

~~CONFIDENTIAL~~ NO 2+H1

Old HB more than our K  
btw C+G LLC

## PURCHASE AND SALE AGREEMENT

THIS AGREEMENT, made February 18, 2011 by and between Global Acceptance Credit Company, LP, 5850 West Interstate 20, Suite 100, Arlington, Texas 76017, on behalf of itself and all of its affiliates (hereinafter referred to as "Seller"), and RAB Performance Recoveries, LLC (hereinafter referred to as "Buyer").

1. In consideration of ~~REDACTED~~ with considerations to be made by cashier's check or by wire transfer, the Seller hereby sells, assigns, transfers and conveys to Buyer without recourse, warranty, either expressed or implied, or liability except as herein expressly set forth, all those installment sale contracts, credit agreements, invoices, indebtedness, loans, or other obligations and any instruments securing same (hereinafter referred to as "Receivables") which are listed in Schedule A attached hereto and made a part hereof. The above purchase shall include transfer to Buyer of copies of all physical records and files in Global Acceptance Credit Company, LP's possession relating to said Receivables.

NOT necessary  
same  
Schedule A  
NO NO

2. With respect to the above Receivables, the Seller represents and warrants that in reliance upon documents and information furnished to it by Issuer and to the best of the Seller's knowledge and belief.

H, H, H  
needs its  
own  
except for  
5-805

Make her  
read it

Not  
defined

- a. It has complied, to the best of its knowledge and belief, with applicable federal, state and local laws, and regulations relating to the making and collection of the Receivables, up to the date of the relevant sale.
- b. It owns good and marketable title to all of the Receivables, free and clear of all liens and pledges.
- c. It has full power and authority to sell, assign, transfer and convey the Receivables to the Buyer, and all other necessary proceedings on the part of the Seller have been duly taken to authorize the sale.
- d. All of the Receivables were made for valuable consideration and are now legally enforceable obligations of the respective persons shown as indebted thereon, except as may be limited by statutes of limitations, bankruptcy, insolvency, moratorium, receivership, conservatorship, reorganization or similar laws affecting the rights of creditors generally or equitable principles limiting the right to obtain specific performance or other similar relief.
- e. The persons shown as indebted on the Receivables have not initiated any lawsuits against Seller, and such persons have no legally enforceable rights to set-off, counterclaim, cancellation, or legally enforceable claim that the Receivables suffer from lack of consideration, forgery or alteration of such

PLAINTIFF'S  
EXHIBIT

2

person's signature, except as may be disclosed or contained in the relevant file or documents.

f. The amounts shown on the hard copy and computer files to be owing and unpaid on the respective Receivables represent the amount that was represented to Seller by Issuer to be due. Upon written request to Seller by Buyer, and in accordance with guidelines on Exhibit A, Seller agrees to repurchase all accounts that, prior to the date of this Agreement, (a) filed for or had a discharged bankruptcy (as determined by the filing or discharge date of a Chapter 7 or Chapter 13 bankruptcy); (b) are deceased (as determined by the date of death); (c) are deemed fraudulent (as determined by a notarized fraud or forgery affidavit or a copy of a Police Report indicating identity theft or fraud); (d) had been settled or satisfied

with a copy of the front and back of the cancelled check and a letter from the Originating Creditor or Seller and/or the Originating Creditor's or Seller's servicing agent indicating the account has been settled or satisfied; (e) are or were subject of litigation or foreclosure; (f) any account that will be out-of-statute within 60 days from the date of this Agreement.

- g. Seller will use reasonable efforts to determine that the Accounts do not include any Account(s) that may be subject to the above recourse/repurchase parameters as provided in Section 2 (f.). Buyer will have from the date of this Agreement to deliver to Seller these accounts and supporting documentation as described in Exhibit B. Seller will repurchase those qualified accounts for the same percentage of the net outstanding balance that Buyer paid for such Receivables, unless such condition was known by or disclosed to Buyer. Accounts settled or paid prior to Buyer's purchase of the accounts shall, at all times, be eligible for refund following receipt of documentary proof.
- h. There are no judgments against Seller, which could become a lien against the Receivables.
- i. Seller has not issued 1099C's on any of the Receivables.
- j. To the best of Seller's knowledge each Account Balance being sold represents the Original Creditor's balance less any payment(s) received by the originating Creditor or subsequent owner and such Account Balance does not include post charge off finance charges, interest, fees and the like of each Account(s)..
- k. Seller hereby represents and warrants to Buyer that, with respect to each Account transferred pursuant to this Agreement to the best of Seller's knowledge, the provisions set forth in all of Section 2 are true and correct as of Closing Date. Seller further represents and warrants that all data,

