

Motor Vehicle Lease Agreement – Closed End☒ Monthly Payment Lease ☐ Weekly Payment Lease ☐ Bi-Weekly Payment Lease ☐ Semi-Monthly Payment Lease

Lessor (Dealer Name and Address) Friendly Auto Gallery 334 Canton Road Cumming, GA 30040	Lessee(s) Name(s) and Address(es) First Time Buyer 123 Approved Street Atlanta, GA 30302	Co-Lessee(s) Name(s) and Address(es)
---	---	--------------------------------------

Lease No. 100500 Date: 03/03/2021**Description of the Leased Property (Vehicle)**

Year: <u>2016</u>	Make: <u>Ford</u>	Model: <u>Edge</u>	Style:	VIN: <u>2FMPK3J86GBC30046</u>	Odometer Reading: <u>40,493</u>
----------------------	----------------------	-----------------------	--------	----------------------------------	------------------------------------

☐ New
☒ Used
☐ Demo

Equipped With:

You acknowledge that you have received and examined the Vehicle described above and that the Vehicle is equipped as described and is in good operating order and condition. You accept the Vehicle for all purposes of this Lease.

Trade-In Vehicle and its Allowance

Year: _____	Make: _____	Model: _____	Gross Trade-In Allowance: <u>0.00</u>
Prior Credit or Lease Balance: \$ <u>0.00</u>	Net Trade-In Allowance: \$ <u>0.00</u>	(If less than zero, enter zero)	

Federal Consumer Leasing Act Disclosures

1. Amount Due at Lease Signing or Delivery (itemized below) \$ <u>2,000.00</u>	2. Payments a. Lease Payments. Your first payment of \$ <u>462.71</u> is due on <u>04/01/21</u> followed by <u>23</u> payments of \$ <u>462.71</u> on a <u>Monthly</u> basis thereafter. The total of your payments is \$ <u>11,105.04</u> . b. Single Payment. Your payment of \$ _____ is due on _____.	3. Other Charges (not part of your lease payment) <ul style="list-style-type: none"> Disposition Fee (if you do not purchase the Vehicle): \$ <u>299.00</u> Late Return Fee (if you do not timely return the Vehicle): \$ <u>399.00</u> (or, if greater, \$25 per day for each day that the Vehicle is not returned to us after the last day of the Lease Term) _____ \$ _____ _____ \$ _____ _____ \$ _____ Total: \$ _____	4. Total of Payments (the amount you will have paid by the end of the Lease) \$ <u>13,105.04</u> (Total of Section 1, plus Section 2, plus Section 3, minus Section 5(b) and minus Section 5(d))
---	---	---	--

5. Amount due at Lease Signing or Delivery		*Itemization of Amount Due at Lease Signing or Delivery	
a. Capitalized Cost Reduction	\$ <u>2,000.00</u>	i. Tax on Cap Cost Reduction	\$ _____
b. First Payment	\$ <u>0.00</u>	j. _____	\$ _____
c. Single Payment	<u>0.00</u>	k. _____	\$ _____
d. Refundable Security Deposit	\$ <u>0.00</u>	l. _____	\$ _____
e. Registration Fees	\$ <u>0.00</u>	m. _____	\$ _____
f. Title Fees	\$ <u>0.00</u>	n. _____	\$ _____
g. Acquisition Fee	\$ <u>0.00</u>		
h. Documentation Fee	\$ <u>0.00</u>		
		Total	= \$ <u>2,000.00</u>
		How the amount due at Lease Signing or Delivery will be paid: Net Trade-In Allowance: \$ <u>0.00</u> Rebates and non-cash credits: \$ <u>0.00</u> Amount to be paid in cash: \$ <u>2,000.00</u> <input type="checkbox"/> Total \$ <u>2,000.00</u>	

Motor Vehicle Lease Agreement – Closed End**Your Payment is Determined as Shown Below:****Gross Capitalized Cost:**

The agreed upon value of the Vehicle (\$ 10,000.00) and any items you pay over the Lease Term (such as service contracts, insurance, and any outstanding prior credit or lease balance).

