

# **Exhibit 1**

Court of Common Pleas of Philadelphia County  
Trial Division**Civil Cover Sheet**

For Prothonotary Use Only (Docket Number)

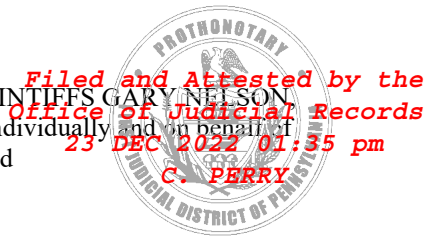
**DECEMBER 2022****002205**

E-Filing Number: 2212048915

PLAINTIFF'S NAME GARY NELSON		DEFENDANT'S NAME BANK OF AMERICA, NATIONAL ASSOCIATION	
PLAINTIFF'S ADDRESS 3500 RAYMOND STREET READING PA 19605		DEFENDANT'S ADDRESS 1600 JFK BOULEVARD PHILADELPHIA PA 19103	
PLAINTIFF'S NAME KAYLEIGH POTTER		DEFENDANT'S NAME	
PLAINTIFF'S ADDRESS 1214 BERKSHIRE AVENUE APT. 1 PITTSBURGH PA 15226		DEFENDANT'S ADDRESS	
PLAINTIFF'S NAME		DEFENDANT'S NAME	
PLAINTIFF'S ADDRESS		DEFENDANT'S ADDRESS	
TOTAL NUMBER OF PLAINTIFFS 2	TOTAL NUMBER OF DEFENDANTS 1	COMMENCEMENT OF ACTION <input checked="" type="checkbox"/> Complaint <input type="checkbox"/> Petition Action <input type="checkbox"/> Notice of Appeal <input type="checkbox"/> Writ of Summons <input type="checkbox"/> Transfer From Other Jurisdictions	
AMOUNT IN CONTROVERSY <input type="checkbox"/> \$50,000.00 or less <input checked="" type="checkbox"/> More than \$50,000.00	COURT PROGRAMS <input type="checkbox"/> Arbitration <input type="checkbox"/> Mass Tort <input type="checkbox"/> Commerce <input type="checkbox"/> Settlement <input type="checkbox"/> Jury <input type="checkbox"/> Savings Action <input type="checkbox"/> Minor Court Appeal <input type="checkbox"/> Minors <input type="checkbox"/> Non-Jury <input type="checkbox"/> Petition <input type="checkbox"/> Statutory Appeals <input type="checkbox"/> W/D/Survival <input checked="" type="checkbox"/> Other: CLASS ACTION		
CASE TYPE AND CODE C1 - CLASS ACTION			
STATUTORY BASIS FOR CAUSE OF ACTION			
RELATED PENDING CASES (LIST BY CASE CAPTION AND DOCKET NUMBER)		IS CASE SUBJECT TO COORDINATION ORDER? YES      NO	
		<b>FILED</b> <b>PRO PROTHY</b> <b>DEC 23 2022</b> <b>C. PERRY</b>	
<b>TO THE PROTHONOTARY:</b> Kindly enter my appearance on behalf of Plaintiff/Petitioner/Appellant: <u>GARY NELSON , KAYLEIGH POTTER</u> Papers may be served at the address set forth below.			
NAME OF PLAINTIFF'S/PETITIONER'S/APPELLANT'S ATTORNEY CARY L. FLITTER		ADDRESS FLITTER MILZ, P.C. 450 N. NARBERTH AVENUE SUITE 101 NARBERTH PA 19072	
PHONE NUMBER (610) 822-0782	FAX NUMBER (610) 667-0552		
SUPREME COURT IDENTIFICATION NO. 35047		E-MAIL ADDRESS cflitter@consumerslaw.com	
SIGNATURE OF FILING ATTORNEY OR PARTY CARY FLITTER		DATE SUBMITTED Friday, December 23, 2022, 01:35 pm	

FLITTER MILZ, P.C.  
BY: CARY L. FLITTER  
IDENTIFICATION NO. 35047  
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450 North Narberth Avenue, Suite 101  
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(610) 822-0782

ATTORNEYS FOR PLAINTIFFS  
KAYLEIGH POTTER, individually and on behalf of  
all others similarly situated



MAJOR NON-JURY CASE

GARY NELSON, KAYLEIGH POTTER, individually  
and on behalf of all others similarly situated,  
Plaintiffs,

COURT OF COMMON PLEAS  
PHILADELPHIA COUNTY

vs.

TERM, 2022

BANK OF AMERICA, NATIONAL ASSOCIATION,  
Defendant.

NO.

CLASS ACTION

**TO THE DEFENDANT:**

**NOTICE**

**ADVISO**

You have been sued in court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this Complaint and Notice are served, by entering a written appearance personally or by attorney and filing in writing with the court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so, the case may proceed without you and a judgment may be entered against you by the court without further notice for any money claimed in the Complaint or for any other claim or relief requested by the Plaintiff. You may lose money or property or other rights important to you.

