

IN THE SUPREME COURT OF THE STATE OF NEVADA

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Elizabeth A. Brown
Clerk of Supreme Court

STATE OF NEVADA, DEPARTMENT OF BUSINESS AND
INDUSTRY, FINANCIAL INSTITUTIONS DIVISION,

Appellant

-against-

TITLEMAX OF NEVADA, INC. A DELAWARE CORPORATION,

Respondent

Appeal from the Eighth Judicial District Court of Clark County, Nevada

Judge Jerry A. Wiese, Case No. A-18-786784-C

APPELLANT'S APPENDIX – VOLUME I

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SUMM

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**DISTRICT COURT
CLARK COUNTY, NEVADA**

A-18-786784-C

**TITLEMAX OF NEVADA, INC., a
Delaware corporation,**

Case No.

Department 30

Dep't No.

Plaintiff,

SUMMONS

vs.

**STATE OF NEVADA. DEPARTMENT OF
BUSINESS AND INDUSTRY FINANCIAL
INSTITUTIONS DIVISION,**

Defendant.

**NOTICE! YOU HAVE BEEN SUED. THE COURT MAY DECIDE
AGAINST YOU WITHOUT YOUR BEING HEARD UNLESS YOU
RESPOND WITHIN 20 DAYS. READ THE INFORMATION BELOW.**

TO THE DEFENDANT: A civil complaint has been filed by the plaintiff
against you for the relief set forth in the complaint.

**STATE OF NEVADA, DEPARTMENT OF BUSINESS AND INDUSTRY FINANCIAL
INSTITUTIONS DIVISION**

1. If you intend to defend this lawsuit, within 20 days after this summons
is served on you exclusive of the day of service, you must do the following:

1 a. File with the Clerk of this Court, whose address is shown below, a
2 formal written response to the complaint in accordance with the rules of the
3 Court, with the appropriate filing fee.

4 b. Serve a copy of your response upon the attorney whose name and
5 address is shown below.

6 2. Unless you respond, your default will be entered upon application of
7 the plaintiff, and this Court may enter a judgment against you for the relief
8 demanded in the complaint, which could result in the taking of money or
9 property or other relief requested in the complaint.

10 3. If you intend to seek the advice of an attorney in this matter, you
11 should do so promptly so that your response may be filed on time.

12 4. The State of Nevada, its political subdivisions, agencies, officers,
13 employees, board members, commission members and legislators each have 45
14 days after service of this summons to file an answer or other responsive
15 pleading to the complaint.

16 Submitted by:

STEVEN D. GRIERSON
CLERK OF THE COURT 1/2/2019

17
18
19 /s/ Daniel F. Polsenberg
20 DANIEL F. POLSENBERG (SBN 2376)
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DISTRICT COURT
CLARK COUNTY, NEVADA

11 TITLEMAX OF NEVADA, INC., a
12 Delaware corporation,

13 Plaintiff,

14 vs.

15 STATE OF NEVADA. DEPARTMENT OF
16 BUSINESS AND INDUSTRY FINANCIAL
INSTITUTIONS DIVISION,

17 Defendant.

Case No. A-18-786784-C

Dep't No. Department 30

**INITIAL APPEARANCE
FEE DISCLOSURE**

18
19 Pursuant to NRS Chapter 19, as amended by Senate Bill 106, filing fees
20 are submitted for parties appearing in the above-entitled action as indicated
21 below:

22 TITLEMAX OF NEVADA, INC. \$270.00

23 **Total:** \$270.00

1 Dated this 31st day of December, 2018.

2 LEWIS ROCA ROTHGERBER CHRISTIE LLP

3
4 By: /s/ Daniel F. Polsenberg

5 DANIEL F. POLSENBERG (SBN 2376)

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DISTRICT COURT
CLARK COUNTY, NEVADA

TITLEMAX OF NEVADA, INC., a
Delaware corporation,

Plaintiff,

vs.

STATE OF NEVADA. DEPARTMENT OF
BUSINESS AND INDUSTRY FINANCIAL
INSTITUTIONS DIVISION,

Defendant.

Case No. A-18-786784-C

Dep't No. Department 30

**PLAINTIFF'S DISCLOSURE
STATEMENT PURSUANT TO NRCP 7.1**

Pursuant to Nevada Rule of Civil Procedure 7.1, plaintiff TitleMax of Nevada, Inc. certifies that it is solely owned by its parent company, TMX Finance LLC. TMX Finance LLC is privately held by TMX Finance Holdings, Inc., which is also privately held. No publicly-held corporation owns 10% or more of its stock.

1 Dated this 31st day of December, 2018.

2 LEWIS ROCA ROTHGERBER CHRISTIE LLP

3
4 By: /s/ Daniel F. Polsenberg

5 DANIEL F. POLSENBERG (SBN 2376)

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Attorneys for Plaintiff

DISTRICT COURT
CLARK COUNTY, NEVADA

TITLEMAX OF NEVADA, INC., a
Delaware corporation,

Plaintiff,

vs.

STATE OF NEVADA. DEPARTMENT OF
BUSINESS AND INDUSTRY FINANCIAL
INSTITUTIONS DIVISION,

Defendant.

Case No.

A-18-786784-C

Dep't No.

Department 30

COMPLAINT

(Exempt from Arbitration – Action
for Declaratory Relief)

Plaintiff TitleMax of Nevada, Inc. ("TitleMax") brings this complaint for
declaratory relief against the State of Nevada, Department of Business and
Industry, Financial Institutions Division (the "FID") and alleges as follows:

PARTIES, JURISDICTION, AND VENUE

1. TitleMax is a Delaware corporation registered to do business in Nevada.
2. The FID is an agency of the State of Nevada.
3. This Court has subject matter jurisdiction pursuant to Article 6, Section 6
of the Nevada Constitution.
4. This Court has personal jurisdiction over the FID in accord with NRS
14.065 and NRS 41.031, the latter of which waives the State of Nevada's
sovereign immunity.

1 5. Venue is proper in the Eighth Judicial District Court in accord with NRS
2 41.031(2).

3 **GENERAL ALLEGATIONS**

4 6. TitleMax is a lender licensed pursuant to NRS Chapter 604A and is a
5 "licensee" within the meaning of NRS 604A.075.

6 7. TitleMax offers title loans to its customers.

7 8. Title loans are governed by NRS Chapter 604A and are regulated by the
8 FID and its Commissioner.

9 9. The FID conducts periodic examinations of TitleMax, at least once a year
10 and sometimes more frequently.

11 10. After completing its examinations, which can last over 6 months,
12 the FID issues Reports of Examination ("ROEs").

13 ***Prior litigation between the FID and TitleMax***

14 11. The FID conducted an examination of TitleMax for the period
15 August 31-December 18, 2014 and issued ROEs opining that TitleMax violated
16 NRS 604A.445 (which has since been revised and now appears as NRS
17 604A.5074).

18 12. The FID alleged that a Grace Period Payments Deferment
19 Agreement (GPDA) previously offered by TitleMax violated NRS 604A.445 by
20 impermissibly extending title loans.

21 13. TitleMax disagreed and filed a declaratory relief action (A-15-
22 719176-C) seeking judicial clarification.

23 14. The FID convinced the district court to dismiss that action based on
24 a purported lack of administrative exhaustion, but the Nevada Supreme Court
25 later reversed that dismissal, agreeing with TitleMax that exhaustion of
26 administrative remedies was not necessary where the only issues were those of
27 statutory interpretation (Case No. 69807). (10/4/17 Order of Reversal and
28 Remand, attached as Ex. 1.)

1 15. On the same day that the FID moved to dismiss TitleMax's first
2 declaratory relief action, the FID instituted administrative proceedings against
3 TitleMax.

4 16. After the FID obtained a favorable ruling in front of an
5 administrative law judge, TitleMax petitioned for judicial review of that
6 determination (A-16-743134-J).

7 17. Judge Hardy of the district court issued an order reversing and
8 vacating the administrative law judge's order and agreeing with TitleMax on all
9 issues of statutory interpretation. (9/21/17 Order Reversing and Vacating ALJ's
10 Order, attached as Ex. 2.)

11 18. Judge Hardy ruled that TitleMax's GPDA did not violate NRS
12 604A.445 and that, contrary to the FID's allegations, TitleMax had not willfully
13 violated any statutory provision.

14 19. The FID has appealed Judge Hardy's ruling to the Nevada Supreme
15 Court, and that appeal is still pending (Case No. 74335).

16 ***The FID urges the Legislature to revise NRS Chapter 604A***

17 20. While the prior litigation between the FID and TitleMax was
18 pending in front of Judge Hardy, the FID, along with others, urged the
19 Legislature to revise NRS Chapter 604A.

20 21. TitleMax was mentioned by name in the legislative proceedings and
21 portrayed as a bad actor, despite the fact that the only court to rule on the
22 merits of the statutory interpretation issues thus far completely agreed with
23 TitleMax.

24 22. While NRS Chapter 604A was in fact amended, the FID was not
25 successful in obtaining all the changes originally proposed.

26 23. As relevant to the current proceeding, NRS 604A.445 was revised
27 and now reads:

28 Notwithstanding any other provision of this chapter to the contrary:

1. The original term of a title loan must not exceed 30 days.
2. The title loan may be extended for not more than six additional periods of extension, with each such period not to exceed 30 days, if:
 - (a) Any interest or charges accrued during the original term of the title loan or any period of extension of the title loan are not capitalized or added to the principal amount of the title loan during any subsequent period of extension;
 - (b) The annual percentage rate charged on the title loan during any period of extension is not more than the annual percentage rate charged on the title loan during the original term; and
 - (c) No additional origination fees, set-up fees, collection fees, transaction fees, negotiation fees, handling fees, processing fees, late fees, default fees or any other fees, regardless of the name given to the fees, are charged in connection with any extension of the title loan.
3. The original term of a title loan may be up to 210 days if:
 - (a) The loan provides for payments in installments;
 - (b) The payments are calculated to ratably and fully amortize the entire amount of principal and interest payable on the loan;
 - (c) The loan is not subject to any extension;
 - (d) The loan does not require a balloon payment of any kind; and
 - (e) The loan is not a deferred deposit loan.

NRS 604A.5074.

24. NRS 604A.5074 says nothing about refinancing.

The FID examines TitleMax in 2018

25. The FID conducted an examination of TitleMax for the period January 31 through June 8, 2018. (See, e.g., ROE for 1225 E. Charleston, attached as Ex. 3.) TitleMax seeks a declaratory judgment as to certain

1 statutory provisions raised in the FID's 2018 ROEs.

2 Refinancing

3 26. In the 2018 ROEs, the FID took issue with TitleMax allowing
4 customers to refinance title loans.

5 27. Without any reasoning or authority other than its own ipse dixit,
6 the FID claimed that TitleMax's refinances are really extensions in violation of
7 NRS 604A.065 and NRS 604A.445(3)(c) (which is now NRS 604A.5074(3)(c)).

8 28. However, as quoted in full above (see ¶ 23), NRS 604A.5074 says
9 nothing about refinancing a title loan. NRS 604A.5074 governs the original
10 term of a title loan, but does not place any prohibitions on refinancing.

11 29. NRS 604A.065 defines extension to mean "any extension or rollover
12 of a loan beyond the date on which the loan is required to be paid in full under
13 the original terms of the loan agreement, regardless of the name given to the
14 extension or rollover." The term "does not include a grace period." NRS
15 604A.065 also says nothing about refinancing.

16 30. The FID claims that refinancing is somehow an illegal extension of
17 a title loan, but a refinancing occurs when an existing obligation is satisfied and
18 replaced by a new obligation. In contrast, an extension does not create a new
19 obligation, but rather extends the maturity date of the existing obligation.
20 Extensions and refinances are distinct. *See In re Gunn*, 317 F. App'x 883, 885
21 (11th Cir. 2008). TitleMax explained this in its detailed response to the FID's
22 2018 ROEs. (See Aug. 27, 2018 TitleMax Response, attached as Ex. 4.)

23 31. NRS 604A.574 and NRS 604A.584 place certain restrictions on
24 refinancing, but apply only to deferred deposit loans and high-interest loans,
25 respectively. They say nothing about title loans.

26 32. In short, the refinancing offered by TitleMax to provide its
27 customers with desired flexibility does not violate any statutory provision.

28 33. TitleMax finds it particularly alarming that the FID cited the

1 alleged violation of NRS 604A.445 (now NRS 604A.5074) as a “repeat violation.”
2 The FID acknowledged that TitleMax had ceased offering GPDAs, but
3 nevertheless contended that TitleMax is violating the same provision of law.

4 34. The FID seems to ignore the fact that Judge Hardy found that
5 TitleMax did *not* violate NRS 604A.445. There can be no “repeat violation” if
6 there was never any original violation.

7 35. TitleMax is also concerned by the FID’s insistence on labeling the
8 alleged violation of NRS 604A.5074 as a “repeat violation” because of the FID’s
9 history of claiming that TitleMax “willfully” violates statutory provisions
10 whenever it disagrees with the FID’s interpretation. The FID made this
11 allegation throughout the previous administrative proceedings against
12 TitleMax and the litigation in front of Judge Hardy, but Judge Hardy rejected
13 that disagreement with the FID indicated willfulness.

14 36. In its reply to TitleMax’s response, the FID went so far to say that
15 “[t]he violation of NRS 604A.5074 (substituted in revision for NRS 604A.445)
16 and NRS 604A.065 constitutes an examination rating of ‘Needs Improvement.’¹
17 This is an egregious violation that causes harm to the borrower by keeping
18 them on the debt treadmill and turning a fixed-term title loan (210-days) into
19 an indefinite loan term.” (See Nov. 27, 2018 FID Reply, attached as Ex. 5.)

20 37. TitleMax seeks a judicial declaration that refinancing title loans
21 does not violate NRS 604A.5074 or NRS 604A.065 and is not a “repeat
22 violation.”

23 Fair Market Value

24 38. In the 2018 ROEs, the FID also claimed that “several loans were

25
26 ¹ The FID defines a “Needs Improvement” rating to mean that the “licensee and
27 the management of the licensee have demonstrated less than satisfactory
28 compliance, or instances and situations involving a lack of compliance with
applicable state and federal laws and regulations and that regulatory
supervision is required.”

1 underwritten with a total amount due exceeding the fair market value of the
2 vehicle.” (Ex. 3.)

3 39. TitleMax responded, pointing out that in fact 4 of the 5 loans
4 identified had fair market vehicle values exceeding the total loan amount. (Ex.
5 4.)

6 40. Raising the issue for the first time in its reply to TitleMax’s
7 response, the FID claimed that “[t]he total amount the borrower must pay back
8 includes the principal, interest, and fees, not just the principal amount
9 borrowed” and that this total amount of principal, interest, and fees cannot
10 exceed the fair market value of the vehicle. (Ex. 5.)

11 41. That is a restriction that appears nowhere in NRS 604A and that
12 has never been imposed by any other regulatory agency.

13 42. “Loan” is not defined to include all interest and fees charged for
14 making the loan. NRS 604A.080. By definition and as a matter of common
15 sense, the interest charged on a loan is distinct from the loan itself.

16 43. TitleMax seeks a judicial declaration that the prohibition on
17 making “a title loan that exceeds the fair market value of the vehicle securing
18 the title loan,” NRS 604A.5076(1), refers to only the amount of the loan and
19 does not include all interest and fees incurred in repaying the loan, which
20 necessarily varies depending on when and how the customer repays the loan.

21 44. TitleMax is not able to calculate with certainty how much interest a
22 customer will pay at the time of the loan because that depends on how much a
23 customer pays and whether the customer makes timely payments.

24 45. The only way title lenders can comply with NRS 604A.5076(1) is to
25 compare the face value of the loan (not including interest) with the fair market
26 value of the vehicle at the time of the loan.

FIRST CLAIM FOR RELIEF
(DECLARATORY JUDGMENT)

46. TitleMax hereby incorporates all of the allegations contained in the preceding paragraphs as though fully set forth herein.

47. A true and ripe controversy exists between TitleMax and the FID as to the interpretation of NRS 604A.5074, NRS 604A.065, and NRS 604A.5076(1).

48. TitleMax seeks a declaration that refinancing a title loan does not violate NRS 604A.5074 or NRS 604A.065.

49. TitleMax seeks a declaration that NRS 604A.5076(1) means that only the amount of the title loan, excluding any fees and interest, cannot exceed the fair market value of the vehicle securing the loan.

50. Declaratory relief is necessary to determine the parties' rights, status, or other legal relations under the above statutory provisions.

PRAYER FOR RELIEF

Wherefore, TitleMax prays for judgment against the FID as follows:

1. For declaratory relief as described herein;
2. For preliminary and permanent injunctive relief enjoining the FID from imposing or seeking to impose discipline based upon alleged violations of NRS 604A.5074, NRS 604A.065, and NRS 604A.5076(1), in particular as to whether TitleMax "violated" these statutes or did so "willfully;"
3. For TitleMax's attorneys' fees and costs; and
4. For such other and further relief as the Court deems just and proper.

1 Dated this 31st day of December, 2018.

2 LEWIS ROCA ROTHGERBER CHRISTIE LLP

3
4 By: /s/ Daniel F. Polsenberg

5 DANIEL F. POLSENBERG (SBN 2376)

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11 *Attorneys for Plaintiff*

EXHIBIT 1

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IN THE SUPREME COURT OF THE STATE OF NEVADA

TITLEMAX OF NEVADA, INC., A
NEVADA CORPORATION,
Appellant,
vs.
THE STATE OF NEVADA
DEPARTMENT OF BUSINESS AND
INDUSTRY, FINANCIAL
INSTITUTIONS DIVISION,
Respondent.

No. 69807

FILED

OCT 04 2017

ELIZABETH A. BROWN
CLERK OF SUPREME COURT

BY *[Signature]*
DEPUTY CLERK

ORDER OF REVERSAL AND REMAND

This is an appeal from a final judgment in an action for declaratory judgment. Eighth Judicial District Court, Clark County; Valerie Adair, Judge.

TitleMax of Nevada, Inc., provides title loans regulated by the State of Nevada, Department of Business and Industry Financial Institutions Division (the FID). The FID issued TitleMax a "Needs Improvement" rating, citing two particular business practices. TitleMax disagreed with FID's assessment and filed a declaratory relief action seeking interpretation of the statutes implicated by the business practices. The district court dismissed the declaratory relief action, citing unresolved factual issues that required TitleMax to exhaust administrative remedies.

On appeal, TitleMax argues that the district court erred in dismissing the case because either (1) no administrative remedies exist, or (2) exhaustion of administrative remedies is not necessary because the only issues before the district court were issues of statutory interpretation and because exhaustion would be futile. We conclude the district court erred

because exhaustion of administrative remedies was not necessary where the only issues were those of statutory interpretation.

FACTS AND PROCEDURAL HISTORY

The FID has regulatory power over loans made pursuant to NRS Chapter 604A. TitleMax is a lender licensed pursuant to NRS Chapter 604A and is a "licensee" within the meaning of NRS 604A.075. TitleMax offers title loans to its customers, which are governed by NRS Chapter 604A and regulated by the FID.

In 2014, the FID conducted an examination of TitleMax and issued reports of examination covering statutory and regulatory compliance at TitleMax's various retail stores located in the State of Nevada. Therein, FID found TitleMax in violation of NAC 604A.230, NRS 604A.210, and NRS 604A.445.¹ Specifically, the FID concluded (1) TitleMax's acceptance

¹NAC 604A.230(1)(a) mandates "[a] licensee shall not . . . [r]equire or accept a guarantor to a transaction entered into with a customer." Under NRS 604A.210, prior to its July 1, 2017 amendment, NRS Chapter 604A

do[es] not prohibit a licensee from offering a customer a grace period on the repayment of a loan or an extension of a loan, except that the licensee shall not charge the customer:

(1) Any fees for granting such a grace period;

or

(2) Any additional fees or additional interest on the outstanding loan during such a grace period.

NRS 604A.445(3), prior to its July 1, 2017 amendments, provided

[t]he original term of a title loan may be up to 210 days if:

....

of a co-borrower on certain title loans violated NAC 604A.230's prohibition against accepting a guarantor on a title loan; and (2) TitleMax's Grace Period Deferment Agreement violated NRS 604.210 and NRS 604.445 because the grace period resulted in the accrual of additional interest that exceeded the amount of interest as disclosed in the original loan agreement. Based upon the findings of the 2014 examination, the FID issued TitleMax a "Needs Improvement" rating, which left TitleMax potentially liable for FID fines or sanctions.

Subsequently, FID began its 2015 examination. Before the 2015 examination was complete, TitleMax filed a declaratory relief action regarding the 2014 reports of examination, seeking a determination as to (1) whether "an individual may be a co-borrower on a title loan without violating NAC 604A.230 when said individual is not listed on title of the vehicle associated with said loan"; and (2) whether the deferment agreement violates NRS 604A.210 or NRS 604A.445. TitleMax also moved for a preliminary injunction to restrain and enjoin FID from pursuing disciplinary action against TitleMax based upon those two issues.

The FID asserted that the disputed issues required factual determinations, and that the district court lacked subject-matter jurisdiction based upon TitleMax's failure to exhaust administrative

(b) The payments are calculated to ratably and fully amortize the entire amount of principal and interest payable on the loan;

(c) The loan is not subject to any extension; and

(d) The loan does not require a balloon payment of any kind.

remedies. The district court subsequently dismissed the case, concluding that there were “questions of fact as to what the differences are between a co-borrower and a guarantor” and as to “the implementation of these grace periods and whether the total interest charged . . . exceeds the amount of allowable interest under NRS 604A.445.” This appeal followed.

DISCUSSION

The district court erred in ruling TitleMax failed to exhaust administrative remedies because TitleMax sought only the interpretation of statutes

TitleMax argues exhaustion is not necessary because the only issues before the district court were issues of statutory interpretation and because exhaustion would be futile. The State argues that unresolved factual issues precluded the district court from providing declaratory relief. We conclude TitleMax is correct insofar as the only issues before the district court were those requiring statutory interpretation, which required no additional factual determinations.

“Ordinarily, before availing oneself of district court relief from an agency decision, one must first exhaust available administrative remedies.” *Malecon Tobacco, LLC v. State ex rel. Dep’t of Taxation*, 118 Nev. 837, 839, 59 P.3d 474, 475-76 (2002). However, “[t]wo exceptions exist to the exhaustion requirement.” *Id.* at 839, 59 P.3d at 476. First, “[e]xhaustion is not required where . . . the only issue is the interpretation of a statute.” *State, Dep’t of Bus. & Indus., Fin. Insts. Div. v. Check City P’ship, LLC*, 130 Nev., Adv. Op. 90, 337 P.3d 755, 758 n.5 (2014). “Second, exhaustion is not required when a resort to administrative remedies would be futile.” *Malecon*, 118 Nev. at 839, 59 P.3d at 476. This court reviews de novo a motion to dismiss granted due to a purported failure to exhaust statutorily required administrative remedies. *Benson v. State Eng’r*, 131 Nev., Adv. Op. 78, 358 P.3d 221, 224 (2015).

Exhaustion is not required here because TitleMax sought only the interpretation of statutes. TitleMax sought the interpretation of NAC 604A.230, NRS 604A.210, and NRS 604A.445, because TitleMax requested declarations that: (1) its practice of allowing a co-borrower on a title loan did not violate NAC 604A.230's prohibition against accepting "guarantor[s]" on a title loan, and (2) that the deferment agreement's interest formula did not accrue "additional interest" during a grace period in violation of either NRS 604A.210 or NRS 604A.445.

The declaration sought by TitleMax regarding NAC 604A.230 required the district court to simply determine whether NAC 604A.230² applied to both guarantors and co-borrowers; a legal determination we hold is a matter of statutory interpretation that exempts TitleMax from exhausting administrative remedies before seeking declaratory relief. Further, we hold that whether the deferment agreement's interest formula violates NRS 604A.210 and NRS 604A.445 is also a question of statutory interpretation.³ TitleMax's claims regarding the interpretation of

²Even though NAC 604A.230 is an administrative regulation and not a statute, the distinction is irrelevant for this inquiry. See *Silver State Elec. Supply Co. v. State ex rel. Dep't of Taxation*, 123 Nev. 80, 85, 157 P.3d 710, 713 (2007) (concluding "[s]tatutory construction rules also apply to administrative regulations").


³In *Check City*, we analyzed whether a district court erred in dismissing a declaratory relief action seeking the interpretation of a statute within NRS Chapter 604A. 130 Nev., Adv. Op. 90, 337 P.3d at 755. While *Check City* required this court to analyze the statute in question, the court concluded that FID's arguments regarding administrative exhaustion were without merit—noting that the underlying declaratory relief action sought

NAC 604A.230, NRS 604A.210 and NRS 604A.445 do not require the exhaustion of administrative remedies before seeking declaratory relief, and, thus, the district court erred in this respect.⁴ Accordingly, we

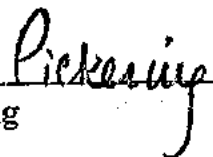
ORDER the judgment of the district court REVERSED AND REMAND this matter to the district court for proceedings consistent with this order.



Douglas J.



Gibbons J.



Pickering J.

cc: Hon. Valerie Adair, District Judge
Michael H. Singer, Settlement Judge
Lewis Roca Rothgerber Christie LLP/Las Vegas
Holland & Hart LLP/Las Vegas
Jones Lovelock
Attorney General/Carson City
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only the interpretation of a statute and, thus, did not require administrative exhaustion. *Id.* at 758 n.5. That rationale should likewise be applied here.

⁴We have considered the parties' remaining arguments and decline to address them at this time due to the parties' ongoing litigation.

EXHIBIT 2

EXHIBIT 2

Steven D. Grierson

ORDR

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DISTRICT COURT

CLARK COUNTY, NEVADA

TITLEMAX OF NEVADA, INC., d/b/a
TITLEBUCKS and TITLEMAX, a Delaware
corporation,

Petitioner,

vs.

STATE OF NEVADA, DEPARTMENT OF
BUSINESS AND INDUSTRY FINANCIAL
INSTITUTIONS DIVISION,

Respondent.

Case No. A-16-743134-J
Dept. No. XV

**ORDER REVERSING AND
VACATING ADMINISTRATIVE LAW
JUDGE'S ORDER**

Hearing Date: August 3, 2017
Hearing Time: 9:00 a.m.

<input type="checkbox"/> Jury	<input type="checkbox"/> Disposed After Trial Start
<input type="checkbox"/> Non-Jury	<input type="checkbox"/> Judgment Reached
<input type="checkbox"/> Disposed Before Trial	<input type="checkbox"/> Transferred Before Trial

I.

BACKGROUND, FINDINGS, AND SUMMARY OF RULING

1. On August 3, 2017, this Court heard oral argument on TitleMax's Petition for Judicial Review. Daniel F. Polsenberg and Dale Kotchka-Alanes of Lewis Roca Rothgerber Christie LLP, as well as Patrick J. Reilly of Holland & Hart LLP, appeared on behalf of TitleMax. Deputy Attorneys General David J. Pope, William J. McKean, Vivienne Rakowsky, and Rickisha Hightower-Singletary appeared on behalf of the State of Nevada Department of Business and Industry Financial Institutions Division (the "FID").

2. The Court reviewed all the briefing by the parties, as well as pertinent parts of the administrative record ("ROA") and the transcript of the hearing before the Administrative Law Judge ("Hr'g Tr."). The Court also considered the arguments of the parties, all of which lead the Court to its holding set forth herein.

A. TitleMax's Offering of the GPDA

3. Under NRS 604A.445, the original term of a title loan can be 30 days or up to 210 days if certain conditions are met.

4. TitleMax originally offered a 30-day product in Nevada and allowed customers to refinance up to six times. TitleMax offered a repayment plan that incorporated a grace period under which the customer had to make minimum interest payments, but could then take an additional seven or eight months to repay principal only. (Hr'g Tr. 477:11-478:3.)

5. The FID took issue with TitleMax's 30-day product, arguing only that TitleMax did not adequately take into account customers' ability to repay the loan in 30 days. (Hr'g Tr. 478:9-15; 479:6-9.)

6. TitleMax disagreed with the FID's interpretation that its 30-day loan product did not adequately take into account borrowers' ability to repay due to the ability of customers to extend the loan up to six times, but nevertheless stopped offering the 30-day product in a good faith attempt to please the FID. (Hr'g Tr. 478:16-23.)

7. As an alternative to the 30-day product, TitleMax began offering a 210-day loan in 2014. (Hr'g Tr. 478:19-479:13.)

8. To offer customers flexibility in repayment, TitleMax, in reliance on counsel, also began offering a Grace Period Payments Deferment Agreement ("GPDA"). (Hr'g Tr. 480:9-22, 496:10-24.)

9. The GPDA contained a payment schedule comprised of fourteen 30-day payment periods. (Hr'g Tr. 483:10-11; ROA 010646-010648.)

10. Under the GPDA, the customer was charged only 210 days of interest, and the interest rate under the loan agreement remained unchanged. (ROA 010646-010648.)

11. The first seven payments could be interest-only payments, and then the customer had an additional 210 days to repay the principal without any interest or fees included. (ROA 010646-010647; Hr'g Tr. 482:1-12, 488:17-21, 490:12-16.)

12. The payment schedule under the GPDA was as follows:

Payment Number	Amount of Payment	Deferred Periodic Due Date
1	<Interest Only Pymt on New Principal Bal.>	<Fist 30 Day Due Date>
2	^same as above	^Plus 30 Days
3	^same as above	^Plus 30 Days
4	^same as above	^Plus 30 Days
5	^same as above	^Plus 30 Days
6	^same as above	^Plus 30 Days
7	^same as above	^Plus 30 Days
8	<New Principal bal. divided by 7>	^Plus 30 Days
9	<New Principal bal. divided by 7>	^Plus 30 Days
10	<New Principal bal. divided by 7>	^Plus 30 Days
11	<New Principal bal. divided by 7>	^Plus 30 Days
12	<New Principal bal. divided by 7>	^Plus 30 Days
13	<New Principal bal. divided by 7>	^Plus 30 Days

14	<New Principal bal. divided by 7> **If odd amt list odd amt here	^Plus 30 Days
The total amount paid after making all payments under the terms of the Grace Period Payments Deferment Agreement:	Total of above columns	

(ROA 010646-10647.)

13. There was no customer deception in the GPDA. When voluntarily signing the GPDA, customers acknowledged that their obligation to pay simple interest under the loan agreement remained unchanged and that interest would be charged at the original contractual interest rate. (ROA 010646-10648.)

14. TitleMax gratuitously offered the GPDA and did not charge any fees for entering the GPDA. (Hr'g Tr. 74:25-75:12; 192:20-25; 398:12-17.)

15. While the GPDA allowed for interest-only payments for the first 210 days, customers could make payments on the principal before the end of the first 210 days. In fact, TitleMax had several customers who repaid their loan in full within the first 210 days, even though they had signed a GPDA.¹

16. Before TitleMax offered the GPDA, it consulted with its own legal department and outside counsel, both of whom advised that the GPDA complied with Nevada law. (Hr'g Tr. 488:23-489:3, 496:10-24, 509:13-17.)

B. Relevant Chronology

17. December 18, 2014, was the date that the FID's 2014 examination of

¹ (See ROA 001840-001858, 007211-007233, 003905-003927, 008395-008421, 006568-006591, 000467-000491, 006651-006675, 002451-002473, 002475-002500, 000793-000815, 005309-005331, 002957-002980, 007152-007173, 002786-002805, 002192-002212, 001118-001137, 004799-004819, 001474-001492, 003399-003420, 001432-001451, 003644-003662, 008821-008840, 000167-000191, 000229-000254, 006288-006308.)

1 TitleMax closed. (ROA 008918.) The FID issued a Report of Examination with a
2 "Needs Improvement" rating and stated that TitleMax's GPDA "violates NRS
3 604A.445(3) and NRS 604A.210." (ROA 008918-008934.)

4 18. Shortly after the conclusion of the FID's examination in December 2014,
5 TitleMax – through counsel – wrote a detailed letter to the FID, responding to the
6 alleged statutory violations. (ROA 009991-010000.) In this February 9, 2015, letter,
7 TitleMax spent several pages setting forth its position why the GPDA did not violate
8 NRS 604A.210 and 604A.445. (ROA 009995-0100000.) TitleMax informed the
9 FID, "As an alternative to the 210-day single-pay loan, the Companies are willing to
10 revert back to their prior approach with 30-day single pay loans, which the
11 Companies believe are in full compliance with applicable law." (ROA 009999.)

12 19. TitleMax explained that it considered the GPDA to be in full compliance with
13 Nevada law and requested that the FID "change its 'Needs Improvement' rating to
14 'Satisfactory' for each of the 2014 audits. *If the Division believes that our analysis is*
15 *incorrect or that our procedures will result in further negative regulatory findings;*
16 *however, please respond to us in writing.*" (ROA 009999-010000 (emphasis added).)

17 20. In a letter dated March 2, 2015, the FID addressed a different statutory issue
18 and then stated in a single sentence: "With regard to your other matters raised in your
19 February 9 Letter, the FID stands by its position." (ROA 010004-010006.)

20 21. The FID did not respond to TitleMax's offer to revert back to the 30-day loan
21 product, nor did the FID offer any reasoning, explanation, or legal authority for the
22 proposition that the GPDA allegedly violated NRS 604A.210 and 604A.445.

23 22. The FID commenced another examination of TitleMax beginning in May
24 2015, which closed on June 17, 2015. (ROA 008936.) In its 2015 Report of
25 Examination, the FID issued an "Unsatisfactory" rating to TitleMax, citing
26 TitleMax's offering of the GPDA as "a repeat violation." (ROA 008936-008948.)

27 23. On June 1, 2015, TitleMax filed a declaratory relief action in state court,
28 sixteen days before the 2015 examination was completed. (Hr'g Tr. 438:14-21,

1 517:2-4; ROA 010697-010700.) TitleMax sought declaratory relief as to whether the
2 GPDA violated NRS 604A.210 and 604A.445. (ROA 010697-010700.)

3 24. On October 6, 2015, the FID moved to dismiss TitleMax's pending
4 declaratory relief action for alleged "failure to exhaust administrative remedies."
5 (ROA 011010-011021).

6 25. On the same day, the FID filed the administrative complaint against TitleMax
7 that forms the basis of TitleMax's appeal to this Court. (ROA 000001-000017.)

8 **C. The Administrative Proceedings Against TitleMax**

9 26. On October 6, 2015, the FID filed an administrative complaint against
10 TitleMax, alleging that TitleMax violated NAC 604A.230 and willfully violated NRS
11 604A.210 and NRS 604A.445. (ROA 000001-000017.)

12 27. The parties called witnesses and conducted administrative proceedings before
13 Administrative Law Judge ("ALJ") Denise S. McKay on July 18, July 19, and July
14 20, 2017. (See 10/18/2016 Petitioner's Notice of Transmittal of Record of
15 Proceedings and accompanying hearing transcript ("Hr'g Tr.").)

16 28. On August 12, 2016, the ALJ issued Findings of Fact, Conclusions of Law,
17 and Order ("Order"). (ROA 0122279-012295.)

18 29. In her Order, the ALJ found that TitleMax did not violate NAC 604A.230's
19 prohibition against guarantors by allowing individuals who were not legal owners of
20 the vehicle to be co-borrowers on the title loan; she pointed out that there was no
21 evidence that TitleMax received payment from the non-legal owner in any instance
22 and that the non-legal owners were not acting as guarantors. (ROA 012290-012291.)

23 30. The FID did not challenge or appeal the ALJ's ruling that TitleMax did not
24 violate NAC 604A.230, so it is not before this Court.

25 31. However, the ALJ concluded that TitleMax's practice of offering the GPDA
26 violated NRS 604A.210 and NRS 604A.445. (ROA 012287-012290.) The ALJ
27 further concluded that TitleMax willfully violated NRS 604A.210 and NRS
28 604A.445 because it continued to offer the GPDA even after TitleMax was advised

1 by FID lay examiners that they believed the GPDA violated the statutes. (ROA
2 012292-012294.) The ALJ ordered:

- 3 a. That TitleMax immediately cease and desist offering the GPDA to
4 customers;
- 5 b. That TitleMax conduct a full accounting and return of all principal and
6 interest it collected under every GPDA entered into after December 18,
7 2014;
- 8 c. That TitleMax pay an administrative fine of \$307,000 with \$257,000
9 held in abeyance provided TitleMax was, and remained, compliant with
10 NRS 604A.445; and
- 11 d. That TitleMax compensate the FID for the costs expended on the court
12 reporter and transcripts in the administrative proceedings. (ROA
13 012294.)

14 32. These determinations by the ALJ are before this Court, as they are the subject
15 of TitleMax's Petition for Judicial Review.

16 **D. Relevant Statutes**

17 33. At issue in these proceedings are various provisions of NRS 604A.²

18 34. NRS 604A.070 defines grace period to mean "any period of deferment
19 offered gratuitously by a licensee to a customer if the licensee complies with the
20 provisions of NRS 604A.210."

21 35. NRS 604A.210, in turn, provides:

22 The provisions of this chapter do not prohibit a licensee from
23 offering a customer a grace period on the repayment of a loan or an
24 extension of a loan, except that the licensee shall not charge the
25 customer:

- 26 1. Any fees for granting such a grace period; or

27 ² Chapter NRS 604A was recently amended, with changes to take effect July 1 and
28 October 1, 2017. In this Order, unless otherwise indicated, the Court cites to the
versions of the statutes in effect at the time TitleMax offered the GPDA and does not
include the 2017 amendments.

1 2. Any additional fees or additional interest on the outstanding loan
2 during such a grace period.

3 36. The definition of "extension" in NRS 604A.065 provides:

4 1. "Extension" means any extension or rollover of a loan beyond
5 the date on which the loan is required to be paid in full under the
6 original terms of the loan agreement, regardless of the name given
7 to the extension or rollover.

2. The term does not include a grace period.

8 37. NRS 604A.445(3) provides:

9 Notwithstanding any other provision of this chapter to the
10 contrary:

11 3. The original term of a title loan may be up to 210 days if:

12 (a) The loan provides for payments in installments;

13 (b) The payments are calculated to ratably and fully amortize
14 the entire amount of principal and interest payable on the
15 loan;

(c) The loan is not subject to any extension; and

16 (d) The loan does not require a balloon payment of any kind.

17 **E. The ALJ's Decision**

18 38. The ALJ stated that "NRS 604A.210 and NRS 604A.[0]70 are the only
19 provisions in Chapter 604A that address grace periods," but nevertheless concluded
20 that the GPDA had to comply with NRS 604A.445(3). (ROA 012287-012290.)

21 39. The ALJ found that the GPDA did not comply with NRS 604A.445(3)
22 because it "is an illegal extension of the loan in violation of NRS 604A.445(3)(c)"
23 and the payments are not ratably and fully amortized. (ROA 012289-012290.)

24 40. The ALJ concluded that the GPDA "does not constitute a true grace period"
25 and that the "imposition of seven interest-only payments is simply the impermissible
26 charging of additional interest," as "TitleMax stands to earn more money in interest
27 charges under the [GPDA]." (ROA 012289-012290.)
28

1 41. The ALJ also found that TitleMax willfully violated NRS 604A.445(3) by
2 continuing to offer the GPDA after being told by the FID during 2014 and 2015
3 examinations that the GPDA was unlawful. (ROA 012292-012293.)

4 42. Since "TitleMax was placed on notice by [the] FID that" the GPDA "violated
5 the law" no later than December 18, 2014, the ALJ ruled that "every [GPDA] entered
6 into after December 18, 2014, is void, and TitleMax is not entitled to collect, receive
7 or retain any principal, interest or other charges or fees with respect to those loans."
8 (ROA 012293.) Only 307 loans, however, were in evidence in the administrative
9 proceedings.

10 **F. Ruling**

11 43. The Court hereby reverses and vacates the ALJ's order. The Court disagrees
12 with and reverses the ALJ's conclusions regarding TitleMax's interpretation of NRS
13 604A.070, NRS 604A.210, and NRS 604A.445. The Court also finds that TitleMax
14 did not willfully violate any of these provisions.

15 44. The GPDA as written does not violate NRS 604A.070, NRS 604A.210, or
16 NRS 604A.445.

17 45. The plain language of NRS 604A.445(3) indicates that this statute applies to
18 the "original term" of the loan, and does not govern grace periods. NRS 604A.445(3)
19 does not set a maximum time period on the loan, and amortization is not a
20 requirement for grace periods.

21 46. Moreover, the word "additional" as used in NRS 604A.210 means something
22 more than the original contractual rate of interest. The legislative history of NRS
23 604A.210 supports TitleMax's statutory interpretation.

24 47. At a minimum, TitleMax's statutory interpretation, if not correct, is
25 reasonable and thus precludes a finding of willfulness. That the FID attempted to
26 pass a regulation in 2012 that would have prohibited charging any interest during a
27 grace period, but did not do so, demonstrates that TitleMax reasonably interpreted
28 NRS 604A.210 and did not act willfully. TitleMax's reliance on counsel, although

1 not dispositive, is another indication that TitleMax acted in good faith and did not
2 willfully violate any provision of NRS 604A. The FID's failure to respond to
3 TitleMax's request for an explanation of the FID's position also leads to the
4 conclusion that TitleMax did not act willfully.

5 48. The ALJ's conclusion that TitleMax acted willfully because it failed to
6 immediately change its way of doing business the moment lay FID examiners opined
7 it should, is illogical and clearly erroneous.

8 49. In sum, the ALJ's ruling is clearly erroneous, arbitrary and capricious, and is
9 hereby reversed and vacated.

10 II.

11 **TITLEMAX DID NOT VIOLATE NRS 604A.070, NRS 604A.210, OR NRS 604A.445**

12 **A. This Court Owes No Deference to the FID** 13 **or the ALJ in Interpreting Plain Statutory Language**

14 50. The Court finds NRS 604A.070, NRS 604A.210, and NRS 604A.445 to be
15 unambiguous and thus this Court need not defer to the FID's interpretation of the
16 statutes. The FID is not entitled to deference by this Court in determining the
17 meaning of the statutes' plain language.

18 51. Moreover, the question here is whether the structure of the GPDA complies
19 with NRS 604A.445(3) and NRS 604A.210. That is a purely legal determination
20 upon which the Court owes no deference to the FID or to the ALJ. *Elizondo v. Hood*
21 *Mach., Inc.*, 129 Nev. Adv. Op. 84, 312 P.3d 479, 482 (2013) (courts decide "pure
22 legal questions without deference to an agency determination") (internal quotation
23 marks and citation omitted); *Manke Truck Lines, Inc. v. Pub. Serv. Comm'n of Nev.*,
24 109 Nev. 1034, 1036-37, 862 P.2d 1201, 1203 (1993) (questions of statutory
25 construction are "purely legal issue[s] . . . reviewed without any deference
26 whatsoever to the conclusions of the agency").

1 52. To the extent deference is owed to either the ALJ or the FID, the Court finds,
2 in the alternative, that the FID's and the ALJ's statutory interpretations are clearly
3 erroneous.

4 **B. The Requirements of NRS 604A.445(3)**
5 **Do Not Apply to Grace Periods**

6 53. NRS 604A.445 does not govern grace periods and thus does not apply to the
7 GPDA.

8 54. Under the plain language of NRS 604A.445(3), the 210-day limit applies only
9 to the original term of the loan; that subsection refers to and governs the original term
10 of the loan, not grace periods.

11 55. NRS 604A.445(3) does not set a maximum time period on a loan. It does not
12 say that a title loan can never be longer than 210 days.

13 56. Rather, by providing that the "original term" of a title loan can be up to 210
14 days, the statute contemplates that a title loan can be of longer duration if a grace
15 period is included. While NRS 604A.445(3) prohibits extensions of a 210-day title
16 loan, the definition of "extension" specifically excludes grace periods. NRS
17 604A.065(2).

18 57. TitleMax's GPDA complied with the statutory provisions regarding grace
19 periods (NRS 604A.070 and NRS 604A.210), and thus there was no basis for the ALJ
20 to conclude that the GPDA was an illegal extension.

21 58. Moreover, the FID conceded that a grace period could be of unlimited
22 duration and that the mere length of the repayment period under the GPDA was not a
23 violation of any law. (Hr'g Tr. 219:10-11; 279:11-280:10; 396:24-397:2; 398:8-11;
24 663:10-11.)

25 59. Under the plain language of the statutes, amortization is not a requirement for
26 grace periods. The amortization requirement in NRS 604A.445(3)(b) again applies to
27 the "original term" of the loan.
28

1 60. The FID also acknowledged that there was no amortization requirement for
2 grace periods. (Hr'g Tr. 84:17-19; 185:7-10; 298:24-299:1; 419:15-21.)

3 61. Indeed, as a grace period is by definition a period of deferment, it makes no
4 sense to require amortization during a grace period.

5 62. In light of the entire harmonized statutory scheme, TitleMax's statutory
6 interpretation is the better-reasoned approach.

7 63. The requirements of NRS 604A.445(3) do not apply to grace periods, and
8 TitleMax did not violate NRS 604A.445(3) by offering the GPDA to its customers.

9 **C. Both the Plain Language and the Legislative History of NRS**
10 **604A.210 Establish That TitleMax Did Not Violate NRS 604A.210**

11 64. Under NRS 604A.070, a grace period is "any period of deferment offered
12 gratuitously by a licensee to a customer if the licensee complies with the provisions
13 of NRS 604A.210."

14 65. The GPDA was comprised of a lawful grace period because it offered a
15 period of deferment on payments, was offered voluntarily and without charge (i.e.
16 gratuitously), and complied with NRS 604A.210.

17 66. Under NRS 604A.210, grace periods are permitted as long as the licensee
18 does not charge the customer "1. Any fees for granting such a grace period; or 2. Any
19 additional fees or additional interest on the outstanding loan during such a grace
20 period."

21 67. It is undisputed that TitleMax did not charge any fees for customers entering
22 the GPDA. (ROA 010646-010648; Hr'g Tr. 74:25-75:12; 192:20-25; 398:12-17.)

23 68. Under the plain language of NRS 604A.210, which the Court finds
24 unambiguous, the word "additional" preceding "interest" means something more than
25 the original contract rate of interest provided for in the loan agreement.

26 69. Words in statutes must have meaning. *S. Nevada Homebuilders Ass'n v.*
27 *Clark Cty.*, 121 Nev. 446, 449, 117 P.3d 171, 173 (2005) (courts must interpret
28 statutes "in a way that would not render words or phrases superfluous or make a

1 provision nugatory”) (internal quotation marks and citation omitted); *Coast Hotels &*
2 *Casinos, Inc. v. Nevada State Labor Comm’n*, 117 Nev. 835, 841, 34 P.3d 546, 550
3 (2001) (“[T]his court will read each sentence, phrase, and word to render it
4 meaningful within the context of the purpose of the legislation.”).

5 70. The ALJ’s determination ignores the rule that each word must have meaning
6 and ignores the word “additional.” NRS 604A.210 must be interpreted to mean that
7 the licensee can charge interest at the original contract rate during the grace period.

8 71. If the legislature had intended that the total amount of interest charged in
9 conjunction with a grace period could not exceed the total amount of interest set forth
10 in the Truth-in-Lending Act Disclosures accompanying the original loan, it would
11 have said so. See NRS 604A.435(1)(e) (prohibiting a deferred deposit lender from
12 accepting a “check or written authorization for an electronic transfer of money for
13 any deferred deposit loan *in an amount which exceeds the total of payments set forth*
14 *in the disclosure statement required by the Truth in Lending Act and Regulation Z*
15 *that is provided to the customer*”) (emphasis added); *Dep’t of Taxation v.*
16 *DaimlerChrysler Servs. N. Am., LLC*, 121 Nev. 541, 548, 119 P.3d 135, 139 (2005)
17 (“Here, the Legislature could have clearly provided [the contended result], but it did
18 not do so.”); see also *Jama v. Immigration & Customs Enf’t*, 543 U.S. 335, 341
19 (2005) (“We do not lightly assume that [the legislature] has omitted from its adopted
20 text requirements that it nonetheless intends to apply, and our reluctance is even
21 greater when [the legislature] has shown elsewhere in the same statute that it knows
22 how to make such a requirement manifest.”); *Russello v. U.S.*, 464 U.S. 16, 23 (1983)
23 (“Had Congress intended [the contended result], it presumably would have done so
24 expressly as it did in the immediately following subsection”).

25 72. The Court finds NRS 604A.210 to be unambiguous; the prohibition on
26 “additional interest” means a licensee cannot charge interest at a *rate* of interest
27 higher than that specified in the loan agreement.

28 73. However, even if NRS 604A.210 were ambiguous, the legislative history

1 supports TitleMax's interpretation. The word "additional" was specifically added to
2 the original proposed statute as a clarification of what interest could be charged
3 during the grace period. (ROA 010261; ROA 010292.) This indicates that the
4 legislature chose not to prohibit "any interest" being charged during a grace period.
5 *In re Town & Country Home Nursing Servs., Inc.*, 963 F.2d 1146, 1151 (9th Cir.
6 1991) ("As a general canon of statutory construction, where the final version of a
7 statute [changes] language contained in an earlier draft, a court may presume that the
8 earlier draft is inconsistent with ultimate congressional intentions.").

9 74. Moreover, at a public workshop in 2012, the FID solicited comments in
10 relation to "POSSIBLE ACTION regarding whether the proposed regulations should
11 be amended to add a regulation to address accrual of contract interest during a grace
12 period." (ROA 012394.)

13 75. Members of the lending industry proposed a regulation providing "a licensee
14 is permitted to continue to accrue interest at its contract rate during the term of any
15 grace period offered within the terms and conditions of its title loan agreement
16 provided the licensee does not charge any fees or any additional interest, such as a
17 penalty or higher rate of interest, during such grace period." See
18 [http://fid.nv.gov/uploadedFiles/fidnv.gov/content/Opinion/Propoosed_Regulations/20](http://fid.nv.gov/uploadedFiles/fidnv.gov/content/Opinion/Propoosed_Regulations/2012-09-21_NoticeOfWorkshop604A.pdf)
19 [12-09-21_NoticeOfWorkshop604A.pdf](http://fid.nv.gov/uploadedFiles/fidnv.gov/content/Opinion/Propoosed_Regulations/2012-09-21_NoticeOfWorkshop604A.pdf), Ex. C.

