, the party filing the dispute (the "*Claimant*") shall give the other party or parties (the "*Defending Party*") detailed written notice of the nature of the claim and relief requested (the "*Dispute Notice*") and a reasonable opportunity of not less than 30 days to resolve the dispute. Any Dispute Notices shall be delivered as described in Section N above. Any Dispute Notice from Borrower must include Borrower's Account number, mailing address and telephone number. The Claimant must provide any information about the dispute that the Defending Party requests.

P. Successors and Assigns

These Terms and Conditions are binding upon Borrower's heirs and personal representatives in probate and upon anyone to whom Borrower assigns his or her assets or who succeeds Borrower in any other way. Lender may assign all of its rights, title and interest under these Terms and Conditions and/or the Account at Lender's discretion. Borrower may not assign his or her rights under these Terms and Conditions or the Account without Lender's written consent.

Q. Waivers

Lender may delay or forgo enforcing any of its rights without losing them. Borrower waives presentment, demand for payment, protest, and notice of dishonor. Lender is not required to file suit, arbitrate, or show diligence in collection against Borrower or others responsible. Lender may sue or arbitrate with one or more persons without joining or suing others.

R. Severability

If any provision of these Terms and Conditions (including the Waiver of Jury Trial and Arbitration Clause contained in Section U hereof) is held invalid or unenforceable, such provision will be considered changed to the extent necessary to comply with law, and the validity or enforceability of any other provision will not be affected.

S. Governing Law

These Terms and Conditions and the Account are governed by the laws of the State of Kansas, provided that the Federal Arbitration Act, 9 U.S.C. § 1, et seq. exclusively governs the Waiver of Jury Trial and Arbitration Clause contained in Section U hereof.

T. Entire Agreement

These Terms and Conditions, including the Waiver of Jury Trial and Arbitration Clause contained in Section U hereof and the Account Opening Acknowledgment together represent the final agreement between Lender and Borrower regarding the Account, and there are no other oral or written agreements between Lender and Borrower regarding the Account.

U. Waiver of Jury Trial and Arbitration Clause

WAIVER OF RIGHT TO TRIAL BY JURY. BORROWER AND LENDER ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL RIGHT. THIS RIGHT MAY BE WAIVED UNDER CERTAIN CONDITIONS AS ALLOWED BY LAW. BORROWER AND LENDER KNOWINGLY AND VOLUNTARILY WAIVE ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION ARISING OUT OF OR RELATED DIRECTLY OR INDIRECTLY TO EACH OF THE FOLLOWING: (A) THIS AGREEMENT, (B) THE ACCOUNT THAT IS THE SUBJECT OF THIS AGREEMENT; (C) THE ACCOUNT OPENING ACKNOWLEDGEMENT; AND (D) ANY PAYMENT CONSENT ENTERED INTO IN CONNECTION WITH THE ACCOUNT. THIS JURY TRIAL WAIVER WILL NOT CHANGE ANY ARBITRATION CLAUSE TO WHICH BORROWER AND LENDER ARE SUBJECT, WHICH CONTAINS ITS OWN SEPARATE JURY TRIAL WAIVER.

JURY TRIAL WAIVER AND ARBITRATION CLAUSE: By signing below, Borrower and Lender agree to this Waiver of Jury Trial and Arbitration Clause ("*Clause*"). This Clause is in question and answer form so it is easier to understand. This Clause is part of this Agreement and is legally binding.