Le han demandado a usted en la corte. Si usted quiere defenderse de estas demandas expuestas en las paginas siguientes, usted tiene veinte (20) dias de plaza al partir de la fecha de la demanda y la notificacion. Hace falta asentar una comparencia escrita o en persona o con un abogado y entregar a la corte en forma escrita sus defensas o sus objeciones a las demandas en contra de su persona. Sea avisado que si usted no se defiende, la corte tomara medidas y puede continuar la demanda en contra suya sin previo aviso o notificacion. Ademias, la corte puede decidir a favor del demandante y requiere que usted cumpla con todas las provisiones de esta demanda. Usted puede perder dinero o sus propiedades u otros derechos importantes para usted.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER. IF YOU CANNOT AFFORD TO HIRE A LAWYER, THIS OFFICE MAY BE ABLE TO PROVIDE YOU WITH INFORMATION ABOUT AGENCIES THAT MAY OFFER LEGAL SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.

LLEVE ESTA DEMANDA A UN ABOGADO INMEDIATAMENTE. SI NO TIENE ABOGADO O SI NO TIENE EL DINERO SUFICIENTE DE PAGAR TAL SERVICIO. VAYA EN PERSONA O LLAME POR TELEFONO A LA OFICINA CUYA DIRECCION SE ENCUENTRA ESCRITA ABAJO PARA AVERIGUAR DONDE SE PUEDE CONSEGUIR ASISTENCIA LEGAL.

LAWYER REFERRAL & INFORMATION SERVICE:  
Philadelphia Bar Association  
One Reading Center  
Philadelphia, PA 19107  
(215) 238-1701

SERVICIO DE REFERENCIA E INFORMACION LEGAL:  
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ATTORNEYS FOR PLAINTIFFS,  
individually and on behalf of all others  
similarly situated

MAJOR NON-JURY CASE

GARY NELSON,  
KAYLEIGH POTTER,  
individually and on behalf of all others  
similarly situated,

Plaintiffs

vs.

BANK OF AMERICA,  
NATIONAL ASSOCIATION,  
Defendant.

COURT OF COMMON PLEAS  
PHILADELPHIA COUNTY

TERM, 2022

NO.  
CLASS ACTION

## **CLASS COMPLAINT**

### **I. INTRODUCTION**

1. This is a consumer class action brought against an auto lender to redress systemic violations of Pennsylvania’s Uniform Commercial Code (“UCC”), 13 Pa C.S. § 9601, et seq. The UCC requires secured parties who utilize self-help repossession to provide consumers with proper notice when repossessing and reselling a financed vehicle.

2. Defendant, Bank of America, National Association (“Bank”), regularly finances the purchase of automobiles for consumer use in Pennsylvania. When the Bank believes that a consumer has defaulted on a motor vehicle installment sale contract secured by a vehicle, it repossesses and then makes preparations to auction the vehicle. In the course of so doing, the Bank failed to provide Plaintiffs and the class with the proper notice of repossession and disposition of collateral required by Pennsylvania Law, including Pennsylvania’s Uniform Commercial Code (“UCC”).

3. Because self-help repossession is effected without judicial authorization or oversight, the UCC requires secured creditors like the Bank to adhere strictly to the Code's notice requirements.

4. Failure to provide proper notice of repossession of consumer goods is a violation of the Code that yields statutory minimum damages without evidence of harm for the Plaintiffs and the class they seek to represent.

## **II. PARTIES/VENUE**

5. Plaintiff Gary Nelson ("Nelson"), is a consumer and an adult individual who resides in Reading, PA.

6. Plaintiff Kayleigh Potter ("Potter"), is a consumer and an adult individual who resides in Pittsburgh, PA.

7. Defendant Bank of America, National Association ("Bank") is a foreign corporation with an office for the regular transaction of business at 1600 JFK Blvd, Philadelphia, PA 19103.

8. The Bank is licensed by the Pennsylvania Department of Banking and Securities as a Sales Finance Company.

9. The Bank, as a sales finance company, finances the purchase of automobiles in Pennsylvania.

10. The Bank regularly enters into or takes assignment of motor vehicle installment sale contracts with borrowers in Philadelphia and elsewhere in the Commonwealth.

## **III. STATEMENT OF CLAIM**

### **Mr. Nelson's Experience**

11. On or about February 24, 2016, Mr. Nelson financed the purchase of a used 2013

Ford Explorer pursuant to a Retail Installment Sale Contract (“RISC”). (Ex. A, Retail Installment Sale Contract.)

12. The Bank financed the transaction and took a security interest in the vehicle.

13. Under the Nelson RISC, the Bank was the secured party to which monthly payments were required to be made.

14. In or about May 2021, the Bank declared a default.

15. In or about May 2021, the Bank, as the secured party, repossessed Mr. Nelson’s automobile or ordered that it be repossessed.

16. Pennsylvania law requires immediate post-repossession notice to the borrower advising of the repossession and stating, among other things, how many days to act before the sale of the vehicle, whether the vehicle will be sold by public or private sale, whether the debtor may be liable for a deficiency or entitled to a surplus, and other information. The Notice must be delivered in person to the borrower, or sent via registered or certified mail. 12 Pa.C.S. § 6254.

17. On or about May 13, 2021, after the repossession, the Bank prepared a Notice of Plan to Sell Property directed toward Nelson (“Notice”). On May 14, 2021, the day after the date on the Notice, the Bank mailed the Notice to Nelson via certified mail.