20 76. In contrast, the FID submitted proposed regulatory language stating that a
21 licensee could *collect* interest on the outstanding loan during a grace period "not to
22 exceed the amount of accrued interest and fees as disclosed in the loan agreement.
23 During a grace period, no interest shall accrue and no fees shall be charged after
24 expiration of the loan period." (ROA 012397);
25 [http://fid.nv.gov/uploadedFiles/fidnv.gov/content/Opinion/Propoosed_Regulations/20](http://fid.nv.gov/uploadedFiles/fidnv.gov/content/Opinion/Propoosed_Regulations/2012-09-21_NoticeOfWorkshop604A.pdf)
26 [12-09-21_NoticeOfWorkshop604A.pdf](http://fid.nv.gov/uploadedFiles/fidnv.gov/content/Opinion/Propoosed_Regulations/2012-09-21_NoticeOfWorkshop604A.pdf), Ex. D.

27 77. At the public hearing on the conflicting proposed regulations, the FID
28 acknowledged that NRS 604A.210 was at least ambiguous and that the industry

1 interpretation was plausible: "It was stated that the Division acknowledges some
2 ambiguity exists in the statutes, and that a possible interpretation would permit the
3 contract rate of interest to be charged during a grace period so long as it is not
4 considered 'additional interest or fees' on the loan." (ROA 012402.)

5 78. In the end, neither the industry's nor the FID's proposed regulation was ever
6 adopted. (Hr'g Tr. 371:5-16.)

7 79. To the extent NRS 604A.210 is ambiguous, the FID engaged in proposed
8 rulemaking that would have clarified NRS 604A.210 to support the FID's position in
9 this case, but the proposed regulation was not enacted. This too supports the
10 interpretation that NRS 604A.210 does not prohibit charging any interest during a
11 grace period. *See Horizons at Seven Hills v. Ikon Holdings*, 132 Nev. Adv. Op. 35,
12 373 P.3d 66, 71 (2016) (considering an introduced bill attempting to add "language
13 allowing the collection costs permitted under NRS 116.310313 to become part of the
14 HOA's lien and the superpriority lien," but pointing out this bill never passed and
15 concluding "we must presume the Legislature did not intend for such costs to be
16 included as part of an HOA's superpriority lien").

17 80. Under NRS 604A.210, licensees are allowed to charge simple interest at the
18 original contractual rate during a grace period, and TitleMax did not violate NRS
19 604A.210.

20 III.

21 TITLEMAX ACTED REASONABLY, PRECLUDING A FINDING OF WILLFULNESS

22
23 81. Alternatively, and at a minimum, the Court concludes that the ALJ's
24 willfulness finding is clearly erroneous. Even assuming TitleMax's statutory
25 interpretation were incorrect – which the Court does not believe it is – TitleMax's
26 statutory interpretation was reasonable. There was no willful violation that could
27 possibly lead to the penalties the ALJ imposed.

1 **A. The Legislative History of NRS 604A.210 Confirms**
2 **TitleMax Acted on a Reasonable Interpretation of That Statute**

3 82. TitleMax cannot be found to have willfully violated NRS 604A.210 when the
4 FID's interpretation of the statute was never codified or enacted. As described in
5 paragraphs 74-78 above, in its 2012 workshop, the FID acknowledged ambiguity in
6 NRS 604A.210 and recognized that TitleMax's interpretation of the statute was
7 plausible. The rule the FID proposed to address the issue did not pass. Thus, there
8 can be no willfulness here.

9 83. The FID's proposed, but never-passed regulation supports the Court's
10 determination that the ALJ's ruling was clearly erroneous and arbitrary and
11 capricious.

12 84. TitleMax's statutory interpretation was not objectively unreasonable. That
13 TitleMax acted in accord with a reasonable and plausible interpretation means that
14 TitleMax did not engage in any willful violation. *See Safeco Ins. Co. of Am. v. Burr*,
15 551 U.S. 47, 70 (2007) (there was no willful violation where party's reading of the
16 statute "was not objectively unreasonable").

17 **B. TitleMax Acted Reasonably in Determining Its Legal Obligations,**
18 **Including by Relying on Counsel**

19 85. The Supreme Court has ruled that if a party "acts reasonably in determining
20 its legal obligation, its action cannot be deemed willful." *McLaughlin v. Richland*
21 *Shoe Co.*, 486 U.S. 128, 135 n.13 (1988). Here, at the very least, TitleMax acted
22 reasonably in determining its legal obligations. Its actions cannot therefore be
23 deemed willful.

24 86. While consulting with counsel is not dispositive, it is certainly a relevant
25 factor and indicates here that TitleMax acted reasonably in determining its legal
26 obligations. *McLaughlin*, 486 U.S. at 135 n.13; *Trans World Airlines, Inc. v.*
27 *Thurston*, 469 U.S. 111, 129-30 (1985) (a violation is not willful where "officials
28 act[] reasonably and in good faith in attempting to determine whether their plan

1 would violate" the statutory requirements) (determining that employer did not
2 willfully violate statute where it "sought legal advice"); *Baker v. Delta Air Lines,*
3 *Inc.*, 6 F.3d 632, 645 (9th Cir. 1993) (analogizing reliance on previous opinion to
4 relying on legal advice and finding such reliance "constituted good faith as a matter
5 of law"); *City Council of City of Reno v. Reno Newspapers, Inc.*, 105 Nev. 886, 894,
6 784 P.2d 974, 979 (1989) (finding no willful violation of the district court's
7 preliminary injunction where city council members followed the advice of the city
8 attorney)

9 87. TitleMax's consultation with counsel further supports the Court's
10 determination that the ALJ's ruling was clearly erroneous and arbitrary and
11 capricious.

12 **C. Disagreement with an Agency Does Not Constitute Willfulness**

13 88. Penalties for willful violations cannot be premised on TitleMax not changing
14 its business practices the moment a lay FID examiner levied a decision that it should.
15 Essentially the FID's and the ALJ's position is that the very moment a FID examiner
16 said that TitleMax should not offer the GPDA, everything subsequent to that was a
17 willful violation. That position is unfounded, and the Court rejects it.

18 89. As an initial matter, the lay FID examiners opined that TitleMax also violated
19 NAC 604A.230, but the ALJ rejected that position. (ROA 012290-012291.) The
20 ALJ never explained how refusing to follow the advice of lay FID examiners
21 constitutes a willful statutory violation when she herself found that the FID examiners
22 were sometimes wrong in their interpretation of the law.

23 90. The Court does not use the term "lay" in a pejorative way, but simply that lay
24 examiners at the FID were not attorneys and did not rely on an Attorney General
25 opinion or any similar legal authority. (Hr'g Tr. 391:18-392:5; 393:16-18, 396:20-
26 23.)

27 91. When TitleMax laid out its legal position in its February 9, 2015, letter and
28 explained why, in its analysis, the GPDA did not violate any part of NRS 604A

(ROA 009991-010000), the FID responded with a letter stating merely that “the FID stands by its position.” (ROA 0100006.) TitleMax’s attempt to explain its position to the FID and the FID’s lack of explanation or any meaningful response are yet further indications that TitleMax did not willfully violate any statutory provision here.

92. TitleMax’s failure to change its entire way of doing business immediately when lay FID examiners stated it should, simply cannot equate to willfulness. The ALJ necessarily concluded that TitleMax’s failure to cease offering the GPDA immediately constituted willfulness, as evidenced by the penalty given and the way it was given.

93. Using the closing date of the FID’s 2014 Report of Examination, the first examination during which the FID took issue with the GPDA, the ALJ concluded that every GPDA entered into after December 18, 2014, constituted a willful statutory violation, “warranting the imposition of the civil penalty set forth in NRS 604A.900(1)(c). Accordingly, every [GPDA] entered into after December 18, 2014, is void, and TitleMax is not entitled to collect, receive or retain any principal, interest or other charges or fees with respect to those loans.” (ROA 012293.)

94. The ALJ found that the moment the FID’s lay examiners gave their opinion that the GPDA violated NRS 604A.445(3) and NRS 604A.210, the penalty started from then. But TitleMax’s failure to defer immediately to the FID’s lay examiners is not evidence of willfulness.

95. Disagreement with an agency by itself without more, as is the case here, is not willfulness. *See Baystate Alternative Staffing, Inc. v. Herman*, 163 F.3d 668, 680 (1st Cir. 1998) (rejecting standard of willfulness that would “preclude[] legitimate disagreement between a party and” an agency and place the private party in the “untenable position” of either accepting the agency’s position “or risk a finding of a willful violation of the Act”); *Brock v. Claridge Hotel & Casino*, 846 F.2d 180, 188 & n.9 (3d Cir. 1988) (rejecting Secretary of Labor’s reliance “on the fact that the

1 casino did not change its pay practices even after the Secretary declared them
2 improper,” noting that “*private parties must retain a right to disagree* with the
3 Secretary’s interpretation of the regulations *Such disagreement is not*
4 *willfulness.*”) (emphases added).

5 **D. The Civil Penalty the ALJ Imposed Should Be**
6 **Vacated Because TitleMax Had a Good Faith**
7 **and Reasonable Belief in the Legality of Its Actions**

8 96. Moreover, this is a case dealing with a civil penalty, and the case law supports
9 that “courts refuse to impose civil penalties against a party who acted with a good
10 faith and reasonable belief in the legality of his or her actions.” *Lusardi Constr. Co.*
11 *v. Aubry*, 824 P.2d 643, 655–56 (Cal. 1992); *see also State v. Harmon*, 35 Nev. 189,
12 127 P. 221, 223 (1912) (“Penalties and forfeitures are not favored, unless plainly
13 expressed.”).

14 97. That a severe penalty is at stake – requiring the forfeiture of not only interest,
15 but all *principal* collected under every GPDA – only confirms that the appropriate
16 course of action is to reverse and vacate the penalties issued by the ALJ.

17 98. “The law does not favor forfeitures and statutes imposing them must be
18 strictly construed.” *Wilshire Ins. Co. v. State*, 94 Nev. 546, 550, 582 P.2d 372, 375
19 (1978).

20 99. Given the punitive nature of the penalty at issue, it should “be construed as
21 calling for a substantial element of culpability.” *See No Oil, Inc. v. Occidental*
22 *Petroleum Corp.*, 50 Cal. App. 3d 8, 30–31, 123 Cal. Rptr. 589 (Cal. Ct. App. 1975).

23 100. As detailed above, TitleMax did not violate any statute, let alone do so
24 willfully. At a minimum, TitleMax acted on a reasonable interpretation of the
25 statutory provisions at issue.

26 101. As an alternative finding, the Court agrees with TitleMax that
27 TitleMax’s offering of statutorily compliant products (such as the original loan
28 agreement) is not proof that other products (such as the GPDA) were willfully non-

1 compliant. The evidence suggests that TitleMax always strove to be in compliance
2 with the law and that TitleMax believed the GPDA was statutorily compliant. (*See*,
3 *e.g.*, Hr'g Tr. 181:2-5 (FID witness agreeing that "whenever TitleMax has agreed
4 with the FID's interpretation and application of the law, they fix – they fix the
5 issue"); 472:10-473:8; 488:23-489:3; 496:10-24, 509:13-17; 577:20-23.)

6 102. There is no evidence of any willful violation by TitleMax.

7 IV.

8 RULING ON SUPPLEMENTS

9 103. TitleMax submitted supplemental authorities comprised of Assembly
10 Bill 163 (amending NRS 604A) and *Henson v. Santander Consumer USA Inc.*, 137 S.
11 Ct. 1718 (2017). The parties submitted briefing on the import of Assembly Bill 163,
12 which was approved by the Governor on June 1, 2017.

13 104. The Court finds that it does not need any of the supplemental authorities
14 to reach its decision.

15 105. To the extent the Court should or does consider the supplements, *Henson*
16 is new case law, the recent revisions to NRS 604A are akin to new case law, and, to
17 the extent appropriate to consider, both support the Court's ruling.

18 106. The FID submitted testimony indicating that some of the recent
19 proposed statutory changes were an attempt to close "loopholes." Such testimony
20 supports the Court's ruling here and indicates that the previous statutory language
21 was unambiguous and allowed "loopholes." Whether or not one characterizes the
22 pre-2017 version of NRS 604A.210 as a "loophole," the language prohibited only the
23 charging of "additional interest" during a grace period. TitleMax followed the plain
24 language of the statute.

25 107. Moreover, the 2017 bill as actually enacted varies from the original
26 proposal. The 2017 bill as enacted modifies NRS 604A.210 to provide in connection
27 with grace periods that a licensee shall not "[c]harge the customer interest at a rate in
28 excess of that described in the existing loan agreement." NRS 604A.210(2)(b)

1 (2017). This conforms to TitleMax's arguments and interpretation as to what
2 "additional interest" meant all along.

3 108. The United States Supreme Court's recent decision in *Henson v.*
4 *Santander Consumer USA Inc.*, 137 S. Ct. 1718, 1725–26 (2017) also supports the
5 Court's ruling.

6 109. In *Henson*, the Supreme Court warned that courts "will not presume . .
7 that any result consistent with [party's] account of the statute's overarching goal must
8 be the law but will presume more modestly instead that the legislature says what it
9 means and means what it says." 137 S. Ct. at 1725 (internal quotation marks and
10 citation omitted; alterations incorporated). *Henson* supports that the plain language
11 of the statutes controls.

12 110. Moreover, *Henson* supports the Court's conclusion that disagreement
13 with the regulator does not constitute willfulness or culpable conduct:

14 After all, it's hardly unknown for new business models to emerge in
15 response to regulation, and for regulation in turn to address new
16 business models. Constant competition between constable and quarry,
17 regulator and regulated, can come as no surprise in our changing
18 world. But neither should the proper role of the judiciary in that
19 process—to apply, not amend, the work of the People's
20 representatives.

21 *Henson*, 137 S. Ct. at 1725–26.

22 111. Again, the Court finds that it does not need to reach or consider the
23 supplements, but to the extent it can or should, they support reversing and vacating
24 the ALJ's order.

25 V.

26 ORDER

27 IT IS THEREFORE ORDERED:

28 A. That the ALJ's Order is reversed and vacated;

1 B. That the FID must return to TitleMax the \$50,000 administrative fine already
2 paid by TitleMax. The FID shall refund the amount of the administrative fine
3 in accordance with standard agency process;

4 ~~C. That the FID, within 30 days of Notice of Entry of this Order, must return to~~
5 ~~TitleMax the costs for the court reporter and transcripts in the administrative~~
6 ~~proceedings paid by TitleMax; and~~ *JH*

7 ~~D. That the FID must issue copies of its Reports of Examination for TitleMax for~~
8 ~~2014 and 2015 and provide TitleMax with "Satisfactory" ratings, given that~~
9 ~~this Court has found that TitleMax did not violate NRS 604A.070, NRS~~
10 ~~604A.210, or NRS 604A.015 and the ALJ found that TitleMax did not violate~~
11 ~~NAC 604A.236 (a finding not challenged by the FID). The FID shall provide~~
12 ~~electronic and printed copies of the amended Reports of Examination to~~
13 ~~TitleMax within 30 days of Notice of Entry of this Order.~~ *JH*

14 *See minute order for details.*

15 IT IS SO ORDERED.

16 Dated this 20th day of August, 2017.

17 *[Signature]*
DISTRICT COURT JUDGE

18
19 Submitted by:
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28 *Attorneys for Petitioners*

EXHIBIT 3

EXHIBIT 3



BRIAN SANDOVAL
Governor

STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
FINANCIAL INSTITUTIONS DIVISION

C.J. MANTHE
Director

GEORGE E. BURNS
Commissioner

CHAPTER 604A

REPORT OF EXAMINATION

TITLEMAX OF NEVADA INC
DBA: TITLEMAX
1225 E CHARLESTON BLVD
LAS VEGAS, NV 89104
WWW.TITLEMAX.COM

Examiner In Charge:	Kelvin Lam	Examined as of:	January 31, 2018
Examination Started:	February 8, 2018	Examination Closed:	June 8, 2018
Total Exam Hours:	13.5	Examination Number:	73465

THIS REPORT IS STRICTLY CONFIDENTIAL

The information contained in this report is based on the books and records of the licensee as licensed under NRS 604A, on statements made to the examiner by the directors, officers, and employees, and on information obtained from other sources believed to be reliable and presumed by the examiner to be correct. It is emphasized that this report is a report of examination, and not an audit of the licensee, and should not be construed as such. This report of examination does not replace nor relieve the principals of their responsibility for performing or providing for adequate audits of the business.

This copy of the report is the property of the Department of Business and Industry of the State of Nevada, and is furnished to the licensee for its confidential use. Under no circumstances shall the licensee, or any of its directors, officers, or employees disclose in any manner the report or any portion thereof to any person or organization not officially connected with the licensee as officer, director, attorney, or auditor unless otherwise directed. Should any legal process document be served calling for the surrender of this report or any portion thereof, the Commissioner of the Financial Institutions Division shall be notified immediately.

Each principal has the responsibility to review the contents of this report.

State of Nevada
Department of Business and Industry, Financial Institutions Division

Kelvin Lam
Examiner In Charge

EXAMINATION COMMENTS AND CONCLUSIONS

INTRODUCTION

An annual examination of TitleMax of Nevada Inc DBA: TitleMax commenced on February 8, 2018. This business location currently holds a Nevada Revised Statute (NRS) Chapter 604A license issued by the State of Nevada Financial Institutions Division (FID). The FID granted the licensee approval to initiate title loans in accordance with applicable statutes and regulations.

TitleMax of Nevada Inc DBA: TitleMax is a privately held consumer financial services with 31 locations in Nevada. TitleMax offers installment title loans with the added feature to refinance. The corporate office located at 15 Bull St., Ste 200, Savannah, GA is licensed with the FID; however, it does not underwrite loans and is only used for administrative purposes.

The licensee operates out of the following licensed offices with FID:

License #	Street Address	City, State	Zip Code
CDTHB11113	4077 W Charleston Blvd	Las Vegas, NV	89102
CDTHB11060	6530 S Decatur Blvd Ste 100	Las Vegas, NV	89118
CDTHB11198	6795 W Tropicana Ave Ste 140	Las Vegas, NV	89103
CDTHB11126	8414 W Farm Rd Ste 130	Las Vegas, NV	89131
CDTHB11132	3900 W Saliara Ave	Las Vegas, NV	89102
CDTHB11197	3220 S Virginia St	Reno, NV	89502
CDTHB11204	1210 N Boulder Hwy Bldg C	Henderson, NV	89011
CDTHB11205	1995 E Williams Ave	Fallon, NV	89406
CDTHB11209	900 W 5 th St Bldg C	Reno, NV	89503
CDTHB11207	2020 E Williams St	Carson City, NV	89701
CDTHB11213	5871 E Lake Mead Blvd	Las Vegas, NV	89156
CDTHB11075	1600 N Nellis Blvd Ste 102	Las Vegas, NV	89115
CDTHB11047	2430 N Buffalo Dr Bldg 140	Las Vegas, NV	89128
CDTHB11050	6436 N Decatur Blvd Ste 113	Las Vegas, NV	89131
CDTHB11054	9555 S Eastern Ave Ste 105	Las Vegas, NV	89123
CDTHB11061	7380 S Eastern Ave Ste 126	Las Vegas, NV	89123
CDTHB11062	6525 S Fort Apache Rd Ste 110	Las Vegas, NV	89148
CDTHB11063	3525 S Fort Apache Rd Ste 160	Las Vegas, NV	89147
CDTHB11064	3810 Blue Diamond Rd Ste 150	Las Vegas, NV	89139
CDTHB11071	1225 E Charleston Blvd	Las Vegas, NV	89104
CDTHB11074	4944 Boulder Hwy	Las Vegas, NV	89121
CDTHB11049	6450 W Lake Mead Pkwy Ste 150	Las Vegas, NV	89108
CDTHB11053	15 Bull St Ste 200	Savannah, GA	31401
CDTHB11048	4811 W Craig Rd	Las Vegas, NV	89130
CDTHB11052	4650 E Sunset Rd Ste C	Henderson, NV	89014
CDTHB11051	16 W Horizon Ridge Pkwy Ste 160	Henderson, NV	89012



EXAMINATION COMMENTS AND CONCLUSIONS

CDTHB11056	7615 S Rainbow Blvd Ste 100	Las Vegas, NV	89139
CDTHB11057	3391 E Tropicana Ave Ste 1	Las Vegas, NV	89121
CDTHB11058	2550 S Eastern Ave	Las Vegas, NV	89169
CDTHB11059	6820 W Flamingo Rd Ste F & G	Las Vegas, NV	89103
CDTHB11192	4001 N Las Vegas Blvd	Las Vegas, NV	89115
CDTHB11191	4741 E Charleston Blvd	Las Vegas, NV	89104

During the current examination, the licensee surrendered the license for the following locations with the Financial Institutions Division:

License #	Street Address	City, State	Zip Code
CDTHB11124	3365 E Flamingo Rd Ste 1	Las Vegas, NV	89121
CDTHB11188	4750 Spring Mountain Rd	Las Vegas, NV	89102
CDTHB11186	4000 Boulder Hwy Ste 5	Las Vegas, NV	89121
CDTHB11072	4750 W Lake Mead Blvd Ste 102	Las Vegas, NV	89168

The licensee's website, www.titlemax.com, is used to provide general information about its business, requirements to obtain a title loan, and each licensed location. Customers have the option to begin the title loan application process online; however, completion of the application process must be at a licensed location.

SCOPE OF EXAMINATION

The primary purpose of the examination was to determine compliance with Nevada Revised Statutes (NRS) Chapter 604A and Nevada Administrative Code (NAC) Chapter 604A. The examination consisted of a review of active, delinquent, paid and declined loans, a review of surety bond terms, completion of the manager's and statutory compliance questionnaires, and a review of the company's policies and procedures and forms used in the operation of the business. Appropriate licenses and fee-related postings were also examined. Emphasis was placed on compliance with State regulations as well as the Truth in Lending Act (Regulation Z).

Annual Report

The Annual Report to the Commissioner is due by April 15 each year per NRS 604A.750. The licensee's Annual Report was received on April 13, 2013, which complies with NRS 604A.750.

Surety Bond

The licensee has a surety bond, number 60088894, issued by Capitol Indemnity Company. It was verified and is currently posted at \$265,000, which is sufficient for this business per NRS 604A.610. The surety bond is in favor of the State of Nevada and is current until February 15, 2019.

Internal / External Review

The licensee did not submit any internal or external reviews as part of the examination.

REPORT OF EXAMINATION



STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
FINANCIAL INSTITUTIONS DIVISION

NSC FID 00049

EXAMINATION COMMENTS AND CONCLUSIONS

Financial Audit / CPA

The licensee did not submit its audited financials as part of the examination. However, the licensee submitted its audited financials with the annual report on April 13, 2018. There were no items of concern noted by the Financial Institutions Division CPA.

Internal Routine and Control

The licensee utilizes TLXe, a new point-of-sale system that offers enhanced security and documentation retention capacity. This software program is utilized to supplement operations, create contracts, and calculate the annual percentage rate for title loans. The licensee has the following as requirements for a title loan:

- Completed application
- Valid registered vehicle
- Lien-free title to vehicle
- Government issued photo identification

The amount of the title loan is based on the customer's ability to repay and the fair market value of the vehicle. During the current examination, it was discovered that the licensee is inconsistent in obtaining the proof of income. With the recent changes made under AB163, licensees must obtain customers' proof of income in order to calculate the ability to repay correctly. Please refer to the recommendation section for further details. In addition, it was discovered that several loans were underwritten with a total amount due exceeding the fair market value of the vehicle. This is a violation of NRS 604A.450(1); please refer to the violations section for further details.

The standard loan term is up to 210 days with seven monthly payments. On October 16, 2017, the licensee introduced a new service to its installment title loans; the ability to refinance. Pursuant to NRS 604A.445(3)(c), licensees that offer installment title loans cannot extend its loans. The definition of extension within NRS 604A is as follows:

NRS 604A.065 "Extension" defined.

1. "Extension" means any extension or rollover of a loan beyond the date on which the loan is required to be paid in full under the original terms of the loan agreement, regardless of the name given to the extension or rollover.

Even though the licensee is calling the extensions "refinances," the licensee is extending customers' title loans beyond the original loan's due date. NRS 604A.445(3)(c) and NRS 604A.065. Multiple loan samples reviewed during the current examination confirmed that the licensee is violating NRS 604A.445(3)(c) and NRS 604A.065. According to a TitleMax District Manager, refinances provides customers the option to pay a lower amount (the interest portion of a payment) given that they are unable to make the full payment. However, multiple refinanced loans were reviewed to have a higher payment than the original loan's payment. In addition, the TitleMax District Manager stated that customers have no limitations to how many



EXAMINATION COMMENTS AND CONCLUSIONS

times their loans can be refinanced. Again this is a violation of 604A statutes and would allow the customers to stay on a debt treadmill.

During the previous examination, many samples of denied loans did not have an application attached for the Examiner to verify compliance with Regulation B. It was recommended to the licensee to maintain the application with the denial letters to ensure compliance. However, during the current examination, the licensee continues to not maintain the applications with the denial letters. During a phone conference on April 4, 2018, Victoria Newman, General Counsel, explained to the Examiner that the system that maintains the application will not maintain an application if it is incomplete, making it impossible to reprint some applications. However, the system does maintain the necessary information internally, and that information, including customer name and date, was provided to the Examiner via excel spreadsheet.

Training

On October 16, 2017, the licensee introduced a new service to its installment title loans; the ability to refinance. While this service is not compliant with NRS 604A.445(3)(c), the licensee was unable to provide any documentation on policies and procedures and training on this new service. Without the proper documentation, there is indication of weakness in its internal routine and control and training. Policies and procedures and training are crucial to any new products and services implemented by the licensee as it provides knowledge on compliance and any updates on federal and state laws and regulations. The Examiner made multiple requests at the store level and at the corporate level to be provided policies and procedures regarding the licensee's new product so that the Examiner could verify compliance. Ms. Newman, General Counsel, and Ms. Morrison, Senior Store Compliance Auditor, from the licensee's corporate office did not provide the requested information.

Display of License, Notices, and Disclosures

The State of Nevada, Financial Institutions Division NRS 604A license is conspicuously displayed by the licensee, as per NRS 604A.635. The license expires on April 17, 2018.

The toll-free telephone number to the Office of the Commissioner is posted in the location where the licensee conducts business in accordance with NRS 604A.405 (1)(b).

Pursuant to the amendments made to NRS 604A under AB 163, licensees are required to conspicuously display a notice stating that customers will be sent a repayment plan offer upon the loan's default. During the current examination, it was discovered that all licensed locations do not have this notice posted. Please refer to the recommendation section of this report for further details.

Record Retention

All documents concerning customer accounts are filed and stored locally and electronically. Customer loan documentation is scanned into the system and is retained for at least six years according to its policy. At the time of the current examination, the licensee appears to be in compliance with NAC 604A.260.



EXAMINATION COMMENTS AND CONCLUSIONS

Collection Agency Utilized by the Licensee

As of this current examination, the licensee does not utilize any third party collection agencies for debt collection. The licensee utilizes internal staff for all collection efforts.

FDCPA

No violations of FDCPA were noticed by the examiner during the onsite visitations. The licensee's collection efforts are restricted to the FDCPA prescribed hours of 8:00 AM to 9:00 PM.

FinCen Registration

The licensee is not considered a Money Services Business (MSB) in accordance with 31 CFR Chapter X § 1022.380; as such, the licensee is not registered with FinCEN as a MSB.

Complaints Filed Since the Previous Examination

No complaints have been received by the Financial Institutions Division since the prior examination.

Total Sample Size

As of Exam Date	January 31, 2018		
	Population	Sample Size	Penetration
LOAN TYPES:			
Active Loans	344	5	1.45%
Delinquent Loans	14	3	35.71%
Closed Loans	18	5	27.78%
Declined Loans	10	10	100.00%
Total Loans =	386	23	6.48%

A random loan sample was chosen based on the inventory reports provided to the Examiner during this examination. The loans consisted of title loans that are active, delinquent, and paid. Declined loans were also reviewed onsite. The examination sample included loans initiated and/or serviced since the prior examination.

PREVIOUS VIOLATIONS OF STATUTES AND REGULATIONS

NRS 604A.445 Title loans: Restrictions on duration of loan and periods of extension.

NRS 604A.045 "Default" defined.

NRS 604A.485 Limitations on amounts licensee may collect after default.

During the previous examination, it was discovered that the licensee was collecting payments and applying some payments to interest only. During the current examination, reviewed payments were applied correctly. However, NRS 604A.445 is cited as a repeat violation as the licensee violated a different section of this statute. Please see the state violations section for further details.



EXAMINATION COMMENTS AND CONCLUSIONS

NRS 604A.650 Licensee must conduct business in accordance with license; approval of business name; prohibition against using misleading or confusing business name or printed forms.

During the previous examination, it was discovered that even though the licensee had ceased offering the "Grace Period Payments Deferral Agreement," its forms did not exclude that term from being used. During the current examination, the licensee had updated its forms to not include such term. This violation is deemed rectified.

EXIT MEETING

The exit meeting was held telephonically on June 8, 2018. The Financial Institutions Division was represented by Kelvin Lam, Examiner, and Harveen Sekhon, Supervisory Examiner, while the licensee was represented by the following:

- Carrie Carbone, Chief Legal Officer
- Victoria Newman, General Counsel
- Marie Donello, Litigation and Corporate Counsel
- Laura Morrison, Compliance Manager

REPORT OF EXAMINATION



STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
FINANCIAL INSTITUTIONS DIVISION

NSC FID 00053

EXAMINATION COMMENTS AND CONCLUSIONS

CURRENT VIOLATIONS OF APPLICABLE STATUTES AND REGULATIONS

STATE

REPEAT VIOLATION

NRS 604A.445 Title loans: Restrictions on duration of loan and periods of extension.
Notwithstanding any other provision of this chapter to the contrary:

3. The original term of a title loan may be up to 210 days if:
 - (c) The loan is not subject to any extension

NRS 604A.065 "Extension" defined.

1. "Extension" means any extension or rollover of a loan beyond the date on which the loan is required to be paid in full under the original terms of the loan agreement, regardless of the name given to the extension or rollover.
2. The term does not include a grace period.

During the current examination, it was discovered that the licensee is extending its installment title loans. According to the manager's questionnaire, it states that "The Company also now allows borrowers to refinance their title loans as such is not prohibited by 604A.540." In another section of the manager's questionnaire, it states that "The Company does refinance loans as such is not prohibited pursuant to the plain language of 604A.540. This statute is irrelevant to this licensee as TitleMax does not offer payday loans. The statute that controls title loans specifically is NRS 604A.445.

Per NRS 604A.065 listed above, "extension" is defined as any extension of a loan beyond the maturity date of the original loan agreement terms, regardless of the name given to "extension." The term used by the licensee is "refinance" in which the licensee takes an existing title loan's balance and finances it for another 210 days; therefore extending the original loan agreement terms.

It was explained by a TitleMax District Manager and other employees of TitleMax that the purpose of refinance is to help customers that are unable to make the full monthly payment. The customers are offered to pay the interest charge only before refinancing. However, multiple loans were reviewed with additional funds added onto the refinanced loan. This makes the purpose of refinance irrelevant since monthly payments are increased with additional funds added.

It is important to note that during the current examination out of the 465 loans that were reviewed, 240 loans were refinanced. All loans listed below are refinanced loans with a higher balance than the original loans.



EXAMINATION COMMENTS AND CONCLUSIONS

Installment Title Loans (NRS 604A.445) with Multiple Extensions/Refinances (NRS 604A.065)						
Store	Borrower	Date of Initial Contract(s)	Date of Most Recent Refinance	Total Amount Due Under Initial Contract(s)	Total Amount Due Under Most Recent Refinance	Total Number of Refinances
12269		8/3/17	12/2/17	\$1,784.11	\$2,167.16	2
12269		10/13/17	11/29/17	\$589.34	\$589.34	1
12269		11/5/17	11/24/17	\$1,690.97	\$1,690.97	1
12269		2/16/17	2/16/18	\$391.60	\$855.83	3
12269		7/23/17	12/9/17	\$313.97	\$405.69	1

Manager's representative Victoria Newman, General Counsel, stated that a formal response will be provided upon receipt of the finalized report.

FEDERAL

No violations of Federal laws were noted during the examination. However, this examination should not be considered a full compliance examination relative to Federal statutes.

RECOMMENDATION

During the current examination, it was discovered that the sampled loans below were underwritten with no proof of income. With the recent amendments made to NRS 604A under AB 163, the Examiner-in-Charge recommends the licensee to follow and comply with the new amendments pertaining to obtaining evidence of the customer's income.



STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
FINANCIAL INSTITUTIONS DIVISION

REPORT OF EXAMINATION

NSC FID 00055

EXAMINATION COMMENTS AND CONCLUSIONS

Installment Title Loans Underwritten with No Proof of Income	
Store & Loan #	Borrower
12269-██████████	██████████
12269-██████████	██████████
12269-██████████	██████████
12269-██████████	██████████
12269-██████████	██████████
12269-██████████	██████████

During the current examination, it was discovered that the subject loans below were underwritten for one person but the vehicle title is owned jointly by two people. With the recent amendments made to NRS 604A under AB 163, the Examiner-in-Charge recommends the licensee to follow and comply with the new amendments pertaining to jointly owned vehicles, specifically NRS 604A.450(5) which reads:

NRS 604A.450 A licensee who makes title loans shall:

5. Make a title loan secured by a vehicle with multiple legal owners without the consent of each owner.

Installment Title Loans with Vehicle's Title			
Store & Loan #	Name on Loan	Consent on Title	Consent
12269-██████████	██████████	██████████	No

During the current examination, it was discovered that the licensee did not have a written notice conspicuously posted regarding the licensee's requirement of a repayment plan if a customer defaults on a loan. With the recent amendments made to NRS 604A under AB 163, the Examiner-in-Charge recommends the licensee to follow and comply with the new amendments pertaining to posting such notice, specifically NRS 604A.405(1)(b), which reads:

NRS 604A.405 Required notices and disclosures.

1. A licensee shall post in a conspicuous place in every location at which the licensee conducts business under this chapter license:

(b) A notice that states that if the customer defaults on a loan, the licensee must offer a repayment plan to the customer before the licensee commences any civil action or process of alternative dispute resolution or repossesses a vehicle.



EXAMINATION COMMENTS AND CONCLUSIONS

SUMMARY

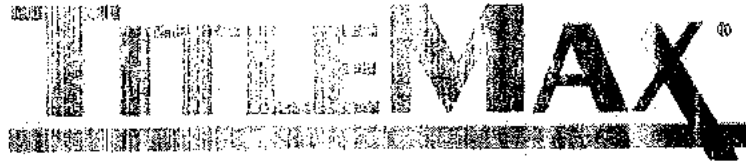
Each licensee, upon completion of an examination, is rated "Satisfactory," "Needs Improvement," or "Unsatisfactory," based primarily on compliance with applicable statutes and regulations and the perceived capability of management to achieve and maintain such compliance. The rating of the licensee at this examination is "Needs Improvement."

A rating of "Needs Improvement" indicates that the licensee and the management of the licensee have demonstrated less than satisfactory compliance, or instances and situations involving a lack of compliance with applicable state and federal laws and regulations and that regulatory supervision is required. The licensee and management will be required to respond in writing to the report of examination within 30 days providing the procedures that have been initiated for the correction of the violations and deficiencies noted in the report made by the examiner pursuant to state and federal laws and regulations.



EXHIBIT 4

EXHIBIT 4



August 27, 2018

Kelvin Lam, Examiner in Charge
State of Nevada
Department of Business and Industry
Financial Institutions Division
1830 College Parkway, Suite 100
Carson City, NV 89701

Re: TitleMax of Nevada, Inc. a/k/a TitleMax ("TitleMax" or the "Company") Reports of Examination ("ROE") by the Nevada Financial Institutions Division ("FID") from February 6, 2018 -- June 2, 2018

Thank you for providing us with the opportunity to respond to the recent examinations conducted by the Department of Business and Industry, Financial Institutions Division (the "FID") of thirty-one (31) TitleMax licensed store locations and one (1) corporate location. It is the Company's desire, intent, and practice to comply with all applicable state laws and regulations relating to the extension of consumer credit. The FID has requested that TitleMax respond to certain issues identified by its examiners in the ROEs. TitleMax will address all ROEs cumulatively in this response (the "Response").

We trust this Response addresses your questions and supports the FID's removal of the recent "Needs Improvement" rating and supports a "Satisfactory" rating instead. We are happy to discuss this Response at your convenience.

I. SCOPE OF EXAMINATION

The FID alleges several points in its Scope of Examination that require a response to which TitleMax will address in the order presented:

- TitleMax "is inconsistent in obtaining proof of income."

The FID noted that TitleMax is "inconsistent in obtaining proof of income" and noted that Chapter 604A was recently amended requiring title lenders to obtain proof of income. The FID points TitleMax to the recommendation section of the ROE. TitleMax is aware of the recent revisions to Chapter 604A and appreciates the FID identifying the change. As this was merely a recommendation, no formal response is required from TitleMax; however, TitleMax began voluntarily complying with the revised requirements of 604A.5011 prior to the effective date of the revisions. It is unclear from the ROE if the FID was reviewing accounts originated before TitleMax's voluntary compliance with the revised statute 604A.5011 or after and in what way TitleMax was allegedly not maintaining proper documentation as the revised statute lists several ways a licensee may determine a borrower's ability to repay.

- "Several loans were underwritten with a total amount due exceeding the fair market value of the vehicle."

As is discussed in greater detail below, TitleMax disagrees with the assessment that "several loans" were underwritten with a total amount due exceeding the fair market value of the vehicle. Only 1 loan out of the 5 listed were determined to exceed the fair market value. Thus, a categorization of "several" is misplaced.

- TitleMax is "extending[] loans"

As is discussed in greater detail below in the "Current Violations" section, TitleMax vehemently denies that it has extended any loan. A refinance and an extension are distinct procedures as outlined by federal law (e.g. the Truth-in-Lending Act) -- a law the FID is familiar with as its "Scope of Examination" states "[e]mphasis was placed on compliance with State regulations as well as the Truth-in-Lending Act (Regulation Z)." Thus, TitleMax incorporates its response below herein.

- TitleMax's District Manager said "refinances provide[] customers the option to pay a lower amount (the interest portion of a payment) given that they are unable to make the full payment."

As with any statement taken alone, it is difficult to determine the context in which this alleged statement was made. Regardless, this statement is not untrue as a borrower may refinance an agreement to lower his or her monthly payments. For example, if a borrower has paid timely for four months in a 210-day title loan, a borrower could refinance the agreement and lower his or her monthly payment if the borrower chose merely to refinance and obtain additional funds. Additionally, a borrower could refinance to request additional funds and include such additional funds in the refinanced loan amount as long as the borrower had the ability to repay the new amount. A borrower would need to pay the outstanding interest due on his or her account before a new loan is provided. TitleMax does not allow interest to be charged upon interest. Thus, before any refinance is completed, the outstanding accrued interest must be paid by a borrower. This requirement does not mean that a borrower cannot afford his or her payment. As the FID's comment in the ROE is without appropriate context and is an accurate statement, such statement actually supports a Satisfactory rating.

- TitleMax was "unable to provide any documentation on policies and procedures and training on [refinances]."

In the ROE, the FID states that TitleMax was unwilling and unable to provide any documentation on policies and procedures and training regarding refinances. The FID states: "Without the proper documentation, there is indication of weakness in its internal routine and control and training . . . The examiner made multiple requests at the store level and at the corporate level to be provided policies and procedures regarding the licensee's new product so that the Examiner could verify compliance. Ms. Newman, General Counsel, and Mr. Morrison, Senior State Compliance Auditor, from the licensee's corporate office did not provide the requested information."

Such an allegation is patently false. On March 22, 2013, the Examiner in Charge, Mr. Kelvin Lam, via email, asked TitleMax for "some kind of notification of email sent to the employees stating refinances are starting and that training would be provided." See Email correspondence between Mr. Lam and Ms. Newman dated March 22, 2013 through March 29, 2013 attached hereto. Mr. Newman responded to Mr. Lam's request and stated that the Company would not apply to stipulate to the data that TitleMax

implemented refinance capability within its point-of-sale system and that such a stipulation should alleviate any need for a notification to employees. Mr. Lam then requested training and/or notifications sent to employees concerning refinances. *See id.* Ms. Newman responded that she had "several concerns" and requested a telephone conference. *See id.* A telephone conference was subsequently held on April 4, 2018 wherein Ms. Newman explained her numerous concerns regarding the request (*i.e.* privileged communications, the confidential and proprietary nature of the documents requested, and TitleMax's trepidation concerning producing such documents in light of the FID's history of filing non-redacted confidential and proprietary records in the public record in litigation). Mr. Lam advised he would need to speak with his supervisor and would advise as to the FID's response. That same day, Mr. Lam advised Ms. Newman in writing that the FID would "proceed with the examination without the training/policies & procedures on the new service." *See* Email correspondence from Mr. Lam to Ms. Newman dated April 4, 2018 attached hereto. No further request was made of TitleMax.

Based on the factual record detailed above, any and all allegations that TitleMax did not respond or provide policies and procedures or training to the FID is misplaced in light of the parties' agreement. Therefore, such allegation should be stricken in its entirety from the ROE and no weight should be given to it. TitleMax accordingly reemphasizes its request that the FID remove the "Needs Improvement" rating and replace it with a "Satisfactory" rating.

- All licensed locations did not have a notice posted pursuant to 604A.405.

As detailed in the ROE, this requirement was an addition of AB163 and thus was a recommendation by the FID not requiring a response from TitleMax.

II. ALLEGED "PREVIOUS VIOLATIONS OF STATUTES AND REGULATIONS"

In this section of the ROEs, the FID alleges 604A.445 is "cited as a repeat violation as the licensee violated a different section of this statute." In previous ROEs, TitleMax was alleged to have violated 604A.445 due to "collecting payments and applying some payments to interest only." TitleMax objects to the categorization that it has "repeatedly violated 604A.445" for two reasons. First, and most importantly, in the dispute that arose between TitleMax and the FID concerning such alleged violation, TitleMax prevailed in court. The District Court found that TitleMax's Grace Period Payment Deferment Agreement ("GPDA") was not a violation of NRS 604A. Because there was no underlying violation, there can be no "repeat violation." Second, and even without the District Court's judgment in TitleMax's favor, there can be no "repeat violation" when the first purported allegation is different from second purported allegation. Again, the previous exam cited TitleMax's GPDA as violating 604A.445; here, the FID alleges that TitleMax violated 604A.445 because it is currently offering its customers the ability to refinance a title loan which the FID incorrectly labels an extension. Because the underlying conduct is not the same, it cannot be a repeat violation.

TitleMax therefore requests that this section be removed from the final ROEs and new ROEs be issued removing any allegation of "repeat violations."

III. ALLEGED CURRENT VIOLATIONS OF APPLICABLE STATUTES AND REGULATIONS

The FID makes three primary assertions of TitleMax's noncompliance in the current ROEs: (a) TitleMax is improperly "extending" loans, (b) TitleMax did not consider a borrower's ability to repay, and (c) TitleMax's loan amount exceeded the fair market value of the borrower's vehicle. TitleMax addresses each claim in order.

A. TitleMax's Refinance Functionality

(NRS 604A.445) Title loans: Restrictions on duration of loan and periods of extension. Notwithstanding any other provision of this chapter to the contrary:

3. **The original term of a title loan may be up to 210 days if:**
(c) The loan is not subject to any extension

NRS 604A.065 "Extension" defined.

1. **"Extension" means any extension or rollover of a loan beyond the date on which the loan is required to be paid in full under the original terms of the loan agreement, regardless of the name given to the extension or rollover.**
2. **The term does not include a grace period.**

In its ROEs, the FID alleges that the Company is in violation of NRS 604A.065 and 604A.445 because "even though the licensee is calling the extensions 'refinances,' the licensee is extending customers' title loans beyond the original loan's due date." The Company objects to the FID's conclusion for three reasons. First, an extension is defined in NRS 604A.065 as "any extension or rollover of a loan beyond the date on which the loan is required to be paid in full ***under the original terms of the loan agreement . . .***" (emphasis added). To be an extension, the contractual provisions of the original loan remain intact, there is no cancellation of the original loan, and the maturity date is deferred. Although 604A does not define "refinance," refinancing is defined in the Truth-in-Lending Act ("TILA"). Regulation Z, 12 C.F.R. § 226.20(a) (2006). TILA explains that a refinancing occurs "when an existing obligation . . . is satisfied and replaced by a new obligation undertaken by the same consumer." Thus, a refinance is an extinguishing of an old agreement and the creation of a new agreement. A refinance therefore cannot be an extension because a refinance eliminates the "original terms of the loan agreement" as discussed in 604A.065. In each refinance offered to customers, TitleMax either marks the original loan agreement paid in full or the point-of-sale system electronically stamps the original and a new agreement is generated with a new due dates, new TILA disclosure, and a new payment schedule.

TitleMax understands what an extension is. It offers extensions in other states like Alabama and Georgia. In those states, although a pawn transaction, an extension does not create a new agreement but extends the maturity date of the original pawn. *See In re Gunn*, 387 B.R. 856, 862 (M.D. Ala. 2008), *aff'd*, 317 Fed. Appx. 883 (11th Cir. 2008) (finding an extension not a refinance).

Second, NRS 604A.445 restricts the original term of a title loan to 210 days. Once more, a refinance satisfies an existing contractual obligation and creates a new contractual obligation. TitleMax, in offering a customer a refinance, is not extending the original term of a title loan but extinguishing that loan and creating a new contract with a term of 210 days.

Third, NRS 604A.574's (previously cited as 604A.540) limitation on refinances does not include title loans. Rather, this provision only applies to deferred deposit loans and high-interest loans. NRS 604A.574 now states: "A licensee who has been issued one or more licenses to operate a deferred deposit loan service, high-interest loan service or title loan service pursuant to this chapter shall not allow a customer to extend, rollover, renew, refinance or consolidate ***any deferred deposit loan or high-interest loan*** for a period longer than the period set forth in subsection 3 of NRS 604A.408." (emphasis added). NRS 604A.574 sets limits on the original terms of deferred deposit and high-interest loans, but not title loans.

The FID alleges that 604A.574 (or the previous 604A.540) is "irrelevant" to this licensee as TitleMax does not offer payday loans" and that the "applicable statute that controls title loans is NRS 604A.445." The FID misses the point. There is nothing in the former 604A.445 (now 604A.5074) that limits TitleMax's ability to refinance an agreement. Rather, restrictions on refinances are found in 604A.574 (formerly 604A.540) and importantly, licensees are only prohibited from refinancing deferred deposit loans or high interest loans. Statutes must be read harmoniously. *Coast Hotels & Casinos, Inc. v. Nevada State Labor Comm'n*, 117 Nev. 835, 841, 34 P.3d 546, 550 (2001) ("[T]his court will read each sentence, phrase, and word to render it meaningful within the context of the purpose of the legislation.").

TitleMax requests that this purported "violation" be removed from the ROEs and new ROEs be reissued with a "Satisfactory" rating as a refinance is not an extension.

B. Ability to Repay

(NRS 604A.450) Title loans: Prohibited acts by licensee regarding amount of loan and customer's ability to repay loan. A licensee who makes title loans shall not:

2. Make a title loan without regard to the ability of the customer seeking the title loan to repay the title loan, including the customer's current and expected income obligations and employment.

In its ROEs, the FID alleges that eleven (11) borrowers' income documentation provided at the time of application does not demonstrate an ability to repay their title loans. Of the eleven (11) accounts cited by the examiner, six (6) of these accounts identified below have income documentation sufficiently supporting the borrowers' ability to repay their title loans, and were cited in error.

Borrower	Store and Loan #	Gross Monthly Income	Obligations	GMI Minus Obligations	Monthly Loan Payment
		\$3,845.83	\$1,295.00	\$2,550.83	\$1,944.63
		\$5,123.67	\$1,500.00	\$3,623.67	\$2,121.45
		\$1,500.00	\$958.00	\$542.00	\$208.37
		\$7,206.70	\$2,670.00	\$4,536.70	\$1,888.39 (combined)
		\$2,865.00	\$1,288.00	\$1,577.00	\$696.30
		\$2,089.00	\$1,340.00	\$749.00	\$679.09

Please see enclosed income documentation used to underwrite these borrowers' title loans. Accordingly, TitleMax requests these accounts be removed from the final examination report and TitleMax be issued new ROEs.

The five (5) accounts cited by the examiner for which sufficient income documentation is not present were inadvertent errors made by store employees during the underwriting process. While the Company always strives for complete compliance with all requirements, this sample of five (5) accounts represents 0.0027%

of those accounts reviewed during this examination (of 1,800 accounts examined, only 5 accounts were accurately cited for a total 0.0027%).

Continuous personnel training is conducted for all store employees on a regular basis to ensure compliance with this requirement. The District Directors of Operations have retrained all store employees regarding the requirement and importance of appropriately and accurately documenting all borrowers' ability to repay their title loans, and improved compliance is expected. As a result, TitleMax has met the standard for a "Satisfactory" rating. TitleMax further disagrees that this violation should be considered a "repeat" violation as TitleMax has demonstrated significant improvement concerning this requirement since the previous examination.

C. Fair Market Value

(NRS 604A.450) Title loans: Prohibited acts by licensee regarding amount of loan and customer's ability to repay loan. A licensee who makes title loans shall not:

- 1. Make a title loan that exceeds the fair market value of the vehicle securing the title loan.**

In its ROEs, the FID alleges that five (5) borrowers' title loans exceeded the fair market value of the vehicles securing their title loans. Of the five (5) accounts cited by the examiner, four (4) of these accounts identified below have Black Book printouts sufficiently supporting the fair market values of the vehicles securing these title loans and the title loans do not exceed the fair market value of these vehicles. Please see enclosed Black Book printouts supporting both the fair market value of the vehicles as well as the loan amounts of the title loans. Accordingly, TitleMax requests these accounts be removed from the ROEs and TitleMax be issued new ROEs with accurate information contained therein.

