

General Dealer Agreement

In anticipation of a friendly, profitable, and lasting relationship, I ask you to review the facts regarding New City Funding Corp.

1. The purpose of this agreement is to set forth rules that will govern the purchase of acceptable paper by New City Funding Corp.

2. Assignment. Dealer's assignments of Paper (the "Assignments" and each an "Assignment") to New City Funding Corp. shall be without recourse except as provided in this Agreement or in the Agreements. The assignments shall be required to be acceptable to New City Funding Corp. in its sole discretion.

3. Dealer Representations and Warranties. In order to induce New City Funding Corp. to purchase Paper, Dealer Represents and warrants that:

- (a). Each item of Paper, related information and documents provided to New City Funding Corp. are genuine, contain the valid signatures of Buyers and Guarantors, correctly state the terms of the transaction, and are true and accurate in every material respect.
- (b). All signers had the legal capacity to contract at the time of their signature.
- (c). The goods and services are truly and accurately described in the Paper and have delivered to, together with a copy of the Paper, and willingly accepted by Buyer.
- (d). The down payments have been paid in full by the Buyer without help from the Dealer and were actually paid in cash or merchandise received in trade as shown.
- (e). Title to the goods and services is vested in Buyer under the paper, and New City Funding Corp. holds a valid first lien upon the goods.
- (f). Title to the goods and services is not branded, nor is the title required to be branded as rebuilt, salvage, flood or other designation which may decrease the market of value of the goods and services. If so, Dealer agrees to repurchase contract.
- (g). Dealer possesses all of the requisite state and other jurisdictional licenses required to engage in its business and to sell the Paper to New City Funding Corp.
- (h). No payments have yet been received on the balance of the purchase price as set forth in the Paper.
- (i). No representations and warranties have been made to the Buyer other than those contained in the Paper and the Paper represents the entire agreement of Buyer and Dealer.
- (j). Such steps as are necessary to perfect New City Funding Corp. security interest in the goods have been taken.
- (k). Dealer has furnished New City Funding Corp. with copies of all disclosures required to be given to the Buyer under applicable law in connection with the sale of the goods and services that are the subject of each Paper, and such disclosures and the matter in which they are given conform to all applicable laws and regulations.
- (l). The sales transaction and the Paper arising from such sale comply with all applicable federal, state, and local laws and regulations.

4. Dealer Breach and Reassignment. If there is any breach of Dealer's representations or warranties with regards to any item of Paper, then upon demand, Dealer shall immediately repurchase that Paper from New City Funding Corp. for the Repurchase Amount, which are all the amounts due under that Paper, including New City Funding Corp.'s out-of-pocket expenses, less holdbacks (not discounts), and unearned finance and insurance charges. Upon payment of such Repurchase Amount, New City Funding Corp. shall reassign the Paper to Dealer.

A. New City Funding Corp. requires a copy of your Massachusetts Automobile Dealer's License and Massachusetts Banking Department Installment Seller's License Prior to the acceptance of your first deal. Contracts must show your Corporate or Company name as it is listed on the Installment Sellers License. New City Funding Corp.'s checks will be issued accordingly.

B. New City Funding Corp. require an acquisition fee, which will deducted from the cash advance and calculated discretely from each deal. The Federal Trade Commission has issued a staff opinion stating that the sale of a Consumer Credit Contract to a finance company which charges an acquisition fee is not Consumer Credit Transaction under the Truth in Lending Act, although the contract itself is subject to the act. Acquisition fees paid by you to New City Funding Corp. have nothing to do with the extension of credit by you to your customer, thus making disclosure of this transaction to the consumer unnecessary. THIS COST MUST NOT BE PASSED ON TO THE CUSTOMER.

C. A starter interrupt unit must be installed in every vehicle prior to customer taking possession of vehicle and removed at the end of the loan. The device must be returned to New City Funding Corp.

5. Buyer Defenses or Complaints. If Buyer makes a complaint to or raises a defense against Dealer or New City Funding Corp., upon demand of New City Funding Corp., Dealer will have thirty (30) days to provide a prompt good faith response to attempt to mutually satisfy all parties to the transaction. When responding to Buyer's complaint or defense, Dealer will comply with all applicable state and federal laws and regulations.

6. Collections. New City Funding Corp. shall have the sole right to collect the Paper it purchases from Dealer and to notify each Buyer to pay directly to New City Funding Corp. Dealer agrees not to solicit collections or make any repossession, settlements, or adjustments with respect to the Paper it sells to New City Funding Corp. and agrees to forward to New City Funding Corp. All communications, inquiries, and identical remittances Dealer may receive with reference to said Paper to New City Funding Corp. within 24 hours. Further, Dealer shall not accept the return of nor make any substitution of any of the goods covered by any such Paper except pursuant to New City Funding Corp. written instruction.

Payment Price and Reserve Accounts:

A. The financial terms under which New City Funding Corp. will purchase Paper from dealer will vary as agreed between the parties from time to time and from contract. On purchase of Paper from Dealer, the Reserve Account will be credited with general holdbacks. The Reserve Account is subject to the following condition, Holdback Account can be used to offset any Dealer Guarantees and will be released.