\$ 10,000.00**Capitalized cost reduction:**

The amount of any net trade-in allowance, rebate, non-cash credit, or cash you pay that reduces the gross capitalized cost.

- \$ 2,000.00**Adjusted capitalized cost.**

The amount used in calculating your base payment.

= \$ 8,675.84**Residual Value.**

The value of the Vehicle at the end of the Lease used in calculating your base payment.

- \$ 0.00**Depreciation and any amortized amounts.**

The amount charged for the Vehicle's decline in value through normal wear and tear and for other items paid over the Lease Term.

= \$ 8,675.84**Rent Charge.**

The amount charged in addition to the depreciation and any amortized amounts.

+ \$ 2,429.12**Total of base payments.**

The depreciation and any amortized amounts plus the rent charge.

= \$ 11,105.04**Lease Term.**

The number of payments in your Lease

÷ 24**Base Payment**

= \$ _____

Sales/Use Tax+ \$ 0.00**Total Payment**= \$ 462.71

Early Termination. You may have to pay a substantial charge if you end this Lease early. The charge may be up to several thousand dollars. The actual charge will depend on when the Lease is terminated. The earlier you end the Lease, the greater this charge is likely to be.

Excessive Wear and Use. You may be charged for excessive wear based on our standards for normal use and mileage in excess of 20,000 miles per year at the rate of \$ 0.35 per mile. (Excess Mileage Charge)

☐ **Purchase Option at End of Lease Term.** If the box in this line is checked, you have the option to purchase the Vehicle at the end of the Lease Term for \$ 0.00 and a purchase option fee of \$ 999.00. The purchase option price does not include official fees such as those for taxes, tags, license, and registration, which you will also be required to pay.

Other Important Terms. See Lease documents for additional information on early termination, purchase options, and maintenance responsibilities, warranties, late and default charges, insurance, and any security interest, if applicable.

Itemization of Gross Capitalized Cost

Agreed upon value of the Vehicle	\$ <u>10,000.00</u>	Extended Warranty and Service Contract	\$ <u>0.00</u>	Acquisition fee	\$ _____
Sales or Use Tax and any other applicable taxes	\$ <u>675.84</u>	Documentation fee	\$ <u>0.00</u>	Gap Insurance	\$ <u>0.00</u>
Title, License, and Registration fees	\$ <u>0.00</u>	Outstanding Prior Credit or Lease Balance and Negative Equity	\$ <u>0.00</u>	Other	\$ <u>0.00</u>
				Total:	\$ <u>10,675.84</u>

Additional Protections

You may buy any of the following voluntary protection plans. They are not required as part of this Lease and will not be a factor in our decision to lease the Vehicle to you. Your signature below means that you want the described item and that you have received and reviewed a copy of the contract(s) for the product(s). If no coverage or charge is given for an item, you have declined any such coverage we offered.

☐ Service Contract☐ Gap Waiver or Gap Coverage☐ _____

Term _____

Term _____

Term _____

Price \$ 0.00Price \$ 0.00Price \$ 0.00

Coverage: Refer to terms on separate agreement

Coverage: Refer to terms on separate agreement

Coverage: Refer to terms on separate agreement

Lessee's Signature

First Time Buyer

Lessee's Name

03/03/2021

Date_____
Co-Lessee's Signature_____
Co-Lessee's Name

03/03/2021

Date

Motor Vehicle Lease Agreement – Closed End**Additional Terms**

Additional Fees and Charges. Information about a Security Deposit and a Late Charge can be found in the Additional Lease Terms section. In addition to the other amounts promised in this Lease, you agree to pay the following:

- **Vehicle Return Fee.** You will pay us a Vehicle Return Fee of \$ 499.00 if this Lease is terminated before the end of the scheduled Lease Term and the Vehicle is returned to us or to our agents. This Fee will not apply if the Lease ends early by your purchase of the Vehicle.
- **Disposition Fee.** You will pay us a Disposition Fee of \$ 299.00 when you return the Vehicle at the end of the end of the scheduled Lease Term. This Fee will not apply if the Lease ends early or if you buy the Vehicle at the end of the Lease Term (if you have that option).
- **Official Fees and Taxes.** The estimated total amount you will pay for the official license fees, registration, title, and taxes over the term of your Lease, whether included with your periodic payment or assessed otherwise: \$ 675.84. The actual total of fees and taxes may be higher or lower, depending on the tax rates in effect or the value of the leased property at the time a fee or tax is assessed.

Service Charge for Unclaimed Security Deposit Refund. Unless prohibited, if we send you a check after this Lease ends to refund the remaining portion of any Security Deposit and you do not collect that check within 6 months, you agree that we may deduct a monthly service charge of \$50.00 from the remaining portion of any Security Deposit until it is gone or otherwise refunded to you.

Warranties. The Vehicle is subject to the following express warranties that apply to this Lease.

The standard written manufacturer's warranty. This warranty is made by the manufacturer and NOT by the Lessor.

By signing this Lease, you acknowledge receiving a copy of the above-written warranties. You understand that we (the Lessor) make no express or implied warranties other than those described above (if any). Except as provided above, you will take the Vehicle as is and with all faults.

Additional Lease Terms

Definitions. "You," "your," and "Lessee" mean each person or legal entity, jointly and severally, who signs this Lease as the "Lessee." "We," "our," "us," and "Lessor" mean the Lessor who signs this Lease and its successors and assigns.

Agreement to Lease. You agree to lease the motor vehicle described in this Lease ("Vehicle") from us under the terms of this Lease. You agree to pay all amounts due and to perform all your obligations under this Lease. You intend to use the Vehicle primarily for personal, family, or household purposes, unless the "Business, commercial, or agricultural purpose lease" box is checked. Applicable provisions of the Federal Consumer Leasing Act are part of this Lease.

General Terms. You agree that the law of the state where this Lease is signed will govern this Lease, unless prohibited. If any part of this Lease cannot be enforced, the rest of the Lease will still be enforceable.

Indemnity. To the fullest extent permitted by law and unless otherwise prohibited by law, you agree to indemnify and hold us harmless and our successors and assigns from all liability, claims, losses, demands, damages of all kinds, expenses (including reasonable legal and attorney's fees and expenses, unless prohibited), fines, and penalties we suffer or incur resulting from the possession, operation, condition, maintenance, or use of the Vehicle during the Lease Term.

Notices. Unless otherwise required by law, you agree that any notice we provide you will be reasonable and sufficient if it is sent by first class mail, addressed to you at the address given in this Lease or to your last known address as reflected in our records. You will notify us in writing within 30 days of any change in your address or where the Vehicle is garaged.

Security Deposit. If included in the Itemization of Amount Due at Lease Signing or Delivery section, you will give us a refundable Security Deposit in the amount indicated. Your Security Deposit may be used to pay any amount that you owe to us under this Lease, no matter how or when incurred and no matter how or when payable, and, by way of illustrative example only and not by way of limitation, your Security Deposit may be used, among other things, to satisfy any Excess Mileage Charge that you may owe. After all your obligations are paid under this Lease, we will return any remaining amount to you. You agree to cash, deposit, or otherwise collect any check we send you to refund any remaining portion of the Security Deposit within 6 months of the date on the check. Unless prohibited, you also agree that we may, beginning 6 months after the date of any refund check that remains uncollected, impose any monthly service charge described in the Service Charge for Unclaimed Security Deposit Refunds section. Unless prohibited, you will not be entitled to interest on your Security Deposit or to any other benefit, increase, or profits that accrue to us as a result of holding the Security Deposit.