FID's Alleged Title Loans That Exceeded the Fair Market Value of Vehicle				
Store & Loan #	Borrower	Vehicle	Fair Market Value	Total Loan Amount Due
██████████ ██████████	██████████	2000 Chevrolet Silverado 1500	\$2,750.00	\$2,079.71
██████████ ██████████	██████████	2001 Nissan Quest	\$2,250.00	\$1,500.00
██████████ ██████████	██████████	2015 Hyundai Accent	\$8,850.00	\$8,341.74
██████████ ██████████	██████████	2014 Nissan Altima	\$10,850.00	\$9,284.27

The one (1) account cited by the examiner for which the loan amount exceeded the fair market value of the vehicle securing the title loan was an inadvertent error made by a store employee during the underwriting process. While the Company always strives for complete compliance with all requirements, this sample of one (1) account represents less than 0.0005% of those accounts reviewed during this examination (of 1,800 accounts examined only 1 account was accurately cited for a total 0.0005%). Accordingly, TitleMax disagrees with the assessment that this violation should be considered a "Repeat" violation.

Continuous personnel training is conducted for all store employees on a regular basis and Company policy and procedure are in place to ensure compliance with this requirement. The District Directors of Operations have retrained all store employees regarding the requirement and importance of appropriately and accurately documenting the fair market value of every vehicle securing a title loan and ensuring the corresponding title loan does not exceed that value. Improved compliance is expected.

TitleMax respectfully requests that the FID change its "Needs Improvement" rating to "Satisfactory" for each of the 2018 examinations. The FID defines a "Needs Improvement" to mean that the "licensee and the management of the licensee have demonstrated less than satisfactory compliance, or instances and situations involving a lack of compliance with applicable state and federal laws and regulations and that regulatory supervision is required." Here, removing the FID's incorrect analysis on refinances and alleged "repeat violations", TitleMax's accounts contained less than a 1% error rate. To "improve" from such an examination would require perfection. While TitleMax strives for perfection, that is not the standard.

If the FID believes that our analysis is incorrect or that our procedures will result in further negative regulatory findings, we welcome a more detailed analysis from the FID. Finally, we reserve the right to raise additional arguments, facts, and issues in future correspondence as necessary.

Sincerely,



Victoria H. Newman
General Counsel
15 Bull Street, Suite 200
Savannah, GA 31401
Phone: (912) 503-2824
Email: Victoria.Newman@TitleMax.com

cc: Laura Morrison, Compliance Manager
Carrie E. Carbone, Chief Legal Officer

Enclosures

Victoria Newman

From: Victoria Newman
Sent: Friday, March 30, 2018 8:25 PM
To: Kelvin Lam
Cc: Laura Morrison
Subject: RE: Nevada Examination

Kelvin,

I have several concerns. Can you discuss Monday?

Thanks,

Victoria

Victoria H. Newman
General Counsel
TMX Finance® Family of Companies
15 Bull Street, Ste 200
Savannah, GA 31401
Direct line: (912) 503-2824
Facsimile: (866) 591-4638
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From: Kelvin Lam [<mailto:klam@fid.state.nv.us>]
Sent: Thursday, March 29, 2018 7:08 PM
To: Victoria Newman <Victoria.Newman@titlemax.com>
Cc: Laura Morrison <Laura.Morrison@titlemax.com>
Subject: RE: Nevada Examination

Hi Victoria,

Let me clarify perhaps there was a miscommunication in the email I sent to Laura earlier. I am not asking for the date of the new product launch.

I do have the date of October 16, 2017 provided by you on the manger's questionnaire as the implementation date for this service.

As part of this examination process it's a normal process to review any new products/services in greater detail to ensure compliance, any policies/procedures to do with the product/service, training provided to the employees in preparation for the product/service, etc. Was there a notification provided to the employees that a new product/service is starting and that employees need to complete x,y,z training by a certain date. I was provided with the thumb drive that contains policies and procedures. However, within the 300+ policies and procedures documents, I could not find one document on refinancing/new service or any related training. So with that being said, I cannot complete my report as there is a lack

of information on the new service. If I missed anything on the thumb drive provided to me, please point me in the right direction.

Thanks,

Kelvin Lam

Financial Examiner II
Department of Business & Industry
Financial Institutions Division
3300 W. Sahara Avenue, Suite 250
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Direct: 702-486-6678
Main: 702-486-4120
Fax: 702-486-4563
klam@fid.state.nv.us



Financial Institutions Division

Nevada Department of Business and Industry
"Growing business in Nevada"

From: Victoria Newman [<mailto:Victoria.Newman@titlemax.com>]
Sent: Thursday, March 29, 2018 2:45 PM
To: Kelvin Lam <klam@fid.state.nv.us>
Cc: Laura Morrison <Laura.Morrison@titlemax.com>
Subject: RE: Nevada Examination

Kelvin,

I do not understand why you need an email from us to the store team members on when we started refinances. As we explained in our pre-examination call and in the Managers' Questionnaires, the Company implemented refinances at the launch of its new point-of-sale system, TLXe, on October 16, 2017. We are happy to stipulate to that date. That should alleviate your need.

Thanks,

Victoria

Victoria H. Newman
General Counsel
TMX Finance® Family of Companies
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From: Laura Morrison
Sent: Wednesday, March 28, 2018 3:49 PM
To: Kelvin Lam <klam@fid.state.nv.us>
Cc: Victoria Newman <Victoria.Newman@titlemax.com>
Subject: RE: Nevada Examination

Hi Kelvin,
I am going to have to defer to Victoria, as she would be a better person to ask. Thank you!

Laura Morrison
Sr. Store Compliance Auditor



15 Bull St. Ste 200
Savannah, GA 31401
Direct Line (912) 721-5938
Laura.Morrison@titlemax.com

From: Kelvin Lam [<mailto:klam@fid.state.nv.us>]
Sent: Wednesday, March 28, 2018 3:02 PM
To: Laura Morrison <Laura.Morrison@titlemax.com>
Subject: Nevada Examination

Good afternoon,

I had spoken to a few employees at various branches inquiring about the start of TitleMax's refinances. As it indicates in the manager's questionnaire that this is something new, I need some kind of notification or email sent to the employees stating refinances are starting and that training would be provided. This information will be used for the reports and for my paperwork.

Thanks,

Kelvin Lam
Financial Examiner II
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Financial Institutions Division
3300 W. Sahara Avenue, Suite 250
Las Vegas, Nevada 89102
Direct: 702-486-6678
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Financial Institutions Division

Nevada Department of Business and Industry
"Growing business in Nevada"

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Victoria Newman

From: Kelvin Lam <klam@fid.state.nv.us>
Sent: Wednesday, April 4, 2018 4:11 PM
To: Laura Morrison
Cc: Victoria Newman
Subject: RE: TM Declines

Follow Up Flag: Follow up
Flag Status: Flagged

Good afternoon,

Thank you for speaking with me regarding your concerns with the training/policies & procedures on the new service and denials. Harveen confirmed that we will proceed with the examination without the training/policies & procedures on the new service.

For denials, Harveen and I agreed that whatever you can provide me at this point will suffice; which will be the excel worksheet (or whatever it was) that was provided to the prior Examiner. Do you need me to send you a list of the declines that was provided for Jeremy and I onsite? I think it will save me a lot of time if you can provide the declines for November 1, 2017 to January 31, 2018, as I believe that was the timeframe selected initially for the declines. Let me know!

Thanks,

Kelvin Lam
Financial Examiner II
Department of Business & Industry
Financial Institutions Division
3300 W. Sahara Avenue, Suite 250
Las Vegas, Nevada 89102
Direct: 702-486-6678
Main: 702-486-4120
Fax: 702-486-4563
klam@fid.state.nv.us



Financial Institutions Division

Nevada Department of Business and Industry
"Growing business in Nevada"

From: Laura Morrison [<mailto:Laura.Morrison@titlemax.com>]
Sent: Tuesday, April 3, 2018 12:54 PM
To: Kelvin Lam <klam@fid.state.nv.us>
Cc: Victoria Newman <Victoria.Newman@titlemax.com>
Subject: RE: TM Declines

Hi Kelvin,

The examiner's notes from last year are accurate regarding paper applications not accompanying denial forms. Given that our application process is electronic, if an applicant is denied during Onboarding, all of the information is captured electronically. No paper application is printed. However, the NOAA is appropriately generated, dated, and printed immediately. As indicated on the second page of the NOAA, delivery method of this form to the applicant is demonstrated. In order to supply a complete record (including application date and individual application IDs), our IT Department generated the report that was delivered to you as well as the lead examiner last year, with satisfaction. Please let me know if any additional clarification is needed. Thank you,

Laura Morrison
Sr. Store Compliance Auditor



15 Bull St, Ste 200
Savannah, GA 31401
Direct Line (912) 721-5938
Laura.Morrison@titlemax.com

From: Kelvin Lam [<mailto:klam@fid.state.nv.us>]
Sent: Tuesday, April 03, 2018 3:17 PM
To: Laura Morrison <Laura.Morrison@titlemax.com>
Subject: TM Declines

Good afternoon,

In the prior examination, it was noted that the Examiner-in-Charge was unable to obtain the application/other documentation showing the date that the customer applied for the loan. It was also noted that an excel worksheet that has those dates was provided. With this date, we can review how long it took for customers to be denied and sent the adverse action letter. Please let me know if procedures have changed in regards to these applications. I would want a copy of the actual application with a date rather than an excel worksheet.

Thanks,

Kelvin Lam
Financial Examiner II
Department of Business & Industry
Financial Institutions Division
3300 W. Sahara Avenue, Suite 250
Las Vegas, Nevada 89102
Direct: 702-486-6678
Main: 702-486-4120
Fax: 702-486-4563
klam@fid.state.nv.us



Financial Institutions Division

Nevada Department of Business and Industry
"Growing business in Nevada"

"NOTE: This e-mail, any attachments, and the information contained therein are confidential. The information contained in this email and/or any attachments is intended only for use by the intended recipient(s) and may contain trade secret or otherwise proprietary information of TMX Finance LLC and/or its affiliates and subsidiaries (collectively, "TitleMax"). If you are not the intended recipient of this e-mail, any use, dissemination, distribution or copying of this e-mail, any attachments, or the information contained therein, is strictly prohibited. If you received this e-mail and you are not an intended recipient, please immediately notify TitleMax e-mail administrator at: abuse@titlemax.biz and permanently delete the original and any copy of this e-mail, any attachments, and/or any printouts thereof."

NRS 604A.450 Prohibited acts by licensee regarding amount of loan, ownership of vehicle and customer's ability to repay loan. A licensee who makes title loans shall not:

1. Make a title loan that exceeds the fair market value of the vehicle securing the title loan

Store & Loan #	Borrower	Vehicle	Fair Market Value	Loan Amount
████-████ ██████	████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████	2000 Chevrolet Silverado 1500	\$2,750.00	\$2,079.71
██████████ ██████		2001 Nissan Quest	\$2,250.00	\$1,500.00
██████████ ██████		2015 Hyundai Accent	\$8,850.00	\$8,341.74
██████████ ██████		2014 Nissan Altima	\$10,850.00	\$9,284.27

TITLE LOAN AGREEMENT, PROMISSORY NOTE AND SECURITY AGREEMENT

THIS AGREEMENT CONTAINS A WAIVER OF JURY TRIAL AND ARBITRATION CLAUSE (THE "CLAUSE"). UNLESS I OPT OUT OF THE CLAUSE, IT WILL SUBSTANTIALLY IMPACT MY RIGHTS IF I HAVE A DISPUTE WITH LENDER, INCLUDING MY RIGHT TO TAKE PART IN A CLASS ACTION.

Lender: TitleMax of Nevada, Inc. d/b/a TITLMAX 4811 WEST CRAIG ROAD LAS VEGAS, NV 89130		Loan Date: 12/08/2017 Loan Number: [REDACTED] Lender Customer Service: 1-800-804-5368	
Borrower: [REDACTED] [REDACTED] [REDACTED]		Co-Borrower: N/A	
Motor Vehicle Year: 2000	Motor Vehicle Make: Chevrolet	Motor Vehicle Model: Silverado 1500	Motor Vehicle ID #: [REDACTED] 7857

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FEDERAL TRUTH-IN-LENDING DISCLOSURES

Amount Financed	Total of Payments
The amount of credit provided to me or on my behalf.	The amount I will have paid after I have made all payments as scheduled.
\$2,079.71	\$3,580.42

Payment Schedule: My payment schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due (each a "Payment Due Date")
1	\$511.50	01/07/2018
1	\$511.50	02/06/2018
1	\$511.50	03/08/2018
1	\$511.50	04/07/2018
1	\$511.50	05/07/2018
1	\$511.50	06/06/2018
1	\$511.42	07/06/2018

Security: I am giving a security interest in the Vehicle described above.

Lien Filing Fee: \$0.00

Prepayment: Lender will not charge a prepayment penalty/charge if I pay all or part of the principal balance before the date on which principal is due.

See the remainder of this Note for additional information about non-payment, default, any required repayment in full before the scheduled date, and prepayment penalties.

Itemization of Amount Financed:

Amount given to me directly:	\$1,259.00
Plus: Amount paid on my account(s) with Lender	\$820.71

Contact Information		12/20/2017
Company: Titlemax - Stores (314391 Internet)		Telephone: 702-638-2292
Contact: STUART OESTRICH		Fax: 855-611-8934
E-Mail: laura.ferris@titlemax.biz		

Notes

Vehicle Info For 2001 Nissan Quest GLE Wagon		
MSRP: \$27,049	VIN: [REDACTED] 3985	Adj. State: National
Fin Adv: \$2,125	UVC: 2001640179	Mileage: 0
Equip Ret: \$28,869	MPG: 17/23	Mileage Cat: 0
Tire Size: 215/65R16	Weight: 3985	Cylinders: 6
Base HP: 170 @ 4800	Fuel Type: Gas	Transmission: A
Taxable HP: 28.2	Wheelbase: 112.2	Drive Train: FWD
Model Number: 10611	End of Term Months: 0	End of Term Mileage: 0
Price Includes: AT AC		

Wholesale Black Book values as of 12/20/2017				
	X-CL	Clean	Average	Rough
Base	N/A	\$2,125	\$900	\$450
Options	N/A	\$0	\$0	\$0
Mileage	N/A	\$0	\$0	\$0
Region	N/A	\$0	\$0	\$0
Adjusted	N/A	\$2,125	\$900	\$450

Trade In Black Book values as of 12/20/2017				
	X-CL	Clean	Average	Rough
Base	N/A	\$2,250	\$975	\$488
Options	N/A	\$0	\$0	\$0
Mileage	N/A	\$0	\$0	\$0
Region	N/A	\$0	\$0	\$0
Adjusted	N/A	\$2,250	\$975	\$488


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LENDER, INCLUDING MY RIGHT TO TAKE PART IN A CLASS ACTION.

Lender: TitleMax of Nevada, Inc. d/b/a TITLEMAX 6950 W. LAKE MEAD BLVD SUITE 150 LAS VEGAS, NV 89108		Loan Date: 12/20/2017 Loan Number: [REDACTED] Lender Customer Service: 1-800-804-5368	
Borrower: [REDACTED]		Co-Borrower: N/A	
Motor Vehicle Year: 2001	Motor Vehicle Make: Nissan	Motor Vehicle Model: Quest	Motor Vehicle ID #: [REDACTED]

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FEDERAL TRUTH-IN-LENDING DISCLOSURES

	Amount Financed The amount of credit provided to me or on my behalf.	Total of Payments The amount I will have paid after I have made all payments as scheduled.
	\$1,500.00	\$2,582.39

Payment Schedule: My payment schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due (each a "Payment Due Date")
1	\$388.02	01/19/2018
1	\$388.02	02/19/2018
1	\$388.02	03/20/2018
1	\$388.02	04/19/2018
1	\$388.02	05/19/2018
1	\$388.02	06/19/2018
1	\$388.07	07/19/2018

Security: I am giving a security interest in the Vehicle described above.

Lien Filing Fee: \$0.00

Prepayment: Lender will not charge a prepayment penalty/charge if I pay all or part of the principal balance before the date on which principal is due.

See the remainder of this Note for additional information about non-payment, default, any required repayment in full before the scheduled date, and prepayment penalties.

Itemization of Amount Financed:
 Amount given to me directly:
 Plus: Amount paid on my account(s) with Lender

**PAID
IN FULL**
\$0.00

Contact Information

12/4/2017

Company: Titlemax - Stores (314391 Internet)
 Contact: ERIC GRIGSBY
 E-Mail: tm-lasvegas-nv9@titlemax.com

Telephone: 702-387-9600
 Fax: 855-380-3750

Notes**Vehicle Info For 2015 Hyundai Accent GLS 4D Sedan**

MSRP: \$15,475	VIN: [REDACTED] 4AEF	Adj. State: National
Fin Adv: \$8,475	UVC: 2015380063	Mileage: 0
Equip Ret: \$17,505	MPG: 26/37	Mileage Cat: A
Tire Size: 175/70R14	Weight: 2601	Cylinders: 4
Base HP: 137 @ 6300	Fuel Type: Gas	Transmission: A
Taxable HP: 14.7	Wheelbase: 101.2	Drive Train: FWD
Model Number: 16403F45	End of Term Months: 0	End of Term Mileage: 0
Price Includes: AT AC		

Wholesale Black Book values as of 12/4/2017

	X-CL	Clean	Average	Rough
Base	\$8,850	\$8,050	\$7,100	\$5,750
Options	\$0	\$0	\$0	\$0
Mileage	\$0	\$0	\$0	\$0
Region	\$0	\$0	\$0	\$0
Adjusted	\$8,850	\$8,050	\$7,100	\$5,750

Trade In Black Book values as of 12/4/2017

	X-CL	Clean	Average	Rough
Base	N/A	\$8,290	\$7,385	\$5,460
Options	N/A	\$0	\$0	\$0
Mileage	N/A	\$0	\$0	\$0
Region	N/A	\$0	\$0	\$0
Adjusted	N/A	\$8,290	\$7,385	\$5,460

Retail Black Book values as of 12/4/2017

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Lender: TitleMax of Nevada, Inc. d/b/a TITLMAX 6820 W. FLAMINGO RD SUITE F & G LAS VEGAS, NV 89103		Loan Date: 12/04/2017 Loan Number: [REDACTED] Lender Customer Service: 1-800-804-5368	
Borrower: [REDACTED] [REDACTED] [REDACTED]		Co-Borrower: N/A	
Motor Vehicle Year: 2015	Motor Vehicle Make: Hyundai	Motor Vehicle Model: Accent	Motor Vehicle ID #: [REDACTED] 4714

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FEDERAL TRUTH-IN-LENDING DISCLOSURES

ANNUAL PERCENTAGE RATE The cost of my credit as a yearly rate. 170.21%	FINANCE CHARGE The dollar amount the credit will cost me. \$5,270.65	Amount Financed The amount of credit provided to me or on my behalf. \$8,341.74	Total of Payments The amount I will have paid after I have made all payments as scheduled. \$13,612.39
---	---	--	---

Payment Schedule: My payment schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due (each a "Payment Due Date")
1	\$1,944.63	01/03/2018
1	\$1,944.63	02/02/2018
1	\$1,944.63	03/04/2018
1	\$1,944.63	04/03/2018
1	\$1,944.63	05/03/2018
1	\$1,944.63	06/02/2018
1	\$1,944.61	07/02/2018

Security: I am giving a security interest in the Vehicle described above.

Lien Filing Fee: \$0.00

Prepayment: Lender will not charge a prepayment penalty/charge if I pay all or part of the principal balance before the date on which principal is due.

See the remainder of this Note for additional information about non-payment, default, any required repayment in full before the scheduled date, and prepayment penalties.

Itemization of Amount Financed:	
Amount given to me directly:	\$2,500.00
Plus: Amount paid on my account(s) with Lender	\$5,841.74

Contact Information

11/21/2017

Company: Titlemax - Stores (314391 Internet)
 Contact: ERIC GRIGSBY
 E-Mail: tm-lasvegas-nv9@titlemax.com

Telephone: 702-387-9600
 Fax: 855-380-3750

Notes

Vehicle Info For 2014 Nissan Altima Base 4D Sedan

MSRP: \$22,110	VIN: [REDACTED] 1393	Adj. State: National
Fin Adv: \$10,375	UVC: 2014640219	Mileage: 0
Equip Ret: \$23,050	MPG: 27/38	Mileage Cat: B
Tire Size: 215/60R16	Weight: 3182	Cylinders: 4
Base HP: 182 @ 6000	Fuel Type: Gas	Transmission: A
Taxable HP: 19.6	Wheelbase: 109.3	Drive Train: FWD
Model Number: 13014	End of Term Months: 0	End of Term Mileage: 0
Price Includes: AT AC EW		

Wholesale Black Book values as of 11/21/2017

	X-CL	Clean	Average	Rough
Base	\$10,850	\$9,850	\$8,650	\$6,950
Options	\$0	\$0	\$0	\$0
Mileage	\$0	\$0	\$0	\$0
Region	\$0	\$0	\$0	\$0
Adjusted	\$10,850	\$9,850	\$8,650	\$6,950

Trade In Black Book values as of 11/21/2017

	X-CL	Clean	Average	Rough
Base	N/A	\$10,100	\$8,950	\$6,600
Options	N/A	\$0	\$0	\$0
Mileage	N/A	\$0	\$0	\$0
Region	N/A	\$0	\$0	\$0
Adjusted	N/A	\$10,100	\$8,950	\$6,600

Retail Black Book values as of 11/21/2017

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LENDER, INCLUDING MY RIGHT TO TAKE PART IN A CLASS ACTION.

Lender: TitleMax of Nevada, Inc. d/b/a TITLEMAX 6820 W. FLAMINGO RD SUITE F & G LAS VEGAS, NV 89103		Loan Date: 11/20/2017 Loan Number: [REDACTED] Lender Customer Service: 1-800-804-5368	
Borrower: [REDACTED] [REDACTED] [REDACTED]		Co-Borrower: N/A	
Motor Vehicle Year: 2014	Motor Vehicle Make: Nissan	Motor Vehicle Model: Altima	Motor Vehicle ID #: [REDACTED] 1393

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FEDERAL TRUTH-IN-LENDING DISCLOSURES

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of my credit as a yearly rate.	The dollar amount the credit will cost me.	The amount of credit provided to me or on my behalf.	The amount I will have paid after I have made all payments as scheduled.
133.71%	\$4,503.04	\$9,284.27	\$13,787.31

Payment Schedule: My payment schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due (each a "Payment Due Date")
1	\$1,969.62	12/20/2017
1	\$1,969.62	01/19/2018
1	\$1,969.62	02/18/2018
1	\$1,969.62	03/20/2018
1	\$1,969.62	04/19/2018
1	\$1,969.62	05/19/2018
1	\$1,969.59	06/18/2018

Security: I am giving a security interest in the Vehicle described above.

Lien Filing Fee: \$0.00

Prepayment: Lender will not charge a prepayment penalty/charge if I pay all or part of the principal balance before the date on which principal is due.

See the remainder of this Note for additional information about non-payment, default, any required repayment in full before the scheduled date, and prepayment penalties.

Itemization of Amount Financed:

Amount given to me directly:	\$3,000.00
Plus: Amount paid on my account(s) with Lender	\$6,284.27

NRS 604A.450 Prohibited acts by licensee regarding amount of loan, ownership of vehicle and customer's ability to repay loan. A licensee who makes title loans shall not:

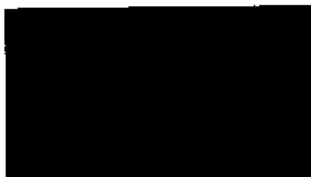
2. Make a title loan without regard to the ability of the customer seeking the title loan to repay the title loan, including the customer's current and expected income, obligations and employment.

Borrower	Store and Loan #	Gross Monthly Income	Obligations	GMI Minus Obligations	Monthly Loan Payment
[REDACTED]	[REDACTED]	\$3,845.83	\$1,295.00	\$2,550.83	\$1,944.63
[REDACTED]	[REDACTED]	\$5,123.67	\$1,500.00	\$3,623.67	\$2,121.45
[REDACTED]	[REDACTED]	\$1,500.00	\$958.00	\$542.00	\$208.37
[REDACTED]	[REDACTED]	\$7,206.70	\$2,670.00	\$4,536.70	\$1,888.39 (combined)
[REDACTED]	[REDACTED]	\$2,865.00	\$1,288.00	\$1,577.00	\$696.30
[REDACTED]	[REDACTED]	\$2,089.00	\$1,340.00	\$749.00	\$679.09

Income and Expense Worksheet				
Applicant Name:				
Co-Applicant Name:				
Requested Loan Amount		\$7,941.00		
Payment (For Requested Amount)		\$1,797.99		
Income				
	Income Type/Source	Amount	Pay Frequency	Sub-Monthly Total:
1	Arizona Charlies	\$1,775.00	Bi-Weekly	\$3,845.83
2				\$0.00
3		\$0.00		\$0.00
4		\$0.00		\$0.00
5		\$0.00		\$0.00
6		\$0.00		\$0.00
Gross Monthly Income TOTAL:				\$3,845.83
Expenses				
	Expense Description	Amount		Sub-Monthly Total:
1	Rent/Mortgage	\$800.00		\$800.00
2	Utilities	\$250.00		\$250.00
3	Insurance	\$150.00		\$150.00
4	Other Expenses (loans, food, etc.)	\$95.00		\$95.00
5	Additional Title loans	\$0.00		\$0.00
Gross Monthly Expense TOTAL:				\$1,295.00
Net Monthly Income				\$2,550.83

You, state(s) as follows:

1. You have provided us with true and correct information concerning your income, obligations, employment, and ownership of the Vehicle; and
2. You have the ability to repay the loan.



Date: 12-4-17

Co-Applicant Signature

Date:

Pay Date - 10/13/2017 Period End Date - 10/08/2017

; Employee ID



Hours & Earnings				Taxes & Deductions				
Income	Current Hours	YTD Hours	Current Amt	YTD Amt	Deduction	Current Amt	YTD Amt	Employer YTD
REGULAR HOURS	7.00	685.5	61.29	5961.99	401K CONTRIB %	83.75	837.00	0.00
SPECIAL	15.50	70.0	293.42	1325.30	401K LOAN	39.52	116.56	0.00
OVERTIME					BENEFIT PLAN	144.81	3041.01	6260.80
SPECIAL	72.50	844.0	915.13	10663.40	DIR DEP NET AMT	742.59	11142.46	0.00
REGULAR					FEDERAL TAX	143.89	2044.16	0.00
TIP COMPLIANCE	0.0	0.0	121.60	2255.36	FICA TAX	77.56	1167.64	1167.64
TRAINING HOURS	0.50	5.0	4.38	43.69	FUTA TAX	0.00	0.00	42.00
Year To Date					MEDICARE TAX	18.14	273.08	273.08
JURY DUTY		8.00		70.04	STATE UNEMP.	0.00	0.00	262.49
OVERTIME		34.50		448.96	TAX			
PAID TIME OFF		128.00		1115.15	STD 60%	12.86	190.13	0.00
Total Wages & Net Pay					WEIGHT	11.00	201.00	99.00
TOTALS	95.50	1775.00	1395.82		WATCHERS			
NET PAY			0.00		Year To Date			
					SHOES		58.38	0.00

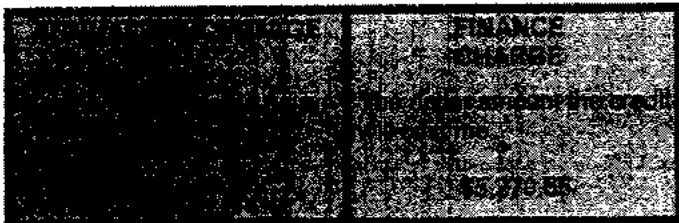
TITLE LOAN AGREEMENT, PROMISSORY NOTE AND SECURITY AGREEMENT

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Lender: TitleMax of Nevada, Inc. d/b/a TITLEMAX 6820 W. FLAMINGO RD SUITE F & G LAS VEGAS, NV 89103		Loan Date: 12/04/2017 Loan Number: [REDACTED] Lender Customer Service: 1-800-804-5368	
Borrower: [REDACTED] [REDACTED] [REDACTED]		Co-Borrower: N/A	
Motor Vehicle Year: 2015	Motor Vehicle Make: Hyundai	Motor Vehicle Model: Accent	Motor Vehicle ID #: [REDACTED] 4714

"Note" and "Agreement" mean this Title Loan Agreement, Promissory Note and Security Agreement. "Borrower", "I", "me" and "my" mean each Borrower and Co-Borrower who signs this Note. "Lender" and "you" mean TitleMax of Nevada, Inc. "Loan" means the title loan Lender makes to me under this Note pursuant to Nevada Revised Statutes Chapter 604A and regulations promulgated thereunder ("Chapter 604A"). The Loan is a "title loan" under Chapter 604A. "Vehicle" means the motor vehicle identified above. "Title" means the certificate of title for the Vehicle. Lender is licensed and regulated by the Nevada Financial Institutions Division, 3300 West Sahara Avenue, Suite 250, Las Vegas, Nevada 89102, Phone: (702) 486-4120, Fax: (702) 486-4563, <http://www.fid.nv.gov>.

FEDERAL TRUTH-IN-LENDING DISCLOSURES

		Amount Financed The amount of credit provided to me or on my behalf. \$8,341.74	Total of Payments The amount I will have paid after I have made all payments as scheduled. \$13,612.39
--	--	--	---

Payment Schedule: My payment schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due (each a "Payment Due Date")
1	\$1,944.63	01/03/2018
1	\$1,944.63	02/02/2018
1	\$1,944.63	03/04/2018
1	\$1,944.63	04/03/2018
1	\$1,944.63	05/03/2018
1	\$1,944.63	06/02/2018
1	\$1,944.61	07/02/2018

Security: I am giving a security interest in the Vehicle described above.

Lien Filing Fee: \$0.00

Prepayment: Lender will not charge a prepayment penalty/charge if I pay all or part of the principal balance before the date on which principal is due.

See the remainder of this Note for additional information about non-payment, default, any required repayment in full before the scheduled date, and prepayment penalties.

Itemization of Amount Financed:	
Amount given to me directly:	\$2,500.00
Plus: Amount paid on my account(s) with Lender	\$5,841.74

Income and Expense Worksheet				
Applicant Name:				
Co-Applicant Name:				
Requested Loan Amount		\$9,999.97		
Payment (For Requested Amount)		\$2,263.40		
Income				
	Income Type/Source	Amount	Pay Frequency	Sub-Monthly Total:
1		\$1,350.00	Monthly	\$1,350.00
2		\$3,139.67		\$3,139.67
3		\$634.00		\$634.00
4		\$0.00		\$0.00
5		\$0.00		\$0.00
6		\$0.00		\$0.00
Gross Monthly Income TOTAL:				\$5,123.67
Expenses				
	Expense Description	Amount		Sub-Monthly Total:
1	Rent/Mortgage	\$0.00		\$0.00
2	Utilities	\$500.00		\$500.00
3	Insurance	\$300.00		\$300.00
4	Other Expenses (loans, food, etc.)	\$700.00		\$700.00
5	Additional Title loans	\$0.00		\$0.00
Gross Monthly Expense TOTAL:				\$1,500.00
Net Monthly Income				\$3,623.67

You, state(s) as follows:

1. You have provided us with true and correct information concerning your income, obligations, employment, and ownership of the Vehicle; and
2. You have the ability to repay the loan.

Applicant Signature: _____

Date: 2-13-18

Co-Applicant Signature _____

Date: _____



P.O. Box 1800
Saint Paul, Minnesota 55101-0800

3761 TRN

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X

ST01

Account Number:

1360

Statement Period:

Aug 16, 2017

through

Sep 18, 2017

Page 1 of 6

000004274 01 SP 106481217022077 P

To

To Contact U.S. Bank

By Phone:

1-800-US BANKS

(1-800-872-2657)

U.S. Bank accepts Relay Calls

Internet:

usbank.com

INFORMATION YOU SHOULD KNOW

Effective November 13, 2017, "Your Deposit Account Agreement" booklet and "Consumer Pricing Information" brochure include a number of updates and may affect your rights. As of Nov. 13, you may pick up copies at your local branch, view copies at usbank.com, or call 1-800-USBANKS (1-800-872-2657) for copies. Please see the Additional Information Section of this statement for the main updates that were made to "Your Deposit Account Agreement" booklet and "Consumer Pricing Information" brochure.

SUMMARY OF YOUR U.S. BANK RELATIONSHIP

This section reflects the total balances for all accounts on this statement.

Deposit Accounts	Account Number	Balance	Page
Easy Checking	1-537-5712-1360	\$ 58.87	1
Standard Savings	2-537-5026-5382	\$ 0.00	5
Total Deposit Balances		\$ 68.87	

* Information included in this statement may not represent all available information about this account. Additional information, if applicable, will be available under separate cover.

EASY CHECKING

U.S. Bank National Association

Account Number 1-537-5712-1360

Account Summary

Beginning Balance on Aug 16	\$ 117.19	Number of Days in Statement Period	34
Deposits / Credits	5,718.30	Average Account Balance	\$ 360.02
Card Withdrawals	3,112.01	Customer Segment	Senior
Other Withdrawals	1,507.12		
Checks Paid	1,158.49		
Ending Balance on Sep 18, 2017	\$ 58.87		

Deposits / Credits

Date	Description of Transaction	Ref Number	Amount
Aug 18	Electronic Deposit	From Young Living	\$ 67.16
	REF=172290048622220N00	COMMISSION9841368757	
Aug 23	Federal Benefit Deposit	From SSA TREAS 310	
	REF=172300112228690N00	XXSOC SEC 9031035360 6189A S	
Aug 30	Mobile Banking Transfer	From Account 253760285382	40.00
Sep 1	Federal Benefit Deposit	From VACP TREAS 310	
	REF=172400081516000N00	XXVA BENEF9111036002 61990036	
Sep 6	Electronic Deposit	From 36 TREAS 310	52.93
	REF=172490082610570N00	MISC PAY9101036151	
Sep 7	ATM Deposit	US BANK FALLON FALLON NV	100.00
		Serial No. 009697070724SUS4P385	
Sep 8	Electronic Deposit	From SCHWAB BROKERAGE	100.00
	REF=172500135088430N00	MONEYLINK 9005586224	
Sep 8	Mobile Banking Transfer	From Account 253760285382	100.00
Sep 11	ATM Deposit	FALLON DRIVE-UP FALLON NV	45.00
		Serial No. 006111071214SBR4T381	



LY WOCKEN
OX 1507
F. FALLON NV 89407-1507

Account Number:

1360

Statement Period:

Aug 16, 2017

through

Sep 18, 2017

Page 2 of 6

EASY CHECKING

CONTINUED

U.S. Bank National Association

Account Number 1-637-6712-1360

Deposits / Credits (continued)

Date	Description of Transaction	Ref Number	Amount
Sep 12	Electronic Deposit REF=172540108140000N00	From 36 TREAS 310 MISC PAY9101036151	52.10
Sep 12	Electronic Deposit REF=172540109285000N00	From TD AMERITRADE ACH OUT 5470533629	100.00
Sep 13	Federal Benefit Deposit REF=172510078299510N00	From SSA TREAS 310 XXSOC SEC 9031036030 4316A S	634.00
Total Deposits / Credits			\$ 5,719.30

Card Withdrawals

Card Number: xxx-xxx-xxx-0956

Date	Description of Transaction	Ref Number	Amount
Aug 16	ATM Withdrawal	FALLON DRIVE-UP FALLON NV Serial No. 0028091103386BR4T381	\$ 60.00
Aug 17	Debit Purchase 428988	WM SUPERC Wal-Ma FALLON NV On 081717 MAESTERM REF 428988	21.29
Aug 18	Debit Purchase 705171	WALGREENS STORE FALLON NV On 081817 ILNKILNK REF 723018705171	12.53
Aug 21	Debit Purchase 259911	Wal-Mart Super C FALLON NV On 081917 MAESTERM REF 259911	7.89
Aug 23	Debit Purchase 428307	WESTERN BIG R- F FALLON NV On 082317 ILK1TERM REF 723518426307	48.98
Aug 23	Debit Purchase 472990	Wal-Mart Super C FALLON NV On 082317 MAESTERM REF 472990	113.41
Aug 24	Debit Purchase - VISA YOUNGLIVING ESSN	On 082317 800-871-3515 UT REF # 24692167235100296248445	7.52
Aug 24	ATM Withdrawal	FALLON DRIVE-UP FALLON NV Serial No. 003769074616SBR4T381	20.00
Aug 25	Debit Purchase 818537	CHEVRON/JACKSONS FALLON NV On 082517 ILNKILNK REF 723710818537	20.00
Aug 25	Debit Purchase - VISA MAVERIK #416	On 082417 FALLON NV REF # 24427337236720002376416	20.01
Aug 25	Debit Purchase 333689	Wal-Mart Super C FALLON NV On 082517 MAESTERM REF 333689	56.96
Aug 26	Debit Purchase - VISA GOOGLE *Viber Cr	On 082617 g.co/helppay CA REF # 24692167238100836305419	1.99
Aug 28	Debit Purchase - VISA Amazon Services-	On 082617 888-321-8851 WA REF # 24692167238100888440340	6.00
Aug 28	Debit Purchase 881804	WALGREENS STORE FALLON NV On 082617 ILNKILNK REF 723818861804	9.35
Aug 28	Debit Purchase - VISA SXMSIRIUSXM.COM	On 082517 888-635-5144 NY REF # 24692167237100194722 US1	39.84
Aug 28	Debit Purchase 703872	Wal-Mart Super C FALLON NV On 082717 MAESTERM REF 703872	43.49
Aug 29	Debit Purchase 885711	SAFEWAY FALLON NV On 082917 ILNKILNK REF 724106885711	17.13
Aug 29	ATM Withdrawal	FALLON DRIVE-UP FALLON NV Serial No. 004465105629SBR4T381	40.00
Aug 30	Debit Purchase - VISA AmazonPrime Memb	On 082917 amzn.com/prm WA REF # 24692167241100789687 US1	10.99
Aug 30	Debit Purchase 182340	WESTERN BIG R- F FALLON NV On 083017 ILK1TERM REF 724215182340	14.99
Aug 30	Debit Purchase - VISA MAVERIK #416	On 082917 FALLON NV REF # 24427337241720002221938	15.30
Aug 30	ATM Withdrawal	FALLON DRIVE-UP FALLON NV Serial No. 004559084553SBR4T381	60.00

TITLE LOAN AGREEMENT, PROMISSORY NOTE AND SECURITY AGREEMENT

THIS AGREEMENT CONTAINS A WAIVER OF JURY TRIAL AND ARBITRATION CLAUSE (THE "CLAUSE"). UNLESS I OPT OUT OF THE CLAUSE, IT WILL SUBSTANTIALLY IMPACT MY RIGHTS IF I HAVE A DISPUTE WITH LENDER, INCLUDING MY RIGHT TO TAKE PART IN A CLASS ACTION.

Lender: TitleMax of Nevada, Inc. d/b/a TITLEMAX 1995 W. WILLIAMS AVENUE FALLON, NV 89406		Loan Date: 02/13/2018 Loan Number: [REDACTED] Lender Customer Service: 1-800-804-5368	
Borrower: [REDACTED] [REDACTED] [REDACTED]		Co-Borrower: N/A	
Motor Vehicle Year: 2006	Motor Vehicle Make: Chevrolet	Motor Vehicle Model: Silverado 3500	Motor Vehicle ID #: [REDACTED] 8109

"Note" and "Agreement" mean this Title Loan Agreement, Promissory Note and Security Agreement. "Borrower", "I", "me" and "my" mean each Borrower and Co-Borrower who signs this Note. "Lender" and "you" mean TitleMax of Nevada, Inc. "Loan" means the title loan Lender makes to me under this Note pursuant to Nevada Revised Statutes Chapter 604A and regulations promulgated thereunder ("Chapter 604A"). The Loan is a "title loan" under Chapter 604A. "Vehicle" means the motor vehicle identified above. "Title" means the certificate of title for the Vehicle. Lender is licensed and regulated by the Nevada Financial Institutions Division, 3300 West Sahara Avenue, Suite 250, Las Vegas, Nevada 89102, Phone: (702) 486-4120, Fax: (702) 486-4563, <http://www.fid.nv.gov>.

FEDERAL TRUTH-IN-LENDING DISCLOSURES

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of my credit as a yearly rate.	The dollar amount the credit will cost me.	The amount of credit provided to me or on my behalf.	The amount I will have paid after I have made all payments as scheduled.
133.71%	\$4,850.18	\$9,999.97	\$14,850.15

Payment Schedule: My payment schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due (each a "Payment Due Date")
1	\$2,121.45	03/15/2018
1	\$2,121.45	04/14/2018
1	\$2,121.45	05/14/2018
1	\$2,121.45	06/13/2018
1	\$2,121.45	07/13/2018
1	\$2,121.45	08/12/2018
1	\$2,121.45	09/11/2018

Security: I am giving a security interest in the Vehicle described above.


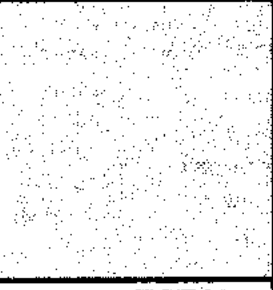
Lien Filing Fee: \$0.00

Prepayment: Lender will not charge a prepayment penalty/charge if I pay all or part of the principal balance before the date on which principal is due.

See the remainder of this Note for additional information about non-payment, default, any required repayment in full before the scheduled date, and prepayment penalties.

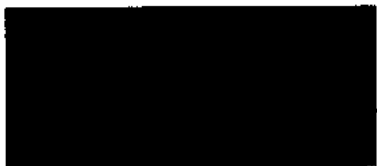
Itemization of Amount Financed:

Amount given to me directly:	\$0.00
Plus: Amount paid on my account(s) with Lender	\$9,999.97

Income and Expense Worksheet				
Applicant Name:				
Co-Applicant Name:		N/A		
Requested Loan Amount		\$521.00 800 48		
Payment (For Requested Amount)		\$139.65 212.88 48		
Income				
	Income Type/Source	Amount	Pay Frequency	Sub-Monthly Total:
1	SELF EMPLOYED	\$1,500.00	Monthly	\$1,500.00
2		\$0.00		\$0.00
3		\$0.00		\$0.00
4		\$0.00		\$0.00
5		\$0.00		\$0.00
6		\$0.00		\$0.00
Gross Monthly Income TOTAL:				\$1,500.00
Expenses				
	Expense Description	Amount		Sub-Monthly Total:
1	Rent/Mortgage	\$400.00		\$400.00
2	Utilities	\$0.00		\$0.00
3	Insurance	\$58.00		\$58.00
4	Other Expenses (loans, food, etc.)	\$500.00		\$500.00
5	Additional Title loans	\$0.00		\$0.00
Gross Monthly Expense TOTAL:				\$958.00
Net Monthly Income				\$542.00

You, state(s) as follows:

1. You have provided us with true and correct information concerning your income, obligations, employment, and ownership of the Vehicle; and
2. You have the ability to repay the loan.




Date: 2/13/2018

Date: _____

Co-Applicant Signature

Income Attestation Statement

I, , under penalty of perjury, do hereby swear that the income and expense details provided by me to TitleMax of Nevada, Inc. (the "Company"), and relied upon by the Company, are true and accurate. I also attest that the income and expenses are factually correct; any misrepresentation of factual data above is solely my responsibility. Furthermore, I understand that the income documentation, if any, and details provided are being used to determine my ability to qualify for, and my ability to repay, a title loan made under Nevada statute NRS 604A and NAC 604A.

Signature

1/31/18
Date

TITLE LOAN AGREEMENT, PROMISSORY NOTE AND SECURITY AGREEMENT

THIS AGREEMENT CONTAINS A WAIVER OF JURY TRIAL AND ARBITRATION CLAUSE (THE "CLAUSE"). UNLESS I OPT OUT OF THE CLAUSE, IT WILL SUBSTANTIALLY IMPACT MY RIGHTS IF I HAVE A DISPUTE WITH LENDER, INCLUDING MY RIGHT TO TAKE PART IN A CLASS ACTION.

Lender: TitleMax of Nevada, Inc. d/b/a TITLMAX 2020 E. WILLIAMS STREET CARSON CITY, NV 89701		Loan Date: 01/31/2018 Loan Number: [REDACTED] Lender Customer Service: 1-800-804-5368	
Borrower: [REDACTED] [REDACTED] [REDACTED]		Co-Borrower: N/A	
Motor Vehicle Year: 1996	Motor Vehicle Make: GMC	Motor Vehicle Model: Yukon	Motor Vehicle ID #: [REDACTED] 3667

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FEDERAL TRUTH-IN-LENDING DISCLOSURES

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of my credit as a yearly rate.	The dollar amount the credit will cost me.	The amount of credit provided to me or on my behalf.	The amount I will have paid after I have made all payments as scheduled.
215.86%	\$858.51	\$800.00	\$1,458.51

Payment Schedule: My payment schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due (each a "Payment Due Date")
1	\$208.37	03/02/2018
1	\$208.37	04/01/2018
1	\$208.37	05/01/2018
1	\$208.37	05/31/2018
1	\$208.37	06/30/2018
1	\$208.37	07/30/2018
1	\$208.29	08/29/2018

Security: I am giving a security interest in the Vehicle described above.

Lien Filing Fee: \$21.00

Prepayment: Lender will not charge a prepayment penalty/charge if I pay all or part of the principal balance before the date on which principal is due.

See the remainder of this Note for additional information about non-payment, default, any required repayment in full before the scheduled date, and prepayment penalties.

Itemization of Amount Financed:

Amount given to me directly:	\$779.00
Plus: Amount paid on my account(s) with Lender	\$0.00

EMPLOYEE DIRECTIONS:

1. After the customer completes the onboarding application, finish ACV Part 1 to determine the MLV
2. Complete this form based on the information provided in onboarding (verbally ask the customer to breakdown the income and expense details if necessary)
3. Have the customer review the worksheet and sign at the bottom
4. Scan the signed income worksheet into the customer's account in ILX under the heading *Income Worksheet*

Income and Expense Worksheet		
Applicant Name:	A. Requested Loan Amount:	\$7,021.00
Co-Applicant Name:	B. Maximum Loan Value (MLV) based on ACV Tool:	\$7,920.00
	C. Net Monthly Income needed to pay requested loan amount:	\$1,490.00
	D. Net Monthly Income needed to pay MLV:	\$1,581.00
***Employee Use Only		
Income Description	Applicant Income	Co-Applicant Income
Gross Monthly Salary or Wages	\$2,800.00	
Part-Time Gross Monthly Salary or Wages		
Gross Bonus or Commission		
Social Security/Disability/Unemployment		
Gross Pension/Retirement		
Alimony or Child Support (if you wish to have this considered to support repayment of this loan)		
Other Income (Babysitting, Lawn Care, etc.)	\$2,000.00	
Total Current/Expected Income:	Part 1: Add all income and enter total here:	\$4,800.00
Expense Description	Applicant Expense	Co-Applicant Expense
Rent/Mortgage	\$450.00	
Utilities	\$60.00	
Insurance	\$170.00	
Other Expenses (other loans, food, etc.)	\$500.00	
Total Current/Expected Expenses:	Part 2: Add all income and enter total here:	\$1,180.00
Part 3: Net Monthly Income Total = Part 1 Total - Part 2 Total		
Subtract Total Expenses from Total Income. Then Net Monthly Income must exceed the lesser of the income amounts required above (C or D):		\$3,620.00
Cash to Customer:		

You state(s) as follows:

1. You have provided us with true and correct information concerning your income, obligations, employment and ownership of the Vehicle; and
2. You have the ability to repay the loan.

Applicant Signature: _____

Date: _____

6-20-17

Co-Applicant Signature: _____

Date: _____

Title Loan Agreement

Date: 06/20/2017

Number: [REDACTED]

Customer & Co-Customer Information					
FIRST NAME [REDACTED]		MIDDLE NAME [REDACTED]		CO-CUSTOMER FIRST NAME	
LAST NAME [REDACTED]		CO-CUSTOMER LAST NAME			
SSN XXX-XX-XXXX		DRIVERS LIC./OTHER ID. NO. [REDACTED]		CO-CUSTOMER SSN	
STREET ADDRESS [REDACTED]		CO-CUSTOMER STREET ADDRESS			
CITY [REDACTED]	STATE [REDACTED]	ZIP CODE [REDACTED]	CO-CUSTOMER CITY		CO-CUSTOMER STATE
PRIMARY PHONE [REDACTED]		DATE OF BIRTH [REDACTED]		CO-CUSTOMER PRIMARY PHONE	
CO-CUSTOMER DATE OF BIRTH					
Motor Vehicle & Licensee Information					
LICENSEE'S HOURS OF OPERATION: Monday to Friday 9:00 A.M. to 7:00 P.M., Saturday 10:00 A.M. to 2:00 P.M., Closed Sunday					
LICENSEE NAME TitleMax of Nevada, Inc. d/b/a TitleMax			LICENSEE PHONE NUMBER 7758831252		
LICENSEE STREET ADDRESS 2020 E. Williams St.			LICENSEE CITY Carson City	LICENSEE STATE Nevada	LICENSEE ZIP CODE 89701
VEHICLE IDENTIFICATION NUMBER (VIN) [REDACTED] 8996			LICENSE PLATE 882LUV		
VEHICLE YEAR 2007	VEHICLE MAKE CHEVROLET	VEHICLE MODEL TAHOE	COLOR Other		

Terms. In this Title Loan Agreement ("Loan Agreement"), "customer," "you," and "your" mean the customer who signed it. "Licensee," "we," "us" and "our" mean TitleMax of Nevada, Inc. d/b/a TitleMax, a title loan services provider licensed and regulated by the Nevada Financial Institutions Division, 2785 E Desert Inn Road, Suite 180, Las Vegas, Nevada 89121, Phone: (702) 486-4120, Fax: (702) 486-4563, <http://www.fid.state.nv.us/>. The word "Motor Vehicle" means the vehicle identified above. The word "Title" means a certificate of title or ownership to the Motor Vehicle.