BACKGROUND AND SCOPE		
Question	Short Answer	Further Detail
What is a Dispute?	A disagreement	In this Clause, “Dispute” has a broad meaning. “Dispute” includes all claims and disagreements related to Borrower’s Application, this Agreement, the Account Opening Acknowledgement, the Account, and Borrower’s dealings with Lender. It includes claims and disagreements about any prior Applications and agreements. It includes extensions, renewals, refinancings, and payment plans. It includes claims related to servicing, payment processing and payment authorizations, collections, privacy, and customer information. It includes claims and disagreements that usually would be resolved in court. “Dispute” also includes claims and disagreements Borrower has with Related Parties.
Who is a “Related Party”?	Usually a person or company related to Lender	“Related Parties” are Lender’s affiliates. They also are employees, directors, officers, shareholders, members, and representatives of Lender and its affiliates. “Related Parties” also means any person or company involved in a Dispute Borrower pursues while also pursuing a Dispute with Lender.
What is arbitration?	An alternative to court	In arbitration, a third party arbitrator (“TPA”) solves Disputes in a hearing (“hearing”). It is less formal than a court case.
Is it different from court and jury trials?	Yes	The hearing is private. There is no jury. It usually is less formal, faster, and less costly than a lawsuit. Pre-hearing fact finding is limited. Appeals are limited. Courts rarely overturn arbitration awards.
Is it confidential?	Yes, it can be	Lender or Borrower can ask that arbitration be confidential. That means things people say, and documents and information disclosed as part of the arbitration, will be used only for the arbitration and will not be shared with anyone who is not part of the arbitration. That also means that people involved in the arbitration may be asked to sign a separate confidentiality agreement. Confidential information may be used to appeal or enforce an arbitration award.
Can Borrower opt-out of this Clause?	Yes, within 60 days	If you do not want this Clause to apply, you have 60 days after you sign the Account Opening Acknowledgment to opt out. To opt out, you must tell Lender in a writing you send to the Notice Address. You must give your name, address, Account number and Account opening date. You must state that you “opt out” of this Clause. You may not send your opt-out notice electronically.
What is this Clause about?	The parties’ agreement to arbitrate Disputes	Lender and Borrower agree that any party may arbitrate or demand arbitration of any Dispute unless Borrower opts out or the law does not allow it.
Who does the Clause cover?	Lender and Borrower	This Clause covers Lender and Borrower. This Clause also applies if you have a Dispute with a Related Party related in some way to your Application, this Agreement, the Account, or your dealings with Lender. Related Parties are not bound by this Clause. Borrower may not compel a Related Party to arbitration. A Related Party may compel Borrower to arbitration for a Dispute that is covered by this Clause.
What Disputes does the Clause cover?	Most Disputes that normally would go to court (except certain Disputes about this Clause)	This Clause covers Disputes that involve Lender (or a Related Party) and Borrower. But, “Disputes” does not include disputes about the validity, coverage, or scope of this Clause or any part of this Clause. These are for a court to decide, not the TPA.

Who handles the arbitration?	A Third Party Arbitrator	<p>Arbitrations must be conducted under this Clause. The TPA will be one of the following:</p> <ul style="list-style-type: none"> • An individual, independent TPA the parties choose together; • JAMS, 620 Eighth Avenue, 34th Floor, New York, NY 10018, www.jamsadr.org; or • Any other arbitration company the parties choose together. <p>No arbitration may be held without Lender’s consent by an arbitration company or TPA that would allow class arbitration under this Clause. Unless Lender and you agree otherwise, the TPA must be a lawyer with 10+ years of experience or a retired judge.</p>
What rules apply to the arbitration?	Usually, the arbitration company rules	If the parties use an arbitration company such as JAMS, that company’s consumer arbitration rules will apply. If the parties choose an individual TPA, then such TPA will follow the JAMS consumer arbitration rules, unless the parties mutually agree to an alternative. In any case, the TPA will not apply any state or federal rules of civil procedure or evidence. Arbitration rules that conflict with this Clause do not apply.
Can Disputes be brought in court?	Sometimes	Either party may sue if the other party does not demand arbitration. Lender will not demand arbitration of any lawsuit you bring for yourself in small claims court. But, Lender may demand arbitration of any appealed small claims decision or any small claims action brought as a class.
Is Borrower giving up any rights?	Yes	<p>For Disputes subject to this Clause, you give up your right to:</p> <ol style="list-style-type: none"> 1. Have a jury decide Disputes. 2. Have a court, other than a small claims court, decide Disputes. 3. Serve as a private attorney general or in a representative capacity. 4. Join a Dispute you have with a dispute by other consumers. 5. Bring or be a class member in a class action or class arbitration. <p>Lender also waives its jury trial right and its right to have a court decide Disputes Lender starts.</p>
Can Borrower or anyone else start class arbitration?	No	TPAs <u>may not</u> handle a class or representative Dispute. All Disputes under this Clause must be arbitrated or decided by individual small claims case. This Clause will be void if a court allows a TPA to decide a Dispute on a class basis and such ruling is not reversed on appeal.
What law applies?	The Federal Arbitration Act (“FAA”)	The FAA governs this Clause. The TPA must apply law consistent with the FAA. The TPA must honor statutes of limitation and privilege rights. Constitutional standards that apply in court proceedings govern punitive damage awards.
Can anything you do negate this Clause?	No, though Borrower can opt out	This Clause stays in force if you: (1) cancel or close the Account; (2) default, renew, prepay or pay the Account in full; or (3) go into bankruptcy. Borrower can opt out as described above.
PROCESS		
<u>Question</u>	<u>Short Answer</u>	<u>Further Detail</u>
What must be done before starting a lawsuit or arbitration?	Send a written Dispute Notice; work to resolve the Dispute	Before starting a lawsuit or arbitration, Claimant must give a Dispute Notice as <u>Section O</u> above requires. If you are the Claimant, you or your attorney must sign the Dispute Notice. You must give the Account Number and a contact number for you or