18. Pennsylvania law requires that secured parties like the Bank provide the borrower the right to redeem the vehicle for fifteen days from the date of mailing of the Notice. The Notice must inform the borrower of this right. 12 Pa.C.S. § 6254(3) provides that “[t]he notice of repossession shall contain the following . . . (3) Notice to the buyer of the holder’s intent to resell the motor vehicle at the expiration of 15 days from the date of mailing the notice.” This statute is to read *in pari materia* with the Pennsylvania UCC on the issue of repossession of a motor vehicle.

19. Plaintiffs do not seek remedy under the Consumer Credit Protection Act nor the Motor Vehicle Sales Finance chapter of the Act. However, the notice provisions of the Act are part of the fabric of Pennsylvania law that supply the benchmark or standard for the time period for proper notice under the Uniform Commercial Code.

20. The Notice misstates and understates the amount of time the borrower has to redeem.

21. Specifically, the date of mailing of the Notice is May 14, 2021, so the fifteenth and final day for the borrower to redeem would fall on May 29, 2021. By statute, the repossessed vehicle may not be sold or auctioned by the Bank before May 29, 2021.

22. However, the Notice provides, “We will sell the 2013, FORD, EXPLORER at private sale sometime after May 27, 2021.” This is 13 days from the date of mailing the Notice.

23. The Bank, as secured party, sent template forms of Notice to consumers across Pennsylvania providing an inadequate and commercially unreasonable period of time to act to redeem their motor vehicle, i.e., less than 15 days to act.

**Ms. Potter’s Experience**

24. On or about March 8, 2017, Ms. Potter financed the purchase of a 2017 Chevrolet Impala pursuant to a Retail Installment Sale Contract (“RISC”). (Ex. B, Retail Installment Sale Contract.)

25. The Bank financed the transaction, took an assignment of the contract rights, and took a security interest in the vehicle.

26. Under the Potter RISC, the Bank was the secured party to which monthly payments were required to be made.

27. In or about September 2021, the Bank declared a default.

28. In or about September 2021, the Bank, as the secured party, repossessed Ms. Potter's automobile or ordered that it be repossessed.

29. On or about September 29, 2021, the Bank issued and mailed to Ms. Potter a Notice of Plan to Sell Property ("Notice"). The Notice states that the Bank will sell the vehicle at a sale sometime after October 13, 2021. This is 14 days from the date of mailing the notice.

30. The Potter Notice suffers from the same defects as the Nelson Notice in that it misstates and understates the statutory time in which the borrower has to redeem.

31. The Bank, as secured party, sent a template form Notice to consumers across Pennsylvania.

**Governing Law**

32. Article 9 of the Uniform Commercial Code ("UCC"), 13 Pa. C.S. § 9601, et seq., governs the repossession of vehicles in Pennsylvania.

33. Under the UCC, 13 Pa. C.S. § 9610, "[E]very aspect of a disposition of collateral ... must be commercially reasonable[.]" This requirement includes post-repossession notice.

34. Under the UCC, 13 Pa. C.S. § 9611, the Bank was required to provide "reasonable authenticated notification of disposition" and repossession of the collateral.

35. In sending the Notices described above, the Bank failed to provide adequate and reasonable notification of repossession and disposition of collateral to Plaintiffs and the putative class of borrowers.

36. In the course of the repossession and disposition process, the Bank did not act in a commercially reasonable manner toward Plaintiffs and the putative class of borrowers, as it did not provide required or adequate notice of repossession.

37. 13 Pa. C.S. § 9625(c)(2) provides for damages for a secured party's failure to follow the proper procedures upon repossession. The statute allows a consumer debtor such as Plaintiff (and the putative class) to recover minimum damages of not less than the credit service charge plus 10% of the principal amount of the obligation without evidence of harm.

38. The statutory damages are derived from a simple, straightforward and uniform arithmetic calculation.

39. The two figures needed for the statutory damage calculation are plainly visible on and determinable from the face of the consumer's motor vehicle retail installment sale contract.

#### **IV. CLASS ALLEGATIONS**

40. Plaintiff brings this action on his own behalf and on behalf of a class pursuant to Rules 1701-1717 of the Pennsylvania Rules of Civil Procedure.

41. Plaintiff proposes to define the "Class" as All Persons:

- (a) who financed the purchase of a motor vehicle for consumer use through the Bank by means of an installment sale contract, or who financed the purchase through another entity but such installment sale contract was thereafter assigned to the Bank;
- (b) from whom the Bank, as secured party, repossessed the vehicle or ordered it repossessed;
- (c) who had a Pennsylvania address as of the date of repossession;
- (d) who were sent a post-repossession Notice of Plan to Sell Property or equivalent post-repossession notice of rights which set forth a date after which the collateral may be sold that was less than 15 days from the date the notice was mailed to the debtor (not counting the day the notice was mailed);
- (e) in the period commencing six years prior to the date of filing of the Complaint through the date of class certification.

42. On information and belief, there are many members in the Class, making the Class so numerous that joinder of all members is impractical. This matter involves form notices sent out to Pennsylvania consumers in Philadelphia County and elsewhere.