Term, Principal, Interest, Charges and Payment. The original term of this loan is 210 days. You promise to timely pay us in cash or as otherwise agreed in writing (\$ 7021.00) ("Principal Amount"), which includes any filing fee listed below plus interest on the unpaid principal balance of this Loan Agreement at the daily rate of 0.3663 % from the date of this Loan Agreement until 01/16/2018 the earlier of: (i) the due date of your last payment as set forth in the Payment Schedule below; or (ii) payment in full. You also promise to pay any other charges provided for under this Loan Agreement. You agree to make your payment in the amounts and on or before the dates set forth in the Payment Schedule below ("Due Date") at the address indicated above, or at such other address as we direct you in writing. The Loan Agreement will be consummated upon the date you sign this Loan Agreement. Time is of the essence in this Loan Agreement. In consideration of your delivering the Title to us and granting us a security interest in the Motor Vehicle as set forth below, your promise to timely pay and agreeing to this Loan Agreement, we agree to provide you a loan in the Principal Amount provided above.

FEDERAL TRUTH-IN-LENDING DISCLOSURES

ANNUAL PERCENTAGE RATE The cost of your credit as a yearly rate.	FINANCE CHARGE The dollar amount the credit will cost you.	Amount Financed The amount of credit provided to you or on your behalf.	Total of Payments The amount you will have paid after you have made all payments as scheduled.
133.71 %	\$ 3405.36	\$ 7021.00	\$ 10426.36

Any comments or questions may be directed to Customer Service at the following toll-free number: (800) 804-5368.

Page 1 of 5

TM, TB, NV, installment-loan-agreement, 12.30.2015

Your payment schedule will be:

Number of Payments	Amount of Payments	When Payments are Due
6	1489.47	07/20/2017 and each 30 days thereafter
1	1489.54	01/16/2018

Security: You are giving a security interest in the Title to the Motor Vehicle.

Filing Fee: \$ 21.00

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

See the terms below and on the other pages of this Loan Agreement for any additional information about nonpayment, default, any required repayment in full before the scheduled date and any prepayment refunds and penalties.

Itemization of Amount Financed of	\$ 7021.00
1. Amount given to you directly:	\$ 7000.00
2. Amount paid on your account:	\$0.00
3. Amount paid to public officials:	\$ 21.00
4. Amount paid on your behalf:	\$ N/A
5. Amount paid on your behalf:	\$ N/A

to N/A
to N/A

PAID
IN FULL

Calculation of Interest, Application of Payments and Security Interest. We use the simple interest method to calculate the interest. We calculated the simple interest assuming you will pay on the scheduled Payment Dates. If you make your payments on the dates set forth in the Payment Schedule, the Finance Charge box above discloses the total amount of interest you will owe us under this Loan Agreement. Payments are calculated to ratably and fully amortize the entire Principal Amount and interest payable. Interest is not compounded. Early payments may decrease the amount of interest you owe. Late payments may increase the amount of interest you owe. The amount of this increase or decrease will be reflected in the final payment. If an early payment is less than the scheduled installment, then you must pay the difference on or before the upcoming installment due date. Payments will be applied first to accrued interest, second to principal, and third to outstanding charges, if any. We require you to give us possession of the Title, and you hereby give us possession of the Title. You grant us a security interest in the Motor Vehicle listed above. We will maintain possession of the Title during this Loan Agreement.

Right to Rescind and Prepayment. You may rescind this loan pursuant to Nevada law. You may rescind before we close on our next business day, at the location listed above. We will not charge you any amount for rescinding. To rescind, you must deliver funds equal to the face value of the loan, less any fees charged. If you rescind, then we will return the Title to you, and refund any amount paid. You have the right to make payments in any amount in advance at any time without incurring any charge, fee or penalty. If you prepay any amount at any time, then the final payment amounts will be adjusted as appropriate to reflect any prepayments we receive. If you prepay pursuant to this Loan Agreement, then we will return the Title to you.

Repayment Plan Disclosure: If you default on the loan, we must offer a Repayment Plan to you before we commence any civil action or process of alternative dispute resolution, or before we repossess the Motor Vehicle.

Repayment Plan. If you default and are entitled to enter into a Repayment Plan, we will offer you a "Repayment Plan." We will give you the opportunity to enter into a Repayment Plan for 30 days after such default. The minimum term of the "Repayment Plan" is 90 days. We may require you to make an initial payment of not more than 20 percent of the total amount due under the terms of the Repayment Plan. We shall not except as otherwise provided by this NRS 604A, charge any other amount to you, including, without limitation, any amount or charge payable directly or indirectly by you and imposed directly or indirectly by us as an incident to or as a condition of entering into a repayment plan. Such an amount includes, without limitation: (i) any interest, regardless of the name given to the interest, other than the interest charged pursuant to the original loan agreement at a rate which does not exceed the annual percentage rate charged during the term of the original loan agreement; or (ii) any origination fees, set-up fees, collection fees, transaction fees, negotiation fees, handling fees, processing fees, late fees, default fees or any other fees, regardless of the name given to the fee. We will not take additional security for entering into a Repayment Plan or attempt to collect an amount that is greater than the amount owed under the terms of the Repayment Plan. We will not sell you any insurance or require you to purchase insurance or any other goods or services to enter into the Repayment Plan. We will not make any other loan to you while you are in a Repayment Plan. Upon default of your obligations under the Repayment Plan, we may repossess the Motor Vehicle.

Default, Acceleration, Repossession, and Post-Default Interest. You will be in default and entitled to enter into a Repayment Plan on the day immediately following the date you fail to (i) make a scheduled payment on this loan or (ii) pay this loan in full on or before the expiration of the loan period as set forth herein. We may waive a default and reinstate your account to good status if you bring your account current or make satisfactory payment arrangements with us. However, we are not required to make an offer for you to enter into a Repayment Plan more than once for each loan.

Any comments or questions may be directed to Customer Service at the following toll-free number: (800) 804-5368.

Page 2 of 5

TM.TB.NV.Installment-loan-agreement.12.30.2015

NSC FID 00096

INCOME AND EXPENSE WORKSHEET

Applicant Name:	A. Requested Loan Amount:	\$ 1880
	B. Maximum Loan Value (MLV) based on appraisal:	\$ 7280
Co-Applicant Name:	C. Net Monthly Income needed to pay requested loan amount:	\$ 480
N/A	D. Net Monthly Income needed to pay MLV:	\$ 1546
EMPLOYEE USE ONLY		

Income	Applicant Income	Co-Applicant Income
Gross Monthly Income ("GMI") #1	\$ 7206.70	\$ 0
Gross Monthly Income ("GMI") #2	\$ 0	\$ 0
Gross Monthly Income ("GMI") #3	\$ 0	\$ 0
Part 1: Add all income and total here →		\$ 7,206.70

Expense Description	Applicant Expense	Co-Applicant Expense
Rent/Mortgage	\$ 450	\$ 0
Utilities	\$ 60	\$ 0
Insurance	\$ 170	\$ 0
Other Expenses (loans, food, etc.)	\$ 500	\$ 0
Additional Title loans	\$ 1490	\$ 0
Part 2: Add all income and total here →		\$ 2,670.00

Part 3: Net Monthly Income (Part 1 total minus Part 2 total here) →	\$ 4,536.70
Monthly Loan Payment must be less than this amount	

You, state(s) as follows:

1. You have provided us with true and correct information concerning your income, obligations, employment, and ownership of the Vehicle; and
2. You have the ability to repay the loan.

Applicant Signatures:

Date:

8-17-17

Co-Applicant Signature:

Date:

PCC STRUCTURALS

Carson City
2727 Lockheed Way
Carson City, NV 89706

099-0001

Earnings Statement



Period Beginning: 07/31/2017
Period Ending: 08/06/2017
Pay Date: 08/11/2017

Taxable Marital Status: Married
Exemptions/Allowances:
Federal: 3
NV: No State Income Tax



Earnings	rate	hours	this period	year to date
Regular	17.1900	40.00	687.59	19,009.56
Overtime	25.7850	28.01	722.25	14,184.69
Persnl Time Off	17.1900	1.47	25.27	325.96
Retro Inc			227.99	227.99
Bonus				1,777.24
Holiday Pay				759.52
Vacation Pay				378.00
Vacatn Buy Bk				1,890.00
Gross Pay			\$1,863.10	38,802.96

* Excluded from federal taxable wages

Your federal taxable wages this period are
\$1,326.00

Other Benefits and Information

	this period	total to date
Group Term Life	0.08	0.26
Tot Hrs Worked	68.01	1,786.50
Persnl Time Off		30.37
Vacation		132.90

Deductions	Statutory		
Federal Income Tax	-120.96	2,179.97	
Social Security Tax	-97.68	2,231.94	
Medicare Tax	-22.85	521.99	
Other			
Add Life	-1.62	51.84	
Dental Pre Tax	-5.77*	184.64	
Pretax Med	-81.86*	2,619.52	
401K Deferral	-249.47*	5,553.95	
401K Loan	-100.00	3,200.00	
401K Loan 2	-50.00	1,400.00	
Net Pay	\$932.87		
*Checking	-732.87	14,459.11	
*Savings	-200.00	6,400.00	
Net Check	\$0.00		

PCC STRUCTURALS

Carson City
2727 Lockheed Way
Carson City, NV 89706

Advice number: 00000320065
Pay date: 08/11/2017

Deposited to the account of	account number	transit ABA	amount
	XXXXXX	XXXX XXXX	\$732.87
	XXXXXX	XXXX XXXX	\$200.00

THIS IS NOT A CHECK

NON-NEGOTIABLE

Title Loan Agreement

Date: 08/17/2017

Number: [REDACTED]

Customer & Co-Customer Information					
FIRST NAME		MIDDLE NAME		CO-CUSTOMER FIRST NAME	
[REDACTED]		[REDACTED]		[REDACTED]	
LAST NAME		CO-CUSTOMER LAST NAME			
[REDACTED]		[REDACTED]			
SSN		DRIVERS LIC./OTHER ID. NO.		CO-CUSTOMER SSN	
XXX-XX-[REDACTED]		[REDACTED]		[REDACTED]	
STREET ADDRESS				CO-CUSTOMER STREET ADDRESS	
[REDACTED]				[REDACTED]	
CITY		STATE		ZIP CODE	
[REDACTED]		[REDACTED]		[REDACTED]	
PRIMARY PHONE		DATE OF BIRTH		CO-CUSTOMER PRIMARY PHONE	
[REDACTED]		[REDACTED]		[REDACTED]	
Motor Vehicle & Licensee Information		LICENSEE'S HOURS OF OPERATION:			
[REDACTED]		Monday to Friday 9:00 A.M. to 7:00 P.M., Saturday 10:00 A.M. to 2:00 P.M., Closed Sunday			
LICENSEE NAME		LICENSEE PHONE NUMBER			
TitleMax of Nevada, Inc. d/b/a TitleMax		7758831252			
LICENSEE STREET ADDRESS		LICENSEE CITY		LICENSEE STATE	
2020 E. Williams St.		Carson City		Nevada	
VEHICLE IDENTIFICATION NUMBER (VIN)		LICENSEE ZIP CODE			
[REDACTED] 8996		89701			
VEHICLE YEAR		VEHICLE MAKE		VEHICLE MODEL	
2007		CHEVROLET		TAROE	
		COLOR		Other	

PAID IN FULL

Terms: In this Title Loan Agreement ("Loan Agreement"), "customer," "you," and "your" mean the customer who signed it. "Licensee," "we," "us" and "our" mean TitleMax of Nevada, Inc. d/b/a TitleMax, a title loan services provider licensed and regulated by the Nevada Financial Institutions Division, 2785 E Desert Inn Road, Suite 180, Las Vegas, Nevada 89121. Phone: (702) 486-4120, Fax: (702) 486-4563, <http://www.fid.state.nv.us/>. The word "Motor Vehicle" means the vehicle identified above. The word "Title" means a certificate of title or ownership to the Motor Vehicle.

Term, Principal, Interest, Charges and Payment. The original term of this loan is 210 days. You promise to timely pay us in cash or as otherwise agreed in writing (\$ 1880.00) ("Principal Amount"), which includes any filing fee listed below plus interest on the unpaid principal balance of this Loan Agreement at the daily rate of 0.3653 % from the date of this Loan Agreement until 03/15/2018 (the earlier of: (i) the due date of your last payment as set forth in the Payment Schedule below; or (ii) payment in full. You also promise to pay any other charges provided for under this Loan Agreement. You agree to make your payment in the amounts and on or before the dates set forth in the Payment Schedule below ("Due Date") at the address indicated above, or at such other address as we direct you in writing. The Loan Agreement will be consummated upon the date you sign this Loan Agreement. Time is of the essence in this Loan Agreement. In consideration of your delivering the Title to us and granting us a security interest in the Motor Vehicle as set forth below, your promise to timely pay and agreeing to this Loan Agreement, we agree to provide you a loan in the Principal Amount provided above.

FEDERAL TRUTH-IN-LENDING DISCLOSURES

ANNUAL PERCENTAGE RATE The cost of your credit as a yearly rate.	FINANCE CHARGE The dollar amount the credit will cost you.	Amount Financed The amount of credit provided to you or on your behalf.	Total of Payments The amount you will have paid after you have made all payments as scheduled.
133.71 %	\$ 911.83	\$ 1880.00	\$ 2791.83

Any comments or questions may be directed to Customer Service at the following toll-free number: (800) 804-5368.

Your payment schedule will be:

Number of Payments	Amount of Payments	When Payments are Due
6	398.83	09/16/2017 and each 30 days thereafter
1	398.85	03/15/2018

Security: You are giving a security interest in the Title to the Motor Vehicle.

Filing Fee: \$ 0.00

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

See the terms below and on the other pages of this Loan Agreement for any additional information about nonpayment, default, any required repayment in full before the scheduled date and any prepayment refunds and penalties.

Itemization of Amount Financed of

\$ 1880.00

1. Amount given to you directly:

\$ 1880.00

2. Amount paid on your account:

\$ 0.00

3. Amount paid to public officials:

\$ 0.00

4. Amount paid on your behalf:

\$ N/A

to N/A

5. Amount paid on your behalf:

\$ N/A

to N/A

Calculation of Interest, Application of Payments and Security Interest. We use the simple interest method to calculate the interest. We calculated the simple interest assuming you will pay on the scheduled Payment Dates. If you make your payments on the dates set forth in the Payment Schedule, the Finance Charge box above discloses the total amount of interest you will owe us under this Loan Agreement. Payments are calculated to ratably and fully amortize the entire Principal Amount and interest payable. Interest is not compounded. Early payments may decrease the amount of interest you owe. Late payments may increase the amount of interest you owe. The amount of this increase or decrease will be reflected in the final payment. If an early payment is less than the scheduled installment, then you must pay the difference on or before the upcoming installment due date. Payments will be applied first to accrued interest, second to principal, and third to outstanding charges, if any. We require you to give us possession of the Title, and you hereby give us possession of the Title. You grant us a security interest in the Motor Vehicle listed above. We will maintain possession of the Title during this Loan Agreement.

Right to Rescind and Prepayment. You may rescind this loan pursuant to Nevada law. You may rescind before we close on our next business day, at the location listed above. We will not charge you any amount for rescinding. To rescind, you must deliver funds equal to the face value of the loan, less any fees charged. If you rescind, then we will return the Title to you, and refund any amount paid. You have the right to make payments in any amount in advance at any time without incurring any charge, fee or penalty. If you prepay any amount at any time, then the final payment amounts will be adjusted as appropriate to reflect any prepayments we receive. If you prepay pursuant to this Loan Agreement, then we will return the Title to you.

Repayment Plan Disclosure: If you default on the loan, we must offer a Repayment Plan to you before we commence any civil action or process of alternative dispute resolution, or before we repossess the Motor Vehicle.

Repayment Plan. If you default and are entitled to enter into a Repayment Plan, we will offer you a "Repayment Plan." We will give you the opportunity to enter into a Repayment Plan for 30 days after such default. The minimum term of the "Repayment Plan" is 90 days. We may require you to make an initial payment of not more than 20 percent of the total amount due under the terms of the Repayment Plan. We shall not except as otherwise provided by this NRS 604A, charge any other amount to you, including, without limitation, any amount or charge payable directly or indirectly by you and imposed directly or indirectly by us as an incident to or as a condition of entering into a repayment plan. Such an amount includes, without limitation: (i) any interest, regardless of the name given to the interest, other than the interest charged pursuant to the original loan agreement at a rate which does not exceed the annual percentage rate charged during the term of the original loan agreement; or (ii) any origination fees, set-up fees, collection fees, transaction fees, negotiation fees, handling fees, processing fees, late fees, default fees or any other fees, regardless of the name given to the fee. We will not take additional security for entering into a Repayment Plan or attempt to collect an amount that is greater than the amount owed under the terms of the Repayment Plan. We will not sell you any insurance or require you to purchase insurance or any other goods or services to enter into the Repayment Plan. We will not make any other loan to you while you are in a Repayment Plan. Upon default of your obligations under the Repayment Plan, we may repossess the Motor Vehicle.

Default, Acceleration, Repossession, and Post-Default Interest. You will be in default and entitled to enter into a Repayment Plan on the day immediately following the date you fail to (i) make a scheduled payment on this loan or (ii) pay this loan in full on or before the expiration of the loan period as set forth herein. We may waive a default and reinstate your account to good status if you bring your account current or make satisfactory payment arrangements with us. However, we are not required to make an offer for you to enter into a Repayment Plan more than once for each loan.

Any comments or questions may be directed to Customer Service at the following toll-free number: (800) 804-5388.

INCOME AND EXPENSE WORKSHEET

Applicant Name:	A. Requested Loan Amount:	\$ 1500
	B. Maximum Loan Value (MLV) based on appraisal:	\$ 3621
Co-Applicant Name:	C. Net Monthly Income needed to pay requested loan amount:	\$ 383
	D. Net Monthly Income needed to pay MLV:	\$ 871
EMPLOYEE USE ONLY		

Income	Applicant Income	Co-Applicant Income
Gross Monthly Income ("GMI") #1	\$ 2865	\$
Gross Monthly Income ("GMI") #2	\$	\$
Gross Monthly Income ("GMI") #3	\$	\$
Part 1: Add all income and total here →		\$ 2,865.00

Expense Description	Applicant Expense	Co-Applicant Expense
Rent/Mortgage	\$ 918	\$
Utilities	\$ 100	\$
Insurance	\$ 100	\$
Other Expenses (loans, food, etc.)	\$ 170	\$
Additional Title loans	\$	\$
Part 2: Add all income and total here →		\$ 1,288.00

Part 3: Net Monthly Income (Part 1 total minus Part 2 total here) →	\$ 1,577.00
<i>Monthly Loan Payment must be less than this amount</i>	

You, state(s) as follows:

1. You have provided us with true and correct information concerning your income, obligations, employment, and ownership of the Vehicle; and
2. You have the ability to repay the loan.

Applicant Signature:

Date:

12-29-17

Co-Applicant Signature:

Date:



\$ 354.

FREE CHECKING: Dec 1, 2017 To Dec 8, 2017

Share Draft, suffix #08

Dividend of \$0.00 this year and \$0.00 last year.

\$293.12

\$130.90 Available

Date ▼ ▲	Description ▼ ▲	Amount ▼ ▲
Ⓢ Pending	DOMINO'S PIZZA	-\$21.26 Pending
Ⓢ Pending	TMOBILE*POSTPAI	-\$120.98 Pending
Ⓢ Pending	CHEVRON/TERRIBL	-\$20.00 Pending
Dec 7, 2017	ATM Share Deposit 30317 ONE NEVADA CU 7480 W LAKE MEAD-DU LAS VEGAS NVUS	+\$280.00 \$293.12
Dec 7, 2017	Electronic Transaction 20389 SMITHS 3160 N. RAINBOW LAS VEGAS NVUS	-\$3.01 \$33.12
Dec 5, 2017	Electronic Transaction 03936 Wal-Mart Super Center LAS VEGAS NVUS	-\$3.40 \$36.13
Dec 5, 2017	Automatic Debit 19138 Five Star Rest E ACH AUTOMATED PAYMENT	-\$916.38 \$39.53
Dec 4, 2017	Electronic Transaction 27914 NETFLIX.COM NETFLIX.COM CAUS	-\$10.99 \$965.91
Dec 4, 2017	ATM Share Deposit 26367 ONE NEVADA CU 2856 S MOJAVE RD-DU LAS VEGAS NVUS	+\$840.00 \$986.80
Dec 4, 2017	Automatic Debit 01153 COX COMM LAS ACH AUTOMATED PAYMENT	-\$45.00 \$126.90
Dec 3, 2017	Electronic Transaction 18439 JACK IN THE BOX 7249 LAS VEGAS NVUS	-\$9.75 \$171.90
Dec 2, 2017	Electronic Transaction 20044 ALBERTSONS STORE 0118 LAS VEGAS NVUS	-\$35.10 \$180.85
Dec 1, 2017	Electronic Transaction 20110 TARGET T- 3210 N Tenay Las Vegas NVUS	-\$11.98 \$218.75
Dec 1, 2017	ATM Share Deposit 07472 ONE NEVADA CU 7480 W LAKE MEAD-DU LAS VEGAS NVUS	+\$230.00 \$230.73

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FREE CHECKING: Nov 1, 2017 To Nov 30, 2017

Share Draft, suffix #08

Dividend of \$0.00 this year and \$0.00 last year.

\$293.12

\$130.90 Available

Date ▼ ▲	Description ▼ ▲	Amount ▼ ▲
⊙ Pending	DOMINO'S PIZZA	-\$21.26 Pending
⊙ Pending	TMOBILE POSTPAID	-\$120.96 Pending
⊙ Pending	CHEVRON/TERRIBL	-\$20.00 Pending
Nov 16, 2017	ATM WITHDRAWAL 23469 Cardtronics C2S 4755 W ANN RD N LAS VEGAS NVUS	-\$100.00 \$0.73
Nov 15, 2017	Cash Received 06442	+\$100.00 \$100.73
Nov 9, 2017	Electronic Transaction 07416 CHEVRON 0200319 LAS VEGAS NVUS	-\$15.00 \$0.73
Nov 9, 2017	Electronic Transaction 15255 WM SUPERC Wal-Mart Sup LAS VEGAS NVUS	-\$10.46 \$15.73
Nov 9, 2017	Automatic Debit 18067 NV ENERGY SOUTH ACH AUTOMATED PAYMENT	-\$82.00 \$26.19
Nov 9, 2017	Automatic Debit 13830 COX COMM LAS ACH AUTOMATED PAYMENT	-\$63.98 \$109.09
Nov 9, 2017	NETWORK ATM FEE 04271 KELLYS CASINO 5855 CRAIG ROAD 108 LAS VEGAS NVUS	-\$3.00 \$173.07
Nov 9, 2017	ATM WITHDRAWAL 04271 KELLYS CASINO 5855 CRAIG ROAD 108 LAS VEGAS NVUS	-\$22.00 \$176.07
Nov 8, 2017	Electronic Transaction 08151 SMITHS 3180 N. RAINBOW LAS VEGAS NVUS	-\$1.81 \$198.07
Nov 7, 2017	Electronic Transaction 11898 SMITHS 3180 N. RAINBOW LAS VEGAS NVUS	-\$20.36 \$199.88
Nov 7, 2017	ATM Share Deposit 32510 ONE NEVADA CU 7480 W LAKE MEAD-DU LAS VEGAS NVUS	+\$200.00 \$220.24
Nov 7, 2017	S/D NSF FEE 31974 S/D NSF FEE	+\$35.00 \$20.24
Nov 8, 2017	Fee 13740 NSF FEE - COX COMM LAS ACH AUTOMATED PAYMENT	-\$35.00 -\$14.76
Nov 5, 2017	NETWORK ATM FEE 28922 KELLYS CASINO 5855 CRAIG ROAD 108 LAS VEGAS NVUS	-\$3.00 \$20.24
Nov 5, 2017	ATM WITHDRAWAL 28822 KELLYS CASINO 5855 CRAIG ROAD 108 LAS VEGAS NVUS	-\$142.00 \$23.24

Date ▼ ▲	Description ▼ ▲	Amount ▼ ▲
Nov 5, 2017	Electronic Transaction 04520 TARGET T- 3210 N Tenay Las Vegas NVUS	-\$21.82 \$185.24
Nov 4, 2017	Electronic Transaction 30083 NETFLIX.COM NETFLIX.COM CAUS	-\$11.99 \$187.08
Nov 4, 2017	NETWORK ATM FEE 20460 KELLYS CASINO I 5855 CRAIG ROAD 108 LAS VEGAS NVUS	-\$3.00 \$199.05
Nov 4, 2017	ATM WITHDRAWAL 20460 KELLYS CASINO I 5855 CRAIG ROAD 108 LAS VEGAS NVUS	-\$102.00 \$202.06
Nov 3, 2017	Electronic Transaction 07562 ALBERTSONS STORE 0118 LAS VEGAS NVUS	-\$45.70 \$304.05
Nov 3, 2017	Electronic Transaction 32082 UBER TECHNOLOGIES INC 866-576-1039 CAUS	-\$5.08 \$350.75
Nov 3, 2017	Electronic Transaction 15890 UBER TIP 6NF2F HELP.UBER.COMCAUS	-\$10.00 \$356.90
Nov 3, 2017	Electronic Transaction 15874 UBER TIP 7ISJX HELP.UBER.COMCAUS	-\$5.00 \$366.80
Nov 3, 2017	Electronic Transaction 15906 UBER TECHNOLOGIES INC 866-576-1039 CAUS	-\$25.75 \$371.80
Nov 3, 2017	Automatic Debit 07413 Five Star Real E ACH AUTOMATED PAYMENT	-\$916.38 \$397.55
Nov 3, 2017	Electronic Transaction 30496 EAT24 *GRAND PIZZA EAT24HOURS.COCAUS	-\$60.00 \$1,313.93
Nov 2, 2017	Electronic Transaction 16420 SMITHS 3180 N. RAINBOW LAS VEGAS NVUS	-\$2.57 \$1,373.93
Nov 2, 2017	Electronic Transaction 13313 CBS ALL ACCESS 888-274-5343 CAUS	-\$5.99 \$1,378.50

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TITLE LOAN AGREEMENT, PROMISSORY NOTE AND SECURITY AGREEMENT

THIS AGREEMENT CONTAINS A WAIVER OF JURY TRIAL AND ARBITRATION CLAUSE (THE "CLAUSE"). UNLESS I OPT OUT OF THE CLAUSE, IT WILL SUBSTANTIALLY IMPACT MY RIGHTS IF I HAVE A DISPUTE WITH LENDER, INCLUDING MY RIGHT TO TAKE PART IN A CLASS ACTION.

Lender: TitleMax of Nevada, Inc. d/b/a TITLEMAX 6436 N. DECATUR BLVD., #115 LAS VEGAS, NV 89131		Loan Date: 12/29/2017 Loan Number: [REDACTED] Lender Customer Service: 1-800-804-5368	
Borrower: [REDACTED] [REDACTED] [REDACTED]		Co-Borrower: N/A	
Motor Vehicle Year: 2006	Motor Vehicle Make: Cadillac	Motor Vehicle Model: DTS	Motor Vehicle ID #: [REDACTED] 6886

"Note" and "Agreement" mean this Title Loan Agreement, Promissory Note and Security Agreement. "Borrower", "I", "me" and "my" mean each Borrower and Co-Borrower who signs this Note. "Lender" and "you" mean TitleMax of Nevada, Inc. "Loan" means the title loan Lender makes to me under this Note pursuant to Nevada Revised Statutes Chapter 604A and regulations promulgated thereunder ("Chapter 604A"). The Loan is a "title loan" under Chapter 604A. "Vehicle" means the motor vehicle identified above. "Title" means the certificate of title for the Vehicle. Lender is licensed and regulated by the Nevada Financial Institutions Division, 3300 West Sahara Avenue, Suite 250, Las Vegas, Nevada 89102, Phone: (702) 486-4120, Fax: (702) 486-4563, <http://www.fid.nv.gov>.

FEDERAL TRUTH-IN-LENDING DISCLOSURES

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The annual percentage rate is 15.99%	The finance charge on the credit will be \$1,793.65	The amount of credit provided to me or on my behalf.	The amount I will have paid after I have made all payments as scheduled.
		\$3,080.37	\$4,874.06

Payment Schedule: My payment schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due (each a "Payment Due Date")
1	\$696.30	01/28/2018
1	\$696.30	02/27/2018
1	\$696.30	03/29/2018
1	\$696.30	04/28/2018
1	\$696.30	05/28/2018
1	\$696.30	06/27/2018
1	\$696.26	07/27/2018

Security: I am giving a security interest in the Vehicle described above.


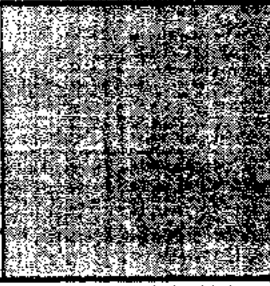
Lien Filing Fee: \$0.00

Prepayment: Lender will not charge a prepayment penalty/charge if I pay all or part of the principal balance before the date on which principal is due.

See the remainder of this Note for additional information about non-payment, default, any required repayment in full before the scheduled date, and prepayment penalties.

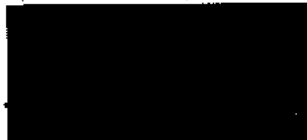
Itemization of Amount Financed:

Amount given to me directly:	\$1,500.00
Plus: Amount paid on my account(s) with Lender	\$1,580.37

Income and Expense Worksheet				
Applicant Name:				
Co-Applicant Name:				
Requested Loan Amount		\$3,021.00		
Payment (For Requested Amount)		\$728.91		
Income				
	Income Type/Source	Amount	Pay Frequency	Sub-Monthly Total:
1	SSI	\$1,126.00	Monthly	\$1,126.00
2	SSA	\$563.00	Monthly	\$563.00
3	CHILD SUPPORT	\$400.00	Monthly	\$400.00
4		\$0.00		\$0.00
5		\$0.00		\$0.00
6		\$0.00		\$0.00
Gross Monthly Income TOTAL:				\$2,089.00
Expenses				
	Expense Description	Amount		Sub-Monthly Total:
1	Rent/Mortgage	\$800.00		\$800.00
2	Utilities	\$300.00		\$300.00
3	Insurance	\$40.00		\$40.00
4	Other Expenses (loans, food, etc.)	\$200.00		\$200.00
5	Additional Title loans	\$0.00		\$0.00
Gross Monthly Expense TOTAL:				\$1,340.00
Net Monthly Income				\$749.00

You, state(s) as follows:

1. You have provided us with true and correct information concerning your income, obligations, employment, and ownership of the Vehicle; and
2. You have the ability to repay the loan.



Date: 11/5/18

Co-Applicant Signature

Date: _____

Wells Fargo® at Work Checking

Account number: [REDACTED] 7162 ■ November 9, 2017 - December 8, 2017 ■ Page 1 of 7



[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Questions?

Available by phone 24 hours a day, 7 days a week:
Telecommunications Relay Services calls accepted

1-800-TO-WELLS (1-800-869-3557)

TTY: 1-800-877-4833

En español: 1-877-727-2932

華語 1-800-288-2288 (6 am to 7 pm PT, M-F)

Online: wellsfargo.com

Write: Wells Fargo Bank, N.A. (825)
P.O. Box 6995
Portland, OR 97228-6995

You and Wells Fargo

Thank you for being a loyal Wells Fargo customer. We value your trust in our company and look forward to continuing to serve you with your financial needs.

Account options

A check mark in the box indicates you have these convenient services with your account(s). Go to wellsfargo.com or call the number above if you have questions or if you would like to add new services.

Online Banking	<input checked="" type="checkbox"/>	Direct Deposit	<input checked="" type="checkbox"/>
Online Bill Pay	<input checked="" type="checkbox"/>	Auto Transfer/Payment	<input type="checkbox"/>
Online Statements	<input checked="" type="checkbox"/>	Overdraft Protection	<input type="checkbox"/>
Mobile Banking	<input checked="" type="checkbox"/>	Debit Card	<input type="checkbox"/>
My Spending Report	<input checked="" type="checkbox"/>	Overdraft Service	<input type="checkbox"/>

Activity summary

Beginning balance on 11/9	\$521.57
Deposits/Additions	3,597.08
Withdrawals/Subtractions	- 3,932.39
Ending balance on 12/8	\$186.26

Account number: [REDACTED] 7162

[REDACTED]
[REDACTED]

Nevada account terms and conditions apply

For Direct Deposit use

Routing Number (RTN): [REDACTED]

Overdraft Protection

This account is not currently covered by Overdraft Protection. If you would like more information regarding Overdraft Protection and eligibility requirements, please call the number listed on your statement or visit your Wells Fargo store.



Transaction history (continued)

Date	Check Number	Description	Deposits/ Additions	Withdrawals/ Subtractions	Ending daily balance
11/24		Purchase authorized on 11/23 WM Super Wal-Mart Sup Reno, NV P00000000879496807 Card 4499		11.88	
11/24		Purchase authorized on 11/23 WM Super Wal-Mart Sup Reno, NV P00000000332468416 Card 4499		6.23	
11/24		Purchase authorized on 11/24 Burlington Stores 589 Carson City NV P00000000577474287 Card 4499		82.65	
11/24		American Express ACH Pmt 171124 M1558 Maria Aguayo		10.00	40.39
11/27		Purchase Return authorized on 11/24 Apl* iTunes,ContBi 866-712-7753 CA S627329544089958 Card 4499	1.29		
11/27		Purchase Return authorized on 11/24 Apl* iTunes,ContBi 866-712-7753 CA S627329544188339 Card 4499	1.29		
11/27		ATM Cash Deposit on 11/25 Capitol Center Carson City NV 0002045 ATM ID 4658F Card 4499	140.00		
11/27		ATM Cash Deposit on 11/25 6565 N, Decatur Las Vegas NV 0006609 ATM ID 9919T Card 4499	87.00		
11/27		Purchase authorized on 11/25 Maverik #477 Reno NV S687329730165587 Card 4499		25.06	
11/27		Purchase authorized on 11/26 Uber Trip Sungg Help.Uber.Com CA S467330091950474 Card 4499		33.93	
11/27		Purchase authorized on 11/25 Uber Trip Sungg Help.Uber.Com CA S467330119926105 Card 4499		5.00	
11/27		Transfer to Aguayo Maria on 11/25 Ref #Pp0329D25 xxxxx7914		30.00	
11/27		Purchase authorized on 11/26 Allegnt Buyonboard Las Vegas NV S687330576259432 Card 4499		5.00	
11/27		Transfer to Aguayo Maria on 11/27 Ref #Pp0326Ndu0 xxxxxx7914		30.00	
11/27		Online Transfer to Carey L Everyday Checking xxxxxx8122 Ref #1b03276Dny on 11/27/17		120.00	20.98
11/28		Purchase authorized on 11/27 El Salvador 603 Las Vegas NV S307331650905207 Card 4499		14.69	
11/28		Purchase authorized on 11/27 Walgreens #5814 North Las Veg NV S387332004375436 Card 4499		3.30	2.69
11/30		Online Transfer From Aguayo M Everyday Checking xxxxxx7633 Ref #1b032d6UJ9 on 11/29/17	50.00		52.99
12/1		SSA Trans 310 Xxroc Sec 120117 xxxxx3782C1 SSA N1*G0*Mane Aguayo for W1*Be*Michael Dam	563.00		
12/1		SSA Trans 310 Xxroc Sec 120117 xxxxx3782A SSA Mane P D'Ambra	1,128.00		
12/1		Online Transfer to Aguayo M Everyday Checking xxxxxx7633 Ref #1b032ikH4 on 12/01/17		1,140.00	
12/1		Online Transfer to Aguayo M Everyday Checking xxxxxx7633 Ref #1b032ik7Q on 12/01/17		600.00	
12/1		Transfer to Aguayo Maria on 12/01 Ref #Pp032gcggg Lu		50.00	51.99
12/4		Online Transfer From Aguayo M Everyday Checking xxxxxx7633 Ref #1b032i7L6 on 12/02/17	700.00		
12/4	320	Check		104.18	
12/4		LV Athletic Club Ellwd 171201 03416950000000 D'Ambra, Maria		31.00	
12/4		Chase Credit Crd Epay 171202 3352682475 Mari D'Ambra		75.00	
12/4		Vz Wireless Vw Vzw Walpay 171203 2488737 Maria D'Ambra		124.60	417.21
12/5		Purchase authorized on 12/04 6106 El Pollo Loco Las Vegas NV S387338092349538 Card 4499		8.65	
12/5	*319	Ref/Gemb Check Pymt 171205 00319 0000000019182328165180		55.05	353.51
12/6	321	Check		145.00	208.51

**Transaction history (continued)**

Date	Check Number	Description	Deposits/ Additions	Withdrawals/ Subtractions	Ending daily balance
12/7		Purchase authorized on 12/06 Rivas Mexican Grill North Las Veg. NV S387340721928381 Card 4489		12.45	196.06
12/8		Purchase authorized on 12/08 Jack IN The Box 72 North Las Veg NV S587340851882498 Card 4489		8.80	186.26
Ending balance on 12/8					186.26
Totals			\$3,597.08	\$3,932.39	

The Ending Daily Balance does not reflect any pending withdrawals or holds on deposited funds that may have been outstanding on your account when your transactions posted. If you had insufficient available funds when a transaction posted, fees may have been assessed.

^ **Converted check:** Check converted to an electronic form by your payee or designated representative. Checks converted to electronic form cannot be returned, copied or imaged.

Summary of checks written (checks listed are also displayed in the preceding Transaction history)

Number	Date	Amount	Number	Date	Amount	Number	Date	Amount
319	12/5	55.05	320	12/4	104.18	321	12/6	145.00

Summary of Overdraft and Returned Item fee(s)

	Total this statement period	Total year-to-date †
Total Overdraft Fees	\$0.00	\$26.28
Total Returned Item Fees	\$0.00	\$0.00

† Year-to-date total reflects fees assessed or reversed since first full statement period of current calendar year

Monthly service fee summary

For a complete list of fees and detailed account information, see the Wells Fargo Account Fee and Information Schedule and Account Agreement applicable to your account (EasyPay Card Terms and Conditions for prepaid cards) or talk to a banker. Go to wellsfargo.com/feefaq for a link to these documents, and answers to common monthly service fee questions.

Fee period 11/09/2017 - 12/08/2017	Standard monthly service fee \$14.00	You paid \$0.00
How to avoid the monthly service fee	Minimum required	This fee period
Have any ONE of the following account requirements		
• Total amount of qualifying direct deposits	\$1,000.00	\$1,589.00 <input checked="" type="checkbox"/>
• Combined balances in linked accounts, which may include	\$7,500.00	\$6.67 <input type="checkbox"/>
• Minimum daily balance in checking, savings, time accounts (CDs) and FDIC-insured retirement accounts		

CA/CA

TITLE LOAN AGREEMENT, PROMISSORY NOTE AND SECURITY AGREEMENT

THIS AGREEMENT CONTAINS A WAIVER OF JURY TRIAL AND ARBITRATION CLAUSE (THE "CLAUSE"). UNLESS I OPT OUT OF THE CLAUSE, IT WILL SUBSTANTIALLY IMPACT MY RIGHTS IF I HAVE A DISPUTE WITH LENDER, INCLUDING MY RIGHT TO TAKE PART IN A CLASS ACTION.

Lender: TitleMax of Nevada, Inc. d/b/a TITLEMAX 6436 N. DECATUR BLVD., #115 LAS VEGAS, NV 89131		Loan Date: 01/05/2018 Loan Number: [REDACTED] Lender Customer Service: 1-800-804-5368	
Borrower: [REDACTED] [REDACTED] [REDACTED]		Co-Borrower: N/A	
Motor Vehicle Year: 2007	Motor Vehicle Make: Mercedes-Benz	Motor Vehicle Model: C Class	Motor Vehicle ID #: [REDACTED] 2407

"Note" and "Agreement" mean this Title Loan Agreement, Promissory Note and Security Agreement. "Borrower", "I", "me" and "my" mean each Borrower and Co-Borrower who signs this Note. "Lender" and "you" mean TitleMax of Nevada, Inc. "Loan" means the title loan Lender makes to me under this Note pursuant to Nevada Revised Statutes Chapter 604A and regulations promulgated thereunder ("Chapter 604A"). The Loan is a "title loan" under Chapter 604A. "Vehicle" means the motor vehicle identified above. "Title" means the certificate of title for the Vehicle. Lender is licensed and regulated by the Nevada Financial Institutions Division, 3300 West Sahara Avenue, Suite 250, Las Vegas, Nevada 89102, Phone: (702) 486-4120, Fax: (702) 486-4563, <http://www.fid.nv.gov>.

FEDERAL TRUTH-IN-LENDING DISCLOSURES

	Amount Financed	Total of Payments
	The amount of credit provided to me or on my behalf.	The amount I will have paid after I have made all payments as scheduled.
	\$3,021.00	\$4,753.63

Payment Schedule: My payment schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due (each a "Payment Due Date")
1	\$679.09	02/04/2018
1	\$679.09	03/06/2018
1	\$679.09	04/05/2018
1	\$679.09	05/05/2018
1	\$679.09	06/04/2018
1	\$679.09	07/04/2018
1	\$679.09	08/03/2018

Security: I am giving a security interest in the Vehicle described above.

Lien Filing Fee: \$21.00

Prepayment: Lender will not charge a prepayment penalty/charge if I pay all or part of the principal balance before the date on which principal is due.

See the remainder of this Note for additional information about non-payment, default, any required repayment in full before the scheduled date, and prepayment penalties.

Itemization of Amount Financed:

Amount given to me directly:	\$3,000.00
Plus: Amount paid on my account(s) with Lender	\$0.00

EXHIBIT 5

EXHIBIT 5

STATE OF NEVADA



BRIAN SANDOVAL
Governor

DEPARTMENT OF BUSINESS AND INDUSTRY

FINANCIAL INSTITUTIONS DIVISION

TERRY REYNOLDS
Interim Director

GEORGE E. BURNS
Commissioner

November 27, 2018

Victoria H. Newman, General Counsel
TitleMax of Nevada, Inc. dba TitleMax
15 Bull Street, Suite 200
Savannah, Georgia 31401

Re: TitleMax of Nevada, Inc. dba TitleMax Reports of Examination

Ms. Newman:

The State of Nevada Financial Institutions Division ("NFID") received your response dated August 27, 2018, to the examination findings cited in the Report of Examination ("ROE"), for the examination commenced on February 8, 2018 by NFID of thirty-one (31) TitleMax of Nevada, Inc. dba TitleMax ("TitleMax") licensed store locations and one (1) corporate location, which resulted in a "Needs Improvement" rating.

Below is NFID's response to the concerns in TitleMax's examination response letter.

Ability to Repay and Inconsistent in Obtaining Proof of Income

The Examiner-in-Charge recommended that TitleMax comply with AB163, specifically NRS 604A.5065¹ for title loans, not NRS 604A.5011 – Deferred Deposit Service as stated in TitleMax's ROE response. If TitleMax is planning to offer deferred deposit loans, a Change of Service form and the required documentation must be submitted to NFID for review and approval of an additional product.

¹ Section 604A.5065 Licensee required to make determination of ability of customer to repay loan and compliance of loan with certain requirements before making loan. 1. A licensee who operates a title loan service shall not make a title loan pursuant to this chapter unless the licensee determines pursuant to subsection 2 that the customer has the ability to repay the title loan and that the title loan complies with the provisions of NRS 604A.5076. 2. For the purposes of subsection 1, a customer has the ability to repay a title loan if the customer has a reasonable ability to repay the title loan, as determined by the licensee after considering, to the extent available, the following underwriting

LAS VEGAS
Office of the Commissioner
3300 W. Sahara Avenue, Suite 250
Las Vegas, NV 89102
(702) 486-4120 Fax (702) 486-4563

NORTHERN NEVADA
Examination
1755 East Plumb Lane, Suite 243
Reno, NV 89502
(775) 686-1730 Fax (775) 686-1735
Web Address: <http://fid.state.nv.us>

CARSON CITY
Licensing Office
1830 College Parkway, Suite 100
Carson City, NV 89706
(775) 684-2970 Fax (775) 684-2877

TitleMax should note that the statute uses the word “and” which indicates that all methods should be used in determining a customer’s ability to repay. NFID will issue guidance to the industry on the amended sections of NRS Chapter 604A as a reference and will highlight this requirement.

Ms. Newman indicated that it is unclear from the ROE if NFID was reviewing accounts originated before TitleMax’s voluntary compliance or after, but fails to mention the date TitleMax allegedly complied, therefore, NFID cannot answer that question. However, as disclosed on the front page of the ROE, the “as of date” for the examination was January 31, 2018. The scope of examination extends from the prior examination “as of date” until current examination “as of date”, April 5, 2017 – January 31, 2018. Additionally, the ROE’s list the specific loan numbers and/or customer names, TitleMax can review its files to determine the specific loan dates. That should address Ms. Newman’s concern of the scope of the examination.

Loans Exceeding Fair Market Value

The Examiner-in-Charge found five (5) of the sampled loans with a total amount due exceeding the fair market value of the vehicle. Pursuant to NRS 604A.5076² (substituted in revision for NRS 604A.450), a licensee shall not make a loan that exceeds fair market value of the vehicle and verifying that the borrower has the ability to repay the loan. The total amount the borrower must pay back includes the principal, interest, and fees, not just the principal amount borrowed. It would be nonsensical to only consider the principal amount of the loan when the total amount of the loan (principal, interest, and fees) must be paid by the borrower.

TitleMax disputes this finding because when making the loan they did not calculate both principal and interest in the total amount due, therefore, the loans did exceed the fair market value of the vehicle in violation of NRS 604A.5076.

Refinance and Prohibited Extension of Title Loans

TitleMax disputes the finding of violations of NRS 604A.5074³ (substituted in revision for NRS 604A.445) and NRS 604A.065⁴ because TitleMax is under the assumption that extending a 210-day loan that is not subject to an extension is in compliance with state law if it is called a “refinance”. The refinance product TitleMax is offering its customers does not comply with the provisions of NRS 604A.5074 and NRS 604A.065 that clearly prohibits a 210-day title loan from having an extension, regardless of the name given to the extension or rollover. “Refinance” is not specifically defined in NRS 604A since NRS 604A.065 is clear that an “extension” is any extension or rollover of a loan beyond the date on which the loan is required to be paid in full under the original terms of the loan agreement, regardless of the name given to the extension or rollover. The spirit and intent of NRS Chapter 604A is to keep borrowers off the debt treadmill, to prevent the same amount of money from being paid on indefinitely. This “refinance” product does the opposite, it keeps a borrower on the debt treadmill and keeps the borrower paying on the same amount of money indefinitely.

(continued...)

¹ factors: (a) The current or reasonably expected income of the customer; (b) The current employment status of the customer based on evidence including, without limitation, a pay stub or bank deposit; (c) The credit history of the customer; (d) The amount due under the original term of the title loan, the monthly payment on the title loan, if the title loan is an installment loan, or the potential repayment plan if the customer defaults on the title loan; and (e) Other evidence, including, without limitation, bank statements, electronic bank statements and written representations to the licensee. 3. For the purposes of subsection 1, a licensee who operates a title loan service shall not consider the ability of any person other than the customer to repay the title loan.

TitleMax is using NRS 604A.574 and quoting it incorrectly. NRS 604A.574 clearly refers to deferred deposit loans only. *Limitations on extended term of loans. A licensee who has been issued a license to operate a deferred deposit loan service pursuant to this chapter shall not allow a customer to extend, rollover, renew, refinance or consolidate any deferred deposit loan for a period longer than the period set forth in subsection 2 of NRS 604A.501.* This statute is irrelevant to this licensee since TitleMax does not offer deferred deposit loans. The controlling statute for title loans is NRS 604A.5074, which sets clear and specific requirements and restrictions for a licensee to offer a 210-day title loan.

TitleMax Was Unable to Provide Training Documentation

NFID's process is to request training materials and policies and procedures for any products being offered by its licensees. During the examination, the training materials and policies and procedures for the new refinance option were requested. Ms. Victoria Newman stated that she was hesitant to provide the information based on its confidential and proprietary nature. For this reason, the examiner was unable to fully review TitleMax's internal routine and control.

Previous Violations

It is NFID's protocol to use "repeat" when the same section of the Chapter is violated even for a different reason or product to prevent confusion that NFID is stating the violation is rectified, but then later citing the same section. The ROE is clear that TitleMax ceased from offering the Grace Period Deferment Agreement ("GPDA") and the repeat violation is due to the violation of the same section. TitleMax's letter states that TitleMax prevailed in Nevada District Court regarding the GPDA product. However, the case has been appealed to the Nevada Supreme Court and until such time a final ruling is made the matter remains unresolved. At the time of the examinations, loans were found in violation of NRS 604A.445. As such, NRS 604A.445 will stand in the ROE as a repeat violation.

² Section 604A.5076 Prohibited acts by licensee regarding amount of loan, ownership of vehicle and customer's ability to repay loan. A licensee who makes title loans shall not: 1. Make a title loan that exceeds the fair market value of the vehicle securing the title loan. 2. Make a title loan to a customer secured by a vehicle which is not legally owned by the customer. 3. Make a title loan without determining that the customer has the ability to repay the title loan, as required by NRS 604A.5065. In complying with this subsection, the licensee shall not consider the income of any person who is not a legal owner of the vehicle securing the title loan but may consider a customer's community property and the income of any other customers who consent to the loan pursuant to subsection 5 and enter into a loan agreement with the licensee. 4. Make a title loan without requiring the customer to sign an affidavit which states that: (a) The customer has provided the licensee with true and correct information concerning the customer's income, obligations, employment and ownership of the vehicle; and (b) The customer has the ability to repay the title loan. 5. Make a title loan secured by a vehicle with multiple legal owners without the consent of each owner. (Added to NRS by 2005, 1692; A 2017, 1442) — (Substituted in revision for NRS 604A.450)

³ Section 604A.5074 Restrictions on duration of loan and periods of extension. Notwithstanding any other provision of this chapter to the contrary: 1. The original term of a title loan must not exceed 30 days. 2. The title loan may be extended for not more than six additional periods of extension, with each such period not to exceed 30 days, if: (a) Any interest or charges accrued during the original term of the title loan or any period of extension of the title loan are not capitalized or added to the principal amount of the title loan during any subsequent period of extension; (b) The annual percentage rate charged on the title loan during any period of extension is not more than the annual percentage rate charged on the title loan during the original term; and (c) No additional origination fees, set-up fees, collection fees, transaction fees, negotiation fees, handling fees, processing fees, late fees, default fees or any other fees, regardless of the name given to the fees, are charged in connection with any extension of the title loan. 3. The original term of a title loan may be up to 210 days if: (a) The loan provides for payments in installments; (b) The payments are calculated to ratably and fully amortize the entire amount of principal and interest payable on the loan; (c) The loan is not subject to any extension; (d) The loan does not require a balloon payment of any kind; and (e) The loan is not a deferred deposit loan. (Added to NRS by 2005, 1692; A 2007, 937; 2017, 1441) — (Substituted in revision for NRS 604A.445)

⁴ Section 604A.065 "Extension" defined. 1. "Extension" means any extension or rollover of a loan beyond the date on which the loan is required to be paid in full under the original terms of the loan agreement, regardless of the name given to the extension or rollover. 2. The term does not include a grace period.