B. At New City Funding Corp. discretion, Holdbacks and Guarantees on a deal is per deal basis. Holdback monies may be used to satisfy any account which Dealer has breached any representations or warranties.

C. New City Funding Corp. shall hold and may collect the Delinquent Paper after it has been charges to the Holdback Account. Collections of principal thereafter will be credited back to the Holdback Account less one-third for New City Funding Corp.'s general expenses after full reimbursement of any court costs, legal, repossession or other fees incurred by New City Funding Corp. However, the Paper charged against the Holdback Account shall be deemed to be worthless after three years without payment, and New City Funding Corp. shall not be liable or accountable to Dealer in any manner for its non-return.

D. Service contracts and GAP Waiver policies. If Buyer, Dealer or New City Funding Corp. is entitled to a credit due to prepayment, cancellation or charge-off, Dealer's refund to New City Funding Corp. shall be in same proportion as provided for by the policy multiplied by the amount New City Funding Corp. paid Dealer for the policy.

7. Insurance. Prior to purchase of the contract by New City Funding Corp. Dealer shall bear the responsibility for loss to the collateral.

(a) Every deal must include Vendors Single Interest Insurance (VSI).
(b) Spare Key must be given to New City Funding Corp. for each vehicle (no exceptions!!!)

8. Title. The appropriate Massachusetts vehicle title with New City Funding Corp.'s lien recorded will be in New City Funding Corp. possession within 45 days from the date the contract is purchased. Otherwise, Dealer will, on demand, repurchase the contract for the Repurchase Amount and will hold New City Funding Corp. harmless from all damages, losses and costs that may ensue.

9. Indemnity. Dealer will indemnify and hold New City Funding Corp. and its officers, agents, affiliates and employees harmless from any and all liabilities, losses, costs, and expenses (including attorney's fees), resulting from any obligation, liability, or action of Dealer or its agents or losses, costs and expenses (including attorney's fee), resulting from any obligation, liability, or action of New City Funding Corp. or its agents or employees. This indemnification shall survive termination of this Agreement and is in addition to and not in lieu of any other indemnities now or in the future, whether under other provisions of this agreement or otherwise.

10. Specific Holdbacks and Discounts. In addition to amounts for the Reserve Account, there are other kinds of holdbacks that Dealer may allow New City Funding Corp. to take from time to time:

(a) Specific Holdback. Applies to the specific contract from which it is taken. When that specific contract is paid in full or when the specified number of monthly payments has been made, if earlier, the specific Holdback will be paid to the dealer.
(b) Discounts. Belongs to New City Funding Corp. forever, and New City Funding Corp. is in no way obligated to account for it To Dealer.

11. Successors and Assigns. This Agreement shall insure the benefit of and bind New City Funding Corp. and Dealer and their respective heirs, representatives, successors and assigns. However, the Dealer may not assign this Agreement except with prior written consent of New City Funding Corp.

12. Termination. Either New City Funding Corp. or Dealer may terminate this Agreement with or without cause at any time, but such termination shall not affect any obligation on the part of either New City Funding Corp. or Dealer which arose out of the purchase of Paper hereunder prior to the termination.

13. Waiver of Jury Trial. Each of the parties to this agreement hereby waives any right to a trial by Jury in any action or proceeding to enforce or defend any rights under this Agreement, any note, any other Amendment, instrument, document or Agreement delivered or which may be in the future delivered in Connection herewith or therewith, and agrees that any such action or proceeding shall be tried before a court and not before a jury.

14. All dealers must comply with all "Red Flag Rules".

A complete, signed application to include personal references must accompany all transactions, as well as a copy of VALID Massachusetts Driver's License. A mileage or odometer statement must also be included.

I guarantee that the customer will be the registered owner and our security interest shall appear as the only security on any certificate of title now or hereafter issued. The dealership must file a financing statement (notice of our security interest filed for public record) covering New City Funding Corp. security interest. Forms RMV-1.

The dealer agrees that they will follow all Federal Laws and State Laws regarding advertising and fair lending. Federal laws being ECOA and Regulation Z and applicable Massachusetts laws.

Dealer agrees to follow all Federal and State Laws regarding advertising and fair lending. Compliance, ECOA, Regulation Z, MA Sales Finance Act, "Privacy Act", "Patriot Act" all applicable State and Federal Laws.

Please use New City Funding Corp. checklist in order to eliminate errors or omissions.

Agreement Acceptance: The Dealer Agreement and the Guaranty, if any, set forth below are not effective until signed at its executive office located in Stony Point, New York.

Accepted: Stony Point, New York.

New City Funding Corp.
146 South Liberty Drive, Unit 11B
P.O. Box 121
Stony Point, New York 10980

By: _____
Officer

_____ day of _____,

Dealer: _____

By: _____
Officer, Partner or Owner

_____ day of _____,

DEALER'S AUTHORIZED SIGNERS:

By: _____
Name and Title

_____ Name and Title

_____ Name and Title