		your attorney. Collections letters from Lender are Dispute Notices. Each Dispute Notice (other than collections letters), must give at least 30 days to settle the dispute.
How does arbitration start?	Follow the rules of the arbitration company	If the parties do not settle the Dispute within the 30-day period, Claimant may file a small claims case or start arbitration. To start arbitration, the Claimant picks the arbitration company and follows its process. If one party sues or threatens to sue, the other party can demand arbitration. This demand can be made in court papers. It can be made if a party sues on an individual basis and then tries to pursue a class action. Once an arbitration demand is made, no suit can be brought and any current suit must stop.
Will any hearing be held nearby?	Yes	Any in-person hearing must be at a place convenient to Borrower. The TPA may decide that an in-person hearing is not needed. A Dispute may be resolved in writing and by conference call.
What if Borrower needs help due to language or a disability?	Lender shall work with Borrower on accommodations	If Borrower requires assistance in a language other than English, or special services to accommodate a disability, Lender and Borrower shall agree to proceed in a way that accommodates Borrower's needs.
What about appeals?	Very limited	The FAA limits appeal rights. For Disputes over \$50,000, any party may appeal the award to a panel of three TPAs. The arbitration company or the parties choose the panel. This panel will review anything appealed in the initial award. The panel's decision will be final, except for any FAA appeal right. Any suitable court may enter judgment upon the TPA panel's award.
ARBITRATION FEES AND AWARDS		
<u>Question</u>	<u>Short Answer</u>	<u>Further Detail</u>
Who pays arbitration fees?	Usually Lender does	Lender will pay all filing, hearing and TPA fees if you act in good faith, cannot get a fee waiver, and ask Lender to pay.
When will Lender cover Borrower's fees and costs?	If Borrower wins	If the TPA finds for you, Lender will pay your reasonable fees and costs for attorneys, experts, and witnesses. Lender also will pay these costs if the law or the TPA rules require or if required to enforce this Clause. Even if Borrower's Dispute is for a small amount, the TPA will not limit the award of such costs.
Will Borrower ever owe Lender for fees or costs?	Only if Borrower acts in bad faith	The TPA can make you pay Lender's arbitration, attorney, expert, and witness fees and costs if it finds that you have acted in bad faith (per the Fed. Rules of Civ. Proc. § 11(b) standard). This power does not void this Clause.
Can a failure to resolve a Dispute informally mean a larger recovery for Borrower?	Yes	If you win the arbitration, you may be entitled to a minimum award of \$7,500. To get the minimum award, you first must comply with this Clause. Secondly, the TPA must award money damages to you in an amount that is greater than the last amount you asked for in settlement, if you asked for such amount at least ten days before arbitration began. The base award is separate from attorneys' fees and expenses, and expert witness costs which you may get. The minimum award applies to <i>all</i> Disputes you raise or could raise. This Clause <i>does not allow</i> multiple awards of \$7,500. Settlement demands and offers are confidential. They may not be used in any way by either party except to support a minimum award.
Can an award be explained?	Yes	Within 14 days of the ruling, a party may ask the TPA to explain its ruling. Upon such request, the TPA will explain its ruling in writing.