The NFID is granted the authority and responsibility to conduct examinations on its licensees to ensure compliance with applicable statutes and regulations. Any findings of violations are expressed in the Report of Examination ("ROE"). The NFID does not change an examination finding or an examination rating after the final report has been issued. If a licensee wishes to dispute such findings in the examination, a licensee has the right to request an Administrative Law Hearing. That process *will not* result in re-issuing an ROE or changing the examination rating. The Administrative Law Hearing record will reflect the final determination.

NFID has determined the rating of "Needs Improvement" is justified by the violations found during the examination. A rating of "Needs Improvement" indicates that the licensee and the management of the licensee have demonstrated less-than-satisfactory compliance, or instances and situations involving a lack of compliance with applicable state and federal laws and regulations and that regulatory supervision is required. The violation of NRS 604A.5074 (substituted in revision for NRS 604A.445) and NRS 604A.065 constitutes an examination rating of "Needs Improvement". This is an egregious violation that causes harm to the borrower by keeping them on the debt treadmill and turning a fixed-term title loan (210-days) into an indefinite loan term.

Consider this as NFID's final response to TitleMax regarding the examination findings stated in the ROE for the examination commenced on February 8, 2018.

Sincerely,



Mary Young
Deputy Commissioner
Financial Institutions Division

DISTRICT COURT CIVIL COVER SHEET

Clark

County, Nevada

Department 30

Case No. _____

(Assigned by Clerk's Office)

I. Party Information (provide both home and mailing addresses if different)

Plaintiff(s) (name/address/phone):

TitleMax of Nevada, Inc.

Defendant(s) (name/address/phone):

State of Nevada, Department of Business and Industry

Financial Institutions Division

Attorney (name/address/phone):

Daniel F. Polsenberg, Joel D. Henriod, and Dale Kotchka-Alanes

Attorney (name/address/phone):

Lewis Roca Rothgerber Christie LLP

3993 Howard Hughes Parkway, Suite 600

Las Vegas, Nevada 89169, (702) 949-8200

II. Nature of Controversy (please select the one most applicable filing type below)**Civil Case Filing Types**

Real Property	Torts
Landlord/Tenant <input type="checkbox"/> Unlawful Detainer <input type="checkbox"/> Other Landlord/Tenant Title to Property <input type="checkbox"/> Judicial Foreclosure <input type="checkbox"/> Other Title to Property Other Real Property <input type="checkbox"/> Condemnation/Eminent Domain <input type="checkbox"/> Other Real Property	Other Torts <input type="checkbox"/> Product Liability <input type="checkbox"/> Intentional Misconduct <input type="checkbox"/> Employment Tort <input type="checkbox"/> Insurance Tort <input type="checkbox"/> Other Tort
Probate Probate (select case type and estate value) <input type="checkbox"/> Summary Administration <input type="checkbox"/> General Administration <input type="checkbox"/> Special Administration <input type="checkbox"/> Set Aside <input type="checkbox"/> Trust/Conservatorship <input type="checkbox"/> Other Probate Estate Value <input type="checkbox"/> Over \$200,000 <input type="checkbox"/> Between \$100,000 and \$200,000 <input type="checkbox"/> Under \$100,000 or Unknown <input type="checkbox"/> Under \$2,500	Construction Defect & Contract Construction Defect <input type="checkbox"/> Chapter 40 <input type="checkbox"/> Other Construction Defect Contract Case <input type="checkbox"/> Uniform Commercial Code <input type="checkbox"/> Building and Construction <input type="checkbox"/> Insurance Carrier <input type="checkbox"/> Commercial Instrument <input type="checkbox"/> Collection of Accounts <input type="checkbox"/> Employment Contract <input type="checkbox"/> Other Contract
Civil Writ <input type="checkbox"/> Writ of Habeas Corpus <input type="checkbox"/> Writ of Mandamus <input type="checkbox"/> Writ of Quo Warrant	Other Civil Filing <input type="checkbox"/> Compromise of Minor's Claim <input type="checkbox"/> Foreign Judgment <input checked="" type="checkbox"/> Other Civil Matters

Business Court filings should be filed using the Business Court civil coversheet.

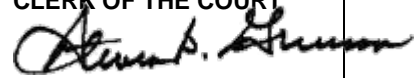
December 31, 2018

Date

/s/ Daniel F. Polsenberg

Signature of initiating party or representative

See other side for family-related case filings.



MSJD
AARON D. FORD
Nevada Attorney General
VIVIENNE RAKOWSKY
Deputy Attorney General
Nevada Bar No. 9160
DAVID J. POPE
Chief Deputy Attorney General
Nevada Bar No. 8617
555 East Washington Ave.,
Las Vegas, NV 89101
vrakowsky@ag.nv.gov
dpope@ag.nv.gov

Attorneys for Defendant

DISTRICT COURT
CLARK COUNTY, NEVADA

TITLEMAX OF NEVADA, INC., a
Delaware corporation,

Plaintiff,

vs.

STATE OF NEVADA, DEPARTMENT
OF BUSINESS AND INDUSTRY
FINANCIAL INSTITUTIONS
DIVISION,

Defendant.

Case No. A-18-786784-C
Dept. No. 30

MOTION FOR SUMMARY JUDGMENT

MOTION FOR SUMMARY JUDGMENT

Defendant, STATE OF NEVADA, DEPARTMENT OF BUSINESS AND
INDUSTRY, FINANCIAL INSTITUTIONS DIVISION (“FID”), by and through counsel,
AARON D. FORD, Attorney General of the State of Nevada, DAVID J. POPE, Chief
Deputy Attorney General, and VIVIENNE RAKOWSKY, Deputy Attorney General,
pursuant to Nevada Rules of Civil Procedure Rule 56 request that this Court grant
Defendants’ Motion for Summary Judgment.

...

1 This Motion is made and based upon the following Memorandum of Points and
2 Authorities, all other documents on file herein and any oral argument permitted by the
3 Court at a hearing on this matter.

4 DATED: February 15, 2019.

5 AARON D. FORD
6 ATTORNEY GENERAL

7 By/s/Vivienne Rakowsky
8 DAVID J. POPE
9 Chief Deputy Attorney General
10 VIVIENNE RAKOWSKY
11 Deputy Attorney General
12 *Attorneys for the State of Nevada*
13 *Financial Institutions Division*

14 **NOTICE OF MOTION**

15 YOU AND EACH OF YOU will please take notice that the undersigned will bring
16 the foregoing **MOTION FOR SUMMARY JUDGMENT**, on for hearing in Department
17 30 of the above-entitled court on the **27** day of **March**, 2019, at the hour of
18 **9:00 am** am/pm, or as soon thereafter as counsel may be heard.

19 DATED: February ____, 2019.

20 AARON D. FORD
21 Attorney General

22 By: /s/ Vivienne Rakowsky
23 DAVID J. POPE
24 Chief Deputy Attorney General
25 VIVIENNE RAKOWSKY
26 Deputy Attorney General
27
28

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 Plaintiff, TitleMax of Nevada, Inc. ("TitleMax") filed this lawsuit against the FID
4 on December 31, 2018 asserting a claim for declaratory relief and requesting temporary
5 and permanent injunctive relief to enjoin the FID from imposing or seeking to impose
6 discipline based on violations of NRS 604A.5074(3), NRS 604A.065, and NRS
7 604A.5076(1). In addition, TitleMax seeks a declaration that it did not act "willfully" as
8 set forth in NRS 604A.900. Compl. p.8:17-20.

9 Pursuant to Chapter 30 of the NRS, Declaratory Relief is warranted when a
10 party seeks to declare its rights pursuant to a statute. In this case, Plaintiff agrees
11 that "[t]itle loans are governed by NRS Chapter 604A and are regulated by the FID and
12 its Commissioner." Compl. p.2:7-8. Yet, the rights TitleMax wants this court to declare
13 are more than just TitleMax's rights under the above referenced statutes. TitleMax
14 also seeks to permanently strip the FID of its statutory authority through an injunction
15 to prevent FID from regulating it and imposing discipline for violations of NRS Chapter
16 604A. It further seeks a declaration that NRS 604A.900 is not applicable, despite the
17 fact that FID has not imposed NRS 604A.900.

18 Here, the evidence consists of TitleMax's documents, and there are no genuine
19 issues of material facts in dispute. As a matter of law, even if all the facts as asserted
20 are viewed in the light most favorable to the TitleMax, it cannot recover under any of its
21 theories.

22 **II. BACKGROUND & UNDISPUTED FACTS**

23 The FID is statutorily required to conduct annual examinations of each of its
24 licensees in order to determine whether they are in compliance with Chapter 604A of
25 the NRS and NAC. NRS 604A.730(1). On or about February 8, 2018, FID commenced
26 its annual examination of TitleMax. The violations discovered during the examination
27 included: 1) offering illegal extensions of title loans; 2) failing to consider a customer's
28 ability to repay; and 3) issuing loans that exceed the fair market value of the vehicle.

1 Compl. Ex. 3. The FID also provided recommendations to TitleMax, including that it
2 must obtain the consent of all legal owners prior to issuing a title loan and it must post
3 required notices and disclosures as required by statute. Compl. Ex. 3. Due to the nature
4 of the violations, particularly the prohibited extensions, TitleMax received a “Needs
5 Improvement” rating.¹ Compl. Ex. 3.

6 On or about June 8, 2018, the FID conducted a meeting with representatives
7 from TitleMax to discuss the cited violations and to address the findings in the Report
8 of Examination (“ROE”). Thereafter, TitleMax submitted a written response to the ROE
9 contesting and attempting to minimize the violations. Exhibit “A.” FID provided a
10 response confirming and further explaining the violations as cited. Compl. Ex. 5.

11 As TitleMax is aware, prior to the issuance of the Final ROE, they have the
12 opportunity to address the violations and concerns raised by the FID in the ROE.
13 However, rather than addressing and resolving the violations to come into compliance,
14 TitleMax filed the instant Complaint while continuing to violate Chapter 604A by
15 offering illegal extensions, failing to consider its borrowers’ ability to repay, and issuing
16 title loans that exceed the fair market value of the vehicle.

17 Since TitleMax only seeks relief with respect to its refinance product and the fair
18 market value of the vehicles, this motion primarily focuses on those two issues.

19 **III. STANDARD OF REVIEW**

20 Summary judgment, in whole or part, is appropriate when, after a review of the
21 record viewed in the light most favorable to the non-moving party, no genuine issue of
22 material fact remains, and the moving party is entitled to judgment as a matter of law.
23 *Fire Ins. Exchange v. Cornell*, 20 Nev. 303, 306, 90 P.3d 978, 979 (Nev. 2004). “Only
24 disputes over facts that might affect the outcome of the suit under the governing law
25 will properly preclude the entry of summary judgment.” *Wood v. Safeway, Inc.*, 121
26 Nev. 724, 730, 121 P.3d 1026, 1029 (2005) (citations omitted). The non-moving party “is

27
28 ¹ It is unnecessary to address the prior litigation which is presently before the Nevada
Supreme Court as this case involves a subsequent examination period.

1 not entitled to build a case on the gossamer threads of whimsy, speculation, and
2 conjecture.” *Bulbman v. Nevada Bell*, 108 Nev. 105, 110, 825 P.2d 588, 591 (1992)
3 (citations omitted). Further, “[w]here an essential element of a claim for relief is
4 absent, the facts, disputed or otherwise, as to other elements are rendered immaterial
5 and summary judgment is proper.” *Id.* at 111, 825 P.2d at 592.

6 In addition, NRS Chapter 604A is a remedial statute.² “Statutes with a
7 protective purpose should be liberally construed in order to effectuate the benefits
8 intended to be obtained.” *Colello v. Administrator of Real Estate Div. of State of Nev.*,
9 100 Nev. 344, 347, 683 P.2d 15, 17 (1984); *Turner v. E-Z Check Cashing of Cookeville*
10 *TN, Inc.* 35 F. Supp.2d. 1042, 1047 (M.D. Tenn. 1999) (“Because TILA is a remedial act
11 designed to protect consumers, courts construe it liberally in favor of consumers.”).
12 Accordingly, when reviewing the provisions of NRS Chapter 604A, this court should
13 look at the protective purposes of Chapter 604A to effectuate the intended benefits of
14 the Chapter and keep the borrower off the debt treadmill. *See, Dollar Loan*, 412 P.3d at
15 34.

16 This Motion is supported by facts introduced by TitleMax and evidence gathered
17 during TitleMax examinations. Summary judgment is appropriate in this case because,
18 viewed in the light most favorable to TitleMax, it cannot show facts necessary to
19 establish the essential elements of any of its claims for relief.

20 . . .

21 . . .

22
23 ² Chapter 604A was enacted by the Nevada Legislature in 2005 in order to protect
24 consumers from predatory lenders. A.B. 384, 2005 Leg., 73rd Sess., effective July 1, 2005.
25 The policy behind Chapter 604A is to prohibit lenders from making unaffordable loans
26 whereby the customers were more likely to end up in a cycle of debt, commonly referred
27 to in the Legislative history as the “debt treadmill.” The debt treadmill occurs when a
28 borrower “is unable to repay a loan and often takes out a larger loan to cover the
principal, interest and fees from the unpaid original loan.” *Dept of Business and*
Industry, Financial Institutions Division v. Dollar Loan Center, LLC, 412 P.3d 30, 33, 134
Nev.Adv. Op. 15 (2018). The facts are important and necessary to any analysis of a
lenders business practices in order to enforce the remedial purpose behind Chapter 604A.

IV. LEGAL ARGUMENT

1. TitleMax's preemptive strike seeks more than the interpretation of a statute.

Under the Declaratory Judgment Uniform Act, Chapter 30 of the NRS, this court can interpret statutes and declare the rights of persons that file appropriate complaints. NRS 30.030, *Public Service Com's of Nevada v. Eighth Judicial Dist. Court of State of Nev.*, 107 Nev. 680, 684, 818 P.2d 396, 399 (1991). A declaratory relief action can be used to seek the interpretation of statutes when there are no factual determinations necessary. *TitleMax of Nevada, Inc. v. State Department of Business and Industry, Financial Institutions Division*, 404 P.3d 415, 2017 WL 4464351 (2017) (Unpublished). Here, TitleMax is asking for more than a mere interpretation of a statute, it is asking for the application of an interpretation resulting in a determination that it did not act "willfully" as set forth in NRS 604A.900. Compl. p. 8:17-20. Moreover, TitleMax is requesting temporary and permanent injunctive relief (another fact based analysis) to prevent the FID from performing its duty to regulate TitleMax under NRS Chapter 604A. *Id.* Finally, TitleMax is asking this court to declare that TitleMax can "refinance" title loans although no such provision allowing a refinance of a title loan exists in Chapter 604A. Compl. p. 8:7-8.

In *Baldonado v. Wynn Las Vegas*, 124 Nev. 951, 964-965 (2008), the court found that declaratory relief was not available because "although appellants assert that they merely desired the court to interpret NRS 608.160, they also requested that the court apply that interpretation . . . and to grant them injunctive relief and damages under NRS 30.100." The court stated, "Thus, appellants sought more than a mere determination of their rights under a statute . . ." *Id.* The court determined that such issues were not appropriate for declaratory relief when an administrative remedy was provided for by statute.³ *Id.*

Similarly, TitleMax has not merely requested an interpretation of a statute, e.g.

³ NRS 604A.820 provides the administrative remedy.

1 an interpretation of NRS 604A.900. Stated differently, TitleMax is seeking “more than
2 a mere determination of [its] rights under a statute.” *Baldinado v. Wynn Las Vegas*,
3 124 Nev. 951, 964-65, 194 P.3d 96, 105 (2008). TitleMax is seeking application of an
4 interpretation hoping for a determination that they did not “willfully” do those things
5 set forth in NRS 604A.900(1).⁴ Compl. p.8:17-20. TitleMax is also seeking a temporary
6 and permanent injunction to prevent the FID from performing its regulatory duties
7 pursuant to NRS Chapter 604A. Thus, TitleMax is seeking relief beyond that allowed
8 through declaratory relief.

9 The facts in the ROE list the violations TitleMax is seeking to reverse and contains
10 the facts showing that TitleMax has issued illegal extensions of title loans and has lent
11 money in excess of the fair market value of certain vehicles. Thus, this court can grant
12 summary judgment. With regard to TitleMax’s request for a determination that it did
13 not act willfully as set forth in NRS 604A.900, according to the *Baldonado* case this
14 issue is not appropriate for declaratory relief and therefore it will not prohibit the
15 granting of summary judgment.⁵

16 **2. Chapter 604A does not provide for the refinancing of a title loan.**

17 When interpreting statutes, courts will first look to the plain language of the statute.
18 If a term is not in the statute, the court should not speculate and fill in alleged
19 “legislative omissions based on conjecture as to what the legislature would or should
20 have done.” *Diamond v. Swick*, 117 Nev. 671, 677, 28 P.3d 1087, 1090 (2001). Here, the
21 title loan statutes do not include the term “refinance.”⁶

22
23 ⁴ To date, FID has not pursued application of NRS 604A.900 and therefore there is no
24 controversy. Pursuant to NRS 30.080, “The court may refuse to enter a declaratory
25 judgment . . . where such judgment . . . if rendered or entered, would not terminate the . .
26 . controversy giving rise to the proceeding.” See NRS 30.070 (requiring the termination of
27 a controversy).

28 ⁵ If such relief is found to be permissible and such a determination can be made as a
matter of law, then the statutory scheme is plain and TitleMax willfully acted as set forth
in NRS 604A.900.

⁶ NRS 604A.105(2) only allows the refinancing of a purchase money security interest-
which is not considered a 604A title loan.

1 Nevada follows the maxim “expressio unius est exclusio alterius,” which means
2 the expression of one thing is the exclusion of another. *Galloway v. Truesdell*, 83 Nev.
3 13, 27, 422 P.2d 237, 246 (1967). While Chapter 604A specifically allows limited
4 refinancing with respect to high interest loans⁷ and deferred deposit loans,⁸ it does not
5 include any ability to refinance a title loan.⁹ Thus, a title loan cannot be refinanced.
6 TitleMax’s baseless assertion that because refinancing is restricted with respect to
7 direct deposit and high interest loans, it must be unrestricted with respect to title loans
8 is illogical and goes against the spirit and policy behind Chapter 604A by exposing
9 customers to unlimited amounts of interest. *See*, Compl. p.5: 8-10, 23-25.

10 If the Legislature intended to allow refinancing of title loans, it would have
11 included a statute in the title loan section of Chapter 604A, similar to the statutes for
12 high interest loans and direct deposit loans; but it did not. In fact, the Legislature
13 prohibited refinancing of title loans by prohibiting extensions. NRS 604A.5074(3)(c).
14 The court should not read language into a statute.

15 The *expressio unius est exclusio alterius* principle is also applicable to the
16 definition of an “extension.” NRS 604A.065. The definition of “extension” first provides
17 that the term “applies to any extension or rollover of a loan beyond the date on which
18 the loan is required to be paid in full *under the original terms of the loan agreement*,

19 ⁷ Under certain circumstances not in conflict with NRS 604A.5057, pursuant to
20 NRS 604A.5037, a licensee who operates a deferred deposit loan service shall not agree to
21 establish or extend the period for the repayment, renewal, refinancing or consolidation of
22 an outstanding deferred deposit loan for a period that exceeds 90 days after the date of
23 origination of the loan.

24 ⁸ Under certain circumstances not in conflict with NRS 604A.5029, pursuant to
25 NRS 604A.501, a licensee who operates a deferred deposit loan service shall not agree to
26 establish or extend the period for the repayment, renewal, refinancing or consolidation of
27 an outstanding deferred deposit loan for a period that exceeds 90 days after the date of
28 origination of the loan.

⁹ If a title loan goes into default, a notice must be provided to the customer informing of
“the opportunity to enter into a repayment plan with a term of at least 90 days after the
date of default.” NRS 604A.5083(2)(e). A customer has 30 days after default to choose to
enter into repayment plan. NRS 604A.5083(1). However, a customer can agree to repay
the loan in less time. NRS 604A.5083(3)(b).

1 *regardless of the name given to the extension or rollover.”* NRS 604A.065(1) (emphasis
2 added). It also clearly provides that “[t]he term [extension] does not include a grace
3 period.” NRS 604A.065(2). Thus, the term extension includes any extensions or
4 rollovers beyond the original term of the loan regardless of what they are called, but not
5 grace periods. See *Dollar Loan*, 412 P.3d at 34. Because the Legislature expressed
6 “grace period” without expressing “refinance,” a refinance is an extension with another
7 name. NRS 604A.065.

8 **A. Contrary to the Statutory Prohibition, TitleMax is Extending the**
9 **Loans.**

10 Courts consider the substance of a transaction over its form. See *e.g. Pease v.*
11 *Taylor*, 88 Nev. 287, 289, 496 P.2d 757, 759-60 (1972). Though TitleMax claims it is
12 “refinancing” the original title loan and replacing it with a new loan, TitleMax is
13 actually extending the term of the original loan beyond the statutory limit of 210 days.
14 In doing so, TitleMax can charge interest for an indefinite period of time rather than
15 the 210 days allowed by statute. NRS 604A.5074(3)(c). Compl. p. 5:16-18.

16 TitleMax’s extension is contrary to the remedial legislative purpose of Chapter
17 604A and creates absurd results by incentivizing licensees to issue new loan contracts
18 which roll over the outstanding principal balance into another 210 day title loan
19 extending the term of the loan. Because TitleMax allows borrowers to “refinance”
20 multiple times, the terms of these loans can be extended for years. Such “refinancing”
21 contravenes the remedial purpose of the statutes. See *e.g.; Dollar Loan*, 412 P.3d at 34
22 (finding that additional loans perpetuate the debt treadmill).

23 The table below illustrates how TitleMax received interest only payments every
24 30 days by entering into additional loan agreements each month extending the original
25 title loan. Using the four agreements, beginning with the title loan in Exhibit “B,”
26 TitleMax collected interest at the same rate on substantially the same principal for a
27 period of time exceeding the 210 day limitation. Indeed, the borrower made four
28 monthly interest only payments totaling \$610.06, and after the four payments, the

borrower still owed essentially the same amount of principal as originally owed.

In practice, TitleMax's "refinance" program allows for an infinite number of extensions. NRS 604A.5074(3)(c). After making monthly payments of interest only for as long as TitleMax can drag it out, the borrower still owes substantially the same principal owed at the inception of the original loan and TitleMax still has the title to the borrower's vehicle. Although TitleMax claims the new agreement is a "refinance" and not an extension, in substance (as shown in the table below) TitleMax has actually extended the original 210 day title loan contrary to the statute prohibiting extensions.

NAME	DATE	INTEREST PERCENT	FINANCE CHARGE	AMOUNT FINANCED	TOTAL PAYMENT FOR 7 MONTHS	DATE PAYMENT MADE	AMOUNT PAID
			Interest charged	Principal balance			
"B"	10/28/17	179.88%	\$652.16	\$971.00	7 x \$231.89 = \$1,623.16		
	11/27/17	-	-	-	-	11/27/17	\$144.00
• #2	11/27/17	179.88%	\$651.88	\$970.56	7 x \$231.78 = \$1,622.44		
•	12/29/17	-	-	-	-	12/29/17	\$153.06
• #3	12/29/17	179.88%	\$651.88	\$970.56	7 x \$231.78 = \$1,622.44		
•	01/31/18	-	-	-	-	01/31/18	\$160.00
• #4	01/31/18	179.88%	\$650.41	\$968.40	7 x \$231.27 = \$1,618.81		
•	2/29/18	-	-	-	-	02/29/17	\$153.06

TitleMax not only violates the statutes, it violates the spirit and policy behind NRS Chapter 604A. With regard to 210 day title loans the principal is supposed to be paid off in 210 days and only 210 days of ratably and fully amortized interest can be charged. NRS 604A.5074(3). Because the payments must be "calculated to ratably and fully amortize the entire amount of principal and interest payable on the loan," the principal balance should be systematically reduced with each of the seven monthly payments. NRS 604A.5074(3). Upon making the seventh payment, the borrower should not owe any money and the title of the car should be returned.

As shown in the table above as well as by the payment receipt details in Exhibit "B," the four payments made by the borrower were generally interest only payments

1 and were not ratably and fully amortized. TitleMax violated NRS 604A.5074(3)(b)
2 because after the second interest only payment the principal was still \$970.56. After
3 four months (120 days) of interest payments totaling \$610.06, a total of \$2.60 was
4 applied to the principal. The TILA box on the fourth agreement provides that the
5 borrower still owes \$968.40 in principal,¹⁰ and another \$650.41 in interest for a total of
6 \$1,618.81 - which is essentially the same position the borrower was in four months
7 earlier even though the borrower had now already paid \$610.06 in interest. Exhibit "B".

8 Extending loans in this fashion leads TitleMax customers onto the debt treadmill
9 as the customers still owe substantially the same principal and interest even though
10 they have made interest only payments for possibly an indefinite period of time. Worse,
11 TitleMax often allows customers to borrow additional funds with each extension, which
12 significantly increases the principal and interest, and therefore the amount of the
13 payments, potentially causing the customers to enter into even more extensions. This,
14 of course, perpetuates the need to "refinance" until the customer simply cannot afford
15 the payments. This is the "debt treadmill" that Chapter 604A was enacted to prevent.

16 As the next table shows, it is very easy for TitleMax to keep a borrower on the
17 debt treadmill. For example, another borrower took out a 210 day title loan on
18 November 9, 2017 for \$821.00 on a 2017 Nissan Versa. Exhibit "C." The total amount of
19 the 210 day loan with 155.88% interest was \$1,372.38. Within 2-1/2 months, the
20 borrower entered into three additional extension agreements and by January 31, 2018,
21 he owed \$5,573.50. Some payments were interest only, and therefore, were not ratably
22 and fully amortized. In less than three months, the customer entered into four separate
23 agreements, each time rolling over the previous balance, and his monthly payments
24 went from \$196.07 to \$796.22 per month.

25 . . .

27 ¹⁰ Had the payments been ratably and fully amortized, the principal would have been
28 much lower than \$968.40. Coincidentally, the first payment of \$144.00 is the interest that
accrued until the first "refinance" (\$971.00 x .1499 - \$145.55).

NAME	DATE	INTEREST PERCENT	FINANCE CHARGE	AMOUNT FINANCED	TOTAL PAYMENT FOR 7 MONTHS	DATE PAYMENT MADE	AMOUNT PAID
			Interest charged	Principal balance			
"C"	11/09/17	155.88%	\$551.88	\$821.00	7 x \$196.07 =\$1372.38		
	11/13/17			\$737.18		11/13/17	\$100.00
.	11/20/17		.	\$737.18	.	11/20/17	\$100.00
.	12/01/17		.	\$662.61	.	12/02/17	\$35.92
.	12/01/17		.	\$662.61	.		
. #2	12/01/17	155.88%	\$1,412.38	\$2,462.61	7 x 553.57 = \$3,874.89		
.	12/13/17			\$1,988.81		12/13/17	\$600.00
.	12/28/17			\$1,976.21		12/28/17	\$140.00
. #3	12/28/17	155.88%	\$1706.90	\$2,976.21	7 x \$669.03 = \$4,683.11		
.	01/17/18	.	.	\$3,030.42	.	01/17/18	\$200.00
.	01/20/18	.	.	\$2,866.55	.	01/20/18	\$200.00
.	01/26/18	.	.	\$2,642.05	.	01/26/18	\$300.00
.	01/31/18	.	.	\$2,642.05	.	01/31/18	\$56.42
. #4	01/31/18	155.88%	\$2,031.45	\$3,542.05	7 x \$796.22 = \$5,573.50	.	.

With each contract, TitleMax would lend the borrower additional cash: on 12/1/17 \$1,800, 12/28/17 \$1,000, and 1/31/18 \$900.00. By January 31, 2018, the borrower owed \$3,542.05 in principal and \$2,031.45 in interest for a total of \$5,573.50, and, with each "refinance," Title Max charges more interest.

As shown in Exhibit "C", the December 1, 2017 contract extending the original loan was entered into before any payment was due and obviously before any default. Coincidentally, however, the customer made payments totaling \$235.92. The new loan included the unpaid principal with applicable interest for seven new months. Thus, with this new loan, TitleMax collected interest on the original term plus 210 days of ratably and fully amortized interest on the new bigger principal. Here, again, TitleMax violated the statutes by extending the loans. NRS 604A.5074(3)(c). Labeling the extension as a "refinance," or any other name, is simply form over substance and does not negate the prohibition against extending a title loan.

1 Two additional 210 day title loan agreements were entered into on December 28,
2 2017 and January 31, 2018. Each time, the period of the loan was extended another
3 seven months. Each time TitleMax rolled the unpaid principal into the loan so that the
4 borrower paid interest for a longer period of time. Exhibit "C." Each additional seven
5 payments in each subsequent agreement is an illegal extension because the loan is
6 extended beyond the original 210 day term and more than 210 days of ratably and fully
7 amortized interest is charged.

8 During the examination, TitleMax employees informed FID Examiners that
9 customers have no limitations as to how many times their loans can be "refinanced." As
10 such, contrary to the statute, borrowers are able to repeatedly extend the term of the
11 original loan, rolling over the unpaid principal and increasing the monthly payments
12 and total amount due pushing them further onto the treadmill of debt.

13 **B. The payments violate NRS Chapter 604A because they are not**
14 **calculated to ratably and fully amortize the entire amount of**
15 **principal and interest payable on the loan.**

16 In the next example, the borrower took out a loan on January 20, 2018. Exhibit
17 "D." On January 31, 2018, the borrower paid an interest only payment of \$127.55. It is
18 undisputed that the payment was interest only and not amortized because the principal
19 balance after the \$127.55 payment was identical to the principal balance when the
20 borrower took out the loan (\$2,521.00). The interest only payment is in violation of the
21 statutory requirement that each payment is "calculated to ratably and fully amortize
22 the entire amount of principal and interest payable on the loan." NRS 604A.5074(3)(b).
23 To be ratably and fully amortized, the lender must allocate portions of each payment
24 towards the principal and interest, and the borrower's payment on January 31, 2018
25 was interest only. Exhibit "D."

26 On January 31, 2018 after the borrower made the interest only payment of
27 \$127.55, TitleMax issued another loan agreement and provided the borrower an
28 additional \$600.00 in principal, which resulted in the payments increasing from \$584.27

to \$723.32 for another 210 day term.

NAME	DATE	PERCENT INTEREST	FINANCE CHARGE Interest charged	AMOUNT FINANCED Principal balance	TOTAL PAYMENTS FOR 7 MONTHS	DATE PAYMENT MADE	AMOUNT PAID
"D"	01/20/18	167.86%	\$1,568.00	\$2,521.00	7 x \$584.27 =\$4,089.8		
	01/31/18			\$2,521.00		01/31/18	\$127.55
	01/31/18			\$2,521.00			
#2	01/31/18	167.86%	\$1,942.20	\$3,121.00	7 x \$723.32 =\$5,063.20		

The unamortized interest only payment made on January 31, 2018 is the first step onto the treadmill of debt, and as each refinance occurs the borrower has less chance of ever paying the loan in full and recouping their vehicle title. Exhibit "D." See also unamortized receipts for interest payments on 210 day title loans in Exhibits "B," "C," and "E.

C. Pursuing Profits, TitleMax intentionally offered its "refinances" instead of allowing customers to enter into a repayment plan.

Pursuant to Chapter 604A, a default occurs when a borrower fails to make a scheduled payment on or before the due date. The default occurs on the day immediately following the date of the customer's failure to pay. NRS 604A.045. Pursuant to Chapter NRS 604A.5083 a repayment plan is the only legal remedy permitted (prior to collection of any of the outstanding balance, whether through court action, ADR or repossession), when a person defaults on a title loan.

A customer has 30 days after default to choose to enter into a repayment plan. NRS 604A.5083(1). Additionally, notice must be provided to the customer informing of "the opportunity to enter into a repayment plan with a term of at least 90 days after the date of default." NRS 604A.5083(2)(e). However, a customer can agree to repay the loan in less time. NRS 604A.5083(3)(b).

Upon default of the title loan or the repayment plan, a licensee may only collect the unpaid principal, unpaid interest that accrued before default with limited

1 exceptions, and fees limited to checks not paid upon presentment or electronic transfers
2 of money that fail. NRS 604A.5085(1)(a-d). The licensee is strictly prohibited from
3 collecting any interest other than what has accrued before default with limited
4 exceptions. NRS 604A.5083(2)(a).

5 It's no wonder why TitleMax intentionally promotes its "refinance" program
6 rather than offering customers a repayment plan - the "refinance" is more profitable. A
7 repayment plan generally has a shorter term and the amount which can be collected is
8 limited, as opposed to TitleMax's "refinance" which rolls the outstanding amount due
9 into a new loan with seven fresh installment payments.

10 NRS 604A.5074 is titled "[r]estrictions on duration of loan and periods of
11 extension." The title of a statute typically describes or summarizes the contents of the
12 statute. *Coast Hotels and Casinos Inc. v. Nevada State Labor Com's*, 34 P.3d 546, 550,
13 34 P.3d 835, 836 (2001). If the title of a statute is "restricted to certain purposes, the
14 purview or body of the act must also be restricted to that subject expressed in the title."
15 *State v. Payne*, 53 Nev. 193, 295 P. 770 (1931). Accordingly, the length of a title loan is
16 restricted, and a section 3 title loan is restricted to 210 days and extensions are not
17 allowed. NRS 604A.5074(3)

18 Consider Customer E's loan, in which TitleMax first provided the borrower an
19 incomplete repayment plan offer and then, instead of offering a repayment plan,
20 immediately signed the borrower to a "refinance" agreement.

21 ...

22 ...

23 ...

24 ...

25 ...

26 ...

27 ...

28 ...

NAME	DATE	PERCENT INTEREST	FINANCE CHARGE	AMOUNT FINANCED	TOTAL PAYMENTS FOR 7 MONTHS	DATE PAYMENT MADE	AMOUNT PAID
"E"	09/29/17	133.71%	Interest charged \$3,720.58	Principal balance \$7,671.00	7 x \$1627.37 =\$11,391.58		
#2	10/12/17	133.17%	1115.74	\$2,300.00	7 x \$487.94 =\$3,415.54		
	11/01/17			\$6,970.33		11/01/17	\$1,628.00
	11/11/17			\$2,064.76		11/11/17	\$488.00
	12/01/17			\$2,064.04		12/01/17	\$152.00
	12/01/17			\$6,108.36		12/01/17	\$1,628.00
#3	12/01/17	133.71%	\$4,850.21	\$10,000.00	7 x \$2,121.48 =\$14,850.21		
Re-payment plan	Offered 02/12/18						
	2/13/18			\$10,097.97		2/13/18	\$2100.00
#4	02/13/18	133.71%	\$4,850.21	\$9,999.97	7 x \$2,121.45 =\$14,850.21		

As the table reflects, the borrower entered into a 210 day title loan agreement on September 29, 2017. The terms of the loan consisted of seven fully amortized payments of \$1,627.37. The borrower entered into a second title loan on October 12, 2017 consisting of seven new payments of \$487.04. On December 1, 2017, the borrower made a \$152.00 payment of interest only and entered into a third 210 day title loan which has seven fully amortized payments of \$2121.46 each.

The borrower went into default on February 1, 2018. On February 12, 2018, TitleMax sent the borrower an incomplete document titled "Notice of Opportunity to Enter into a Repayment Plan" requiring an initial payment of \$2,439.59 leaving out additional essential terms. Exhibit "E." The balance on the loan was \$12,197.97. On February 13, 2018, the borrower made an interest only payment of \$2,100.00 with the balance due on the receipt showing \$10,097.97. Exhibit "E." Then, instead of entering into the repayment plan, the borrower entered into another 210 day title loan with seven payments of \$2,121.45 for a total due of \$14,850.15.

Under a repayment plan, TitleMax is limited to collecting the unpaid principal

1 and accrued interest. NRS 604A.5083(2)(f). However, by using the unlawful refinance
2 product, TitleMax not only collects interest accrued before the default, but it also
3 collects interest *again*, for seven months, on the outstanding principal. Thus, in a
4 “refinance”, TitleMax is collecting an amount that exceeds the unpaid principal and
5 interest accrued at the time of default.

6 In the example above, at the time of default, the borrower owed \$12,197.97 and
7 then made an interest only payment of \$2,100.00 leaving a balance of \$10,097.97.
8 Under the terms of the February 13, 2018 refinance, the debt went up to \$14,850.21.
9 The additional interest that TitleMax should not be collecting on a defaulted loan
10 pushes the borrower further onto the debt treadmill.

11 **3. The fair market value of the vehicle should not exceed the full value of**
12 **the loan.**

13 In Nevada, it is illegal to make a title loan that exceeds the fair market value of
14 the vehicle securing the title loan. NRS 604A.5076(1). TitleMax argues that the only
15 value to be considered is the amount borrowed, or principal, and that the FID should
16 not consider the loan to include interest and title fee as well. Compl. p. 7:16-20.
17 TitleMax’s argument leads to an absurd result.

18 In *Department of Business and Industry, Financial Institutions Division v. Check*
19 *City Partnership*, the Court looked at a similar issue with respect to deferred deposit
20 loans. *Check City*. 130 Nev. 909, 337 P.3d 755, (2014). The Court stated that the term
21 loan “does not limit it to just the amount borrowed as it clearly contemplates that a
22 deferred deposit loan is a transaction based on a loan agreement.” *Check City* p. 912.
23 The Court further developed its reasoning by stating the loan agreement is made up of
24 various terms including both the amount borrowed and any fees charged, therefore the
25 loans are not limited to just the amount borrowed. *Check City* p. 912. Also, in *Check*
26 *City* the Court determined that the term deferred deposit loan included the principal,
27 interest and fees. *Check City*, 130 Nev. at 913. As a result, the court held that, for
28 purposes of applying the 25% cap, the loan includes principal, interest and fees.

1 Likewise, the statute defining a title loan does not limit it to just the principal
2 amount borrowed. The definition of a title loan is a loan agreement which includes
3 under its original terms annual interest of more than 35% and requires the borrower to
4 secure the loan with the title to a vehicle legally owned by the borrower (or by a
5 perfected security interest in the vehicle). NRS 604A.105. As a result, the definition of
6 a title loan includes the principal and interest, and because it costs \$21 to add the
7 lender to the title, the term loan also incorporates the title fee.¹¹

8 Moreover, just as the deferred deposit statutes in Chapter 604A refer to a
9 “transaction,” (NRS 604A.5012 (1), NRS 604A.502(4), NRS 604A.5021(7), and
10 604A.5027(2)(a)), the title loan statute counterparts in Chapter 604A also refer to a title
11 loan agreement as a transaction. *See e.g.* NRS 604A.5067(1) (referring to the loan
12 agreement as a transaction); NRS 604A.5071(4), 604A.5072(7), and 604A.5083(2)
13 (referring to an original loan in default as a “transaction.”).

14 *Check City* made it clear that the amount of money borrowed is just one aspect of
15 the larger transaction which includes the interest and the fees. *See Check City*, 130 Nev.
16 at 912. Similarly, with title loans, the amount borrowed is also just one aspect of the
17 larger transaction which includes interest and the title fee. *See Check City*, 130 Nev. at
18 912. Indeed, the lender does not hold the title until the principal is paid, but holds it
19 until the principal, interest and title fee are paid.

20 Because the interest rate on title loans hovers around 200%, the interest is a very
21 large portion of each loan and must be considered as a part of the loan when
22 interpreting the statute prohibiting the loan from exceeding the fair market value of the
23 vehicle securing the loan. NRS 604A.5076(1). Any other interpretation would hinder
24 the remedial purpose of Chapter 604A and lead to an absurd result.

25 . . .

26 . . .

27 . . .

28 ¹¹ Every original loan agreement adds \$21 for the title fee.

1 **V. CONCLUSION**

2 Based on the foregoing, this motion for summary judgment should be granted.

3 **VI. PRAYER FOR RELIEF**

4 **WHEREFORE**, FID prays as follows:

- 5 1. That TitleMax takes nothing by virtue of its complaint,
6 2. That TitleMax's complaint be dismissed with prejudice,
7 3. That the FID have judgment for their attorneys' fees and costs, and
8 4. For such other and further relief, including declaratory, equitable relief as this

9 Court may deem just and proper.

10 Respectfully submitted this 15th day of February 2019.

11 AARON D. FORD
12 Nevada Attorney General

13 By: /s/ VIVIENNE RAKWOSKY
14 DAVID J. POPE
15 Chief Deputy Attorney General
16 VIVIENNE RAKOWSKY
17 Deputy Attorney General
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/s/ Michele Caro

An employee of the office of the
Nevada Attorney General

EXHIBIT “A”

EXHIBIT “A”



August 27, 2018

Kelvin Lam, Examiner in Charge
State of Nevada
Department of Business and Industry
Financial Institutions Division
1830 College Parkway, Suite 100
Carson City, NV 89706

Re: TitleMax of Nevada, Inc. d/b/a TitleMax ("TitleMax" or the "Company") Reports of Examination ("ROE") by the Nevada Financial Institutions Division ("FID") from February 8, 2018 – June 8, 2018

Thank you for providing us with the opportunity to respond to the recent examinations conducted by the Department of Business and Industry, Financial Institutions Division (the "FID") of thirty-one (31) TitleMax licensed store locations and one (1) corporate location. It is the Company's desire, intent, and practice to comply with all applicable state laws and regulations relating to the extension of consumer credit. The FID has requested that TitleMax respond to certain issues identified by its examiners in the ROEs. TitleMax will address all ROEs cumulatively in this response (the "Response").

We trust this Response addresses your questions and supports the FID's removal of the recent "Needs Improvement" rating and supports a "Satisfactory" rating instead. We are happy to discuss this Response at your convenience.

I. SCOPE OF EXAMINATION

The FID alleges several points in its Scope of Examination that require a response to which TitleMax will address in the order presented.

- **TitleMax "is inconsistent in obtaining proof of income."**

The FID noted that TitleMax is "inconsistent in obtaining proof of income" and noted that Chapter 604A was recently amended requiring title lenders to obtain proof of income. The FID points TitleMax to the recommendation section of the ROE. TitleMax is aware of the recent revisions to Chapter 604A and appreciates the FID identifying the change. As this was merely a recommendation, no formal response is required from TitleMax; however, TitleMax began voluntarily complying with the revised requirements of 604A.5011 prior to the effective date of the revisions. It is unclear from the ROE if the FID was reviewing accounts originated before TitleMax's voluntary compliance with the revised statute 604A.5011 or after and in what way TitleMax was allegedly not maintaining proper documentation as the revised statute lists several ways a licensee may determine a borrower's ability to repay.

- **"Several loans were underwritten with a total amount due exceeding the fair market value of the vehicle."**

As is discussed in greater detail below, TitleMax disagrees with the assessment that "several loans" were underwritten with a total amount due exceeding the fair market value of the vehicle. Only 1 loan out of the 5 listed were determined to exceed the fair market value. Thus, a categorization of "several" is misplaced.

- **TitleMax is "extend[ing]" loans**

As is discussed in greater detail below in the "Current Violations" section, TitleMax vehemently denies that it has extended *any* loan. A refinance and an extension are distinct procedures as outlined by federal law (e.g. the Truth-in-Lending Act) – a law the FID is familiar with as its "Scope of Examination" states "[e]mphasis was placed on compliance with State regulations as well as the Truth-in-Lending Act (Regulation Z)." Thus, TitleMax incorporates its response below herein.

- **TitleMax's District Manager said "refinances provide[] customers the option to pay a lower amount (the interest portion of a payment) given that they are unable to make the full payment."**

As with any statement taken alone, it is difficult to determine the context in which this alleged statement was made. Regardless, this statement is not untrue as a borrower may refinance an agreement to lower his or her monthly payment. For example, if a borrower has paid timely for four months in a 210-day title loan, a borrower could refinance the agreement and lower his or her monthly payment if the borrower chose merely to refinance and obtain additional funds. Additionally, a borrower could refinance to request additional funds and include such additional funds in the refinanced loan amount as long as the borrower had the ability to repay the new amount. A borrower *would* need to pay the outstanding interest due on his or her account before completing a refinance because TitleMax does not allow interest to be charged upon interest. Thus, before any refinance is completed, the outstanding accrued interest must be paid by a borrower. This requirement does not mean that a borrower cannot afford his or her payment. As the FID's comment in the ROE is without appropriate context and is an accurate statement, such statement actually supports a Satisfactory rating.

- **TitleMax was "unable to provide any documentation on policies and procedures and training on [refinances]."**

In the ROE, the FID states that TitleMax was unwilling and unable to provide any documentation on policies and procedures and training regarding refinances. The FID states: "Without the proper documentation, there is indication of weakness in its internal routine and control and training . . . The examiner made multiple requests at the store level and at the corporate level to be provided policies and procedures regarding the licensee's new product so that the Examiner could verify compliance. Ms. Newman, General Counsel, and Ms. Morrison, Senior Store Compliance Auditor, from the licensee's corporate office did not provide the requested information."

Such an allegation is patently false. On March 28, 2018, the Examiner in Charge, Mr. Kelvin Lam, via email, asked TitleMax for "some kind of notification or email sent to the employees stating refinances are starting and that training would be provided." See Email correspondence between Mr. Lam and Ms. Newman dated March 28, 2018 through March 30, 2018 attached hereto. Ms. Newman responded to Mr. Lam's request and stated that the Company would be happy to stipulate to the date that TitleMax

implemented refinance capability within its point-of-sale system and that such a stipulation should alleviate any need for a notification to employees. Mr. Lam then requested training and/or notifications sent to employees concerning refinances. *See id.* Ms. Newman responded that she had "several concerns" and requested a telephone conference. *See id.* A telephone conference was subsequently held on April 4, 2018 wherein Ms. Newman explained her numerous concerns regarding the request (i.e. privileged communications, the confidential and proprietary nature of the documents requested, and TitleMax's trepidation concerning producing such documents in light of the FID's history of filing non-redacted confidential and proprietary records in the public record in litigation). Mr. Lam advised he would need to speak with his supervisor and would advise as to the FID's response. That same day, Mr. Lam advised Ms. Newman in writing that the FID would "proceed with the examination without the training/policies & procedures on the new service." *See* Email correspondence from Mr. Lam to Ms. Newman dated April 4, 2018 attached hereto. No further request was made of TitleMax.

Based on the factual record detailed above, any and all allegations that TitleMax did not respond or provide policies and procedures or training to the FID is misplaced in light of the parties' agreement. Therefore, such allegation should be stricken in its entirety from the ROE and no weight should be given to it. TitleMax accordingly reemphasizes its request that the FID remove the "Needs Improvement" rating and replace it with a "Satisfactory" rating.

- All licensed locations did not have a notice posted pursuant to 604A.405.

As detailed in the ROE, this requirement was an addition of AB163 and thus was a recommendation by the FID not requiring a response from TitleMax.

II. ALLEGED "PREVIOUS VIOLATIONS OF STATUTES AND REGULATIONS"

In this section of the ROEs, the FID alleges 604A.445 is "cited as a repeat violation as the licensee violated a different section of this statute." In previous ROEs, TitleMax was alleged to have violated 604A.445 due to "collecting payments and applying some payments to interest only." TitleMax objects to the categorization that it has "repeatedly violated 604A.445" for two reasons. First, and most importantly, in the dispute that arose between TitleMax and the FID concerning such alleged violation, TitleMax prevailed in court. The District Court found that TitleMax's Grace Period Payment Deferment Agreement ("GPDA") was not a violation of NRS 604A. Because there was no underlying violation, there can be no "repeat violation." Second, and even without the District Court's judgment in TitleMax's favor, there can be no "repeat violation" when the first purported allegation is different from second purported allegation. Again, the previous exam cited TitleMax's GPDA as violating 604A.445; here, the FID alleges that TitleMax violated 604A.445 because it is currently offering its customers the ability to refinance a title loan which the FID incorrectly labels an extension. Because the underlying conduct is not the same, it cannot be a repeat violation.

TitleMax therefore requests that this section be removed from the final ROEs and new ROEs be issued removing any allegation of "repeat violations."

III. ALLEGED CURRENT VIOLATIONS OF APPLICABLE STATUTES AND REGULATIONS

The FID makes three primary assertions of TitleMax's noncompliance in the current ROEs: (a) TitleMax is improperly "extending" loans, (b) TitleMax did not consider a borrower's ability to repay, and (c) TitleMax's loan amount exceeded the fair market value of the borrower's vehicle. TitleMax addresses each claim in order.

A. TitleMax's Refinance Functionality

(NRS 604A.445) Title loans: Restrictions on duration of loan and periods of extension. Notwithstanding any other provision of this chapter to the contrary:

3. **The original term of a title loan may be up to 210 days if:**
(c) The loan is not subject to any extension

NRS 604A.065 "Extension" defined.

1. **"Extension" means any extension or rollover of a loan beyond the date on which the loan is required to be paid in full under the original terms of the loan agreement, regardless of the name given to the extension or rollover.**
2. **The term does not include a grace period.**

In its ROEs, the FID alleges that the Company is in violation of NRS 604A.065 and 604A.445 because "even though the licensee is calling the extensions 'refinances,' the licensee is extending customers' title loans beyond the original loan's due date." The Company objects to the FID's conclusion for three reasons. First, an extension is defined in NRS 604A.065 as "any extension or rollover of a loan beyond the date on which the loan is required to be paid in full *under the original terms of the loan agreement . . .*" (emphasis added). To be an extension, the contractual provisions of the original loan remain intact, there is no cancellation of the original loan, and the maturity date is deferred. Although 604A does not define "refinance," refinancing is defined in the Truth-in-Lending Act ("TILA"), Regulation Z, 12 C.F.R. § 226.20(a) (2006). TILA explains that a refinancing occurs "when an existing obligation . . . is satisfied and replaced by a new obligation undertaken by the same consumer." Thus, a refinance is an extinguishing of an old agreement and the creation of a new agreement. A refinance therefore cannot be an extension because a refinance eliminates the "original terms of the loan agreement" as discussed in 604A.065. In each refinance offered to customers, TitleMax either marks the original loan agreement paid in full or the point-of-sale system electronically stamps the original and a new agreement is generated with a new due dates, new TILA disclosure, and a new payment schedule.