43. There are questions of law or fact common to the Class. These include:

- (a) Whether Plaintiffs and the Class financed the purchase of a motor vehicle for consumer use through the Bank by means of an installment sale contract, or who financed the purchase through another entity but such installment sale contract was thereafter assigned to the Bank;
- (b) Whether Plaintiffs and the Class pledged their motor vehicle as collateral in the installment sale contract;
- (c) Whether the Bank repossessed the vehicle or ordered it repossessed;
- (d) Whether the Bank failed to send the notice of repossession and disposition of collateral (“Notice”) required under Pennsylvania law after repossessing a vehicle.
- (e) The uniform statutory damages provided for failure to send the post-repossession Notice required under the law;

44. The claims of Plaintiffs are typical of those of the Class. All are based on the same factual and legal theories. All class members financed the purchase of a motor vehicle for consumer use through the Bank, or financed the purchase through another entity but such installment sale contract was thereafter assigned to the Bank. All class members pledged their vehicle as collateral. The Bank declared a default on all. All class members either were sent inadequate form Notice, or were sent no notice at all.

45. Plaintiffs will fairly and adequately protect the interest of the Class. Plaintiffs have no interest antagonistic to those of the Class.

46. Plaintiffs’ counsel is competent and experienced in consumer class actions in general and in UCC and repossession class actions specifically.

47. The Bank has acted on grounds generally applicable to the Class, thereby making final relief appropriate with respect to the class as a whole.

48. The questions of law and fact common to the Class predominate over any questions affecting only individual members.

49. The prosecution of separate actions by the members of the Class would create a risk of inconsistent or varying adjudications.

50. This class action provides a fair and efficient method for adjudication of the controversy.

51. The class members are consumer debtors who may be unable to locate or afford to hire lawyers, particularly in light of the modest size of any individual recovery.

52. The size of the class and any trial would be readily manageable.

**COUNT I**  
**UNIFORM COMMERCIAL CODE**

53. Plaintiff repeats the allegations set forth above as if the same were here set forth at length herein.

54. Defendant Bank violated Pennsylvania's Uniform Commercial Code by failing to provide proper notice of repossession and disposition of collateral (i.e. Notice) as set forth above.

55. Plaintiffs are not seeking to be compensated for, nor do they claim, any actual damages as a result of the Bank's non-compliance with law, rather Plaintiffs seek the minimum, statutory damages provided by the UCC for a secured party's failure to comply with the default chapter of Article 9, 13 Pa C.S. 9625(c)(2).

56. Defendant Bank failed to act in a commercially reasonable manner by failing to provide a proper timely Notice, 13 Pa. C.S. §§ 9610, 9611–9614.

**WHEREFORE**, Plaintiffs Gary Nelson and Kaleigh Potter pray that this Court certify the Class and enter judgment for Plaintiffs and the class members:

- (a) Awarding statutory damages to Plaintiffs and the class as provided by the UCC, 13 Pa. C.S. § 9625(c);
- (b) For interest and costs; and,
- (c) Granting such other and further relief as may be deemed just and proper.

Respectfully submitted:

Date: 12/23/2022


/s/ Cary L. Flitter  
CARY L. FLITTER  
ANDREW M. MILZ  
JODY THOMAS LÓPEZ-JACOBS  
**FLITTER MILZ, P.C.**  
450 N. Narberth Avenue, Suite 101  
Narberth, PA 19072  
(610) 822-0782

**Attorneys for Plaintiffs and the Class**

**VERIFICATION**

I, KAYLEIGH POTTER, do hereby state that the statements contained in the Class Action Complaint are true and correct to the best of my knowledge, information, and belief. I make this statement with the knowledge that the statements contained herein are made subject to the penalties of 18 Pa. C.S.A. Section 4904 relating to unsworn falsification to authorities.

DATE: Dec 23, 2022

  
\_\_\_\_\_  
Kayleigh potter (Dec 23, 2022 13:02 EST)  
KAYLEIGH POTTER

# **EXHIBIT "A"**

RETAIL INSTALLMENT SALE CONTRACT SIMPLE FINANCE CHARGE

Buyer Name and Address (Including County and Zip Code)
Co-Buyer Name and Address (Including County and Zip Code)
Seller-Creditor (Name and Address)

You, the Buyer (and Co-Buyer, if any), may buy the vehicle below for cash or on credit. By signing this contract, you choose to buy the vehicle on credit under the agreements on the front and back of this contract. You agree to pay the Seller - Creditor (sometimes "we" or "us" in this contract) the Amount Financed and Finance Charge in U.S. funds according to the payment schedule below. We will figure your finance charge on a daily basis. The Truth-in-Lending Disclosures below are part of this contract.

Table with columns: New/Used, Year, Make and Model, Mfg Gross Vehicle Weight, Vehicle Identification Number, Primary Use For Which Purchased

FEDERAL TRUTH-IN-LENDING DISCLOSURES
ANNUAL PERCENTAGE RATE
FINANCE CHARGE
Amount Financed
Total of Payments
Total Sale Price

Your Payment Schedule Will Be:
Number of Payments
Amount of Payments
When Payments Are Due

Late Charge. If payment is not paid in full within 10 days after it is due, you will pay a late charge. If the vehicle is a heavy commercial motor vehicle, the charge will be 4% of the part of the payment that is late.
Prepayment. If you pay off all your debt early, you will not have to pay a penalty.
Security Interest. You are giving a security interest in the vehicle being purchased.
Additional Information: See this contract for more information including information about nonpayment, default, any required repayment in full before the scheduled date and security interest.