including but not limited to, balance, date of charge-off, date of last payment and loan type, supplied to Buyer is true and accurate to the best of Seller's knowledge, and that Seller has not altered in any way the integrity of the data. Buyer understands and acknowledges that Seller originally received the data from a Prior Owner, and that Seller has relied on the accuracy of such data.

- l. Seller represents and warrants that to the best knowledge of the Seller, no Accounts require mandatory arbitration.
  - m. All of the provisions of this Section 2 with respect to Seller's Representations and Warranties shall survive the Closing of the transaction hereunder.
3. Seller agrees that if, as to any of the Receivables, any of its warranties herein are breached or any claim or defense exists against Buyer arising out of a breach of any warranty herein, Seller will repurchase such Receivables on written demand with proof of the breach for the same percentage of the net outstanding balance that Buyer paid for such Receivables. Such repurchase shall be Buyer's exclusive remedy for any such breach.
  4. Buyer shall not assume or incur liability for any debt, other obligation of Seller, other than as herein provided.
  5. Within thirty (30) days of the effective date of this Agreement, Buyer will make best efforts to notify debtors who are obligated on the Receivables that it has purchased such Receivables and that all payments thereon shall be made to the Buyer and all legal and other action respecting the Receivables shall be taken by Buyer in its own name and not the name of Seller nor Issuer.
  6. Seller hereby constitutes and appoints Buyer the true and lawful special attorney-in-fact of Seller in the name and stead of Seller, on behalf of and for the benefit of Buyer, to endorse the name of the Seller without recourse upon all checks, drafts, notes, powers and other forms of exchange received as payment on any of the affected Receivables.
  7. Seller shall remit to Buyer all payments, which are received by Seller or Seller's agents after the applicable Closing Date within [REDACTED] of receipt of same. Seller shall also notify the Buyer of any and all payments which are received by Seller or Seller's agents (identifying debtor name, originating account number, date of payment, and amount of payment) no more than [REDACTED] from the date said Seller or Seller's agents receive a payment(s). Payments made after the date of this Agreement shall belong to Buyer.
  8. The purchase and sale contemplated by this Agreement may be subject to the approval of certain regulatory authorities and/or the original creditor, and if so the parties agree

to obtain such approval prior to the date of closing; otherwise, this Agreement shall be void at the other party's sole option.

9. This agreement and any disputes arising under or as a result of the negotiation or execution of this agreement shall be governed by and its provisions construed under the laws of the state of Texas, and Federal laws where applicable. Any disputes between the parties, of any kind or nature, shall be determined in the state or federal courts of Tarrant County, Texas and the parties do consent to personal jurisdiction of such courts. In any litigation between the parties to this agreement, the maximum recovery to the prevailing party shall be limited to the consideration given by that party under this contract, together with the prevailing party's reasonable and necessary attorney's fees. In no event shall Seller be obligated to return any funds to Buyer unless Seller receives from Buyer all physical and electronic receivables to which such funds is attributable together with any sums collected by Buyer on such receivables.