TitleMax understands what an extension is. It offers extensions in other states like Alabama and Georgia. In those states, although a pawn transaction, an extension does not create a new agreement but extends the maturity date of the original pawn. See *In re Gunn*, 387 B.R. 856, 862 (M.D. Ala. 2008), *aff'd*, 317 Fed. Appx. 883 (11th Cir. 2008) (finding an extension not a refinance).

Second, NRS 604A.445 restricts the original term of a title loan to 210 days. Once more, a refinance satisfies an existing contractual obligation and creates a new contractual obligation. TitleMax, in offering a customer a refinance, is not extending the original term of a title loan but extinguishing that loan and creating a new contract with a term of 210 days.

Third, NRS 604A.574's (previously cited as 604A.540) limitation on refinances does not include title loans. Rather, this provision only applies to deferred deposit loans and high-interest loans. NRS 604A.574 now states: "A licensee who has been issued one or more licenses to operate a deferred deposit loan service, high-interest loan service or title loan service pursuant to this chapter shall not allow a customer to extend, rollover, renew, refinance or consolidate *any deferred deposit loan or high-interest loan* for a period longer than the period set forth in subsection 3 of NRS 604A.408." (emphasis added). NRS 604A.574 sets limits on the original terms of deferred deposit and high-interest loans, but not title loans.

The FID alleges that 604A.574 (or the previous 604A.540) is "irrelevant" to this licensee as TitleMax does not offer payday loans" and that the "applicable statute that controls title loans is NRS 604A.445." The FID misses the point. There is nothing in the former 604A.445 (now 604A.5074) that limits TitleMax's ability to refinance an agreement. Rather, restrictions on refinances are found in 604A.574 (formerly 604A.540) and importantly, licensees are only prohibited from refinancing deferred deposit loans or high interest loans. Statutes must be read harmoniously. *Coast Hotels & Casinos, Inc. v. Nevada State Labor Comm'n*, 117 Nev. 835, 841, 34 P.3d 546, 550 (2001) ("[T]his court will read each sentence, phrase, and word to render it meaningful within the context of the purpose of the legislation.").

TitleMax requests that this purported "violation" be removed from the ROEs and new ROEs be reissued with a "Satisfactory" rating as a refinance is not an extension.

B. Ability to Repay

(NRS 604A.450) Title loans: Prohibited acts by licensee regarding amount of loan and customer's ability to repay loan. A licensee who makes title loans shall not:

2. Make a title loan without regard to the ability of the customer seeking the title loan to repay the title loan, including the customer's current and expected income obligations and employment.

In its ROEs, the FID alleges that eleven (11) borrowers' income documentation provided at the time of application does not demonstrate an ability to repay their title loans. Of the eleven (11) accounts cited by the examiner, six (6) of these accounts identified below have income documentation sufficiently supporting the borrowers' ability to repay their title loans, and were cited in error.

Borrower	Store and Loan #	Gross Monthly Income	Obligations	GMI Minus Obligations	Monthly Loan Payment
Kelly [REDACTED]	10869-1138-18085211	\$3,845.83	\$1,295.00	\$2,550.83	\$1,944.63
Sally [REDACTED]	14269-1406-18835945	\$5,123.67	\$1,500.00	\$3,623.67	\$2,121.45
Alvsla [REDACTED]	14069-1315-18743494	\$1,500.00	\$958.00	\$542.00	\$208.37
Miriam [REDACTED]	300150507 & 300169245	\$7,206.70	\$2,670.00	\$4,536.70	\$1,888.39 (combined)
Matthew [REDACTED]	11369-1244-18363319	\$2,865.00	\$1,288.00	\$1,577.00	\$696.30
Marla [REDACTED]	11369-1264-18426195	\$2,089.00	\$1,340.00	\$749.00	\$679.09

Please see enclosed income documentation used to underwrite these borrowers' title loans. Accordingly, TitleMax requests these accounts be removed from the final examination report and TitleMax be issued new ROEs.

The five (5) accounts cited by the examiner for which sufficient income documentation is not present were inadvertent errors made by store employees during the underwriting process. While the Company always strives for complete compliance with all requirements, this sample of five (5) accounts represents 0.0027%

of those accounts reviewed during this examination (of 1,800 accounts examined, only 5 accounts were accurately cited for a total 0.0027%).

Continuous personnel training is conducted for all store employees on a regular basis to ensure compliance with this requirement. The District Directors of Operations have retrained all store employees regarding the requirement and importance of appropriately and accurately documenting all borrowers' ability to repay their title loans, and improved compliance is expected. As a result, TitleMax has met the standard for a "Satisfactory" rating. TitleMax further disagrees that this violation should be considered a "repeat" violation as TitleMax has demonstrated significant improvement concerning this requirement since the previous examination.

C. Fair Market Value

(NRS 604A.450) Title loans: Prohibited acts by licensee regarding amount of loan and customer's ability to repay loan. A licensee who makes title loans shall not:

- 1. Make a title loan that exceeds the fair market value of the vehicle securing the title loan.**

In its ROEs, the FID alleges that five (5) borrowers' title loans exceeded the fair market value of the vehicles securing their title loans. Of the five (5) accounts cited by the examiner, four (4) of these accounts identified below have Black Book printouts sufficiently supporting the fair market values of the vehicles securing these title loans and the title loans do not exceed the fair market value of these vehicles. Please see enclosed Black Book printouts supporting both the fair market value of the vehicles as well as the loan amounts of the title loans. Accordingly, TitleMax requests these accounts be removed from the ROEs and TitleMax be issued new ROEs with accurate information contained therein.

FID's Alleged Title Loans That Exceeded the Fair Market Value of Vehicle				
Store & Loan #	Borrower	Vehicle	Fair Market Value	Total Loan Amount Due
10769-1487-18158862	Brian [REDACTED]	2000 Chevrolet Silverado 1500	\$2,750.00	\$2,079.71
10069-1411-18260809	Johnny [REDACTED]	2001 Nissan Quest	\$2,250.00	\$1,500.00
10869-1138-18085211	Kelly [REDACTED]	2015 Hyundai Accent	\$8,850.00	\$8,341.74
10869-1103-17779259	Elizabeth [REDACTED]	2014 Nissan Altima	\$10,850.00	\$9,284.27

The one (1) account cited by the examiner for which the loan amount exceeded the fair market value of the vehicle securing the title loan was an inadvertent error made by a store employee during the underwriting process. While the Company always strives for complete compliance with all requirements, this sample of one (1) account represents less than 0.0005% of those accounts reviewed during this examination (of 1,800 accounts examined only 1 account was accurately cited for a total 0.0005%). Accordingly, TitleMax disagrees with the assessment that this violation should be considered a "Repeat" violation.

Continuous personnel training is conducted for all store employees on a regular basis and Company policy and procedure are in place to ensure compliance with this requirement. The District Directors of Operations have retrained all store employees regarding the requirement and importance of appropriately and accurately documenting the fair market value of every vehicle securing a title loan and ensuring the corresponding title loan does not exceed that value. Improved compliance is expected.

TitleMax respectfully requests that the FID change its "Needs Improvement" rating to "Satisfactory" for each of the 2018 examinations. The FID defines a "Needs Improvement" to mean that the "licensee and the management of the licensee have demonstrated less than satisfactory compliance, or instances and situations involving a lack of compliance with applicable state and federal laws and regulations and that regulatory supervision is required." Here, removing the FID's incorrect analysis on refinances and alleged "repeat violations", TitleMax's accounts contained less than a 1% error rate. To "improve" from such an examination would require perfection. While TitleMax strives for perfection, that is not the standard.

If the FID believes that our analysis is incorrect or that our procedures will result in further negative regulatory findings, we welcome a more detailed analysis from the FID. Finally, we reserve the right to raise additional arguments, facts, and issues in future correspondence as necessary.

Sincerely,



Victoria H. Newman
General Counsel
15 Bull Street, Suite 200
Savannah, GA 31401
Phone: (912) 503-2824
Email: Victoria.Newman@TitleMax.com

cc: Laura Morrison, Compliance Manager
Carrie E. Carbone, Chief Legal Officer

EXHIBIT “B”

EXHIBIT “B”

TITLE LOAN AGREEMENT, PROMISSORY NOTE AND SECURITY AGREEMENT

THIS AGREEMENT CONTAINS A WAIVER OF JURY TRIAL AND ARBITRATION CLAUSE (THE "CLAUSE"). UNLESS I OPT OUT OF THE CLAUSE, IT WILL SUBSTANTIALLY IMPACT MY RIGHTS IF I HAVE A DISPUTE WITH LENDER, INCLUDING MY RIGHT TO TAKE PART IN A CLASS ACTION.

Lender: TitleMax of Nevada, Inc. d/b/a TITLEMAX 1225 E. CHARLESTON BLVD. LAS VEGAS, NV 89104		Loan Date: 10/28/2017 Loan Number: 12260-1090-16866324 Lender Customer Service: 1-800-804-5368	
Borrower: Marlon [REDACTED]		Co-Borrower: N/A	
Motor Vehicle Year: 2005	Motor Vehicle Make: Dodge	Motor Vehicle Model: Grand Caravan	Motor Vehicle ID #: [REDACTED] 2516

"Note" and "Agreement" mean this Title Loan Agreement, Promissory Note and Security Agreement. "Borrower", "I", "me" and "my" mean each Borrower and Co-Borrower who signs this Note. "Lender" and "you" mean TitleMax of Nevada, Inc. "Loan" means the title loan Lender makes to me under this Note pursuant to Nevada Revised Statutes Chapter 604A and regulations promulgated thereunder ("Chapter 604A"). The Loan is a "title loan" under Chapter 604A. "Vehicle" means the motor vehicle identified above. "Title" means the certificate of title for the Vehicle. Lender is licensed and regulated by the Nevada Financial Institutions Division, 3300 West Sahara Avenue, Suite 250, Las Vegas, Nevada 89102, Phone: (702) 486-4120, Fax: (702) 486-4583, <http://www.fid.nv.gov>.

FEDERAL TRUTH-IN-LENDING DISCLOSURES

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of my credit as a yearly rate.	The dollar amount the credit will cost me.	The amount of credit provided to me or on my behalf.	The amount I will have paid after I have made all payments as scheduled.
17.98%	\$662.16	\$971.00	\$1,623.16

Payment Schedule: My payment schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due (each a "Payment Due Date")
1	\$231.89	11/27/2017
1	\$231.89	12/27/2017
1	\$231.89	01/26/2018
1	\$231.89	02/25/2018
1	\$231.89	03/27/2018
1	\$231.89	04/26/2018
1	\$231.82	05/26/2018

Security: I am giving a security interest in the Vehicle described above.

Lien Filing Fee: \$21.00

Prepayment: Lender will not charge a prepayment penalty/charge if I pay all or part of the principal balance before the date on which principal is due.

See the remainder of this Note for additional information about non-payment, default, any required repayment in full before the scheduled date, and prepayment penalties.

Itemization of Amount Financed:

Amount given to me directly	\$960.00
Plus: Amount paid on my account(s) with Lender	\$0.00

Plus: Amount paid to public official for Lien Filing Fee

\$21.00

Plus: Amounts paid to other parties on my behalf

\$0.00

Payment to: N/A

Payment to:

Equals: Amount Financed/Principal Loan Amount

\$971.00

1. **Promise to Pay; Co-Borrower Obligations:** I promise to pay Lender, or to Lender's order, the principal sum of \$971.00 plus interest. I also promise to pay all other fees and charges in this Note. I must pay the amounts on or before the Payment Due Dates in the Payment Schedule above. If this Note is signed by more than one Borrower, each Borrower agrees to be liable to Lender jointly, and each Borrower will also be liable to Lender individually, for the Loan and other obligations under this Note. In its discretion, consistent with Chapter 604A, Lender may offer a grace period for repayment.

2. **Interest; Application of Payments; Prepayment:** Interest will accrue daily on the outstanding principal balance. The interest rate is 179.8800 % per year. Interest accrues from the Loan Date until the first to occur of (a) the Loan is paid in full, and (b) the final Payment Due Date. Interest accrues based on the number of days elapsed over a 365-day year. Lender calculates and charges interest, including interest on past due principal, as permitted by Chapter 604A. If any finance charge or other fee is held invalid, the remainder shall remain in effect. Lender applies payments first to unpaid interest, then to fees, and then to unpaid principal. The Payment Schedule and Finance Charge disclosed above, which assume that I pay all installments in full on the Payment Due Dates, ratably and fully amortize the entire principal and interest payable under this Note. I may request a payoff and prepay this Loan at any time without penalty. I will owe less interest if I pay early or prepay. The timing and amount of my payments on the Loan will impact the amount of my final payment. The original term of this Loan is 210 days. Time is of the essence under this Note.

3. **Usury Savings Clause:** Lender does not intend to charge or receive any rate or charge higher than Nevada law allows. The rate and charges under this Note will never exceed the highest lawful rate or charge. Lender will promptly refund or credit to my Loan any unlawful excess amount. Lender will reduce any excessive rate or charge to the maximum lawful rate or charge.

4. **Loan Funding and Payment; Refinance:** Lender will fund the proceeds of the Loan by check. Lender may offer other funding methods in its discretion. The Lien Filing Fee due to the Department of Motor Vehicles to record the security interest I grant in the Vehicle is included in the principal amount of the Loan and accrues interest. I authorize Lender to withhold the amount of the Lien Filing Fee from the Loan proceeds and to pay that amount directly to the Department of Motor Vehicles. Lender will not retain any portion of the Lien Filing Fee. I may make payments to Lender during Lender's normal business hours at the location at which I obtained this Loan. Lender accepts payments by cash, cashier's check, money order, debit card or other method specified by Lender from time to time. Lender does not accept personal checks or credit cards. Lender may agree to refinance this Loan in its sole discretion. As a condition to any refinance, I must pay to Lender the minimum refinance payment amount, satisfy Lender's other underwriting criteria for refinances, and enter into a new Title Loan Agreement, Promissory Note and Security Agreement with Lender.

5. **Lien Filing Fee:** Lender charges a Lien Filing Fee in the amount shown above, which is the amount paid to public officers for filing or recording an instrument securing the Loan in the proper public office.

6. **Right to Rescind:** As permitted by Chapter 604A, I may rescind this Note, without cost, no later than the close of business on the first business day after the Loan Date by returning the Amount Financed to Lender at the store at which I obtained the Loan. Upon the timely cancellation and return of the Amount Financed, Lender will credit my account for any accrued interest and any Lien Filing Fee charged, cancel the Loan, and mark it paid-in-full. If I do not cancel this Note in compliance with this Section 6, the Loan and this Note remain in full force and effect.

7. **Collateral; Security Agreement; Co-Owner Obligations:** To secure this Note and my obligations hereunder, I grant to Lender a security interest in the Collateral. "Collateral" means the Vehicle and all Vehicle improvements, attachments, insurance proceeds and refunds and sale proceeds. I am the only owner of the Collateral. The Collateral is not stolen. The Collateral has no liens. Lender may file any documents and take any actions to ensure Lender's security interest in the Collateral. I am giving Lender the Title to the Vehicle on which to record Lender's lien. If Lender asks, I will sign other documents and take other actions to support Lender's security interest. Upon payment in full, Lender will release its lien on the Vehicle.

As a condition to Lender making this Loan, any co-owner of the Vehicle who is not a Borrower under this Note must execute a separate Co-Owner Consent, Grant of Security Interest, and Waiver of Jury Trial and Arbitration Agreement to grant to Lender a security interest in the Vehicle. Any co-owner who is not a Borrower under this Note shall not be personally obligated to Lender for satisfying Borrower's obligations under this Note.

8. **Promises About the Collateral:** At all times while I owe any amount under this Note:

a. I will keep the Vehicle in good condition and repair.

14. **Waivers:** If Lender delays or does not enforce its rights every time, Lender can still do so later. I waive presentment, demand for payment, notice of intent to accelerate, notice of acceleration, protest, and notice of dishonor. Lender need not sue, arbitrate or show diligence in collecting against me or others. Lender need not go against the Vehicle. Lender may require that any Borrower pay the whole Loan without asking anyone else to pay. Lender may sue any Borrower without giving up any of its rights against any other Borrower. Lender may sue or arbitrate with a person without joining or suing others. Lender may release or modify a person's liability without changing other persons' liability.

15. **Communications:** Send all correspondence to Lender to TitleMax of Nevada, Inc., Legal Department, P.O. Box 8323, Savannah, Georgia 31412 (the "Notice Address"). Send all correspondence to me to my address above or any other address I give to Lender in writing (the "Borrower Address"). This Section 15 covers all correspondence between Lender and Borrower, including correspondence after default or Borrower's bankruptcy.

16. **Notice and Cure:** Before suing or starting arbitration about (i) Borrower's credit application, (ii) this Note, (iii) the Vehicle, or (iv) the Loan, each party agrees to do all of the following:

a. The party filing the dispute (the "Claimant") must tell all other parties (the "Defending Party") of the dispute (the "Dispute Notice"). Each Dispute Notice must describe the nature of the claim and relief requested. Each Dispute Notice must be written and, except for collections letters from Lender, must give at least 30 days to solve the dispute.

b. Claimant must mail Dispute Notices to the Notice Address for Lender and the Borrower Address for Borrower. Dispute Notices to Lender must include the Loan Number and Borrower's mailing address and phone number.

c. If Defending Party asks for more information about the dispute, Claimant must give it.

d. If applicable, Lender also must comply with its obligations under Chapter 804A with respect to offering Borrower a Repayment Plan.

17. **Reporting to Credit Bureaus:** Lender may report information about my Loan to credit bureaus. My credit report may reflect late payments, missed payments or other defaults on my account.

18. **Important Information About Opening Accounts:** To help fight terrorism and money laundering, Lender must identify each person who opens an account. I must give Lender my name, address, date of birth and other requested information and documents, such as my driver's license.

19. **Telephone Recording:** Lender may monitor and record any phone conversation Lender and I have.

20. **Severability:** Invalid terms hereof will be changed to comply with law. Such change will not affect any other term hereof. If a class action suit or class-wide arbitration is allowed, either party may require that a judge (with no jury) hear the dispute. Such judge will apply relevant court rules and procedures.

21. **Successors and Assigns:** This Note binds each Borrower's heirs, personal representatives in probate, successors and assigns and Lender's successors and assigns. Lender may assign all of its rights hereunder. No Borrower may assign its rights hereunder without Lender's written consent.

22. **Governing Law:** This Note and the Loan involve interstate commerce. Nevada law governs this Note, but the Federal Arbitration Act governs the Waiver of Jury Trial and Arbitration Clause in Section 24.

23. **WAIVER OF RIGHT TO TRIAL BY JURY:** TRIAL BY JURY IS A CONSTITUTIONAL RIGHT. UNDER CERTAIN CONDITIONS THE LAW ALLOWS PARTIES TO WAIVE THIS RIGHT. LENDER AND I KNOWINGLY AND FREELY WAIVE ALL RIGHTS TO A JURY TRIAL FOR ANY SUIT RELATED DIRECTLY OR INDIRECTLY TO (A) THIS NOTE OR (B) THE LOAN. THIS JURY TRIAL WAIVER WILL NOT CHANGE ANY ARBITRATION CLAUSE TO WHICH LENDER AND I AGREE. SUCH CLAUSE HAS ITS OWN SEPARATE JURY TRIAL WAIVER.

24. **WAIVER OF JURY TRIAL AND ARBITRATION CLAUSE:** By signing below, Lender and I agree to this Waiver of Jury Trial and Arbitration Clause, including a waiver of class actions (the "Clause"). This Clause is in Q & A form so it is easier to understand. This Clause is a legally binding part of this Note.

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 my application, this Note, the Vehicle, the Loan, or my 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 collections, privacy, and customer information. It includes claims and

		disagreements that usually would be resolved in court. "Dispute" also includes claims and disagreements I have 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 I pursue while I pursue a Dispute with Lender (like a repossession company).
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 is usually less formal, faster, and less costly than a lawsuit. Pre-hearing fact finding is limited. Appeals are limited. Courts rarely overturn arbitration awards.
Can I opt out of this Clause?	Yes, within 60 days	If I do not want this Clause to apply, I have 60 days from the Loan Date to opt out. To opt out, I must tell Lender in a writing I send to the Notice Address. I must give my name, address, Loan number and Loan Date. I must state that I "opt out" of this Clause. I may not send my notice electronically.
What is this Clause about?	The parties' agreement to arbitrate Disputes	Lender and I agree that any party may arbitrate or demand arbitration of any Dispute unless I opt out or the law does not allow it.
Who does the Clause cover?	Lender and me	This Clause covers Lender and me. This Clause also applies if I have a Dispute with a Related Party related in some way to my application, this Note, the Vehicle, the Loan, or my dealings with Lender. Related Parties are not bound by this Clause. I may not compel a Related Party to arbitration. A Related Party may compel me to arbitrate Disputes that are 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 me. 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 and not the TPA to decide. Also, this Clause does not cover any case I file to stop Lender from taking or selling the Vehicle.
Who handles the arbitration?	Usually JAMS	Arbitrations must be conducted under this Clause. The arbitration company will be either: <ul style="list-style-type: none">• JAMS, 620 Eighth Avenue, 34th Floor, New York, NY 10018, www.jamsadr.org; or• Any other company the parties choose together. If either option is unavailable, the parties may agree to an independent TPA or a court will pick the TPA or arbitration company. No arbitration may be held without Lender's consent by an arbitration company or TPA that would allow class arbitration under this Clause. The TPA will be selected under the arbitration company's rules. Unless Lender and I agree otherwise, the TPA must be a lawyer with 10 or more years of experience or a retired judge.
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 chose an independent TPA, then such TPA will follow the JAMS consumer arbitration rules. 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 I bring for myself in small claims court. But, Lender may demand arbitration of any appealed small claims decision or any small claims action brought as a class.
Am I giving up any rights?	Yes	For Disputes subject to this Clause, I give up my right to: 1. Have a jury decide Disputes.

		<ol style="list-style-type: none"> 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 I 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 I or anyone else start class arbitration?	No	The TPA <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 the 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.
Will anything I do negate this Clause?	No, though I can opt out	This Clause stays in force if I: (1) cancel the Loan; (2) default, refinance, prepay, or pay the Loan in full; or (3) go into bankruptcy. I can opt out as described above.

PROCESS

Question	Short Answer	Further Detail
What must be done before starting a lawsuit or arbitration?	Send a written Dispute Notice and work to resolve the Dispute	Before starting a lawsuit or arbitration, Claimant must give a Dispute Notice as Section 16 above requires. If I am the Claimant, I or my attorney must sign the Dispute Notice. I must give the Loan number and a contact number for me or my 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. 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 me. The TPA may decide that an in-person hearing is not needed. A Dispute may be resolved in writing and by conference call.
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

Question	Short Answer	Further Detail
Who pays arbitration fees?	Usually, Lender does	Lender will pay all filing, hearing, and TPA fees if I act in good faith, I cannot get a fee waiver, and I ask Lender to pay.
When will Lender cover my legal fees and costs?	If I win	If the TPA finds for me, Lender will pay my 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 my Dispute is for a small amount, the TPA will not limit the award of such costs.
Will I ever owe Lender for fees or costs?	If I act in bad faith	The TPA can make me pay Lender's arbitration, attorney, expert, and witness fees and costs if it finds that I have acted in bad faith (per the Fed. Rules of Civ. Proc. § 11(b) standard). This power does not void this Clause.

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Can a failure to informally resolve a Dispute mean a larger recovery for me?	Yes	If Borrower wins the arbitration, Borrower may be entitled to a minimum award of \$7,500. To get the minimum award, I first must comply with this Clause. Secondly, the TPA must award money damages to me in an amount that is greater than the last amount I asked for in settlement, if I 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 I may get. The minimum award applies to all Disputes I raise or could raise. This Clause does not allow 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 the ruling in writing.

25. **Borrower's Ability to Repay the Loan:** By signing this Note, I confirm that I provided Lender with an affidavit stating that (a) I gave Lender true and correct information and documentation concerning my income, obligations, employment (if applicable) and ownership of the Vehicle, and (b) I have the ability to repay the Loan.

26. **Borrower Representations:** By signing this Note:

- a. I promise that all information I gave to Lender in my application is true, complete and correct.
- b. I have read, understand and agree to this entire Note, including the Waiver of Jury Trial and Arbitration Clause in Section 24. I may opt out of arbitration as described in Section 24.
- c. I have received an exact copy of this fully completed Note, all blank spaces in which had been completed before I signed.
- d. I am 18 years of age or older. I have full legal authority and capacity to sign this Note.
- e. I have received Lender's Privacy Policy.
- f. I am a rightful owner of the Vehicle.
- g. I am not a debtor in bankruptcy. I do not intend to file a federal bankruptcy petition.
- h. I AM NOT a regular or reserve member of the Army, Navy, Marine Corps, Air Force, or Coast Guard, serving on active duty under a call or order that does not specify a period of 30 days or fewer (or a dependent of such a member).

27. **Entire Agreement:** This Note is the only agreement between Lender and me for this Loan. Lender and I have no oral agreements about the Loan. Lender and I may change this Note only by a writing signed by all of us.

BORROWER: Marlon Emerson Garnett

By signing this Note, Lender agrees to be bound by this Note, including the Waiver of Jury Trial and Arbitration Clause.

DocuSigned by:



Borrower Signature

10/28/2017

Date

LENDER:

TitleMax of Nevada, Inc. d/b/a TITLEMAX

CO-BORROWER: N/A

DocuSigned by:



By:

Duly Authorized

Co-Borrower Signature

Date

LENDER HAS PLEDGED THIS NOTE AS COLLATERAL AND GRANTED A SECURITY INTEREST HEREIN TO WELLS FARGO BANK, NATIONAL ASSOCIATION, AS COLLATERAL AGENT.

NV BORROWER RECEIPT

LICENSEE: TITLEMAX OF NEVADA, INC. D/B/A TITLEMAX 1225 E. CHARLESTON BLVD. LAS VEGAS, NV 89104	BORROWER: Marlon [REDACTED] [REDACTED]
PAYMENT DATE: 11/27/2017	ACCOUNT NO.: 12269-1090-15856324 <i>*If you have multiple loans, this payment was applied to the loan number identified above.</i>
PAYMENT DETAILS: Payment Total: \$144.00 Interest: \$143.56 Charges: \$0.00	ACCOUNT DETAILS (as of payment date): Total Balance: \$970.56

- ☐ Account paid in full by rescission
- ☐ Account paid in full and title returned
- ☐ Repayment Plan Agreement

TITLE LOAN AGREEMENT, PROMISSORY NOTE AND SECURITY AGREEMENT

THIS AGREEMENT CONTAINS A WAIVER OF JURY TRIAL AND ARBITRATION CLAUSE (THE "CLAUSE"). UNLESS I OPT OUT OF THE CLAUSE, IT WILL SUBSTANTIALLY IMPACT MY RIGHTS IF I HAVE A DISPUTE WITH LENDER, INCLUDING MY RIGHT TO TAKE PART IN A CLASS ACTION.

Lender: TitleMax of Nevada, Inc. d/b/a TITLEMAX 1225 E. CHARLESTON BLVD. LAS VEGAS, NV 89104		Loan Date: 11/27/2017 Loan Number: 12289-1259-17824562 Lender Customer Service: 1-800-804-5368	
Borrower: Marlon [REDACTED]		Co-Borrower: N/A	
Motor Vehicle Year: 2005	Motor Vehicle Make: Dodge	Motor Vehicle Model: Grand Caravan	Motor Vehicle ID #: [REDACTED] 2515

"Note" and "Agreement" mean this Title Loan Agreement, Promissory Note and Security Agreement. "Borrower", "I", "me" and "my" mean each Borrower and Co-Borrower who signs this Note. "Lender" and "you" mean TitleMax of Nevada, Inc. "Loan" means the title loan Lender makes to me under this Note pursuant to Nevada Revised Statutes Chapter 604A and regulations promulgated thereunder ("Chapter 604A"). The Loan is a "title loan" under Chapter 604A. "Vehicle" means the motor vehicle identified above. "Title" means the certificate of title for the Vehicle. Lender is licensed and regulated by the Nevada Financial Institutions Division, 3300 West Sahara Avenue, Suite 260, Las Vegas, Nevada 89102, Phone: (702) 486-4120, Fax: (702) 486-4563, <http://www.fid.nv.gov>.

FEDERAL TRUTH-IN-LENDING DISCLOSURES

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of my credit as a yearly rate.	The dollar amount the credit will cost me.	The amount of credit provided to me or on my behalf.	The amount I will have paid after I have made all payments as scheduled.
179.88%	\$651.88	\$970.56	\$1,622.44

Payment Schedule: My payment schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due (each a "Payment Due Date")
1	\$231.78	12/27/2017
1	\$231.78	01/26/2018
1	\$231.78	02/26/2018
1	\$231.78	03/27/2018
1	\$231.78	04/26/2018
1	\$231.78	05/26/2018
1	\$231.78	06/26/2018

Security: I am giving a security interest in the Vehicle described above.

Len Filing Fee: \$0.00

Prepayment: Lender will not charge a prepayment penalty/charge if I pay all or part of the principal balance before the date on which principal is due.

See the remainder of this Note for additional information about non-payment, default, any required repayment in full before the scheduled date, and prepayment penalties.

Itemization of Amount Financed:

Amount given to me directly:

Plus: Amount paid on my account(s) with Lender

\$0.00

\$970.56

Plus: Amount paid to public official for Lien Filing Fee	\$0.00
Plus: Amounts paid to other parties on my behalf	\$0.00
Payment to: N/A	
Payment to:	
Equals: Amount Financed/Principal Loan Amount	\$970.56

1. **Promise to Pay; Co-Borrower Obligations:** I promise to pay Lender, or to Lender's order, the principal sum of \$970.56 plus interest. I also promise to pay all other fees and charges in this Note. I must pay the amounts on or before the Payment Due Dates in the Payment Schedule above. If this Note is signed by more than one Borrower, each Borrower agrees to be liable to Lender jointly, and each Borrower will also be liable to Lender individually, for the Loan and other obligations under this Note. In its discretion, consistent with Chapter 604A, Lender may offer a grace period for repayment.

2. **Interest; Application of Payments; Prepayment:** Interest will accrue daily on the outstanding principal balance. The interest rate is 179.8800% per year. Interest accrues from the Loan Date until the first to occur of (a) the Loan is paid in full, and (b) the final Payment Due Date. Interest accrues based on the number of days elapsed over a 365-day year. Lender calculates and charges interest, including interest on past due principal, as permitted by Chapter 604A. If any finance charge or other fee is held invalid, the remainder shall remain in effect. Lender applies payments first to unpaid interest, then to fees, and then to unpaid principal. The Payment Schedule and Finance Charge disclosed above, which assume that I pay all installments in full on the Payment Due Dates, ratably and fully amortize the entire principal and interest payable under this Note. I may request a payoff and prepay this Loan at any time without penalty. I will owe less interest if I pay early or prepay. The timing and amount of my payments on the Loan will impact the amount of my final payment. The original term of this Loan is 210 days. Time is of the essence under this Note.

3. **Usury Savings Clause:** Lender does not intend to charge or receive any rate or charge higher than Nevada law allows. The rate and charges under this Note will never exceed the highest lawful rate or charge. Lender will promptly refund or credit to my Loan any unlawful excess amount. Lender will reduce any excessive rate or charge to the maximum lawful rate or charge.

4. **Loan Funding and Payment; Refinance:** Lender will fund the proceeds of the Loan by check. Lender may offer other funding methods in its discretion. The Lien Filing Fee due to the Department of Motor Vehicles to record the security interest I grant in the Vehicle is included in the principal amount of the Loan and accrues interest. I authorize Lender to withhold the amount of the Lien Filing Fee from the Loan proceeds and to pay that amount directly to the Department of Motor Vehicles. Lender will not retain any portion of the Lien Filing Fee. I may make payments to Lender during Lender's normal business hours at the location at which I obtained this Loan. Lender accepts payments by cash, cashier's check, money order, debit card or other method specified by Lender from time to time. Lender does not accept personal checks or credit cards. Lender may agree to refinance this Loan in its sole discretion. As a condition to any refinance, I must pay to Lender the minimum refinance payment amount, satisfy Lender's other underwriting criteria for refinances, and enter into a new Title Loan Agreement, Promissory Note and Security Agreement with Lender.

5. **Lien Filing Fee:** Lender charges a Lien Filing Fee in the amount shown above, which is the amount paid to public officers for filing or recording an instrument securing the Loan in the proper public office.

6. **Right to Rescind:** As permitted by Chapter 604A, I may rescind this Note, without cost, no later than the close of business on the first business day after the Loan Date by returning the Amount Financed to Lender at the store at which I obtained the Loan. Upon the timely cancellation and return of the Amount Financed, Lender will credit my account for any accrued interest and any Lien Filing Fee charged, cancel the Loan, and mark it paid-in-full. If I do not cancel this Note in compliance with this Section 6, the Loan and this Note remain in full force and effect.

7. **Collateral; Security Agreement; Co-Owner Obligations:** To secure this Note and my obligations hereunder, I grant to Lender a security interest in the Collateral. "~~Collateral~~" means the Vehicle and all Vehicle improvements, attachments, insurance proceeds and refunds and sale proceeds. I am the only owner of the Collateral. The Collateral is not stolen. The Collateral has no liens. Lender may file any documents and take any actions to ensure Lender's security interest in the Collateral. I am giving Lender the Title to the Vehicle on which to record Lender's lien. If Lender asks, I will sign other documents and take other actions to support Lender's security interest. Upon payment in full, Lender will release its lien on the Vehicle.

As a condition to Lender making this Loan, any co-owner of the Vehicle who is not a Borrower under this Note must execute a separate Co-Owner Consent, Grant of Security Interest, and Waiver of Jury Trial and Arbitration Agreement to grant to Lender a security interest in the Vehicle. Any co-owner who is not a Borrower under this Note shall not be personally obligated to Lender for satisfying Borrower's obligations under this Note.

8. **Promises About the Collateral:** At all times while I owe any amount under this Note:
a. I will keep the Vehicle in good condition and repair.

- b. I will pay all taxes and charges on the Vehicle.
- c. I will not abuse the Vehicle.
- d. I will not allow damage, destruction, theft, loss or impound of the Vehicle.
- e. I will tell Lender immediately if the Vehicle is damaged, destroyed, stolen, lost or impounded.
- f. I will not use the Vehicle for illegal or business purposes.
- g. I will let Lender inspect the Vehicle from time to time.
- h. I will not sell or transfer any interest in the Collateral.
- i. I will not remove the Vehicle from the U.S. without Lender's written consent.
- j. I will not permanently remove the Vehicle from my home state without Lender's written consent.
- k. I will tell Lender immediately if I move or change my telephone number.
- l. I will not get or try to get another title to the Vehicle.
- m. I will not allow any other liens on the Vehicle.

9. **Risk of Loss:** I am liable for Vehicle damage and loss. I hold Lender harmless for all claims and costs arising from my using the Vehicle. This includes all judgments, attorneys' fees, court costs and expenses.

10. **Events of Default; Grace Periods:** I will be in default under this Note if I fail to make any payment when due or within any grace period offered to me by Lender. Lender offers a thirty (30) day grace period following each Payment Due Date, wherein I may pay the scheduled payment amount for such Payment Due Date without being considered in default. Should I not pay the full amount of the scheduled payment owing for a Payment Due Date within the grace period for such payment, I will be in default.

11. **Lender's Rights After Default; Repayment Plan:** Lender's rights after default are cumulative and not exclusive. If I default, Lender may declare all amounts outstanding under the Note immediately due and payable, and I must pay such amounts. If I default hereunder, and I am not eligible to enter into a Repayment Plan or I choose not to accept a Repayment Plan, or if I default in my obligations under a Repayment Plan, Lender may repossess and foreclose upon the Vehicle with or without judicial process. I may turn over the Vehicle to Lender any time after default. I agree to pay Lender reasonable attorneys' fees and costs if Lender brings suit to enforce my obligations under this Note. Lender also may seek any other legal or equitable relief available under Nevada law. In exercising its rights, Lender must always act lawfully and without breaching the peace. Lender may waive my default and consider my account in good standing if I bring the account current or make satisfactory payment arrangements with Lender.

If I default on the Loan, Lender must offer a Repayment Plan to me before commencing any civil action or process of alternative dispute resolution or repossessing the Vehicle.

If I default under this Note and am eligible to enter into a Repayment Plan, Lender will provide me with a written notice of my opportunity to enter into a Repayment Plan and I must agree to the Repayment Plan within 30 days of my default. Lender is not required to offer me more than one Repayment Plan for the Loan. Any Repayment Plan Lender offers me will have a minimum term of 90 days and may require me to make an initial payment of not more than 20% of the total amount due. Any Repayment Plan Lender and I enter into will comply in all respects with Chapter 604A. Unless authorized by Nevada law, Lender will not (1) charge any other amount to enter into a Repayment Plan, (2) accept any additional security or collateral to enter into a Repayment Plan, (3) make any other loan to me while a Repayment Plan is in effect, (4) attempt to collect the outstanding account balance or repossess the Vehicle during a Repayment Plan unless I default thereunder, or (5) attempt to collect an amount that is greater than what I owe under the Repayment Plan.

12. **Vehicle Repossession:** If Lender repossesses the Vehicle, the following applies:

a. **Notice.** Lender will send notice at least 10 days before selling the Vehicle. The notice will tell me how to buy back the Vehicle. To buy back the Vehicle, I must pay all I owe under the Note.

b. **Vehicle Buy Back.** I may buy back the Vehicle at any time before Lender sells it. If I do not buy it back before Lender sells it, I lose all rights in the Collateral.

c. **Sale.** If I do not buy back the Vehicle, Lender will sell the Vehicle at a private or public sale. Lender will apply the sale proceeds in accordance with Nevada law.

d. **Surplus or Deficiency.** If there is money left, Lender will pay it to me. If there is not enough money to pay what I owe, Lender may require me to pay what is still owed.

e. **Costs.** I agree to pay Lender reasonable costs to take, store, prepare for sale, and sell the Vehicle.

13. **Limited Recourse:** If Lender takes and sells the Vehicle, Lender will not sue me for the Loan balance unless I have (i) wrongfully prevented the repossession and sale of the Vehicle by any means or (ii) damaged or otherwise committed or permitted waste on the Vehicle. Lender may also pursue me if I have engaged in fraud or have wrongfully transferred any interest in the Vehicle while the Loan is outstanding.

14. **Waivers:** If Lender delays or does not enforce its rights every time, Lender can still do so later. I waive presentment, demand for payment, notice of intent to accelerate, notice of acceleration, protest, and notice of dishonor. Lender need not sue, arbitrate or show diligence in collecting against me or others. Lender need not go against the Vehicle. Lender may require that any Borrower pay the whole Loan without asking anyone else to pay. Lender may sue any Borrower without giving up any of its rights against any other Borrower. Lender may sue or arbitrate with a person without joining or suing others. Lender may release or modify a person's liability without changing other persons' liability.

15. **Communications:** Send all correspondence to Lender to TitleMax of Nevada, Inc., Legal Department, P.O. Box 8323, Savannah, Georgia 31412 (the "Notice Address"). Send all correspondence to me to my address above or any other address I give to Lender in writing (the "Borrower Address"). This Section 15 covers all correspondence between Lender and Borrower, including correspondence after default or Borrower's bankruptcy.

16. **Notice and Cure:** Before suing or starting arbitration about (i) Borrower's credit application, (ii) this Note, (iii) the Vehicle, or (iv) the Loan, each party agrees to do all of the following:

a. The party filing the dispute (the "Claimant") must tell all other parties (the "Defending Party") of the dispute (the "Dispute Notice"). Each Dispute Notice must describe the nature of the claim and relief requested. Each Dispute Notice must be written and, except for collections letters from Lender, must give at least 30 days to solve the dispute.

b. Claimant must mail Dispute Notices to the Notice Address for Lender and the Borrower Address for Borrower. Dispute Notices to Lender must include the Loan Number and Borrower's mailing address and phone number.

c. If Defending Party asks for more information about the dispute, Claimant must give it.

d. If applicable, Lender also must comply with its obligations under Chapter 604A with respect to offering Borrower a Repayment Plan.

17. **Reporting to Credit Bureaus:** Lender may report information about my Loan to credit bureaus. My credit report may reflect late payments, missed payments or other defaults on my account.

18. **Important Information About Opening Accounts:** To help fight terrorism and money laundering, Lender must identify each person who opens an account. I must give Lender my name, address, date of birth and other requested information and documents, such as my driver's license.

19. **Telephone Recording:** Lender may monitor and record any phone conversation Lender and I have.

20. **Severability:** Invalid terms hereof will be changed to comply with law. Such change will not affect any other term hereof. If a class action suit or class-wide arbitration is allowed, either party may require that a judge (with no jury) hear the dispute. Such judge will apply relevant court rules and procedures.

21. **Successors and Assigns:** This Note binds each Borrower's heirs, personal representatives in probate, successors and assigns and Lender's successors and assigns. Lender may assign all of its rights hereunder. No Borrower may assign its rights hereunder without Lender's written consent.

22. **Governing Law:** This Note and the Loan involve interstate commerce. Nevada law governs this Note, but the Federal Arbitration Act governs the Waiver of Jury Trial and Arbitration Clause in Section 24.

23. **WAIVER OF RIGHT TO TRIAL BY JURY:** TRIAL BY JURY IS A CONSTITUTIONAL RIGHT. UNDER CERTAIN CONDITIONS THE LAW ALLOWS PARTIES TO WAIVE THIS RIGHT. LENDER AND I KNOWINGLY AND FREELY WAIVE ALL RIGHTS TO A JURY TRIAL FOR ANY SUIT RELATED DIRECTLY OR INDIRECTLY TO (A) THIS NOTE OR (B) THE LOAN. THIS JURY TRIAL WAIVER WILL NOT CHANGE ANY ARBITRATION CLAUSE TO WHICH LENDER AND I AGREE. SUCH CLAUSE HAS ITS OWN SEPARATE JURY TRIAL WAIVER.

24. **WAIVER OF JURY TRIAL AND ARBITRATION CLAUSE:** By signing below, Lender and I agree to this Waiver of Jury Trial and Arbitration Clause, including a waiver of class actions (the "Clause"). This Clause is in Q & A form so it is easier to understand. This Clause is a legally binding part of this Note.

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 my application, this Note, the Vehicle, the Loan, or my 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 collections, privacy, and customer information. It includes claims and

		disagreements that usually would be resolved in court. "Dispute" also includes claims and disagreements I have 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 I pursue while I pursue a Dispute with Lender (like a repossession company).
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 is usually less formal, faster, and less costly than a lawsuit. Pre-hearing fact finding is limited. Appeals are limited. Courts rarely overturn arbitration awards.
Can I opt out of this Clause?	Yes, within 60 days	If I do not want this Clause to apply, I have 60 days from the Loan Date to opt out. To opt out, I must tell Lender in a writing I send to the Notice Address. I must give my name, address, Loan number and Loan Date. I must state that I "opt out" of this Clause. I may not send my notice electronically.
What is this Clause about?	The parties' agreement to arbitrate Disputes	Lender and I agree that any party may arbitrate or demand arbitration of any Dispute unless I opt out or the law does not allow it.
Who does the Clause cover?	Lender and me	This Clause covers Lender and me. This Clause also applies if I have a Dispute with a Related Party related in some way to my application, this Note, the Vehicle, the Loan, or my dealings with Lender. Related Parties are not bound by this Clause. I may not compel a Related Party to arbitration. A Related Party may compel me to arbitrate Disputes that are 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 me. 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 and not the TPA to decide. Also, this Clause does not cover any case I file to stop Lender from taking or selling the Vehicle.
Who handles the arbitration?	Usually JAMS	Arbitrations must be conducted under this Clause. The arbitration company will be either: <ul style="list-style-type: none"> JAMS, 620 Eighth Avenue, 34th Floor, New York, NY 10018, www.jamadr.org; or Any other company the parties choose together. If either option is unavailable, the parties may agree to an independent TPA or a court will pick the TPA or arbitration company. No arbitration may be held without Lender's consent by an arbitration company or TPA that would allow class arbitration under this Clause. The TPA will be selected under the arbitration company's rules. Unless Lender and I agree otherwise, the TPA must be a lawyer with 10 or more years of experience or a retired judge.
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 chose an independent TPA, then such TPA will follow the JAMS consumer arbitration rules. 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 I bring for myself in small claims court. But, Lender may demand arbitration of any appealed small claims decision or any small claims action brought as a class.
Am I giving up any rights?	Yes	For Disputes subject to this Clause, I give up my right to: <ol style="list-style-type: none"> Have a jury decide Disputes.

		<p>2. Have a court, other than a small claims court, decide Disputes.</p> <p>3. Serve as a private attorney general or in a representative capacity.</p> <p>4. Join a Dispute I have with a dispute by other consumers.</p> <p>5. Bring or be a class member in a class action or class arbitration.</p> <p>Lender also waives its jury trial right and its right to have a court decide Disputes Lender starts.</p>
Can I or anyone else start class arbitration?	No	The TPA <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 the 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.
Will anything I do negate this Clause?	No, though I can opt out	This Clause stays in force if I: (1) cancel the Loan; (2) default, refinance, prepay, or pay the Loan in full; or (3) go into bankruptcy. I can opt out as described above.

PROCESS

Question	Short Answer	Further Detail
What must be done before starting a lawsuit or arbitration?	Send a written Dispute Notice and work to resolve the Dispute	Before starting a lawsuit or arbitration, Claimant must give a Dispute Notice as Section 16 above requires. If I am the Claimant, I or my attorney must sign the Dispute Notice. I must give the Loan number and a contact number for me or my 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. 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 me. The TPA may decide that an in-person hearing is not needed. A Dispute may be resolved in writing and by conference call.
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

Question	Short Answer	Further Detail
Who pays arbitration fees?	Usually, Lender does	Lender will pay all filing, hearing, and TPA fees if I act in good faith, I cannot get a fee waiver, and I ask Lender to pay.
When will Lender cover my legal fees and costs?	If I win	If the TPA finds for me, Lender will pay my 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 my Dispute is for a small amount, the TPA will not limit the award of such costs.
Will I ever owe Lender for fees or costs?	If I act in bad faith	The TPA can make me pay Lender's arbitration, attorney, expert, and witness fees and costs if it finds that I 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 informally resolve a Dispute mean a larger recovery for me?	Yes	If Borrower wins the arbitration, Borrower may be entitled to a minimum award of \$7,500. To get the minimum award, I first must comply with this Clause. Secondly, the TPA must award money damages to me in an amount that is greater than the last amount I asked for in settlement, if I 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 I may get. The minimum award applies to all Disputes I raise or could raise. This Clause does not allow 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 the ruling in writing.

25. **Borrower's Ability to Repay the Loan:** By signing this Note, I confirm that I provided Lender with an affidavit stating that (a) I gave Lender true and correct information and documentation concerning my income, obligations, employment (if applicable) and ownership of the Vehicle, and (b) I have the ability to repay the Loan.

26. **Borrower Representations:** By signing this Note:

- a. I promise that all information I gave to Lender in my application is true, complete and correct.
- b. I have read, understand and agree to this entire Note, including the Waiver of Jury Trial and Arbitration Clause in Section 24. I may opt out of arbitration as described in Section 24.
- c. I have received an exact copy of this fully completed Note, all blank spaces in which had been completed before I signed.
- d. I am 18 years of age or older. I have full legal authority and capacity to sign this Note.
- e. I have received Lender's Privacy Policy.
- f. I am a rightful owner of the Vehicle.
- g. I am not a debtor in bankruptcy. I do not intend to file a federal bankruptcy petition.
- h. I AM NOT a regular or reserve member of the Army, Navy, Marine Corps, Air Force, or Coast Guard, serving on active duty under a call or order that does not specify a period of 30 days or fewer (or a dependent of such a member).

27. **Entire Agreement:** This Note is the only agreement between Lender and me for this Loan. Lender and I have no oral agreements about the Loan. Lender and I may change this Note only by a writing signed by all of us.

BORROWER: Marlon Emerson Garnett

By signing this Note, Lender agrees to be bound by this Note, including the Waiver of Jury Trial and Arbitration Clause.

DocuSigned by:

 DocuSign ID: 4229BE37-3B24-4F9D
 Borrower Signature

11/27/2017
 Date

LENDER:
 TitleMax of Nevada, Inc. d/b/a TITLEMAX

CO-BORROWER: N/A

DocuSigned by:

 By: _____
 IDB144188830490
 Duty Authorized

Co-Borrower Signature

Date

LENDER HAS PLEDGED THIS NOTE AS COLLATERAL AND GRANTED A SECURITY INTEREST HEREIN TO WELLS FARGO BANK, NATIONAL ASSOCIATION, AS COLLATERAL AGENT.

DE

NV BORROWER RECEIPT

LICENSEE: TITLEMAX OF NEVADA, INC. D/B/A TITLEMAX 1225 E. CHARLESTON BLVD. LAS VEGAS, NV 89104	BORROWER: Marlon [REDACTED] [REDACTED]
PAYMENT DATE: 12/29/2017	ACCOUNT NO.: 12269-1259-17824582 <i>*If you have multiple loans, this payment was applied to the loan number identified above.</i>
PAYMENT DETAILS: Payment Total: \$153.06 Interest: \$153.06 Charges: \$0.00	ACCOUNT DETAILS (as of payment date): Total Balance: \$970.56

- ☐ Account paid in full by resolution
- ☐ Account paid in full and title returned
- ☐ Repayment Plan Agreement

TITLE LOAN AGREEMENT, PROMISSORY NOTE AND SECURITY AGREEMENT

THIS AGREEMENT CONTAINS A WAIVER OF JURY TRIAL AND ARBITRATION CLAUSE (THE "CLAUSE"). UNLESS I OPT OUT OF THE CLAUSE, IT WILL SUBSTANTIALLY IMPACT MY RIGHTS IF I HAVE A DISPUTE WITH LENDER, INCLUDING MY RIGHT TO TAKE PART IN A CLASS ACTION.