ITEMIZATION OF AMOUNT FINANCED (Seller may keep part of the amounts paid to others.)

Table listing itemized amounts: 1 Cash Price, 2 Total Downpayment, 3 Unpaid Balance of Cash Price, 4 Other Charges Including Amounts Paid to Others on Your Behalf, 5 Amount Financed, 6 Finance Charge, 7 Total of Payments-Time Balance

Insurance. You may buy the physical damage insurance this contract requires (see back) from anyone you choose who is acceptable to us. You are not required to buy any other insurance to obtain credit.
Check the insurance you want and sign below:
Optional Credit Insurance
Credit Life
Credit Disability

Other Optional Insurance
Type of Insurance
Premium \$
Description of Coverage

Buyer Signature
Co-Buyer Signature
Date

THIS INSURANCE DOES NOT INCLUDE INSURANCE ON YOUR LIABILITY FOR BODILY INJURY OR PROPERTY DAMAGE CAUSED TO OTHERS.

OPTIONAL GAP CONTRACT. A gap contract (that cancellation contract) is not required to obtain credit and will not be provided unless you sign below and agree to pay the extra charge. If you choose to buy a gap contract, the charge is shown in item 4B of the Itemization of Amount Financed. See your gap contract for details on the terms and conditions it provides. It is a part of this contract.

If you do not meet your contract obligations, you may lose the vehicle.
OPTION: You pay no finance charge if the Amount Financed, item 5, is paid in full on or before Year N/A. Seller's Initials

NO COOLING OFF PERIOD
State law does not provide for a "cooling off" or cancellation period for this sale. After you sign this contract, you may only cancel it if the seller agrees or for legal cause. You cannot cancel this contract simply because you change your mind. This notice does not apply to home solicitation sales.

HOW THIS CONTRACT CAN BE CHANGED. This contract contains the entire agreement between you and us relating to this contract. Any change to this contract must be in writing and we must sign it. No oral changes are binding. Buyer Signs X, Co-Buyer Signs X

The Annual Percentage Rate may be negotiable with the Seller. The Seller may assign this contract and retain its right to receive a part of the Finance Charge.

NOTICE TO BUYER. DO NOT SIGN THIS CONTRACT IN BLANK. YOU ARE ENTITLED TO AN EXACT COPY OF THE CONTRACT YOU SIGN. KEEP IT TO PROTECT YOUR LEGAL RIGHTS. ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE BUYER COULD ASSERT AGAINST THE SELLER HEREUNDER BY THE BUYER SHALL NOT EXCEED AMOUNTS PAID BY THE BUYER HEREUNDER.

You agree to the terms of this contract. You confirm that before you signed this contract, we gave it to you, and you were free to take it and review it. You confirm that you received a completely filled-in copy when you signed it.

Buyer Signs X, Co-Buyer Signs X
Date, Co-Buyer Signs X
Date

Buyer Signs X, Co-Buyer Signs X
Date, Co-Buyer Signs X
Date

AW FORM NO. 883-PA (REV. 09-14) U.S. PATENT NO. 5,940,792
FOR THE REPUBLIC AND PROVINCE OF GUAM, U.S. PATENT NO. 5,940,792
FITNESS FOR PURPOSE OF THIS FORM, CONSULT YOUR OWN LEGAL COUNSEL.

**OTHER IMPORTANT AGREEMENTS****1. FINANCE CHARGE AND PAYMENTS**

- How we will figure Finance Charge.** We will figure the Finance Charge on a daily basis at the Annual Percentage Rate on the unpaid part of the Amount Financed.
- How we will apply payments.** We may apply each payment to the earned and unpaid part of the Finance Charge, to the unpaid part of the Amount Financed and to other amounts you owe under this contract in any order we choose.
- How late payments or early payments change what you must pay.** We based the Finance Charge, Total of Payments, and Total Sale Price shown on the front of this contract on your regular, even payment on the day it is due. Your Finance Charge, Total of Payments, and Total Sale Price will be more if you pay late and less if you pay early. Changes may take the form of a larger or smaller final payment or, at our option, more or fewer payments of the same amount as your scheduled payment with a smaller final payment. We will send you a notice telling you about these changes before the final scheduled payment is due.
- You may prepay.** You may prepay all or part of the unpaid part of the Amount Financed at any time without penalty. If you do so, you must pay the earned and unpaid part of the Finance Charge and all other amounts due up to the date of your payment.