10. Buyer represents and warrants to Seller that:

- a. It is a sophisticated investor and its bid for and decision to purchase the Account Package(s) pursuant to this Agreement is and was based upon Buyer's own independent evaluation of the information made available by Seller to Buyer, and Buyer's independent evaluation of each Account Package(s). Buyer has relied solely on its own investigation and not on any oral or written information provided by Seller or its personnel or agents other than information in the Account Package(s), the representations and warranties set out in Item #2 of this Agreement, and any schedules or exhibits attached. Buyer acknowledges that no employee or representatives of Seller has been authorized to make, and the Buyer has not relied upon, any statements other than those specifically contained in this Agreement, or in any Account Package(s).
- b. It is qualified to transact business and duly licensed in all jurisdictions where necessary to purchase, hold, collect or enforce the Receivable or any amounts due thereon.
- c. It has full power and authority to purchase the Receivables from Seller and that all necessary proceedings on its part have been duly taken to authorize this purchase.
- d. It will make best efforts to comply with all applicable laws, rules, regulations, ordinances and judgments relating to or in any way affecting the purchase of the Receivables by Buyer, the ownership thereof by Buyer or the collection or enforcement thereof by Buyer.
- e. Buyer agrees to comply with contract terms agreed to by Seller in purchase/sale agreement between Chase Bank USA attached as Exhibit D, as if Buyer were original signatory.

- f. This sale agreement does require original creditor approval to resell, assign or otherwise transfer the accounts to a third party. Buyer agrees that if Buyer chooses to resell, assign or otherwise transfer the accounts to a third party that Buyer will obtain approval from Seller. Buyer acknowledges (i) that Seller is contractually obligated to request approval from original creditor, and (ii) acknowledges that Seller cannot, with certainty, guarantee that any third-party potential buyer will be approved by original creditor.
- g. It will comply with all applicable laws, rules, regulations, ordinances and judgments relating to or in any way affecting its collection procedures.
- h. It acknowledges that the Assets, the Asset Documents, and the Collateral, if any, may have limited or no liquidity. Also, the Buyer has the financial wherewithal to own the Assets for the indefinite period of time and to bear the economic risk of an outright purchase of the Assets and a total loss of the Purchase Price for the Assets. Buyer acknowledges that the Assets may be Unenforceable Assets.
- i. Except as provided in paragraph 5 hereof, the relationship of the parties is solely that of seller and buyer and Buyer shall have no authority or capacity otherwise to bind or commit Seller to any act, obligation or liability, nor shall Buyer have any authority to bind Seller contractually.
- j. The parties will negotiate in good faith in an effort to resolve any dispute. Any controversy concerning this Agreement, which the parties cannot resolve within thirty days, will first be directed to mediation in Tarrant County, Texas or any private mediator upon whom the parties agree with all expenses being shared equally by the parties. The mediation shall be conducted pursuant to the rules of the Texas Alternative Dispute Resolution Procedure Act (the "Act") and Chapter 154 of the Texas Civil Practice and Remedies Code (the "Code"). In the event the dispute is still not resolved through mediation then the dispute shall be settled by a mini-trial in State Court in Tarrant, Texas pursuant to the Act and the Code. Buyer waives right to trial by jury. The mini-trial shall be conducted as described in Section 154.024 of the Texas Civil Practice & Remedies Code and the parties shall select an impartial third party to conduct the mini-trial or, if the parties cannot agree, the third party shall be selected by and be a member of the Judicial Arbitration and Mediation Services. The parties agree that the award in the mini-trial shall be binding and may be reduced to judgment by any Tarrant County, Texas District Court and enforced as in the case of any other judgments.
- k. Buyer agrees to make a good faith effort to collect the outstanding balance due from the debtor prior to commencing any litigation proceedings.

1

The Buyer acknowledges Seller was not the original credit grantor for the accounts, and may not have in its possession account documents that may be requested by the Buyer. Buyer further acknowledges that the failure of Seller to provide any account document requested by Buyer will not be a breach of this agreement. Seller will include all available statements provided by Chase Bank USA received by Seller with original purchase. Additional media may be requested for [REDACTED] document [REDACTED] of the number of Accounts purchased and thereafter the media is [REDACTED] per document. Seller affidavits can be requested for [REDACTED] each.

]

1.