Lender: TitleMax of Nevada, Inc. d/b/a TITLMAX 1225 E. CHARLESTON BLVD. LAS VEGAS, NV 89104		Loan Date: 12/29/2017 Loan Number: 12269-1461-18341881 Lender Customer Service: 1-800-804-5368	
Borrower: Marlon [REDACTED]		Co-Borrower: N/A	
Motor Vehicle Year: 2005	Motor Vehicle Make: Dodge	Motor Vehicle Model: Grand Caravan	Motor Vehicle ID #: [REDACTED] 2515

"Note" and "Agreement" mean this Title Loan Agreement, Promissory Note and Security Agreement. "Borrower", "I", "me" and "my" mean each Borrower and Co-Borrower who signs this Note. "Lender" and "you" mean TitleMax of Nevada, Inc. "Loan" means the title loan Lender makes to me under this Note pursuant to Nevada Revised Statutes Chapter 604A and regulations promulgated thereunder ("Chapter 604A"). The Loan is a "title loan" under Chapter 604A. "Vehicle" means the motor vehicle identified above. "Title" means the certificate of title for the Vehicle. Lender is licensed and regulated by the Nevada Financial Institutions Division, 3300 West Sahara Avenue, Suite 250, Las Vegas, Nevada 89102, Phone: (702) 486-4120, Fax: (702) 486-4563, <http://www.fid.nv.gov>.

FEDERAL TRUTH-IN-LENDING DISCLOSURES

ANNUAL PERCENTAGE RATE The annual percentage rate for this loan is 79.88%.	FINANCE CHARGE The dollar amount the credit will cost me is \$651.88.	Amount Financed The amount of credit provided to me or on my behalf. \$970.56	Total of Payments The amount I will have paid after I have made all payments as scheduled. \$1,622.44
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Payment Schedule: My payment schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due (each a "Payment Due Date")
1	\$231.78	01/28/2018
1	\$231.78	02/27/2018
1	\$231.78	03/29/2018
1	\$231.78	04/28/2018
1	\$231.78	05/28/2018
1	\$231.78	06/27/2018
1	\$231.78	07/27/2018

Security: I am giving a security interest in the Vehicle described above.

Lien Filing Fee: \$0.00

Prepayment: Lender will not charge a prepayment penalty/charge if I pay all or part of the principal balance before the date on which principal is due.

See the remainder of this Note for additional information about non-payment, default, any required repayment in full before the scheduled date, and prepayment penalties.

Itemization of Amount Financed:

Amount given to me directly:

Plus: Amount paid on my account(s) with Lender

\$0.00

\$970.56

<u>Plus:</u> Amount paid to public official for Lien Filing Fee	\$0.00
<u>Plus:</u> Amounts paid to other parties on my behalf	
Payment to: N/A	\$0.00
Payment to:	
<u>Equals:</u> Amount Financed/Principal Loan Amount	<u>\$970.56</u>

1. **Promise to Pay; Co-Borrower Obligations:** I promise to pay Lender, or to Lender's order, the principal sum of \$970.56 plus interest. I also promise to pay all other fees and charges in this Note. I must pay the amounts on or before the Payment Due Dates in the Payment Schedule above. If this Note is signed by more than one Borrower, each Borrower agrees to be liable to Lender jointly, and each Borrower will also be liable to Lender individually, for the Loan and other obligations under this Note. In its discretion, consistent with Chapter 604A, Lender may offer a grace period for repayment.

2. **Interest; Application of Payments; Prepayment:** Interest will accrue daily on the outstanding principal balance. The interest rate is 179.8800 % per year. Interest accrues from the Loan Date until the first to occur of (a) the Loan is paid in full, and (b) the final Payment Due Date. Interest accrues based on the number of days elapsed over a 365-day year. Lender calculates and charges interest, including interest on past due principal, as permitted by Chapter 604A. If any finance charge or other fee is held invalid, the remainder shall remain in effect. Lender applies payments first to unpaid interest, then to fees, and then to unpaid principal. The Payment Schedule and Finance Charge disclosed above, which assume that I pay all installments in full on the Payment Due Dates, ratably and fully amortize the entire principal and interest payable under this Note. I may request a payoff and prepay this Loan at any time without penalty. I will owe less interest if I pay early or prepay. The timing and amount of my payments on the Loan will impact the amount of my final payment. The original term of this Loan is 240 days. Time is of the essence under this Note.

3. **Usury Savings Clause:** Lender does not intend to charge or receive any rate or charge higher than Nevada law allows. The rate and charges under this Note will never exceed the highest lawful rate or charge. Lender will promptly refund or credit to my Loan any unlawful excess amount. Lender will reduce any excessive rate or charge to the maximum lawful rate or charge.

4. **Loan Funding and Payment; Refinance:** Lender will fund the proceeds of the Loan by check. Lender may offer other funding methods in its discretion. The Lien Filing Fee due to the Department of Motor Vehicles to record the security interest I grant in the Vehicle is included in the principal amount of the Loan and accrues interest. I authorize Lender to withhold the amount of the Lien Filing Fee from the Loan proceeds and to pay that amount directly to the Department of Motor Vehicles. Lender will not retain any portion of the Lien Filing Fee. I may make payments to Lender during Lender's normal business hours at the location at which I obtained this Loan. Lender accepts payments by cash, cashier's check, money order, debit card or other method specified by Lender from time to time. Lender does not accept personal checks or credit cards. Lender may agree to refinance this Loan in its sole discretion. As a condition to any refinance, I must pay to Lender the minimum refinance payment amount, satisfy Lender's other underwriting criteria for refinances, and enter into a new Title Loan Agreement, Promissory Note and Security Agreement with Lender.

5. **Lien Filing Fee:** Lender charges a Lien Filing Fee in the amount shown above, which is the amount paid to public officers for filing or recording an instrument securing the Loan in the proper public office.

6. **Right to Rescind:** As permitted by Chapter 604A, I may rescind this Note, without cost, no later than the close of business on the first business day after the Loan Date by returning the Amount Financed to Lender at the store at which I obtained the Loan. Upon the timely cancellation and return of the Amount Financed, Lender will credit my account for any accrued interest and any Lien Filing Fee charged, cancel the Loan, and mark it paid-in-full. If I do not cancel this Note in compliance with this Section 6, the Loan and this Note remain in full force and effect.

~~7. **Collateral Security Agreement; Co-Owner Obligations:** To secure this Note and my obligations hereunder, I grant to Lender a security interest in the Collateral. "Collateral" means the Vehicle and all Vehicle improvements, attachments, insurance proceeds and refunds and sale proceeds. I am the only owner of the Collateral. The Collateral is not stolen. The Collateral has no liens. Lender may file any documents and take any actions to ensure Lender's security interest in the Collateral. I am giving Lender the Title to the Vehicle on which to record Lender's lien. If Lender asks, I will sign other documents and take other actions to support Lender's security interest. Upon payment in full, Lender will release its lien on the Vehicle.~~

As a condition to Lender making this Loan, any co-owner of the Vehicle who is not a Borrower under this Note must execute a separate Co-Owner Consent, Grant of Security Interest, and Waiver of Jury Trial and Arbitration Agreement to grant to Lender a security interest in the Vehicle. Any co-owner who is not a Borrower under this Note shall not be personally obligated to Lender for satisfying Borrower's obligations under this Note.

8. **Promises About the Collateral:** At all times while I owe any amount under this Note:
a. I will keep the Vehicle in good condition and repair.

- b. I will pay all taxes and charges on the Vehicle.
- c. I will not abuse the Vehicle.
- d. I will not allow damage, destruction, theft, loss or impound of the Vehicle.
- e. I will tell Lender immediately if the Vehicle is damaged, destroyed, stolen, lost or impounded.
- f. I will not use the Vehicle for illegal or business purposes.
- g. I will let Lender inspect the Vehicle from time to time.
- h. I will not sell or transfer any interest in the Collateral.
- i. I will not remove the Vehicle from the U.S. without Lender's written consent.
- j. I will not permanently remove the Vehicle from my home state without Lender's written consent.
- k. I will tell Lender immediately if I move or change my telephone number.
- l. I will not get or try to get another title to the Vehicle.
- m. I will not allow any other liens on the Vehicle.

9. **Risk of Loss:** I am liable for Vehicle damage and loss. I hold Lender harmless for all claims and costs arising from my using the Vehicle. This includes all judgments, attorneys' fees, court costs and expenses.

10. **Events of Default; Grace Periods:** I will be in default under this Note if I fail to make any payment when due or within any grace period offered to me by Lender. Lender offers a thirty (30) day grace period following each Payment Due Date, wherein I may pay the scheduled payment amount for such Payment Due Date without being considered in default. Should I not pay the full amount of the scheduled payment owing for a Payment Due Date within the grace period for such payment, I will be in default.

11. **Lender's Rights After Default; Repayment Plan:** Lender's rights after default are cumulative and not exclusive. If I default, Lender may declare all amounts outstanding under the Note immediately due and payable, and I must pay such amounts. If I default hereunder, and I am not eligible to enter into a Repayment Plan or I choose not to accept a Repayment Plan, or if I default in my obligations under a Repayment Plan, Lender may repossess and foreclose upon the Vehicle with or without judicial process. I may turn over the Vehicle to Lender any time after default. I agree to pay Lender reasonable attorneys' fees and costs if Lender brings suit to enforce my obligations under this Note. Lender also may seek any other legal or equitable relief available under Nevada law. In exercising its rights, Lender must always act lawfully and without breaching the peace. Lender may waive my default and consider my account in good standing if I bring the account current or make satisfactory payment arrangements with Lender.

If I default on the Loan, Lender must offer a Repayment Plan to me before commencing any civil action or process of alternative dispute resolution or repossessing the Vehicle.

If I default under this Note and am eligible to enter into a Repayment Plan, Lender will provide me with a written notice of my opportunity to enter into a Repayment Plan and I must agree to the Repayment Plan within 30 days of my default. Lender is not required to offer me more than one Repayment Plan for the Loan. Any Repayment Plan Lender offers me will have a minimum term of 90 days and may require me to make an initial payment of not more than 20% of the total amount due. Any Repayment Plan Lender and I enter into will comply in all respects with Chapter 604A. Unless authorized by Nevada law, Lender will not (1) charge any other amount to enter into a Repayment Plan, (2) accept any additional security or collateral to enter into a Repayment Plan, (3) make any other loan to me while a Repayment Plan is in effect, (4) attempt to collect the outstanding account balance or repossess the Vehicle during a Repayment Plan unless I default thereunder, or (5) attempt to collect an amount that is greater than what I owe under the Repayment Plan.

12. **Vehicle Repossession:** If Lender repossesses the Vehicle, the following applies:

a. **Notice.** Lender will send notice at least 10 days before selling the Vehicle. The notice will tell me how to buy back the Vehicle. To buy back the Vehicle, I must pay all I owe under the Note.

b. **Vehicle Buy Back.** I may buy back the Vehicle at any time before Lender sells it. If I do not buy it back before Lender sells it, I lose all rights in the Collateral.

c. **Sale.** If I do not buy back the Vehicle, Lender will sell the Vehicle at a private or public sale. Lender will apply the sale proceeds in accordance with Nevada law.

d. **Surplus or Deficiency.** If there is money left, Lender will pay it to me. If there is not enough money to pay what I owe, Lender may require me to pay what is still owed.

e. **Costs.** I agree to pay Lender reasonable costs to take, store, prepare for sale, and sell the Vehicle.

13. **Limited Recourse:** If Lender takes and sells the Vehicle, Lender will not sue me for the Loan balance unless I have (i) wrongfully prevented the repossession and sale of the Vehicle by any means or (ii) damaged or otherwise committed or permitted waste on the Vehicle. Lender may also pursue me if I have engaged in fraud or have wrongfully transferred any interest in the Vehicle while the Loan is outstanding.

14. **Waivers:** If Lender delays or does not enforce its rights every time, Lender can still do so later. I waive presentment, demand for payment, notice of intent to accelerate, notice of acceleration, protest, and notice of dishonor. Lender need not sue, arbitrate or show diligence in collecting against me or others. Lender need not go against the Vehicle. Lender may require that any Borrower pay the whole Loan without asking anyone else to pay. Lender may sue any Borrower without giving up any of its rights against any other Borrower. Lender may sue or arbitrate with a person without joining or suing others. Lender may release or modify a person's liability without changing other persons' liability.

15. **Communications:** Send all correspondence to Lender to TitleMax of Nevada, Inc., Legal Department, P.O. Box 8323, Savannah, Georgia 31412 (the "Notice Address"). Send all correspondence to me to my address above or any other address I give to Lender in writing (the "Borrower Address"). This Section 15 covers all correspondence between Lender and Borrower, including correspondence after default or Borrower's bankruptcy.

16. **Notice and Cure:** Before suing or starting arbitration about (i) Borrower's credit application, (ii) this Note, (iii) the Vehicle, or (iv) the Loan, each party agrees to do all of the following:

a. The party filing the dispute (the "Claimant") must tell all other parties (the "Defending Party") of the dispute (the "Dispute Notice"). Each Dispute Notice must describe the nature of the claim and relief requested. Each Dispute Notice must be written and, except for collections letters from Lender, must give at least 30 days to solve the dispute.

b. Claimant must mail Dispute Notices to the Notice Address for Lender and the Borrower Address for Borrower. Dispute Notices to Lender must include the Loan Number and Borrower's mailing address and phone number.

c. If Defending Party asks for more information about the dispute, Claimant must give it.

d. If applicable, Lender also must comply with its obligations under Chapter 604A with respect to offering Borrower a Repayment Plan.

17. **Reporting to Credit Bureaus:** Lender may report information about my Loan to credit bureaus. My credit report may reflect late payments, missed payments or other defaults on my account.

18. **Important Information About Opening Accounts:** To help fight terrorism and money laundering, Lender must identify each person who opens an account. I must give Lender my name, address, date of birth and other requested information and documents, such as my driver's license.

19. **Telephone Recording:** Lender may monitor and record any phone conversation Lender and I have.

20. **Severability:** Invalid terms hereof will be changed to comply with law. Such change will not affect any other term hereof. If a class action suit or class-wide arbitration is allowed, either party may require that a judge (with no jury) hear the dispute. Such judge will apply relevant court rules and procedures.

21. **Successors and Assigns:** This Note binds each Borrower's heirs, personal representatives in probate, successors and assigns and Lender's successors and assigns. Lender may assign all of its rights hereunder. No Borrower may assign its rights hereunder without Lender's written consent.

22. **Governing Law:** This Note and the Loan involve interstate commerce. Nevada law governs this Note, but the Federal Arbitration Act governs the Waiver of Jury Trial and Arbitration Clause in Section 24.

23. **WAIVER OF RIGHT TO TRIAL BY JURY:** TRIAL BY JURY IS A CONSTITUTIONAL RIGHT. UNDER CERTAIN CONDITIONS THE LAW ALLOWS PARTIES TO WAIVE THIS RIGHT. LENDER AND I KNOWINGLY AND FREELY WAIVE ALL RIGHTS TO A JURY TRIAL FOR ANY SUIT RELATED DIRECTLY OR INDIRECTLY TO (A) THIS NOTE OR (B) THE LOAN. THIS JURY TRIAL WAIVER WILL NOT CHANGE ANY ARBITRATION CLAUSE TO WHICH LENDER AND I AGREE. SUCH CLAUSE HAS ITS OWN SEPARATE JURY TRIAL WAIVER.

24. **WAIVER OF JURY TRIAL AND ARBITRATION CLAUSE:** By signing below, Lender and I agree to this Waiver of Jury Trial and Arbitration Clause, including a waiver of class actions (the "Clause"). This Clause is in Q & A form so it is easier to understand. This Clause is a legally binding part of this Note.

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 my application, this Note, the Vehicle, the Loan, or my 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 collections, privacy, and customer information. It includes claims and

		disagreements that usually would be resolved in court. "Dispute" also includes claims and disagreements I have 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 I pursue while I pursue a Dispute with Lender (like a repossession company).
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 is usually less formal, faster, and less costly than a lawsuit. Pre-hearing fact finding is limited. Appeals are limited. Courts rarely overturn arbitration awards.
Can I opt out of this Clause?	Yes, within 60 days	If I do not want this Clause to apply, I have 60 days from the Loan Date to opt out. To opt out, I must tell Lender in a writing I send to the Notice Address. I must give my name, address, Loan number and Loan Date. I must state that I "opt out" of this Clause. I may not send my notice electronically.
What is this Clause about?	The parties' agreement to arbitrate Disputes	Lender and I agree that any party may arbitrate or demand arbitration of any Dispute unless I opt out or the law does not allow it.
Who does the Clause cover?	Lender and me	This Clause covers Lender and me. This Clause also applies if I have a Dispute with a Related Party related in some way to my application, this Note, the Vehicle, the Loan, or my dealings with Lender. Related Parties are not bound by this Clause. I may not compel a Related Party to arbitration. A Related Party may compel me to arbitrate Disputes that are 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 me. 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 and not the TPA to decide. Also, this Clause does not cover any case I file to stop Lender from taking or selling the Vehicle.
Who handles the arbitration?	Usually JAMS	Arbitrations must be conducted under this Clause. The arbitration company will be either: <ul style="list-style-type: none"> JAMS, 620 Eighth Avenue, 34th Floor, New York, NY 10018, www.jamsadr.org; or Any other company the parties choose together. If either option is unavailable, the parties may agree to an independent TPA or a court will pick the TPA or arbitration company. No arbitration may be held without Lender's consent by an arbitration company or TPA that would allow class arbitration under this Clause. The TPA will be selected under the arbitration company's rules. Unless Lender and I agree otherwise, the TPA must be a lawyer with 10 or more years of experience or a retired judge.
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 chose an independent TPA, then such TPA will follow the JAMS consumer arbitration rules. 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 I bring for myself in small claims court. But, Lender may demand arbitration of any appealed small claims decision or any small claims action brought as a class.
Am I giving up any rights?	Yes	For Disputes subject to this Clause, I give up my right to: <ol style="list-style-type: none"> Have a jury decide Disputes.

		<p>2. Have a court, other than a small claims court, decide Disputes.</p> <p>3. Serve as a private attorney general or in a representative capacity.</p> <p>4. Join a Dispute I have with a dispute by other consumers.</p> <p>5. Bring or be a class member in a class action or class arbitration.</p> <p>Lender also waives its jury trial right and its right to have a court decide Disputes Lender starts.</p>
Can I or anyone else start class arbitration?	No	The TPA <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 the 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.
Will anything I do negate this Clause?	No, though I can opt out	This Clause stays in force if I: (1) cancel the Loan; (2) default, renege, prepay, or pay the Loan in full; or (3) go into bankruptcy. I can opt out as described above.

PROCESS

Question	Short Answer	Further Detail
What must be done before starting a lawsuit or arbitration?	Send a written Dispute Notice and work to resolve the Dispute	Before starting a lawsuit or arbitration, Claimant must give a Dispute Notice as Section 16 above requires. If I am the Claimant, I or my attorney must sign the Dispute Notice. I must give the Loan number and a contact number for me or my 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. 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 me. The TPA may decide that an in-person hearing is not needed. A Dispute may be resolved in writing and by conference call.
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

Question	Short Answer	Further Detail
Who pays arbitration fees?	Usually, Lender does	Lender will pay all filing, hearing, and TPA fees if I act in good faith, I cannot get a fee waiver, and I ask Lender to pay.
When will Lender cover my legal fees and costs?	If I win	If the TPA finds for me, Lender will pay my 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 my Dispute is for a small amount, the TPA will not limit the award of such costs.
Will I ever owe Lender for fees or costs?	If I act in bad faith	The TPA can make me pay Lender's arbitration, attorney, expert, and witness fees and costs if it finds that I 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 informally resolve a Dispute mean a larger recovery for me?	Yes	If Borrower wins the arbitration, Borrower may be entitled to a minimum award of \$7,500. To get the minimum award, I first must comply with this Clause. Secondly, the TPA must award money damages to me in an amount that is greater than the last amount I asked for in settlement, if I 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 I may get. The minimum award applies to all Disputes I raise or could raise. This Clause does not allow 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 the ruling in writing.

25. **Borrower's Ability to Repay the Loan:** By signing this Note, I confirm that I provided Lender with an affidavit stating that (a) I gave Lender true and correct information and documentation concerning my income, obligations, employment (if applicable) and ownership of the Vehicle; and (b) I have the ability to repay the Loan.

26. **Borrower Representations:** By signing this Note:

- a. I promise that all information I gave to Lender in my application is true, complete and correct.
- b. I have read, understand and agree to this entire Note, including the Waiver of Jury Trial and Arbitration Clause in Section 24. I may opt out of arbitration as described in Section 24.
- c. I have received an exact copy of this fully completed Note, all blank spaces in which had been completed before I signed.
- d. I am 18 years of age or older. I have full legal authority and capacity to sign this Note.
- e. I have received Lender's Privacy Policy.
- f. I am a rightful owner of the Vehicle.
- g. I am not a debtor in bankruptcy. I do not intend to file a federal bankruptcy petition.
- h. I AM NOT a regular or reserve member of the Army, Navy, Marine Corps, Air Force, or Coast Guard, serving on active duty under a call or order that does not specify a period of 30 days or fewer (or a dependent of such a member).

27. **Entire Agreement:** This Note is the only agreement between Lender and me for this Loan. Lender and I have no oral agreements about the Loan. Lender and I may change this Note only by a writing signed by all of us.

BORROWER: Marlon Garnett

By signing this Note, Lender agrees to be bound by this Note, including the Waiver of Jury Trial and Arbitration Clause.

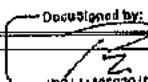
DocuSigned by:

 DRAGC42D56D0459
 Borrower Signature

12/29/2017
 Date

LENDER:
 TitleMax of Nevada, Inc. d/b/a TITLEMAX

CO-BORROWER: N/A

DocuSigned by:

 By: 48114186C304F6
 Duty Authorized

Co-Borrower Signature

Date

LENDER HAS PLEDGED THIS NOTE AS COLLATERAL AND GRANTED A SECURITY INTEREST HEREIN TO WELLS FARGO BANK, NATIONAL ASSOCIATION, AS COLLATERAL AGENT.

NV BORROWER RECEIPT

LICENSEE: TITLEMAX OF NEVADA, INC. D/B/A TITLEMAX 1225 E. CHARLESTON BLVD. LAS VEGAS, NV 89104	BORROWER: Marlon [REDACTED] [REDACTED]
PAYMENT DATE: 01/31/2018	ACCOUNT NO.: 12269-1461-18341881 <i>*If you have multiple loans, this payment was applied to the loan number identified above.</i>
PAYMENT DETAILS: Payment Total: \$160.00 Interest: \$157.84 Charges: \$0.00	ACCOUNT DETAILS (as of payment date): Total Balance: \$988.40

- ☐ Account paid in full by rescission
☐ Account paid in full and title returned
☐ Repayment Plan Agreement

TITLE LOAN AGREEMENT, PROMISSORY NOTE AND SECURITY AGREEMENT

THIS AGREEMENT CONTAINS A WAIVER OF JURY TRIAL AND ARBITRATION CLAUSE (THE "CLAUSE"), UNLESS I OPT OUT OF THE CLAUSE, IT WILL SUBSTANTIALLY IMPACT MY RIGHTS IF I HAVE A DISPUTE WITH LENDER, INCLUDING MY RIGHT TO TAKE PART IN A CLASS ACTION.

Lender: TitleMax of Nevada, Inc. d/b/a TITLEMAX 1225 E. CHARLESTON BLVD. LAS VEGAS, NV 89104		Loan Date: 01/31/2018 Loan Number: 12269-1628-18743546 Lender Customer Service: 1-800-804-5368	
Borrower: Marlon [REDACTED]		Co-Borrower: N/A	
Motor Vehicle Year: 2005	Motor Vehicle Make: Dodge	Motor Vehicle Model: Grand Caravan	Motor Vehicle ID #: [REDACTED] 2515

"Note" and "Agreement" mean this Title Loan Agreement, Promissory Note and Security Agreement. "Borrower", "I", "me" and "my" mean each Borrower and Co-Borrower who signs this Note. "Lender" and "you" mean TitleMax of Nevada, Inc. "Loan" means the title loan Lender makes to me under this Note pursuant to Nevada Revised Statutes Chapter 604A and regulations promulgated thereunder ("Chapter 604A"). The Loan is a "title loan" under Chapter 604A. "Vehicle" means the motor vehicle identified above. "Title" means the certificate of title for the Vehicle. Lender is licensed and regulated by the Nevada Financial Institutions Division, 3300 West Sahara Avenue, Suite 250, Las Vegas, Nevada 89102, Phone: (702) 486-4120, Fax: (702) 486-4563, <http://www.fid.nv.gov>.

FEDERAL TRUTH-IN-LENDING DISCLOSURES

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of credit expressed as a yearly rate.	The dollar amount the credit will cost me.	The amount of credit provided to me or on my behalf.	The amount I will have paid after I have made all payments as scheduled.
17.9186%	\$507.41	\$968.40	\$1,618.81

Payment Schedule: My payment schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due (each a "Payment Due Date")
1	\$231.27	03/02/2018
1	\$231.27	04/01/2018
1	\$231.27	05/01/2018
1	\$231.27	05/31/2018
1	\$231.27	06/30/2018
1	\$231.27	07/30/2018
1	\$231.19	08/29/2018

Security: I am giving a security interest in the Vehicle described above.

Lien Filing Fee: \$0.00

Prepayment: Lender will not charge a prepayment penalty/charge if I pay all or part of the principal balance before the date on which principal is due.

See the remainder of this Note for additional information about non-payment, default, any required repayment in full before the scheduled date, and prepayment penalties.

Itemization of Amount Financed:

Amount given to me directly:

\$0.00

Plus: Amount paid on my account(s) with Lender

\$968.40

<u>Plus:</u> Amount paid to public official for Lien Filing Fee	\$0.00
<u>Plus:</u> Amounts paid to other parties on my behalf	
Payment to: N/A	\$0.00
Payment to:	
<u>Equals:</u> Amount Financed/Principal Loan Amount	\$966.40

1. **Promise to Pay; Co-Borrower Obligations:** I promise to pay Lender, or to Lender's order, the principal sum of \$966.40 plus interest. I also promise to pay all other fees and charges in this Note. I must pay the amounts on or before the Payment Due Dates in the Payment Schedule above. If this Note is signed by more than one Borrower, each Borrower agrees to be liable to Lender jointly, and each Borrower will also be liable to Lender individually, for the Loan and other obligations under this Note. In its discretion, consistent with Chapter 604A, Lender may offer a grace period for repayment.

2. **Interest; Application of Payments; Prepayment:** Interest will accrue daily on the outstanding principal balance. The interest rate is 179.8800% per year. Interest accrues from the Loan Date until the first to occur of (a) the Loan is paid in full, and (b) the final Payment Due Date. Interest accrues based on the number of days elapsed over a 365-day year. Lender calculates and charges interest, including interest on past due principal, as permitted by Chapter 604A. If any finance charge or other fee is held invalid, the remainder shall remain in effect. Lender applies payments first to unpaid interest, then to fees, and then to unpaid principal. The Payment Schedule and Finance Charge disclosed above, which assume that I pay all installments in full on the Payment Due Dates, ratably and fully amortize the entire principal and interest payable under this Note. I may request a payoff and prepay this Loan at any time without penalty. I will owe less interest if I pay early or prepay. The timing and amount of my payments on the Loan will impact the amount of my final payment. The original term of this Loan is 210 days. Time is of the essence under this Note.

3. **Usury Savings Clause:** Lender does not intend to charge or receive any rate or charge higher than Nevada law allows. The rate and charges under this Note will never exceed the highest lawful rate or charge. Lender will promptly refund or credit to my Loan any unlawful excess amount. Lender will reduce any excessive rate or charge to the maximum lawful rate or charge.

4. **Loan Funding and Payment; Refinance:** Lender will fund the proceeds of the Loan by check. Lender may offer other funding methods in its discretion. The Lien Filing Fee due to the Department of Motor Vehicles to record the security interest I grant in the Vehicle is included in the principal amount of the Loan and accrues interest. I authorize Lender to withhold the amount of the Lien Filing Fee from the Loan proceeds and to pay that amount directly to the Department of Motor Vehicles. Lender will not retain any portion of the Lien Filing Fee. I may make payments to Lender during Lender's normal business hours at the location at which I obtained this Loan. Lender accepts payments by cash, cashier's check, money order, debit card or other method specified by Lender from time to time. Lender does not accept personal checks or credit cards. Lender may agree to refinance this Loan in its sole discretion. As a condition to any refinance, I must pay to Lender the minimum refinance payment amount, satisfy Lender's other underwriting criteria for refinances, and enter into a new Title Loan Agreement, Promissory Note and Security Agreement with Lender.

5. **Lien Filing Fee:** Lender charges a Lien Filing Fee in the amount shown above, which is the amount paid to public officers for filing or recording an instrument securing the Loan in the proper public office.

6. **Right to Rescind:** As permitted by Chapter 604A, I may rescind this Note, without cost, no later than the close of business on the first business day after the Loan Date by returning the Amount Financed to Lender at the store at which I obtained the Loan. Upon the timely cancellation and return of the Amount Financed, Lender will credit my account for any accrued interest and any Lien Filing Fee charged, cancel the Loan, and mark it paid-in-full. If I do not cancel this Note in compliance with this Section 6, the Loan and this Note remain in full force and effect.

7. **Collateral; Security Agreement; Co-Owner Obligations:** To secure this Note and my obligations hereunder, I grant to Lender a security interest in the Collateral. "Collateral" means the Vehicle and all Vehicle Improvements, attachments, insurance proceeds and refunds and sale proceeds. I am the only owner of the Collateral. The Collateral is not stolen. The Collateral has no liens. Lender may file any documents and take any actions to ensure Lender's security interest in the Collateral. I am giving Lender the Title to the Vehicle on which to record Lender's lien. If Lender asks, I will sign other documents and take other actions to support Lender's security interest. Upon payment in full, Lender will release its lien on the Vehicle.

As a condition to Lender making this Loan, any co-owner of the Vehicle who is not a Borrower under this Note must execute a separate Co-Owner Consent, Grant of Security Interest, and Waiver of Jury Trial and Arbitration Agreement to grant to Lender a security interest in the Vehicle. Any co-owner who is not a Borrower under this Note shall not be personally obligated to Lender for satisfying Borrower's obligations under this Note.

8. **Promises About the Collateral:** At all times while I owe any amount under this Note:

a. I will keep the Vehicle in good condition and repair.

- b. I will pay all taxes and charges on the Vehicle.
- c. I will not abuse the Vehicle.
- d. I will not allow damage, destruction, theft, loss or impound of the Vehicle.
- e. I will tell Lender immediately if the Vehicle is damaged, destroyed, stolen, lost or impounded.
- f. I will not use the Vehicle for illegal or business purposes.
- g. I will let Lender inspect the Vehicle from time to time.
- h. I will not sell or transfer any interest in the Collateral.
- i. I will not remove the Vehicle from the U.S. without Lender's written consent.
- j. I will not permanently remove the Vehicle from my home state without Lender's written consent.
- k. I will tell Lender immediately if I move or change my telephone number.
- l. I will not get or try to get another title to the Vehicle.
- m. I will not allow any other liens on the Vehicle.

9. **Risk of Loss:** I am liable for Vehicle damage and loss. I hold Lender harmless for all claims and costs arising from my using the Vehicle. This includes all judgments, attorneys' fees, court costs and expenses.

10. **Events of Default; Grace Periods:** I will be in default under this Note if I fail to make any payment when due or within any grace period offered to me by Lender. Lender offers a thirty (30) day grace period following each Payment Due Date, wherein I may pay the scheduled payment amount for such Payment Due Date without being considered in default. Should I not pay the full amount of the scheduled payment owing for a Payment Due Date within the grace period for such payment, I will be in default.

11. **Lender's Rights After Default; Repayment Plan:** Lender's rights after default are cumulative and not exclusive. If I default, Lender may declare all amounts outstanding under the Note immediately due and payable, and I must pay such amounts. If I default hereunder, and I am not eligible to enter into a Repayment Plan or I choose not to accept a Repayment Plan, or if I default in my obligations under a Repayment Plan, Lender may repossess and foreclose upon the Vehicle with or without judicial process. I may turn over the Vehicle to Lender any time after default. I agree to pay Lender reasonable attorneys' fees and costs if Lender brings suit to enforce my obligations under this Note. Lender also may seek any other legal or equitable relief available under Nevada law. In exercising its rights, Lender must always act lawfully and without breaching the peace. Lender may waive my default and consider my account in good standing if I bring the account current or make satisfactory payment arrangements with Lender.

If I default on the Loan, Lender must offer a Repayment Plan to me before commencing any civil action or process of alternative dispute resolution or repossessing the Vehicle.

If I default under this Note and am eligible to enter into a Repayment Plan, Lender will provide me with a written notice of my opportunity to enter into a Repayment Plan and I must agree to the Repayment Plan within 30 days of my default. Lender is not required to offer me more than one Repayment Plan for the Loan. Any Repayment Plan Lender offers me will have a minimum term of 90 days and may require me to make an initial payment of not more than 20% of the total amount due. Any Repayment Plan Lender and I enter into will comply in all respects with Chapter 604A. Unless authorized by Nevada law, Lender will not (1) charge any other amount to enter into a Repayment Plan, (2) accept any additional security or collateral to enter into a Repayment Plan, (3) make any other loan to me while a Repayment Plan is in effect, (4) attempt to collect the outstanding account balance or repossess the Vehicle during a Repayment Plan unless I default thereunder, or (5) attempt to collect an amount that is greater than what I owe under the Repayment Plan.

12. **Vehicle Repossession:** If Lender repossesses the Vehicle, the following applies:

- a. **Notice.** Lender will send notice at least 10 days before selling the Vehicle. The notice will tell me how to buy back the Vehicle. To buy back the Vehicle, I must pay all I owe under the Note.
- b. **Vehicle Buy Back.** I may buy back the Vehicle at any time before Lender sells it. If I do not buy it back before Lender sells it, I lose all rights in the Collateral.
- c. **Sale.** If I do not buy back the Vehicle, Lender will sell the Vehicle at a private or public sale. Lender will apply the sale proceeds in accordance with Nevada law.
- d. **Surplus or Deficiency.** If there is money left, Lender will pay it to me. If there is not enough money to pay what I owe, Lender may require me to pay what is still owed.
- e. **Costs.** I agree to pay Lender reasonable costs to take, store, prepare for sale, and sell the Vehicle.

13. **Limited Recourse:** If Lender takes and sells the Vehicle, Lender will not sue me for the Loan balance unless I have (i) wrongfully prevented the repossession and sale of the Vehicle by any means or (ii) damaged or otherwise committed or permitted waste on the Vehicle. Lender may also pursue me if I have engaged in fraud or have wrongfully transferred any interest in the Vehicle while the Loan is outstanding.

14. **Waivers:** If Lender delays or does not enforce its rights every time, Lender can still do so later. I waive presentment, demand for payment, notice of intent to accelerate, notice of acceleration, protest, and notice of dishonor. Lender need not sue, arbitrate or show diligence in collecting against me or others. Lender need not go against the Vehicle. Lender may require that any Borrower pay the whole Loan without asking anyone else to pay. Lender may sue any Borrower without giving up any of its rights against any other Borrower. Lender may sue or arbitrate with a person without joining or suing others. Lender may release or modify a person's liability without changing other persons' liability.

15. **Communications:** Send all correspondence to Lender to TitleMax of Nevada, Inc., Legal Department, P.O. Box 8323, Savannah, Georgia 31412 (the "Notice Address"). Send all correspondence to me to my address above or any other address I give to Lender in writing (the "Borrower Address"). This Section 15 covers all correspondence between Lender and Borrower, including correspondence after default or Borrower's bankruptcy.

16. **Notice and Cure:** Before suing or starting arbitration about (i) Borrower's credit application, (ii) this Note, (iii) the Vehicle, or (iv) the Loan, each party agrees to do all of the following:

a. The party filing the dispute (the "Claimant") must tell all other parties (the "Defending Party") of the dispute (the "Dispute Notice"). Each Dispute Notice must describe the nature of the claim and relief requested. Each Dispute Notice must be written and, except for collections letters from Lender, must give at least 30 days to solve the dispute.

b. Claimant must mail Dispute Notices to the Notice Address for Lender and the Borrower Address for Borrower. Dispute Notices to Lender must include the Loan Number and Borrower's mailing address and phone number.

c. If Defending Party asks for more information about the dispute, Claimant must give it.

d. If applicable, Lender also must comply with its obligations under Chapter 604A with respect to offering Borrower a Repayment Plan.

17. **Reporting to Credit Bureaus:** Lender may report information about my Loan to credit bureaus. My credit report may reflect late payments, missed payments or other defaults on my account.

18. **Important Information About Opening Accounts:** To help fight terrorism and money laundering, Lender must identify each person who opens an account. I must give Lender my name, address, date of birth and other requested information and documents, such as my driver's license.

19. **Telephone Recording:** Lender may monitor and record any phone conversation Lender and I have.

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23. **WAIVER OF RIGHT TO TRIAL BY JURY:** TRIAL BY JURY IS A CONSTITUTIONAL RIGHT. UNDER CERTAIN CONDITIONS THE LAW ALLOWS PARTIES TO WAIVE THIS RIGHT. LENDER AND I KNOWINGLY AND FREELY WAIVE ALL RIGHTS TO A JURY TRIAL FOR ANY SUIT RELATED DIRECTLY OR INDIRECTLY TO (A) THIS NOTE OR (B) THE LOAN. THIS JURY TRIAL WAIVER WILL NOT CHANGE ANY ARBITRATION CLAUSE TO WHICH LENDER AND I AGREE. SUCH CLAUSE HAS ITS OWN SEPARATE JURY TRIAL WAIVER.

24. **WAIVER OF JURY TRIAL AND ARBITRATION CLAUSE:** By signing below, Lender and I agree to this Waiver of Jury Trial and Arbitration Clause, including a waiver of class actions (the "Clause"). This Clause is in Q & A form so it is easier to understand. This Clause is a legally binding part of this Note.

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 my application, this Note, the Vehicle, the Loan, or my 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 collections, privacy, and customer information. It includes claims and

		disagreements that usually would be resolved in court. "Dispute" also includes claims and disagreements I have 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 I pursue while I pursue a Dispute with Lender (like a repossession company).
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 is usually less formal, faster, and less costly than a lawsuit. Pre-hearing fact finding is limited. Appeals are limited. Courts rarely overturn arbitration awards.
Can I opt out of this Clause?	Yes, within 60 days	If I do not want this Clause to apply, I have 60 days from the Loan Date to opt out. To opt out, I must tell Lender in a writing I send to the Notice Address. I must give my name, address, Loan number and Loan Date. I must state that I "opt out" of this Clause. I may not send my notice electronically.
What is this Clause about?	The parties' agreement to arbitrate Disputes	Lender and I agree that any party may arbitrate or demand arbitration of any Dispute unless I opt out or the law does not allow it.
Who does the Clause cover?	Lender and me	This Clause covers Lender and me. This Clause also applies if I have a Dispute with a Related Party related in some way to my application, this Note, the Vehicle, the Loan, or my dealings with Lender. Related Parties are not bound by this Clause. I may not compel a Related Party to arbitration. A Related Party may compel me to arbitrate Disputes that are 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 me. 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 and not the TPA to decide. Also, this Clause does not cover any case I file to stop Lender from taking or selling the Vehicle.
Who handles the arbitration?	Usually JAMS	Arbitrations must be conducted under this Clause. The arbitration company will be either: <ul style="list-style-type: none"> JAMS, 620 Eighth Avenue, 34th Floor, New York, NY 10018, www.jamsadr.org; or Any other company the parties choose together. If either option is unavailable, the parties may agree to an independent TPA or a court will pick the TPA or arbitration company. No arbitration may be held without Lender's consent by an arbitration company or TPA that would allow class arbitration under this Clause. The TPA will be selected under the arbitration company's rules. Unless Lender and I agree otherwise, the TPA must be a lawyer with 10 or more years of experience or a retired judge.
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 chose an independent TPA, then such TPA will follow the JAMS consumer arbitration rules. 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 I bring for myself in small claims court. But, Lender may demand arbitration of any appealed small claims decision or any small claims action brought as a class.
Am I giving up any rights?	Yes	For Disputes subject to this Clause, I give up my right to: <ol style="list-style-type: none"> 1. Have a jury decide Disputes.

		<p>2. Have a court, other than a small claims court, decide Disputes.</p> <p>3. Serve as a private attorney general or in a representative capacity.</p> <p>4. Join a Dispute I have with a dispute by other consumers.</p> <p>5. Bring or be a class member in a class action or class arbitration.</p> <p>Lender also waives its jury trial right and its right to have a court decide Disputes Lender starts.</p>
Can I or anyone else start class arbitration?	No	The TPA may not 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 the 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.
Will anything I do negate this Clause?	No, though I can opt out	This Clause stays in force if I: (1) cancel the Loan; (2) default, renege, prepay, or pay the Loan in full; or (3) go into bankruptcy. I can opt out as described above.

PROCESS

Question	Short Answer	Further Detail
What must be done before starting a lawsuit or arbitration?	Send a written Dispute Notice and work to resolve the Dispute	Before starting a lawsuit or arbitration, Claimant must give a Dispute Notice as Section 16 above requires. If I am the Claimant, I or my attorney must sign the Dispute Notice. I must give the Loan number and a contact number for me or my 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. 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 me. The TPA may decide that an in-person hearing is not needed. A Dispute may be resolved in writing and by conference call.
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

Question	Short Answer	Further Detail
Who pays arbitration fees?	Usually, Lender does	Lender will pay all filing, hearing, and TPA fees if I act in good faith, I cannot get a fee waiver, and I ask Lender to pay.
When will Lender cover my legal fees and costs?	If I win	If the TPA finds for me, Lender will pay my 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 my Dispute is for a small amount, the TPA will not limit the award of such costs.
Will I ever owe Lender for fees or costs?	If I act in bad faith	The TPA can make me pay Lender's arbitration, attorney, expert, and witness fees and costs if it finds that I 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 informally resolve a Dispute mean a larger recovery for me?	Yes	If Borrower wins the arbitration, Borrower may be entitled to a minimum award of \$7,500. To get the minimum award, I first must comply with this Clause. Secondly, the TPA must award money damages to me in an amount that is greater than the last amount I asked for in settlement, if I 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 I may get. The minimum award applies to all Disputes I 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 the ruling in writing.

25. **Borrower's Ability to Repay the Loan:** By signing this Note, I confirm that I provided Lender with an affidavit stating that (a) I gave Lender true and correct information and documentation concerning my income, obligations, employment (if applicable) and ownership of the Vehicle, and (b) I have the ability to repay the Loan.


26. **Borrower Representations:** By signing this Note:

- a. I promise that all information I gave to Lender in my application is true, complete and correct.
- b. I have read, understand and agree to this entire Note, including the Waiver of Jury Trial and Arbitration Clause in Section 24. I may opt out of arbitration as described in Section 24.
- c. I have received an exact copy of this fully completed Note, all blank spaces in which had been completed before I signed.
- d. I am 18 years of age or older. I have full legal authority and capacity to sign this Note.
- e. I have received Lender's Privacy Policy.
- f. I am a rightful owner of the Vehicle.
- g. I am not a debtor in bankruptcy. I do not intend to file a federal bankruptcy petition.
- h. I AM NOT a regular or reserve member of the Army, Navy, Marine Corps, Air Force, or Coast Guard, serving on active duty under a call or order that does not specify a period of 30 days or fewer (or a dependent of such a member).

27. **Entire Agreement:** This Note is the only agreement between Lender and me for this Loan. Lender and I have no oral agreements about the Loan. Lender and I may change this Note only by a writing signed by all of us.

BORROWER: Marlon Garnett

By signing this Note, Lender agrees to be bound by this Note, including the Waiver of Jury Trial and Arbitration Clause.

DocuSigned by:

 D8AUG42058D8498...

1/31/2016

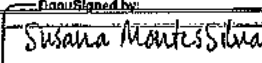
Borrower Signature

Date

LENDER:

TitleMax of Nevada, Inc. d/b/a TITLEMAX

CO-BORROWER: N/A

DocuSigned by:

 By: _____
 Duly Authorized

Co-Borrower Signature

Date

LENDER HAS PLEDGED THIS NOTE AS COLLATERAL AND GRANTED A SECURITY INTEREST HEREIN TO WELLS FARGO BANK, NATIONAL ASSOCIATION, AS COLLATERAL AGENT.

EXHIBIT “C”

EXHIBIT “C”

TITLE LOAN AGREEMENT, PROMISSORY NOTE AND SECURITY AGREEMENT

THIS AGREEMENT CONTAINS A WAIVER OF JURY TRIAL AND ARBITRATION CLAUSE (THE "CLAUSE"). UNLESS I OPT OUT OF THE CLAUSE, IT WILL SUBSTANTIALLY IMPACT MY RIGHTS IF I HAVE A DISPUTE WITH LENDER, INCLUDING MY RIGHT TO TAKE PART IN A CLASS ACTION.

Lender: TitleMax of Nevada, Inc. d/b/a TITLEMAX 6820 W. FLAMINGO RD SUITE F & G LAS VEGAS, NV 89103		Loan Date: 11/08/2017 Loan Number: 10869-1073-17698946 Lender Customer Service: 1-800-804-5368	
Borrower: Fredrik [REDACTED]		Co-Borrower: N/A	
Motor Vehicle Year: 2017	Motor Vehicle Make: Nissan	Motor Vehicle Model: Versa	Motor Vehicle ID #: [REDACTED] 3767

"Note" and "Agreement" mean this Title Loan Agreement, Promissory Note and Security Agreement. "Borrower", "I", "me" and "my" mean each Borrower and Co-Borrower who signs this Note. "Lender" and "you" mean TitleMax of Nevada, Inc. "Loan" means the title loan Lender makes to me under this Note pursuant to Nevada Revised Statutes Chapter 604A and regulations promulgated thereunder ("Chapter 604A"). The Loan is a "title loan" under Chapter 604A. "Vehicle" means the motor vehicle identified above. "Title" means the certificate of title for the Vehicle. Lender is licensed and regulated by the Nevada Financial Institutions Division, 3300 West Sahara Avenue, Suite 250, Las Vegas, Nevada 89102, Phone: (702) 486-4120, Fax: (702) 486-4563, <http://www.fid.nv.gov>.

FEDERAL TRUTH-IN-LENDING DISCLOSURES

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of my credit as a yearly rate.	The dollar amount the credit will cost me.	The amount of credit provided to me or on my behalf.	The amount I will have paid after I have made all payments as scheduled.
17.8%	\$51.28	\$821.00	\$1,372.38

Payment Schedule: My payment schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due (each a "Payment Due Date")
1	\$196.07	12/09/2017
1	\$196.07	01/08/2018
1	\$196.07	02/07/2018
1	\$196.07	03/09/2018
1	\$196.07	04/08/2018
1	\$196.07	05/08/2018
1	\$195.96	06/07/2018

Security: I am giving a security interest in the Vehicle described above.

Lien Filing Fee: \$21.00

Prepayment: Lender will not charge a prepayment penalty/charge if I pay all or part of the principal balance before the date on which principal is due.

See the remainder of this Note for additional information about non-payment, default, any required repayment in full before the scheduled date, and prepayment penalties.

Itemization of Amount Financed:	
Amount given to me directly:	\$800.00
Plus: Amount paid on my account(s) with Lender	\$0.00

<u>Plus:</u> Amount paid to public official for Lien Filing Fee	\$21.00
<u>Plus:</u> Amounts paid to other parties on my behalf	
Payment to: N/A	\$0.00
Payment to:	
<u>Equals:</u> Amount Financed/Principal Loan Amount	\$821.00

1. **Promise to Pay; Co-Borrower Obligations:** I promise to pay Lender, or to Lender's order, the principal sum of \$821.00 plus interest. I also promise to pay all other fees and charges in this Note. I must pay the amounts on or before the Payment Due Dates in the Payment Schedule above. If this Note is signed by more than one Borrower, each Borrower agrees to be liable to Lender jointly, and each Borrower will also be liable to Lender individually, for the Loan and other obligations under this Note. In its discretion, consistent with Chapter 604A, Lender may offer a grace period for repayment.

2. **Interest; Application of Payments; Prepayment:** Interest will accrue daily on the outstanding principal balance. The interest rate is 179.8800 % per year. Interest accrues from the Loan Date until the first to occur of (a) the Loan is paid in full, and (b) the final Payment Due Date. Interest accrues based on the number of days elapsed over a 365-day year. Lender calculates and charges interest, including interest on past due principal, as permitted by Chapter 604A. If any finance charge or other fee is held invalid, the remainder shall remain in effect. Lender applies payments first to unpaid interest, then to fees, and then to unpaid principal. The Payment Schedule and Finance Charge disclosed above, which assume that I pay all installments in full on the Payment Due Dates, ratably and fully amortize the entire principal and interest payable under this Note. I may request a payoff and prepay this Loan at any time without penalty. I will owe less interest if I pay early or prepay. The timing and amount of my payments on the Loan will impact the amount of my final payment. The original term of this Loan is 210 days. Time is of the essence under this Note.

3. **Usury Savings Clause:** Lender does not intend to charge or receive any rate or charge higher than Nevada law allows. The rate and charges under this Note will never exceed the highest lawful rate or charge. Lender will promptly refund or credit to my Loan any unlawful excess amount. Lender will reduce any excessive rate or charge to the maximum lawful rate or charge.