**2. YOUR OTHER PROMISES TO US**

- If the vehicle is damaged, destroyed, or missing.** You agree to pay us all you owe under this contract even if the vehicle is damaged, destroyed, or missing.
- Using the vehicle.** You agree not to remove the vehicle from the U.S. or Canada, or to sell, rent, lease, or transfer any interest in the vehicle or this contract without our written permission. You agree not to expose the vehicle to misuse, seizure, confiscation, or involuntary transfer. If we pay any repair bills, storage bills, taxes, fines, or charges on the vehicle, to the extent permitted by law you agree to repay the amount when we ask for it.
- Security Interest.** You give us a security interest in:
  - The vehicle and all parts or goods put on it;
  - All money or goods received (proceeds) for the vehicle;
  - All insurance, maintenance, service, or other contracts we finance for you; and
  - All proceeds from insurance, maintenance, service, or other contracts we finance for you. This includes any refunds of premiums or charges from the contracts.
 This secures payment of all you owe on this contract. It also secures your other agreements in this contract. You will not lose the title shows our security interest (lien) in the vehicle. You will not allow any other security interest to be placed on the title without our written permission.
- Insurance you must have on the vehicle.**
  - You agree to have physical damage insurance covering loss of or damage to the vehicle for the term of this contract. The insurance must cover our entire interest in the vehicle as well as yours. If you do not have this insurance, we may, if we choose, buy physical damage insurance. If we decide to buy physical damage insurance, we will buy insurance that covers your interest and our interest in the vehicle. We will tell you the charge you must pay. The charge will be the premium of the insurance and a finance charge computed on the amount of the premium shown on the front of this contract or, at our option, the highest rate the law permits. If the vehicle is lost or damaged, you agree that we may use any insurance settlement to reduce what you owe or repair the vehicle.
  - What happens to returned insurance, maintenance, service, or other contract charges.** If we get a refund of insurance, maintenance, service, or other contract charges, you agree that we may subtract the refund from what you owe.

**3. IF YOU PAY LATE OR BREAK YOUR OTHER PROMISES**

- You may owe late charges.** You will pay a late charge on each late payment as shown on the front. The term "heavy commercial motor vehicle" means any new or used motor vehicle, excluding a recreational vehicle, which is (i) a truck or truck tractor having a manufacturer's gross vehicular weight of thirteen thousand (13,000) pounds or more, or (ii) a semi-trailer or trailer designed for use in combination with a truck or truck tractor. Acceptance of a late payment or late charge does not excuse your late payment or mean that you may keep making late payments. If you pay late, we may also take the steps described below.
- You may have to pay all you owe at once.** If you break your promises (default), we may demand that you pay all you owe on this contract at once. Default means:
  - You do not pay any payment on time;
  - You give false or misleading information on a credit application;
  - You start a proceeding in bankruptcy or one is started against you or your property; or
  - You break any agreements in this contract.
 The amount you will owe will be the unpaid part of the Amount Financed plus the earned and unpaid part of the Finance Charge, any late charges, and any amounts due because you defaulted.
- You may have to pay collection costs.** If you default and we have to go to court to recover the vehicle, you will pay the reasonable attorney's fees and court costs as the law permits. You will also pay any attorney's fees and court costs a court awards us.
- We may take the vehicle from you.** If you default, we may take (repossess) the vehicle from you if we do so peacefully and the law allows it. If your vehicle has an electronic tracking device, you agree that we may use the device to find the vehicle. If we take the vehicle, any accessories, equipment, and replacement parts will stay with the vehicle. If any personal items are in the vehicle, we may store them for you at your expense. If you do not ask for these items back, we may dispose of them as the law allows.

- How you can get the vehicle back if we take it.** If we repossess the vehicle, you may get it back by paying the unpaid part of the Amount Financed plus the earned and unpaid part of the Finance Charge, any late charges, and any other amounts lawfully due under the contract (redeem your right to redeem). We will send you a notice telling you how much to pay to redeem. If we repossess the vehicle, we may, at our option, allow you to get the vehicle back before we sell it by paying all past due payments, late charges, and any other amounts due because you defaulted (reinstated). We will tell you if you may reinstate and how much to pay if you may. If you are in default for more than 15 days when we take the vehicle, the amount you must pay to redeem or reinstate will also include the expenses of taking the vehicle, holding it, preparing for sale, and selling it.
- We will sell the vehicle if you do not get it back.** If you do not redeem, or, at our option, reinstate, we will sell the vehicle. We will send you a written notice of sale before selling the vehicle. We will apply the money from the sale, less allowed expenses, to the amount you owe. Allowed expenses are expenses we pay as a direct result of taking the vehicle, holding it, preparing for sale, and selling it, as the law allows. Reasonable attorney fees and court costs the law permits are also allowed expenses. If any money is left (surplus), we will pay it to you unless the law requires us to pay it to someone else. If money from the sale is not enough to pay the amount you owe, you may have to pay the rest to us. If you do not pay this amount when we ask, we may charge you not interest at a rate not exceeding the highest lawful rate until you pay.
- What we may do about optional insurance, maintenance, service, or other contracts.** This contract may contain charges for optional insurance, maintenance, service, or other contracts. If we demand that you pay all you owe at once or we repossess the vehicle, you agree that we may claim benefits under these contracts and cancel them to obtain refunds of unearned charges to reduce what you owe or repair the vehicle. If the vehicle is a total loss because it is confiscated, damaged, or stolen, we may claim benefits under these contracts and cancel them to obtain refunds of unearned charges to reduce what you owe.
- Summary Notice Regarding Prepayment, Rebate of Finance Charge, and Reinstatement.** You may prepay all or part of the amount you owe under this contract without penalty. If you do so, you only have to pay the earned and unpaid part of the finance charge and all other amounts due up to the date of your payment. Unearned finance charges will not be rebated under this contract because there will never be any unearned finance charges to rebate. If you default and we repossess the vehicle, we may, at our option, allow you to get the vehicle back before we sell it by paying all past due payments, late charges, and expenses (reinstated).