Late Charge. If all or any portion of a payment is not paid within 10 days of its due date, you will be charged a late charge of the lesser of \$50 or 5% of the unpaid amount of the payment.

Vehicle Use. You agree to the following:

- You agree to allow the Vehicle to be operated only by licensed drivers for lawful purposes and in a lawful manner;
- You agree to operate the Vehicle only as recommended by the manufacturer;
- You agree not to use the Vehicle as a taxi or for other public or private hire or deliver (including, for example, as a driver for Uber or Lyft or any similar ride-sharing company);
- You agree not to use the Vehicle in a way that causes the cancellation or suspension of any warranty, insurance, or similar vehicle protection agreement;
- You agree not to take the Vehicle out of the state where you reside for more than 30 consecutive days without our prior written approval; and
- You agree not to take the Vehicle out of the United States without our prior written approval.

Maintenance and Operating Costs. You agree to keep the Vehicle in the same condition as when you received it, except for reasonable wear and mileage. You agree to service and maintain it as recommended by the manufacturer and as needed to keep it in good operating condition. You also agree to maintain the Vehicle so that any warranties or similar agreements remain effective and so that it passes all inspections required by law. You are responsible for paying all costs of the Vehicle's service, repair, and maintenance and all the costs of its operation, including the costs of gas, oil, parking, storage, violations, etc. You agree to make the Vehicle available to us for inspection during the Lease Term at any reasonable time and location that we request.

Required Insurance. You are liable for any injury, death, or damage arising out of the use of the Vehicle. You agree to provide at least the following insurance coverage ("Required Insurance") on the Vehicle at all times during this Lease.

- **Liability** for bodily injury or death of others in the amount of at least \$100,000 per person and \$300,000 per occurrence;
- **Liability** for property damages to others in an amount of at least \$50,000; and
- **Collision and comprehensive** (including fire and theft coverage) with a deductible of not more than \$500 for each kind of coverage.

You agree to provide the insurance at your own expense from an insurer authorized to do business in the state where you are located or an eligible surplus lines insurer. This insurance may be provided through existing policies that you own or control. You also agree to name us or our assignee as loss payee and additional insured. The insurance policy must provide for at least 10 days' advance notice to us of any cancellation or other material change in coverage. At our request, you will promptly deliver to us a copy of the policy and proof of the payment of premiums. If you fail to meet these requirements, we may obtain insurance on your behalf at your expense.

You are leasing the Vehicle from us. We own the Vehicle. You are required to maintain insurance on the Vehicle to protect our interest. If you fail to provide evidence of insurance on the Vehicle to us, we may place insurance on the Vehicle, and you are responsible for the cost of the insurance we place on the Vehicle. You will promptly contact us in writing if any of the insurance provider information changes. You authorize us to endorse your name on any check we receive for insurance proceeds.

Notice. Liability insurance coverage for bodily injury and motor vehicle damage caused to others is not included in this Lease.

Damage to the Vehicle and Insurance Claims. You will notify us in writing immediately after any loss to person or property occurs involving the Vehicle in any way. You will also notify us in writing immediately upon receiving notice of any demand, claim, or suit involving the Vehicle in any way. You agree to fully cooperate with us and with your insurer in any investigation, suit, or other action resulting from the use or control of the Vehicle.

____ Lessor's initials / _____ Co-Lessor's initials

Motor Vehicle Lease Agreement – Closed End

You agree to repair or compensate us for any loss or damage to the Vehicle that occurs during this Lease. If the Vehicle is damaged, we will decide if it is repairable and if it should be repaired. If the Vehicle is repaired, you will apply to the costs of repair any insurance proceeds you receive for its loss or damage. You understand that you must pay for any loss or damage that is not paid by insurance proceeds. You must also keep making any payments as they come due during this Lease even if the Vehicle is damaged or unusable for a period of time. The *Theft, Loss, or Irreparable Damage* section describes what happens if we decide that the Vehicle cannot or should not be repaired.