4. **Loan Funding and Payment; Refinance:** Lender will fund the proceeds of the Loan by check. Lender may offer other funding methods in its discretion. The Lien Filing Fee due to the Department of Motor Vehicles to record the security interest I grant in the Vehicle is included in the principal amount of the Loan and accrues interest. I authorize Lender to withhold the amount of the Lien Filing Fee from the Loan proceeds and to pay that amount directly to the Department of Motor Vehicles. Lender will not retain any portion of the Lien Filing Fee. I may make payments to Lender during Lender's normal business hours at the location at which I obtained this Loan. Lender accepts payments by cash, cashier's check, money order, debit card or other method specified by Lender from time to time. Lender does not accept personal checks or credit cards. Lender may agree to refinance this Loan in its sole discretion. As a condition to any refinance, I must pay to Lender the minimum refinance payment amount, satisfy Lender's other underwriting criteria for refinances, and enter into a new Title Loan Agreement, Promissory Note and Security Agreement with Lender.

5. **Lien Filing Fee:** Lender charges a Lien Filing Fee in the amount shown above, which is the amount paid to public officers for filing or recording an instrument securing the Loan in the proper public office.

6. **Right to Rescind:** As permitted by Chapter 604A, I may rescind this Note, without cost, no later than the close of business on the first business day after the Loan Date by returning the Amount Financed to Lender at the store at which I obtained the Loan. Upon the timely cancellation and return of the Amount Financed, Lender will credit my account for any accrued interest and any Lien Filing Fee charged, cancel the Loan, and mark it paid-in-full. If I do not cancel this Note in compliance with this Section 6, the Loan and this Note remain in full force and effect.

7. **Collateral; Security Agreement; Co-Owner Obligations:** To secure this Note and my obligations hereunder, I grant to Lender a security interest in the Collateral. "Collateral" means the Vehicle and all Vehicle improvements, attachments, insurance proceeds and refunds and sale proceeds. I am the only owner of the Collateral. The Collateral is not stolen. The Collateral has no liens. Lender may file any documents and take any actions to ensure Lender's security interest in the Collateral. I am giving Lender the Title to the Vehicle on which to record Lender's lien. If Lender asks, I will sign other documents and take other actions to support Lender's security interest. Upon payment in full, Lender will release its lien on the Vehicle.

As a condition to Lender making this Loan, any co-owner of the Vehicle who is not a Borrower under this Note must execute a separate Co-Owner Consent, Grant of Security Interest, and Waiver of Jury Trial and Arbitration Agreement to grant to Lender a security interest in the Vehicle. Any co-owner who is not a Borrower under this Note shall not be personally obligated to Lender for satisfying Borrower's obligations under this Note.

8. **Promises About the Collateral:** At all times while I owe any amount under this Note:

a. I will keep the Vehicle in good condition and repair.

- b. I will pay all taxes and charges on the Vehicle.
- c. I will not abuse the Vehicle.
- d. I will not allow damage, destruction, theft, loss or impound of the Vehicle.
- e. I will tell Lender immediately if the Vehicle is damaged, destroyed, stolen, lost or impounded.
- f. I will not use the Vehicle for illegal or business purposes.
- g. I will let Lender inspect the Vehicle from time to time.
- h. I will not sell or transfer any interest in the Collateral.
- i. I will not remove the Vehicle from the U.S. without Lender's written consent.
- j. I will not permanently remove the Vehicle from my home state without Lender's written consent.
- k. I will tell Lender immediately if I move or change my telephone number.
- l. I will not get or try to get another title to the Vehicle.
- m. I will not allow any other liens on the Vehicle.

9. **Risk of Loss:** I am liable for Vehicle damage and loss. I hold Lender harmless for all claims and costs arising from my using the Vehicle. This includes all judgments, attorneys' fees, court costs and expenses.

10. **Events of Default; Grace Periods:** I will be in default under this Note if I fail to make any payment when due or within any grace period offered to me by Lender. Lender offers a thirty (30) day grace period following each Payment Due Date, wherein I may pay the scheduled payment amount for such Payment Due Date without being considered in default. Should I not pay the full amount of the scheduled payment owing for a Payment Due Date within the grace period for such payment, I will be in default.

11. **Lender's Rights After Default; Repayment Plan:** Lender's rights after default are cumulative and not exclusive. If I default, Lender may declare all amounts outstanding under the Note immediately due and payable, and I must pay such amounts. If I default hereunder, and I am not eligible to enter into a Repayment Plan or I choose not to accept a Repayment Plan, or if I default in my obligations under a Repayment Plan, Lender may repossess and foreclose upon the Vehicle with or without judicial process. I may turn over the Vehicle to Lender any time after default. I agree to pay Lender reasonable attorneys' fees and costs if Lender brings suit to enforce my obligations under this Note. Lender also may seek any other legal or equitable relief available under Nevada law. In exercising its rights, Lender must always act lawfully and without breaching the peace. Lender may waive my default and consider my account in good standing if I bring the account current or make satisfactory payment arrangements with Lender.

If I default on the Loan, Lender must offer a Repayment Plan to me before commencing any civil action or process of alternative dispute resolution or repossessing the Vehicle.

If I default under this Note and am eligible to enter into a Repayment Plan, Lender will provide me with a written notice of my opportunity to enter into a Repayment Plan and I must agree to the Repayment Plan within 30 days of my default. Lender is not required to offer me more than one Repayment Plan for the Loan. Any Repayment Plan Lender offers me will have a minimum term of 90 days and may require me to make an initial payment of not more than 20% of the total amount due. Any Repayment Plan Lender and I enter into will comply in all respects with Chapter 604A. Unless authorized by Nevada law, Lender will not (1) charge any other amount to enter into a Repayment Plan, (2) accept any additional security or collateral to enter into a Repayment Plan, (3) make any other loan to me while a Repayment Plan is in effect, (4) attempt to collect the outstanding account balance or repossess the Vehicle during a Repayment Plan unless I default thereunder, or (5) attempt to collect an amount that is greater than what I owe under the Repayment Plan.

12. **Vehicle Repossession:** If Lender repossesses the Vehicle, the following applies:

- a. **Notice.** Lender will send notice at least 10 days before selling the Vehicle. The notice will tell me how to buy back the Vehicle. To buy back the Vehicle, I must pay all I owe under the Note.
- b. **Vehicle Buy Back.** I may buy back the Vehicle at any time before Lender sells it. If I do not buy it back before Lender sells it, I lose all rights in the Collateral.
- c. **Sale.** If I do not buy back the Vehicle, Lender will sell the Vehicle at a private or public sale. Lender will apply the sale proceeds in accordance with Nevada law.
- d. **Surplus or Deficiency.** If there is money left, Lender will pay it to me. If there is not enough money to pay what I owe, Lender may require me to pay what is still owed.
- e. **Costs.** I agree to pay Lender reasonable costs to take, store, prepare for sale, and sell the Vehicle.

13. **Limited Recourse:** If Lender takes and sells the Vehicle, Lender will not sue me for the Loan balance unless I have (i) wrongfully prevented the repossession and sale of the Vehicle by any means or (ii) damaged or otherwise committed or permitted waste on the Vehicle. Lender may also pursue me if I have engaged in fraud or have wrongfully transferred any interest in the Vehicle while the Loan is outstanding.

14. **Waivers:** If Lender delays or does not enforce its rights every time, Lender can still do so later. I waive presentment, demand for payment, notice of intent to accelerate, notice of acceleration, protest, and notice of dishonor. Lender need not sue, arbitrate or show diligence in collecting against me or others. Lender need not go against the Vehicle. Lender may require that any Borrower pay the whole Loan without asking anyone else to pay. Lender may sue any Borrower without giving up any of its rights against any other Borrower. Lender may sue or arbitrate with a person without joining or suing others. Lender may release or modify a person's liability without changing other persons' liability.

15. **Communications:** Send all correspondence to Lender to TitleMax of Nevada, Inc., Legal Department, P.O. Box 8323, Savannah, Georgia 31412 (the "Notice Address"). Send all correspondence to me to my address above or any other address I give to Lender in writing (the "Borrower Address"). This Section 15 covers all correspondence between Lender and Borrower, including correspondence after default or Borrower's bankruptcy.

16. **Notice and Cure:** Before suing or starting arbitration about (i) Borrower's credit application, (ii) this Note, (iii) the Vehicle, or (iv) the Loan, each party agrees to do all of the following:

a. The party filing the dispute (the "Claimant") must tell all other parties (the "Defending Party") of the dispute (the "Dispute Notice"). Each Dispute Notice must describe the nature of the claim and relief requested. Each Dispute Notice must be written and, except for collections letters from Lender, must give at least 30 days to solve the dispute.

b. Claimant must mail Dispute Notices to the Notice Address for Lender and the Borrower Address for Borrower. Dispute Notices to Lender must include the Loan Number and Borrower's mailing address and phone number.

c. If Defending Party asks for more information about the dispute, Claimant must give it.

d. If applicable, Lender also must comply with its obligations under Chapter 604A with respect to offering Borrower a Repayment Plan.

17. **Reporting to Credit Bureaus:** Lender may report information about my Loan to credit bureaus. My credit report may reflect late payments, missed payments or other defaults on my account.

18. **Important Information About Opening Accounts:** To help fight terrorism and money laundering, Lender must identify each person who opens an account. I must give Lender my name, address, date of birth and other requested information and documents, such as my driver's license.

19. **Telephone Recording:** Lender may monitor and record any phone conversation Lender and I have.

20. **Severability:** Invalid terms hereof will be changed to comply with law. Such change will not affect any other term hereof. If a class action suit or class-wide arbitration is allowed, either party may require that a judge (with no jury) hear the dispute. Such judge will apply relevant court rules and procedures.

21. **Successors and Assigns:** This Note binds each Borrower's heirs, personal representatives in probate, successors and assigns and Lender's successors and assigns. Lender may assign all of its rights hereunder. No Borrower may assign its rights hereunder without Lender's written consent.

22. **Governing Law:** This Note and the Loan involve interstate commerce. Nevada law governs this Note, but the Federal Arbitration Act governs the Waiver of Jury Trial and Arbitration Clause in Section 24.

23. **WAIVER OF RIGHT TO TRIAL BY JURY: TRIAL BY JURY IS A CONSTITUTIONAL RIGHT. UNDER CERTAIN CONDITIONS THE LAW ALLOWS PARTIES TO WAIVE THIS RIGHT. LENDER AND I KNOWINGLY AND FREELY WAIVE ALL RIGHTS TO A JURY TRIAL FOR ANY SUIT RELATED DIRECTLY OR INDIRECTLY TO (A) THIS NOTE OR (B) THE LOAN. THIS JURY TRIAL WAIVER WILL NOT CHANGE ANY ARBITRATION CLAUSE TO WHICH LENDER AND I AGREE. SUCH CLAUSE HAS ITS OWN SEPARATE JURY TRIAL WAIVER.**

24. **WAIVER OF JURY TRIAL AND ARBITRATION CLAUSE:** By signing below, Lender and I agree to this Waiver of Jury Trial and Arbitration Clause, including a waiver of class actions (the "Clause"). This Clause is in Q & A form so it is easier to understand. This Clause is a legally binding part of this Note.

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 my application, this Note, the Vehicle, the Loan, or my 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 collections, privacy, and customer information. It includes claims and

		disagreements that usually would be resolved in court. "Dispute" also includes claims and disagreements I have 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 I pursue while I pursue a Dispute with Lender (like a repossession company).
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 is usually less formal, faster, and less costly than a lawsuit. Pre-hearing fact finding is limited. Appeals are limited. Courts rarely overturn arbitration awards.
Can I opt out of this Clause?	Yes, within 60 days	If I do not want this Clause to apply, I have 60 days from the Loan Date to opt out. To opt out, I must tell Lender in a writing I send to the Notice Address. I must give my name, address, Loan number and Loan Date. I must state that I "opt out" of this Clause. I may not send my notice electronically.
What is this Clause about?	The parties' agreement to arbitrate Disputes	Lender and I agree that any party may arbitrate or demand arbitration of any Dispute unless I opt out or the law does not allow it.
Who does the Clause cover?	Lender and me	This Clause covers Lender and me. This Clause also applies if I have a Dispute with a Related Party related in some way to my application, this Note, the Vehicle, the Loan, or my dealings with Lender. Related Parties are not bound by this Clause. I may not compel a Related Party to arbitration. A Related Party may compel me to arbitrate Disputes that are 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 me. 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 and not the TPA to decide. Also, this Clause does not cover any case I file to stop Lender from taking or selling the Vehicle.
Who handles the arbitration?	Usually JAMS	Arbitrations must be conducted under this Clause. The arbitration company will be either: <ul style="list-style-type: none"> • JAMS, 620 Eighth Avenue, 34th Floor, New York, NY 10018, www.jamsadr.org; or • Any other company the parties choose together. If either option is unavailable, the parties may agree to an independent TPA or a court will pick the TPA or arbitration company. No arbitration may be held without Lender's consent by an arbitration company or TPA that would allow class arbitration under this Clause. <p>The TPA will be selected under the arbitration company's rules. Unless Lender and I agree otherwise, the TPA must be a lawyer with 10 or more 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 chose an independent TPA, then such TPA will follow the JAMS consumer arbitration rules. 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 I bring for myself in small claims court. But, Lender may demand arbitration of any appealed small claims decision or any small claims action brought as a class.
Am I giving up any rights?	Yes	For Disputes subject to this Clause, I give up my right to: <ol style="list-style-type: none"> 1. Have a jury decide Disputes.

		<p>2. Have a court, other than a small claims court, decide Disputes.</p> <p>3. Serve as a private attorney general or in a representative capacity.</p> <p>4. Join a Dispute I have with a dispute by other consumers.</p> <p>5. Bring or be a class member in a class action or class arbitration.</p> <p>Lender also waives its jury trial right and its right to have a court decide Disputes Lender starts.</p>
Can I or anyone else start class arbitration?	No	The TPA <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 the 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.
Will anything I do negate this Clause?	No, though I can opt out	This Clause stays in force if I: (1) cancel the Loan; (2) default, refinance, prepay, or pay the Loan in full; or (3) go into bankruptcy. I can opt out as described above.
PROCESS		
Question	Short Answer	Further Detail
What must be done before starting a lawsuit or arbitration?	Send a written Dispute Notice and work to resolve the Dispute	Before starting a lawsuit or arbitration, Claimant must give a Dispute Notice as Section 18 above requires. If I am the Claimant, I or my attorney must sign the Dispute Notice. I must give the Loan number and a contact number for me or my 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. 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 me. The TPA may decide that an in-person hearing is not needed. A Dispute may be resolved in writing and by conference call.
What about appeals?	Very limited	The FAA limits appeal rights. For Disputes over \$60,000, 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		
Question	Short Answer	Further Detail
Who pays arbitration fees?	Usually, Lender does	Lender will pay all filing, hearing, and TPA fees if I act in good faith, I cannot get a fee waiver, and I ask Lender to pay.
When will Lender cover my legal fees and costs?	If I win	If the TPA finds for me, Lender will pay my 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 my Dispute is for a small amount, the TPA will not limit the award of such costs.
Will I ever owe Lender for fees or costs?	If I act in bad faith	The TPA can make me pay Lender's arbitration, attorney, expert, and witness fees and costs if it finds that I 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 informally resolve a Dispute mean a larger recovery for me?	Yes	If Borrower wins the arbitration, Borrower may be entitled to a minimum award of \$7,500. To get the minimum award, I first must comply with this Clause. Secondly, the TPA must award money damages to me in an amount that is greater than the last amount I asked for in settlement, if I 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 I may get. The minimum award applies to all Disputes I 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 the ruling in writing.

25. **Borrower's Ability to Repay the Loan:** By signing this Note, I confirm that I provided Lender with an affidavit stating that (a) I gave Lender true and correct information and documentation concerning my income, obligations, employment (if applicable) and ownership of the Vehicle, and (b) I have the ability to repay the Loan.

26. **Borrower Representations:** By signing this Note:

- I promise that all information I gave to Lender in my application is true, complete and correct.
- I have read, understand and agree to this entire Note, including the Waiver of Jury Trial and Arbitration Clause in Section 24. I may opt out of arbitration as described in Section 24.
- I have received an exact copy of this fully completed Note, all blank spaces in which had been completed before I signed.
- I am 18 years of age or older. I have full legal authority and capacity to sign this Note.
- I have received Lender's Privacy Policy.
- I am a rightful owner of the Vehicle.
- I am not a debtor in bankruptcy. I do not intend to file a federal bankruptcy petition.
- I AM NOT a regular or reserve member of the Army, Navy, Marine Corps, Air Force, or Coast Guard, serving on active duty under a call or order that does not specify a period of 30 days or fewer (or a dependent of such a member).

27. **Entire Agreement:** This Note is the only agreement between Lender and me for this Loan. Lender and I have no oral agreements about the Loan. Lender and I may change this Note only by a writing signed by all of us.

BORROWER: Fredrik Kummernes

By signing this Note, Lender agrees to be bound by this Note, including the Waiver of Jury Trial and Arbitration Clause.

Borrower Signature

Date

LENDER:

TitleMax of Nevada, Inc. d/b/a TITLEMAX

CO-BORROWER: N/A

By:

Duly Authorized

Co-Borrower Signature

Date

LENDER HAS PLEDGED THIS NOTE AS COLLATERAL AND GRANTED A SECURITY INTEREST HEREIN TO WELLS FARGO BANK, NATIONAL ASSOCIATION, AS COLLATERAL AGENT.

NV BORROWER RECEIPT

LICENSEE: TITLEMAX OF NEVADA, INC. D/B/A TITLEMAX 6820 W. FLAMINGO RD SUITE F & G LAS VEGAS, NV 89103	BORROWER: Fredrik [REDACTED] [REDACTED]
PAYMENT DATE: 11/13/2017	ACCOUNT NO.: 10869-1073-17698946 <i>*If you have multiple loans, this payment was applied to the loan number identified above.</i>
PAYMENT DETAILS: Payment Total: \$100.00 Interest: \$16.18 Charges: \$0.00	ACCOUNT DETAILS (as of payment date): Total Balance: \$737.18

- ☐ Account paid in full by rescission
☐ Account paid in full and title returned
☐ Repayment Plan Agreement

NV BORROWER RECEIPT

LICENSEE: TITLEMAX OF NEVADA, INC. D/B/A TITLEMAX 6820 W. FLAMINGO RD SUITE F & G LAS VEGAS, NV 89103	BORROWER: Fredrik [REDACTED] [REDACTED]
PAYMENT DATE: 11/20/2017	ACCOUNT NO.: 10869-1073-17698946 <i>*If you have multiple loans, this payment was applied to the loan number identified above.</i>
PAYMENT DETAILS: Payment Total: \$100.00 Interest: \$25.43 Charges: \$0.00	ACCOUNT DETAILS (as of payment date): Total Balance: \$662.61

- ☐ Account paid in full by rescission
- ☐ Account paid in full and title returned
- ☐ Repayment Plan Agreement

NV BORROWER RECEIPT

LICENSEE: TITLEMAX OF NEVADA, INC. D/B/A TITLEMAX 6820 W. FLAMINGO RD SUITE F & G LAS VEGAS, NV 89103	BORROWER: Fredrik [REDACTED] [REDACTED]
PAYMENT DATE: 12/01/2017	ACCOUNT NO.: 10869-1073-17698946 <i>*If you have multiple loans, this payment was applied to the loan number identified above.</i>
PAYMENT DETAILS: Payment Total: \$35.92 Interest: \$35.92 Charges: \$0.00	ACCOUNT DETAILS (as of payment date): Total Balance: \$662.61

- ☐ Account paid in full by rescission
☐ Account paid in full and title returned
☐ Repayment Plan Agreement

TITLE LOAN AGREEMENT, PROMISSORY NOTE AND SECURITY AGREEMENT

THIS AGREEMENT CONTAINS A WAIVER OF JURY TRIAL AND ARBITRATION CLAUSE (THE "CLAUSE"). UNLESS I OPT OUT OF THE CLAUSE, IT WILL SUBSTANTIALLY IMPACT MY RIGHTS IF I HAVE A DISPUTE WITH LENDER, INCLUDING MY RIGHT TO TAKE PART IN A CLASS ACTION.

Lender: TitleMax of Nevada, Inc. d/b/a TITLMAX 6820 W. FLAMINGO RD SUITE F & G LAS VEGAS, NV 89103		Loan Date: 12/01/2017 Loan Number: 10889-1134-17887174 Lender Customer Service: 1-800-804-5368	
Borrower: Fredrik [REDACTED]		Co-Borrower: N/A	
Motor Vehicle Year: 2017	Motor Vehicle Make: Nissan	Motor Vehicle Model: Versa	Motor Vehicle ID #: [REDACTED] 3767

"Note" and "Agreement" mean this Title Loan Agreement, Promissory Note and Security Agreement. "Borrower", "I", "me" and "my" mean each Borrower and Co-Borrower who signs this Note. "Lender" and "you" mean TitleMax of Nevada, Inc. "Loan" means the title loan Lender makes to me under this Note pursuant to Nevada Revised Statutes Chapter 604A and regulations promulgated thereunder ("Chapter 604A"). The Loan is a "title loan" under Chapter 604A. "Vehicle" means the motor vehicle identified above. "Title" means the certificate of title for the Vehicle. Lender is licensed and regulated by the Nevada Financial Institutions Division, 3300 West Sahara Avenue, Suite 250, Las Vegas, Nevada 89102, Phone: (702) 486-4120, Fax: (702) 486-4563, <http://www.fid.nv.gov>.

FEDERAL TRUTH-IN-LENDING DISCLOSURES

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of my credit as a yearly rate.	The dollar amount the credit will cost me.	The amount of credit provided to me or on my behalf.	The amount I will have paid after I have made all payments as scheduled.
15.99%	\$1412.38	\$2,462.61	\$3,874.99

Payment Schedule: My payment schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due (each a "Payment Due Date")
1	\$553.57	12/31/2017
1	\$553.57	01/30/2018
1	\$553.57	03/01/2018
1	\$553.57	03/31/2018
1	\$553.57	04/30/2018
1	\$553.57	05/30/2018
1	\$553.57	06/29/2018

Security: I am giving a security interest in the Vehicle described above.

Lien Filing Fee: \$0.00

Prepayment: Lender will not charge a prepayment penalty/charge if I pay all or part of the principal balance before the date on which principal is due.

See the remainder of this Note for additional information about non-payment, default, any required repayment in full before the scheduled date, and prepayment penalties.

Itemization of Amount Financed:	
Amount given to me directly:	\$1,800.00
Plus: Amount paid on my account(s) with Lender	\$682.61

Plus: Amount paid to public official for Lien Filing Fee	\$0.00
Plus: Amounts paid to other parties on my behalf	
Payment to: N/A	\$0.00
Payment to:	
Equals: Amount Financed/Principal Loan Amount	\$2,462.61

1. **Promise to Pay; Co-Borrower Obligations:** I promise to pay Lender, or to Lender's order, the principal sum of \$2,462.61 plus interest. I also promise to pay all other fees and charges in this Note. I must pay the amounts on or before the Payment Due Dates in the Payment Schedule above. If this Note is signed by more than one Borrower, each Borrower agrees to be liable to Lender jointly, and each Borrower will also be liable to Lender individually, for the Loan and other obligations under this Note. In its discretion, consistent with Chapter 604A, Lender may offer a grace period for repayment.

2. **Interest; Application of Payments; Prepayment:** Interest will accrue daily on the outstanding principal balance. The interest rate is 155.8800% per year. Interest accrues from the Loan Date until the first to occur of (a) the Loan is paid in full, and (b) the final Payment Due Date. Interest accrues based on the number of days elapsed over a 365-day year. Lender calculates and charges interest, including interest on past due principal, as permitted by Chapter 604A. If any finance charge or other fee is held invalid, the remainder shall remain in effect. Lender applies payments first to unpaid interest, then to fees, and then to unpaid principal. The Payment Schedule and Finance Charge disclosed above, which assume that I pay all installments in full on the Payment Due Dates, ratably and fully amortize the entire principal and interest payable under this Note. I may request a payoff and prepay this Loan at any time without penalty. I will owe less interest if I pay early or prepay. The timing and amount of my payments on the Loan will impact the amount of my final payment. The original term of this Loan is 210 days. Time is of the essence under this Note.

3. **Usury Savings Clause:** Lender does not intend to charge or receive any rate or charge higher than Nevada law allows. The rate and charges under this Note will never exceed the highest lawful rate or charge. Lender will promptly refund or credit to my Loan any unlawful excess amount. Lender will reduce any excessive rate or charge to the maximum lawful rate or charge.

4. **Loan Funding and Payment; Refinance:** Lender will fund the proceeds of the Loan by check. Lender may offer other funding methods in its discretion. The Lien Filing Fee due to the Department of Motor Vehicles to record the security interest I grant in the Vehicle is included in the principal amount of the Loan and accrues interest. I authorize Lender to withhold the amount of the Lien Filing Fee from the Loan proceeds and to pay that amount directly to the Department of Motor Vehicles. Lender will not retain any portion of the Lien Filing Fee. I may make payments to Lender during Lender's normal business hours at the location at which I obtained this Loan. Lender accepts payments by cash, cashier's check, money order, debit card or other method specified by Lender from time to time. Lender does not accept personal checks or credit cards. Lender may agree to refinance this Loan in its sole discretion. As a condition to any refinance, I must pay to Lender the minimum refinance payment amount, satisfy Lender's other underwriting criteria for refinances, and enter into a new Title Loan Agreement, Promissory Note and Security Agreement with Lender.

5. **Lien Filing Fee:** Lender charges a Lien Filing Fee in the amount shown above, which is the amount paid to public officers for filing or recording an instrument securing the Loan in the proper public office.

6. **Right to Rescind:** As permitted by Chapter 604A, I may rescind this Note, without cost, no later than the close of business on the first business day after the Loan Date by returning the Amount Financed to Lender at the store at which I obtained the Loan. Upon the timely cancellation and return of the Amount Financed, Lender will credit my account for any accrued interest and any Lien Filing Fee charged, cancel the Loan, and mark it paid-in-full. If I do not cancel this Note in compliance with this Section 6, the Loan and this Note remain in full force and effect.

7. **Collateral; Security Agreement; Co-Owner Obligations:** To secure this Note and my obligations hereunder, I grant to Lender a security interest in the Collateral. "Collateral" means the Vehicle and all Vehicle improvements, attachments, insurance proceeds and refunds and sale proceeds. I am the only owner of the Collateral. The Collateral is not stolen. The Collateral has no liens. Lender may file any documents and take any actions to ensure Lender's security interest in the Collateral. I am giving Lender the Title to the Vehicle on which to record Lender's lien. If Lender asks, I will sign other documents and take other actions to support Lender's security interest. Upon payment in full, Lender will release its lien on the Vehicle.

As a condition to Lender making this Loan, any co-owner of the Vehicle who is not a Borrower under this Note must execute a separate Co-Owner Consent, Grant of Security Interest, and Waiver of Jury Trial and Arbitration Agreement to grant to Lender a security interest in the Vehicle. Any co-owner who is not a Borrower under this Note shall not be personally obligated to Lender for satisfying Borrower's obligations under this Note.

8. **Promises About the Collateral:** At all times while I owe any amount under this Note:
a. I will keep the Vehicle in good condition and repair.

- b. I will pay all taxes and charges on the Vehicle.
- c. I will not abuse the Vehicle.
- d. I will not allow damage, destruction, theft, loss or impound of the Vehicle.
- e. I will tell Lender immediately if the Vehicle is damaged, destroyed, stolen, lost or impounded.
- f. I will not use the Vehicle for illegal or business purposes.
- g. I will let Lender inspect the Vehicle from time to time.
- h. I will not sell or transfer any interest in the Collateral.
- i. I will not remove the Vehicle from the U.S. without Lender's written consent.
- j. I will not permanently remove the Vehicle from my home state without Lender's written consent.
- k. I will tell Lender immediately if I move or change my telephone number.
- l. I will not get or try to get another title to the Vehicle.
- m. I will not allow any other liens on the Vehicle.

9. **Risk of Loss:** I am liable for Vehicle damage and loss. I hold Lender harmless for all claims and costs arising from my using the Vehicle. This includes all judgments, attorneys' fees, court costs and expenses.

10. **Events of Default; Grace Periods:** I will be in default under this Note if I fail to make any payment when due or within any grace period offered to me by Lender. Lender offers a thirty (30) day grace period following each Payment Due Date, wherein I may pay the scheduled payment amount for such Payment Due Date without being considered in default. Should I not pay the full amount of the scheduled payment owing for a Payment Due Date within the grace period for such payment, I will be in default.

11. **Lender's Rights After Default; Repayment Plan:** Lender's rights after default are cumulative and not exclusive. If I default, Lender may declare all amounts outstanding under the Note immediately due and payable, and I must pay such amounts. If I default hereunder, and I am not eligible to enter into a Repayment Plan or I choose not to accept a Repayment Plan, or if I default in my obligations under a Repayment Plan, Lender may repossess and foreclose upon the Vehicle with or without judicial process. I may turn over the Vehicle to Lender any time after default. I agree to pay Lender reasonable attorneys' fees and costs if Lender brings suit to enforce my obligations under this Note. Lender also may seek any other legal or equitable relief available under Nevada law. In exercising its rights, Lender must always act lawfully and without breaching the peace. Lender may waive my default and consider my account in good standing if I bring the account current or make satisfactory payment arrangements with Lender.

If I default on the Loan, Lender must offer a Repayment Plan to me before commencing any civil action or process of alternative dispute resolution or repossessing the Vehicle.

If I default under this Note and am eligible to enter into a Repayment Plan, Lender will provide me with a written notice of my opportunity to enter into a Repayment Plan and I must agree to the Repayment Plan within 30 days of my default. Lender is not required to offer me more than one Repayment Plan for the Loan. Any Repayment Plan Lender offers me will have a minimum term of 90 days and may require me to make an initial payment of not more than 20% of the total amount due. Any Repayment Plan Lender and I enter into will comply in all respects with Chapter 604A. Unless authorized by Nevada law, Lender will not (1) charge any other amount to enter into a Repayment Plan, (2) accept any additional security or collateral to enter into a Repayment Plan, (3) make any other loan to me while a Repayment Plan is in effect, (4) attempt to collect the outstanding account balance or repossess the Vehicle during a Repayment Plan unless I default thereunder, or (5) attempt to collect an amount that is greater than what I owe under the Repayment Plan.

12. **Vehicle Repossession:** If Lender repossesses the Vehicle, the following applies:

- a. **Notice.** Lender will send notice at least 10 days before selling the Vehicle. The notice will tell me how to buy back the Vehicle. To buy back the Vehicle, I must pay all I owe under the Note.
- b. **Vehicle Buy Back.** I may buy back the Vehicle at any time before Lender sells it. If I do not buy it back before Lender sells it, I lose all rights in the Collateral.
- c. **Sale.** If I do not buy back the Vehicle, Lender will sell the Vehicle at a private or public sale. Lender will apply the sale proceeds in accordance with Nevada law.
- d. **Surplus or Deficiency.** If there is money left, Lender will pay it to me. If there is not enough money to pay what I owe, Lender may require me to pay what is still owed.
- e. **Costs.** I agree to pay Lender reasonable costs to take, store, prepare for sale, and sell the Vehicle.

13. **Limited Recourse:** If Lender takes and sells the Vehicle, Lender will not sue me for the Loan balance unless I have (i) wrongfully prevented the repossession and sale of the Vehicle by any means or (ii) damaged or otherwise committed or permitted waste on the Vehicle. Lender may also pursue me if I have engaged in fraud or have wrongfully transferred any interest in the Vehicle while the Loan is outstanding.

14. **Waivers:** If Lender delays or does not enforce its rights every time, Lender can still do so later. I waive presentment, demand for payment, notice of intent to accelerate, notice of acceleration, protest, and notice of dishonor. Lender need not sue, arbitrate or show diligence in collecting against me or others. Lender need not go against the Vehicle. Lender may require that any Borrower pay the whole Loan without asking anyone else to pay. Lender may sue any Borrower without giving up any of its rights against any other Borrower. Lender may sue or arbitrate with a person without joining or suing others. Lender may release or modify a person's liability without changing other persons' liability.

15. **Communications:** Send all correspondence to Lender to TitleMax of Nevada, Inc., Legal Department, P.O. Box 8323, Savannah, Georgia 31412 (the "Notice Address"). Send all correspondence to me to my address above or any other address I give to Lender in writing (the "Borrower Address"). This Section 15 covers all correspondence between Lender and Borrower, including correspondence after default or Borrower's bankruptcy.

16. **Notice and Cure:** Before suing or starting arbitration about (i) Borrower's credit application, (ii) this Note, (iii) the Vehicle, or (iv) the Loan, each party agrees to do all of the following:

a. The party filing the dispute (the "Claimant") must tell all other parties (the "Defending Party") of the dispute (the "Dispute Notice"). Each Dispute Notice must describe the nature of the claim and relief requested. Each Dispute Notice must be written and, except for collections letters from Lender, must give at least 30 days to solve the dispute.

b. Claimant must mail Dispute Notices to the Notice Address for Lender and the Borrower Address for Borrower. Dispute Notices to Lender must include the Loan Number and Borrower's mailing address and phone number.

c. If Defending Party asks for more information about the dispute, Claimant must give it.

d. If applicable, Lender also must comply with its obligations under Chapter 604A with respect to offering Borrower a Repayment Plan.

17. **Reporting to Credit Bureaus:** Lender may report information about my Loan to credit bureaus. My credit report may reflect late payments, missed payments or other defaults on my account.

18. **Important Information About Opening Accounts:** To help fight terrorism and money laundering, Lender must identify each person who opens an account. I must give Lender my name, address, date of birth and other requested information and documents, such as my driver's license.

19. **Telephone Recording:** Lender may monitor and record any phone conversation Lender and I have.

20. **Severability:** Invalid terms hereof will be changed to comply with law. Such change will not affect any other term hereof. If a class action suit or class-wide arbitration is allowed, either party may require that a judge (with no jury) hear the dispute. Such judge will apply relevant court rules and procedures.

21. **Successors and Assigns:** This Note binds each Borrower's heirs, personal representatives in probate, successors and assigns and Lender's successors and assigns. Lender may assign all of its rights hereunder. No Borrower may assign its rights hereunder without Lender's written consent.

22. **Governing Law:** This Note and the Loan involve interstate commerce. Nevada law governs this Note, but the Federal Arbitration Act governs the Waiver of Jury Trial and Arbitration Clause in Section 24.

23. **WAIVER OF RIGHT TO TRIAL BY JURY:** TRIAL BY JURY IS A CONSTITUTIONAL RIGHT. UNDER CERTAIN CONDITIONS THE LAW ALLOWS PARTIES TO WAIVE THIS RIGHT. LENDER AND I KNOWINGLY AND FREELY WAIVE ALL RIGHTS TO A JURY TRIAL FOR ANY SUIT RELATED DIRECTLY OR INDIRECTLY TO (A) THIS NOTE OR (B) THE LOAN. THIS JURY TRIAL WAIVER WILL NOT CHANGE ANY ARBITRATION CLAUSE TO WHICH LENDER AND I AGREE. SUCH CLAUSE HAS ITS OWN SEPARATE JURY TRIAL WAIVER.

24. **WAIVER OF JURY TRIAL AND ARBITRATION CLAUSE:** By signing below, Lender and I agree to this Waiver of Jury Trial and Arbitration Clause, including a waiver of class actions (the "Clause"). This Clause is in Q & A form so it is easier to understand. This Clause is a legally binding part of this Note.

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 my application, this Note, the Vehicle, the Loan, or my 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 collections, privacy, and customer information. It includes claims and

		disagreements that usually would be resolved in court. "Dispute" also includes claims and disagreements I have 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 I pursue while I pursue a Dispute with Lender (like a repossession company).
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 is usually less formal, faster, and less costly than a lawsuit. Pre-hearing fact finding is limited. Appeals are limited. Courts rarely overturn arbitration awards.
Can I opt out of this Clause?	Yes, within 60 days	If I do not want this Clause to apply, I have 60 days from the Loan Date to opt out. To opt out, I must tell Lender in a writing I send to the Notice Address. I must give my name, address, Loan number and Loan Date. I must state that I "opt out" of this Clause. I may not send my notice electronically.
What is this Clause about?	The parties' agreement to arbitrate Disputes	Lender and I agree that any party may arbitrate or demand arbitration of any Dispute unless I opt out or the law does not allow it.
Who does the Clause cover?	Lender and me	This Clause covers Lender and me. This Clause also applies if I have a Dispute with a Related Party related in some way to my application, this Note, the Vehicle, the Loan, or my dealings with Lender. Related Parties are not bound by this Clause. I may not compel a Related Party to arbitration. A Related Party may compel me to arbitrate Disputes that are 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 me. 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 and not the TPA to decide. Also, this Clause does not cover any case I file to stop Lender from taking or selling the Vehicle.
Who handles the arbitration?	Usually JAMS	Arbitrations must be conducted under this Clause. The arbitration company will be either: <ul style="list-style-type: none"> JAMS, 620 Eighth Avenue, 34th Floor, New York, NY 10018, www.jamsadr.org; or Any other company the parties choose together. If either option is unavailable, the parties may agree to an independent TPA or a court will pick the TPA or arbitration company. No arbitration may be held without Lender's consent by an arbitration company or TPA that would allow class arbitration under this Clause. The TPA will be selected under the arbitration company's rules. Unless Lender and I agree otherwise, the TPA must be a lawyer with 10 or more years of experience or a retired judge.
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 chose an independent TPA, then such TPA will follow the JAMS consumer arbitration rules. 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 I bring for myself in small claims court. But, Lender may demand arbitration of any appealed small claims decision or any small claims action brought as a class.
Am I giving up any rights?	Yes	For Disputes subject to this Clause, I give up my right to: <ol style="list-style-type: none"> 1. Have a jury decide Disputes.

		<ol style="list-style-type: none"> 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 I 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 I or anyone else start class arbitration?	No	The TPA <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 the 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.
Will anything I do negate this Clause?	No, though I can opt out	This Clause stays in force if I: (1) cancel the Loan; (2) default, refinance, prepay, or pay the Loan in full; or (3) go into bankruptcy. I can opt out as described above.
PROCESS		
Question	Short Answer	Further Detail
What must be done before starting a lawsuit or arbitration?	Send a written Dispute Notice and work to resolve the Dispute	Before starting a lawsuit or arbitration, Claimant must give a Dispute Notice as Section 16 above requires. If I am the Claimant, I or my attorney must sign the Dispute Notice. I must give the Loan number and a contact number for me or my 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. 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 me. The TPA may decide that an in-person hearing is not needed. A Dispute may be resolved in writing and by conference call.
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		
Question	Short Answer	Further Detail
Who pays arbitration fees?	Usually, Lender does	Lender will pay all filing, hearing, and TPA fees if I act in good faith, I cannot get a fee waiver, and I ask Lender to pay.
When will Lender cover my legal fees and costs?	If I win	If the TPA finds for me, Lender will pay my 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 my Dispute is for a small amount, the TPA will not limit the award of such costs.
Will I ever owe Lender for fees or costs?	If I act in bad faith	The TPA can make me pay Lender's arbitration, attorney, expert, and witness fees and costs if it finds that I 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 informally resolve a dispute mean a larger recovery for me?	Yes	If Borrower wins the arbitration, Borrower may be entitled to a minimum award of \$7,500. To get the minimum award, I first must comply with this Clause. Secondly, the TPA must award money damages to me in an amount that is greater than the last amount I asked for in settlement, if I 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 I may get. The minimum award applies to all Disputes I 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 the ruling in writing.

25. **Borrower's Ability to Repay the Loan:** By signing this Note, I confirm that I provided Lender with an affidavit stating that (a) I gave Lender true and correct information and documentation concerning my income, obligations, employment (if applicable) and ownership of the Vehicle, and (b) I have the ability to repay the Loan.

26. **Borrower Representations:** By signing this Note:

- a. I promise that all information I gave to Lender in my application is true, complete and correct.
- b. I have read, understand and agree to this entire Note, including the Waiver of Jury Trial and Arbitration Clause in Section 24. I may opt out of arbitration as described in Section 24.
- c. I have received an exact copy of this fully completed Note, all blank spaces in which had been completed before I signed.
- d. I am 18 years of age or older. I have full legal authority and capacity to sign this Note.
- e. I have received Lender's Privacy Policy.
- f. I am a rightful owner of the Vehicle.
- g. I am not a debtor in bankruptcy. I do not intend to file a federal bankruptcy petition.
- h. I AM NOT a regular or reserve member of the Army, Navy, Marine Corps, Air Force, or Coast Guard, serving on active duty under a call or order that does not specify a period of 30 days or fewer (or a dependent of such a member).

27. **Entire Agreement:** This Note is the only agreement between Lender and me for this Loan. Lender and I have no oral agreements about the Loan. Lender and I may change this Note only by a writing signed by all of us.

BORROWER: Fredrik Kummernes

By signing this Note, Lender agrees to be bound by this Note, including the Waiver of Jury Trial and Arbitration Clause.

Borrower Signature

Date

LENDER:

TitleMax of Nevada, Inc. d/b/a TITLEMAX

CO-BORROWER: N/A

By: _____

Duly Authorized

Co-Borrower Signature

Date

LENDER HAS PLEDGED THIS NOTE AS COLLATERAL AND GRANTED A SECURITY INTEREST HEREIN TO WELLS FARGO BANK, NATIONAL ASSOCIATION, AS COLLATERAL AGENT.

NV BORROWER RECEIPT

LICENSEE: TITLEMAX OF NEVADA, INC. D/B/A TITLEMAX 8820 W. FLAMINGO RD SUITE F & G LAS VEGAS, NV 89103	BORROWER: Fredrik [REDACTED] [REDACTED]
PAYMENT DATE: 12/13/2017	ACCOUNT NO.: 10889-1134-17867174 <i>*If you have multiple loans, this payment was applied to the loan number identified above.</i>
PAYMENT DETAILS: Payment Total: \$800.00 Interest: \$128.20 Charges: \$0.00	ACCOUNT DETAILS (as of payment date): Total Balance: \$1,988.81

- ☐ Account paid in full by rescission
☐ Account paid in full and title returned
☐ Repayment Plan Agreement

NV BORROWER RECEIPT

LICENSEE: TITLEMAX OF NEVADA, INC. D/B/A TITLEMAX 6820 W. FLAMINGO RD SUITE F & G LAS VEGAS, NV 89103	BORROWER: Fredrik [REDACTED] [REDACTED]
PAYMENT DATE: 12/28/2017	ACCOUNT NO.: 10869-1134-17867174 <i>*If you have multiple loans, this payment was applied to the loan number identified above.</i>
PAYMENT DETAILS: Payment Total: \$140.00 Interest: \$127.40 Charges: \$0.00	ACCOUNT DETAILS (as of payment date): Total Balance: \$1,976.21

- ☐ Account paid in full by rescission
☐ Account paid in full and title returned
☐ Repayment Plan Agreement

TITLE LOAN AGREEMENT, PROMISSORY NOTE AND SECURITY AGREEMENT

THIS AGREEMENT CONTAINS A WAIVER OF JURY TRIAL AND ARBITRATION CLAUSE (THE "CLAUSE"). UNLESS I OPT OUT OF THE CLAUSE, IT WILL SUBSTANTIALLY IMPACT MY RIGHTS IF I HAVE A DISPUTE WITH LENDER, INCLUDING MY RIGHT TO TAKE PART IN A CLASS ACTION.

Lender: TitleMax of Nevada, Inc. d/b/a TITLMAX 6820 W. FLAMINGO RD SUITE F & G LAS VEGAS, NV 89103		Loan Date: 12/28/2017 Loan Number: 10869-1211-18334993 Lender Customer Service: 1-800-804-5368	
Borrower: Fredrik [REDACTED]		Co-Borrower: N/A	
Motor Vehicle Year:	Motor Vehicle Make:	Motor Vehicle Model:	Motor Vehicle ID #:
2017	Nissan	Versa	[REDACTED] 3767

"Note" and "Agreement" mean this Title Loan Agreement, Promissory Note and Security Agreement. "Borrower", "I", "me" and "my" mean each Borrower and Co-Borrower who signs this Note. "Lender" and "you" mean TitleMax of Nevada, Inc. "Loan" means the title loan Lender makes to me under this Note pursuant to Nevada Revised Statutes Chapter 604A and regulations promulgated thereunder ("Chapter 604A"). The Loan is a "title loan" under Chapter 604A. "Vehicle" means the motor vehicle identified above. "Title" means the certificate of title for the Vehicle. Lender is licensed and regulated by the Nevada Financial Institutions Division, 3300 West Sahara Avenue, Suite 250, Las Vegas, Nevada 89102, Phone: (702) 486-4120, Fax: (702) 486-4563, <http://www.fid.nv.gov>.

FEDERAL TRUTH-IN-LENDING DISCLOSURES

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of my credit as a percentage of the amount I borrow.	The dollar amount the credit will cost me.	The amount of credit provided to me or on my behalf.	The amount I will have paid after I have made all payments as scheduled.
6.99%	\$1,706.99	\$2,976.21	\$4,683.11

Payment Schedule: My payment schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due (each a "Payment Due Date")
1	\$669.03	01/27/2018
1	\$669.03	02/26/2018
1	\$669.03	03/28/2018
1	\$669.03	04/27/2018
1	\$669.03	05/27/2018
1	\$669.03	06/26/2018
1	\$668.93	07/26/2018

Security: I am giving a security interest in the Vehicle described above.

Lien Filing Fee: \$0.00

Prepayment: Lender will not charge a prepayment penalty/charge if I pay all or part of the principal balance before the date on which principal is due.

See the remainder of this Note for additional information about non-payment, default, any required repayment in full before the scheduled date, and prepayment penalties.

PAID IN FULL**Itemization of Amount Financed:**

Amount given to me directly:

\$1,000.00

Plus: Amount paid on my account(s) with Lender

\$1,976.21

<u>Plus:</u> Amount paid to public official for Lien Filing Fee	\$0.00
<u>Plus:</u> Amounts paid to other parties on my behalf	
Payment to: N/A	\$0.00
Payment to:	
<u>Equals:</u> Amount Financed/Principal Loan Amount	\$2,976.21

1. **Promise to Pay; Co-Borrower Obligations:** I promise to pay Lender, or to Lender's order, the principal sum of \$2,976.21 plus interest. I also promise to pay all other fees and charges in this Note. I must pay the amounts on or before the Payment Due Dates in the Payment Schedule above. If this Note is signed by more than one Borrower, each Borrower agrees to be liable to Lender jointly, and each Borrower will also be liable to Lender individually, for the Loan and other obligations under this Note. In its discretion, consistent with Chapter 604A, Lender may offer a grace period for repayment.

2. **Interest; Application of Payments; Prepayment:** Interest will accrue daily on the outstanding principal balance. The interest rate is 166.8800% per year. Interest accrues from the Loan Date until the first to occur of (a) the Loan is paid in full, and (b) the final Payment Due Date. Interest accrues based on the number of days elapsed over a 365-day year. Lender calculates and charges interest, including interest on past due principal, as permitted by Chapter 604A. If any finance charge or other fee is held invalid, the remainder shall remain in effect. Lender applies payments first to unpaid interest, then to fees, and then to unpaid principal. The Payment Schedule and Finance Charge disclosed above, which assume that I pay all installments in full on the Payment Due Dates, ratably and fully amortize the entire principal and interest payable under this Note. I may request a payoff and prepay this Loan at any time without penalty. I will owe less interest if I pay early or prepay. The timing and amount of my payments on the Loan will impact the amount of my final payment. The original term of this Loan is 210 days. Time is of the essence under this Note.

3. **Usury Savings Clause:** Lender does not intend to charge or receive any rate or charge higher than Nevada law allows. The rate and charges under this Note will never exceed the highest lawful rate or charge. Lender will promptly refund or credit to my Loan any unlawful excess amount. Lender will reduce any excessive rate or charge to the maximum lawful rate or charge.

4. **Loan Funding and Payment; Refinance:** Lender will fund the proceeds of the Loan by check. Lender may offer other funding methods in its discretion. The Lien Filing Fee due to the Department of Motor Vehicles to record the security interest I grant in the Vehicle is included in the principal amount of the Loan and accrues interest. I authorize Lender to withhold the amount of the Lien Filing Fee from the Loan proceeds and to pay that amount directly to the Department of Motor Vehicles. Lender will not retain any portion of the Lien Filing Fee. I may make payments to Lender during Lender's normal business hours at the location at which I obtained this Loan. Lender accepts payments by cash, cashier's check, money order, debit card or other method specified by Lender from time to time. Lender does not accept personal checks or credit cards. Lender may agree to refinance this Loan in its sole discretion. As a condition to any refinance, I must pay to Lender the minimum refinance payment amount, satisfy Lender's other underwriting criteria for refinances, and enter into a new Title Loan Agreement, Promissory Note and Security Agreement with Lender.

5. **Lien Filing Fee:** Lender charges a Lien Filing Fee in the amount shown above, which is the amount paid to public officers for filing or recording an instrument securing the Loan in the proper public office.

6. **Right to Rescind:** As permitted by Chapter 604A, I may rescind this Note, without cost, no later than the close of business on the first business day after the Loan Date by returning the Amount Financed to Lender at the store at which I obtained the Loan. Upon the timely cancellation and return of the Amount Financed, Lender will credit my account for any accrued interest and any Lien Filing Fee charged, cancel the Loan, and mark it paid-in-full. If I do not cancel this Note in compliance with this Section 6, the Loan and this Note remain in full force and effect.

7. **Collateral; Security Agreement; Co-Owner Obligations:** To secure this Note and my obligations hereunder, I grant to Lender a security interest in the Collateral. "Collateral" means the Vehicle and all Vehicle improvements, attachments, insurance proceeds and refunds and sale proceeds. I am the only owner of the Collateral. The Collateral is not stolen. The Collateral has no liens. Lender may file any documents and take any actions to ensure Lender's security interest in the Collateral. I am giving Lender the Title to the Vehicle on which to record Lender's lien. If Lender asks, I will sign other documents and take other actions to support Lender's security interest. Upon payment in full, Lender will release its lien on the Vehicle.

As a condition to Lender making this Loan, any co-owner of the Vehicle who is not a Borrower under this Note must execute a separate Co-Owner Consent, Grant of Security Interest, and Waiver of Jury Trial and Arbitration Agreement to grant to Lender a security interest in the Vehicle. Any co-owner who is not a Borrower under this Note shall not be personally obligated to Lender for satisfying Borrower's obligations under this Note.

8. **Promises About the Collateral:** At all times while I owe any amount under this Note:

a. I will keep the Vehicle in good condition and repair.

PAID IN FULL