**4. WARRANTIES SELLER DISCLAIMS**

The following paragraph does not affect any warranties covering the vehicle that the vehicle manufacturer may provide. The following paragraph also does not apply at all if you bought the vehicle primarily for personal, family, or household use. Unless the seller makes a written warranty, or enters into a service contract within 90 days from the date of this contract, the Seller makes no warranties, express or implied, on the vehicle, and there will be no implied warranties of merchantability or of fitness for a particular purpose.

**5. Used Car Buyers Guide.** The information you see on the window form for this vehicle is part of the contract. Information on the window form overrides any contrary provisions in the contract of sale. Spanish Translation: Guía para compradores de vehículos usados. La información que ve en el formulario de la ventanilla para este vehículo forma parte del presente contrato. La información del formulario de la ventanilla anula y anula toda disposición en contrario contenida en el contrato de venta.

**6. SERVICING AND COLLECTION CONTACTS**

You agree that we may try to contact you in writing, by e-mail, or using prerecorded/artificial voice messages, text messages, and automatic telephone dialing systems, as the law allows. You also agree that we may try to contact you in these and other ways at any address or telephone number you provide us, even if the telephone number is a cell phone number or the contact results in a charge to you.

**7. RIGHT TO RECEIVE STATEMENT OF ACCOUNT**

Upon your request, we will provide you a statement of account that shows information about your payment history including any charges and credits to your account. It will also show amounts that are due at the time of your request and information regarding future payments. We will provide you one statement of account at no cost. We may charge you our reasonable costs for any additional statements requested, as the law allows. Your right to receive a statement of account ends one year after termination of the contract.

**8. ADDITIONAL RIGHTS**

If you encounter a problem, you may have additional rights under the Unfair Trade Practices and Consumer Protection Law, which is enforced by the Pennsylvania Office of Attorney General, Bureau of Consumer Protection.

**9. APPLICABLE LAW**

Federal law and the law of the state of the Seller's address shown on the front of this contract apply to this contract.

**NOTICE: ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED HEREON HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.**

# **EXHIBIT "B"**



**1. FINANCE CHARGE AND PAYMENTS**

- a. **How we will figure Finance Charge.** We will figure the Finance Charge on a daily basis at the Annual Percentage Rate on the unpaid part of the Amount Financed.
- b. **How we will apply payments.** We may apply each payment to the earned and unpaid part of the Finance Charge, to the unpaid part of the Amount Financed and to other amounts you owe under this contract in any order we choose.
- c. **How late payments or early payments change what you must pay.** We based the Finance Charge, Total of Payments, and Total Sale Price shown on the front on the assumption that you will make every payment on the day it is due. Your Finance Charge, Total of Payments, and Total Sale Price will be more if you pay late and less if you pay early. Changes may take the form of a larger or smaller final payment or, at our option, more or fewer payments of the same amount as your scheduled payment with a smaller final payment. We will send you a notice telling you about these changes before the final scheduled payment is due.
- d. **You may prepay.** You may prepay all or part of the unpaid part of the Amount Financed at any time without penalty. If you do so, you must pay the earned and unpaid part of the Finance Charge and all other amounts due up to the date of your payment.

**2. YOUR OTHER PROMISES TO US**

- a. **If the vehicle is damaged, destroyed, or missing.** You agree to pay us all you owe under this contract even if the vehicle is damaged, destroyed, or missing.
- b. **Using the vehicle.** You agree not to remove the vehicle from the U.S. or Canada, or to sell, rent, lease, or transfer any interest in the vehicle or this contract without our written permission. You agree not to expose the vehicle to misuse, seizure, confiscation, or involuntary transfer. If we pay any repair bills, storage bills, taxes, fines, or charges on the vehicle, to the extent permitted by law you agree to repay the amount when we ask for it.
- c. **Security Interest.** You give us a security interest in:
  - The vehicle and all parts or goods put on it;
  - All money or goods received (proceeds) for the vehicle;
  - All insurance, maintenance, service, or other contracts we finance for you; and
  - All proceeds from insurance, maintenance, service, or other contracts we finance for you. This includes any refunds of premiums or charges from the contracts.

This secures payment of all you owe on this contract. It also secures your other agreements in this contract. You will make sure the title shows our security interest (lien) in the vehicle. You will not allow any other security interest to be placed on the title without our written permission.
- d. **Insurance you must have on the vehicle.** You agree to have physical damage insurance covering loss of or damage to the vehicle for the term of this contract. The insurance must cover our entire interest in the vehicle as well as yours. If you do not have this insurance, we may, if we choose, buy physical damage insurance. If we decide to buy physical damage insurance, we will buy insurance that covers your interest and our interest in the vehicle. We will tell you the charge you must pay. The charge will be the premium of the insurance and a finance charge computed at the Annual Percentage Rate shown on the front of this contract or, at our option, the highest rate the law permits. If the vehicle is lost or damaged, you agree that we may use any insurance settlement to reduce what you owe or repair the vehicle.
- e. **What happens to returned insurance, maintenance, service, or other contract charges.** If we get a refund of insurance, maintenance, service, or other contract charges, you agree that we may subtract the refund from what you owe.