Determining the Adjusted Lease Balance. Your early termination liability under this section will be calculated using the "Adjusted Lease Balance." A "Month" is a period of approximately 30 days beginning on the same day of a month that the payment(s) is/are due (or on the last day of a month if there is no same day in that month). If this Lease is a Monthly Payment, Weekly Payment, Bi-Weekly Payment, or Semi-Monthly Payment Lease, the Adjusted Lease Balance at the beginning of this Lease is equal to the Adjusted Capitalized Cost. At the end of each Month, the Adjusted Lease Balance will be reduced by adding the periodic Rent Charge or Charges for that Month and then subtracting the amount of all Base Payments made during that Month. The Rent Charge is equal to (a) the Adjusted Lease Balance at the beginning of each Month minus the Base Payment amount, multiplied by (b) the Lease Rate (# of payments in Lease Term). The Lease Rate is the rate which will cause the periodic reductions described above to reduce the Adjusted Lease Balance to the Residual Value over the Lease Term. All calculations referred to above are done as though each Month has exactly 30 days.

Determining the Realized Value. If the law so requires, we will send you a notice and wait any required period of time before taking action to establish the Vehicle's Realized Value. Unless otherwise required by law, the Realized Value will be determined in one of the following ways.

- It will be determined when requested by you, a written agreement between you and us, reached within 10 days of the Vehicle's return.
- It will be determined by the professional appraisal of an independent third party agreed to by you and us and obtained at your expense within 10 days of the Vehicle's return (or a longer period, if all parties so agree or if the law so requires). The appraisal shall be of the Vehicle's wholesale value and shall be final and binding on both you and us.
- If it is not determined within 10 days of the Vehicle's return, we will determine the Realized Value, at our sole discretion, either in accordance with accepted practices in the automobile industry for determining the wholesale value of used vehicles by obtaining a wholesale cash bid for the purchase of the Vehicle or by disposing of the Vehicle in a commercially reasonable manner. If the law requires a specific method or process, we will follow it as required. If we use a bid procedure, you may have the right to submit a cash bid which we will consider along with any other offers we may receive. We do not have to sell the Vehicle but will use the highest offer amount we receive in calculating your liability. The Realized Value will be zero if the Vehicle is not returned to us.

Option to Purchase Before the End of the Lease Term. You have the option to purchase the Vehicle at any time as long as we have not declared the Lease to be in default. You must give us at least 30 days' prior notice of your intent to purchase. The Vehicle sale price will be the sum of: (1) All officials' fees, taxes, and other costs incurred for the purchase (or to prepare the Vehicle for purchase) and all other fees and charges then due or past due under the Lease; (2) the Adjusted Lease Balance; and (3) the purchase option fee disclosed in this Lease.

Scheduled Termination. Unless this Lease ends under another section of this Lease, you will return the Vehicle to us on the last day of the scheduled Lease Term. You agree to return it to our address or to another reasonable location that we may request. You may return the Vehicle up to 15 days before the last day of the scheduled Lease Term at your option and for your own convenience, without any adjustment (charges or credits) for an "early" return.

Upon termination under this section, you agree to pay use the following items:

- A Disposition Fee, if any, described in the *Additional Fees and Charges* section.
- An Excess Wear Charge and an Excess Mileage Charge, if any, described in the *Excess Wear and Mileage* section (which may be deducted from your Security Deposit).
- All other amounts then due or past due under this Lease.

These amounts are due and payable at the time you return the Vehicle or as soon thereafter that they can be determined unless otherwise provided by law. If you fail to return the Vehicle to us on or before 10 days after the last day of the scheduled Lease Term, you will be obligated to pay us, as a late return fee, the greater of \$399.00 or \$25 per day for each day that the Vehicle is kept by you and not returned to us after the last day of the scheduled Lease Term ("Late Return Fee").