1. The Buyer agrees that it will comply with the requirements of the Gramm-Leach-Bliley legislation and any subsequent interpretations or regulations relating to the legislation. This legislation addresses the sharing of non-public personal information concerning credit consumers. It is the policy of Global Acceptance Credit Company, LP to not share such information in ways prohibited by Gramm-Leach-Bliley, and it is a condition of this sale that you protect such information from unauthorized or improper disclosure.
11. Buyer agrees to, and does hereby, indemnify and hold Seller, and its Affiliates, predecessors, successors, assigns, officers, directors, employees, agents, and attorneys harmless from and against any claims, actions, suits, or other actual or threatened proceedings, and all losses, judgments, damages, expenses, or other costs (including reasonable counsel fees and disbursements of counsel) incurred or suffered by Seller, or any of its predecessors, as a consequence of, or otherwise in connection with, any act or omission of Buyer of any kind whatsoever, or a breach of the Agreement, or any gross negligence, willful misconduct or violation of any applicable law, rule or regulation by Buyer (or its Affiliates, employees, or agents) in connection with any Breach by Buyer or any subsequent Buyer (or its employees, representatives, agents, successors, or Affiliates) in connection with the collection or enforcement of the Accounts or any Breach by Buyer. At its sole option, Seller will have the Right to require Buyer to assume the defense of such any claim, action, suit, or other actual or threatened proceeding and to directly pay for all losses, judgments, damages, expenses, or other costs (including all counsel fees and disbursements of counsel) which may be imposed.
12. Seller agrees to, and does hereby, (a) extend to Buyer any and all Rights to indemnification that Seller has against the Originating Creditor and/or any other Person or Entity who is a prior owner of the Accounts, and (b) indemnify and hold Buyer, its Affiliates, predecessors, successors, assigns, officers, directors, employees, agents, and attorneys harmless from and against any claims, actions, suits, or other actual or threatened proceedings, and all losses, judgments, damages, expenses, or other costs (including reasonable counsel fees and disbursements of counsel) incurred or suffered by Buyer as a consequence of, or otherwise in connection with, any act or omission of Seller of any kind whatsoever, or a breach of the Agreement, or any gross negligence, willful misconduct or violation of any applicable law, rule or regulation by Seller (or

its Affiliates, employees, or agents) in connection with any Breach by Seller. At its sole option, Buyer will have the Right to require Seller to assume the defense of such any claim, action, suit, or other actual or threatened proceeding and to directly pay for all losses, judgments, damages, expenses, or other costs (including all counsel fees and disbursements of counsel) which may be imposed.

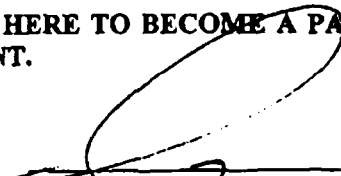
13. This Agreement represents the entire agreement between the parties. There are no promises, inducements, represents, or warranties not expressly stated herein. This Agreement may not be modified except by written instrument signed by all of the parties hereto. This Agreement supersedes any prior understandings or written or oral agreements between the parties respecting the Receivables, or the rights and obligations of the parties hereto.

14. This Agreement will be effective upon receipt by Global Acceptance Credit Company, LP of a wire transfer (wiring instructions attached as Exhibit C), Cashier's Check, or Money Order for the full amount of the purchase.

**ANY SCHEDULES OR EXHIBITS ATTACHED HERE TO BECOME A PART OF AND ARE INCORPORATED INTO THIS AGREEMENT.**

  
\_\_\_\_\_  
Global Acceptance Credit Company, LP

By: GAC GP, LLC  
Its General Partner  
Mike Varrichio  
President/CEO  
Date: February 18, 2011

  
\_\_\_\_\_  
By: Andrew Eichenbaum  
Title: Managing Member  
RAB Performance Recoveries, LLC  
Date: February 18, 2011

**Schedule A**

Global Acceptance Credit Company  
5850 West Interstate 20, Suite 100  
Arlington, Texas 76017

**Closing Statement and Invoice**

Portfolio Invoice:

[REDACTED]

Original Creditor:

Chase Bank USA

Number of Accounts:

[REDACTED]

Basis:

[REDACTED]

Outstanding Balance:

[REDACTED]

States(s):

[REDACTED]  
[REDACTED]  
[REDACTED]

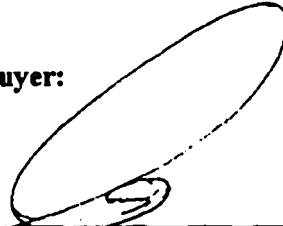
On or before the Closing Date, Purchaser shall pay to Seller by check or by wire transfer or otherwise immediately available funds, the amount of [REDACTED]  
[REDACTED]