**3. IF YOU PAY LATE OR BREAK YOUR OTHER PROMISES**

- a. **You may owe late charges.** You will pay a late charge on each late payment as shown on the front. The term "heavy commercial motor vehicle" means any new or used motor vehicle, excluding a recreational vehicle, which is (i) a truck or truck tractor having a manufacturer's gross vehicular weight of thirteen thousand (13,000) pounds or more, or (ii) a semi-trailer or trailer designed for use in combination with a truck or truck tractor. Acceptance of a late payment or late charge does not excuse your late payment or mean that you may keep making late payments. If you pay late, we may also take the steps described below.
- b. **You may have to pay all you owe at once.** If you break your promises (default), we may demand that you pay all you owe on this contract at once. Default means:
  - You do not pay any payment on time;
  - You give false or misleading information on a credit application;
  - You start a proceeding in bankruptcy or one is started against you or your property; or
  - You break any agreements in this contract.

The amount you will owe will be the unpaid part of the Amount Financed plus the earned and unpaid part of the Finance Charge, any late charges, and any amounts due because you defaulted.
- c. **You may have to pay collection costs.** If you default and we have to go to court to recover the vehicle, you will pay the reasonable attorney's fees and court costs as the law permits. You will also pay any attorney's fees and court costs a court awards us.
- d. **We may take the vehicle from you.** If you default, we may take (repossess) the vehicle from you if we do so peacefully and the law allows it. If your vehicle has an electronic tracking device, you agree that we may use the device to find the vehicle. If we take the vehicle, any accessories, equipment, and replacement parts will stay with the vehicle. If any personal items are in the vehicle, we may store them for you at your expense. If you do not ask for these items back, we may dispose of them as the law allows.

- e. **How you can get the vehicle back if we take it.** If we repossess the vehicle, you may get it back by paying the unpaid part of the Amount Financed plus the earned and unpaid part of the Finance Charge, any late charges, and any other amounts lawfully due under the contract (redeem). Your right to redeem ends when we sell the vehicle. We will tell you how much to pay to redeem. If we repossess the vehicle, we may, at our option, allow you to get the vehicle back before we sell it by paying all past due payments, late charges, and any other amounts due because you defaulted (reinstate). We will tell you if you may reinstate and how much to pay if you may. If you are in default for more than 15 days when we take the vehicle, the amount you must pay to redeem or reinstate will also include the expenses of taking the vehicle, holding it, and preparing it for sale.
- f. **We will sell the vehicle if you do not get it back.** If you do not redeem, or, at our option, reinstate, we will sell the vehicle. We will send you a written notice of sale before selling the vehicle. We will apply the money from the sale, less allowed expenses, to the amount you owe. Allowed expenses are expenses we pay as a direct result of taking the vehicle, holding it, preparing it for sale, and selling it, as the law allows. Reasonable attorney fees and court costs the law permits are also allowed expenses. If any money is left (surplus), we will pay it to you unless the law requires us to pay it to someone else. If money from the sale is not enough to pay the amount you owe, you may have to pay the rest to us. If you do not pay this amount when we ask, we may charge you interest at a rate not exceeding the highest lawful rate until you pay.
- g. **What we may do about optional insurance, maintenance, service, or other contracts.** This contract may contain charges for optional insurance, maintenance, service, or other contracts. If we demand that you pay all you owe at once or we repossess the vehicle, you agree that we may claim benefits under these contracts and cancel them to obtain refunds of unearned charges to reduce what you owe or repair the vehicle. If the vehicle is a total loss because it is confiscated, damaged, or stolen, we may claim benefits under these contracts and cancel them to obtain refunds of unearned charges to reduce what you owe.
- h. **Summary Notice Regarding Prepayment, Rebate of Finance Charge and Reinstatement:** You may prepay all or part of the amount you owe under this contract without penalty. If you do so, you only have to pay the earned and unpaid part of the finance charge and all other amounts due up to the date of your payment. Unearned finance charges will not be rebated under this contract because there will never be any unearned finance charges to rebate. If you default and we repossess the vehicle, we may, at our option, allow you to get the vehicle back before we sell it by paying all past due payments, late charges, and expenses (reinstate).

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**5. Used Car Buyers Guide.** The information you see on the window form for this vehicle is part of this contract. Information on the window form overrides any contrary provisions in the contract of sale.

Spanish Translation: Guía para compradores de vehículos usados. La información que ve en el formulario de la ventanilla para este vehículo forma parte del presente contrato. La información del formulario de la ventanilla deja sin efecto toda disposición en contrario contenida en el contrato de venta.

**6. SERVICING AND COLLECTION CONTACTS**

You agree that we may try to contact you in writing, by e-mail, or using prerecorded/artificial voice messages, text messages, and automatic telephone dialing systems, as the law allows. You also agree that we may try to contact you in these and other ways at any address or telephone number you provide us, even if the telephone number is a cell phone number or the contact results in a charge to you.

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