Option to Purchase at the End of the Lease Term. The Purchase Option at End of Lease Term section in the *Federal Consumer Leasing Act Disclosures* section describes your option to purchase the Vehicle at the end of the scheduled Lease Term (if any) and the Vehicle's purchase price. If you have the option, it is available only if we have not already declared the Lease to be in default. You must also give us at least 30 days' prior notice of your intent to purchase.

Excess Wear and Mileage. When you return the Vehicle at the end of the scheduled Lease Term, you agree to pay an Excess Wear Charge for any excessive wear to the Vehicle. The Excess Wear Charge will be equal to the actual or estimated costs of repair, or the estimated loss in its value, because of any excessive wear (even if we do not repair the Vehicle). Excessive wear includes the following:

- **Mechanical damage, failure, or defect.**
- **Repairs or replacement parts,** including tires, that are not made with original equipment manufacturer's parts unless we specifically approve the use of such repairs or parts in advance and in writing.
- **Exterior parts,** grilles, bumpers, trim, paint, and glass that are dented, scratched, chipped, discolored, or otherwise damaged, missing, or worn beyond ordinary use.
- **Interior parts,** upholstery, dashboard, carpeting, or trunk liner that are stained, torn, burned, or otherwise damaged, missing, or worn beyond ordinary use.
- **Accessories, tools, and equipment** included with the Vehicle when delivered that are missing, damaged, or not in proper working order.
- **Tires** that are retreads, unsafe, have less than 1/8-inch tread at the shallowest point or are not a part of a matching set of four.
- Any other part or condition that causes the Vehicle to be **unsafe or unlawful** to use.
- Any other damage or wear that together cost more than \$50 to repair or replace.

Theft, Loss, or Irreparable Damage. If the Vehicle is stolen and not recovered, or is lost or destroyed, or is damaged and we determine that it cannot or should not be repaired, then we will decide whether to continue or terminate this Lease. If it is continued, you agree to accept a reasonable substitute vehicle of similar value, condition, mileage, and accessories to replace the original Vehicle. If we terminate the Lease under this section, the event will be treated as an early termination and you will be required to pay the amounts described in the *Early Termination* section. On such early termination, you agree to release to us all insurance or other proceeds you receive for damages or loss to the Vehicle (including any premium refunds on the Required Insurance) up to the amount you owe us.

Default. You will be in default on this Lease if any one of the following occurs (except as prohibited by law).

- You fail to make any payment when it is due;
- You fail to perform any material obligation that you have undertaken in this Lease (which includes doing something you have agreed not to do);
- The Vehicle is seized, confiscated, or levied upon by legal or governmental process;
- You fail to provide the Required Insurance on the Vehicle or fail to provide proof of such coverage after we request it;
- Anything else happens that creates a default according to applicable law.

If this Lease is in default, we may exercise our remedies against any or all Lessees.

Remedies. If this Lease is in default, we may take any one or more of the following actions. If the law requires us to do so, we will give you notice and wait any period of time required before taking some or all of these actions.

- We may terminate this Lease and your rights to use the Vehicle.
- We may take any reasonable action to correct your default or to prevent our loss (including, for example, purchasing insurance that you agreed to provide). Any amount we pay will be added to the amount you owe us and will be immediately due. All amounts due to us will bear post-default interest at the rate of 24.99% per annum until such amounts are paid in full.
- We may require you to return the Vehicle and any related records or make them available to us in a reasonable manner.
- We may take back the Vehicle by legal process or self-help, but in doing so, we may not breach the peace or violate the law.
- We may use any other remedy available to us in this Lease or under law.

You agree that, subject to your right to recover such property, if any, we may take possession of personal property left in or on the Vehicle when we take back the Vehicle.