**Seller:**

**Buyer:**



Global Acceptance Credit Company, LP



By: Andrew Eichenbaum  
Title: Managing Member  
RAB Performance Recoveries, LLC  
Date: February 18, 2011

By: GAC GP, LLC  
Its General Partner  
Mike Varrichio  
President/CEO  
Date: February 18, 2011

**Exhibit A**  
**Recourse Procedures**

- I. All accounts submitted for recourse must meet qualifications as outlined in Exhibit B.
- II. Buyer agrees to provide verification of Bankruptcy, Deceased, Fraud and Settled Prior as outlined in Exhibit B.
- III. Buyer agrees to forward to Seller all files and documentation on qualifying recourse accounts as outlined in Exhibit B, no more than once monthly, at Buyers expense via the United States Postal Service or Overnight Mail Service to:

Global Acceptance Credit Company  
5850 West Interstate 20  
Suite 100  
Arlington, Texas 76017

- IV. Seller agrees to refund qualifying recourse accounts with the amount equal to the purchase price of that particular account or accounts qualifying for recourse as outlined in Exhibit B.
- V. Buyer must submit to Seller all qualifying recourse accounts on or before June 20, 2011. After that date no accounts will be accepted for recourse.
- VI. Buyer will appoint one of its employees to be the recourse liaison between Buyer and Seller, and Seller will appoint one of its employees as recourse liaison between Buyer and Seller for all recourse accounts.

## **Exhibit B**

### **Recourse Qualifications**

#### **Bankruptcy**

1. Accountholder(s) must have filed prior to the effective date of this Agreement.
2. If there are two or more Accountholders on the same account, all Accountholders must have filed.
3. Bankruptcy filing must be verified by providing proof of the filing or following information necessary to verify the filing.
  - a. Attorney Name
  - b. Attorney Phone Number
  - c. Case Number
  - d. Filing Date

#### **Deceased**

1. Accountholder(s) must have been deceased prior to the date of this Agreement.
2. If there are two or more Accountholders on the same account or the Accountholder is in a non-community property state, all Accountholders must be deceased.

#### **PAID IN FULL / SETTLED IN FULL**

Verification must be provided.

#### **Forgery / Fraud**

Verification must be provided by police report or fraud/forgery affidavit.

#### **Out-of-Statute**

Verification must be provided that a particular account is out of statute or within 60 days of being out of statute from the date of this Agreement.

## **Exhibit C**

**Bank:** Texas Capital Bank

**Bank Address:** 2000 McKinney  
Suite 700  
Dallas, Texas 75201

**Bank Telephone:** (214) 932-6670

**Bank Officer:** Ellen Riederer

**ABA Number:** 111017979

**Account Number:** 1111031090

**Account Name:** Global Acceptance Credit Company, LP

**Attention:** Mike Varrichio  
(817) 288-0266

**Schedule A**

Global Acceptance Credit Company  
5850 West Interstate 20, Suite 100  
Arlington, Texas 76017

**Closing Statement and Invoice**

Portfolio Invoice:

[REDACTED]

Original Creditor:

Chase Bank USA

Number of Accounts:

[REDACTED]

Basis:

[REDACTED]

Outstanding Balance:

[REDACTED]


States(s):

[REDACTED]  
[REDACTED]  
[REDACTED]

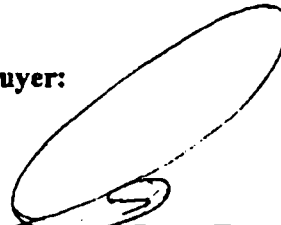
On or before the Closing Date, Purchaser shall pay to Seller by check or by wire transfer or otherwise immediately available funds, the amount of [REDACTED]  
[REDACTED]

**Seller:**

**Buyer:**



Global Acceptance Credit Company, LP



By: Andrew Eichenbaum  
Title: Managing Member  
RAB Performance Recoveries, LLC  
Date: February 18, 2011

By: GAC GP, LLC  
Its General Partner  
Mike Varrichio  
President/CEO  
Date: February 18, 2011