Motor Vehicle Lease Agreement – Closed End

You agree to repay us for any reasonable amounts we pay to correct or cover your default, unless prohibited by law. You also agree to reimburse us for any and all costs and expenses we incur in the Vehicle's return and disposition or resulting from early termination, unless prohibited by law, and these costs expressly include the costs of any self-help repossession and towing that we undertake to secure the return of the Vehicle. This amount further includes, for example, our court costs and, to the extent and in the amount permitted by applicable law, reasonable attorney's fees. By choosing any one or more of these remedies, we do not give up our right to use another remedy. By deciding not to use any remedy should this Lease become in default, we do not give up our right to use that remedy if the same kind of default happens again.

Lease Termination. This Lease will terminate when one of the following events occurs, whichever may occur first:

- You choose to end the Lease early and return the Vehicle to us.
- You choose to buy the Vehicle (if you have that option).
- You return the Vehicle at the end of the scheduled Lease Term.
- We terminate the Lease because the Vehicle is stolen and not recovered, or is lost or destroyed, or is damaged and we determine that it cannot or should not be repaired or replaced.
- We terminate this Lease due to your default.

Upon termination, you will pay the amounts agreed to in this Lease. You are not entitled to keep the Vehicle past the end of the scheduled Lease Term or the date of early termination without our prior written consent.

Gap Waiver or Gap Coverage. You are liable for the early termination charges in the Early Termination section if this Lease ends early because the Vehicle is stolen and not recovered, or is lost or destroyed, or is damaged and we determine that it cannot or should not be repaired. Upon such termination, the amount of insurance proceeds we receive from or through you for the Vehicle—which you are expressly required to pay to us—may not be enough to pay the early termination charges. This difference is generally referred to as the "Gap Amount." You may, but are not required to, purchase a Gap Waiver or Gap Coverage Contract (Gap Product) to help cover the Gap Amount, subject to the specific conditions and limitations in the separate Gap Product.

Early Termination. This section applies if, for any reason, the Lease terminates before the end of the scheduled Lease Term. It does not apply if you choose to buy the Vehicle before the end of the scheduled Lease Term. On early termination, you will return the Vehicle to us. You will deliver it to our address or to another reasonable location at our request.

Early Termination Liability. Upon early termination, you agree to pay us the following items:

- A Return Vehicle Fee, if any, described in the Additional Fees and Charges section.
- An early termination charge equal to the number of base payments shown in the chart below which is based upon the percentage of the Lease Term that has expired.

% of Lease Term Elapsed:	Number of Base Payments Due:
0-25%	2.5
26-50%	2.0
51-75%	1.5
76-99%	1.0
- All accrued and unpaid amounts that are due or past due at that time (including amounts described in the Remedies section).
- The amount by which the Adjusted Lease Balance at that time exceeds the Realized Value. (If the Realized Value is greater than the Adjusted Lease Balance, the excess will be applied as a credit toward your liability.)
- All official fees and taxes imposed in connection with the Lease termination.

If the early termination occurred because of theft, loss, or irreparable damage to the Vehicle, any insurance or Gap Product proceeds received by us for that theft, loss, or damage will be applied to pay the early termination liability.

We will notify you of the amount of these charges and provide any other related information as may be required by law. The charges will be due as soon as the amount is determined unless otherwise provided by law. When you return the Vehicle at the end of the scheduled Lease Term, you agree to pay any Excess Mileage Charge as described in the Federal Consumer Leasing Act Disclosures section.

Titling, Official Fees, and Taxes. You understand and agree that this Lease is a lease only. We own the Vehicle, and it will be titled in our name or in the name of our assignee. You have no ownership interests in the Vehicle except for any future options to purchase provided in this Lease. You agree to pay all title, registration, license, sales, use, excise, personal property, ad valorem, inspection, testing, and all other taxes, fees, and charges imposed by government authorities in connection with the Vehicle and this Lease during the Lease Term, except our income taxes. If such amounts are assessed for a period during the Lease Term, you will pay them even if they become due after the Lease Term. We may, at our discretion, determine that the timing and procedures for payment of these amounts. You will promptly pay these amounts as they come due unless otherwise indicated in this Lease. The actual total of official fees and taxes that you pay may be higher or lower than our estimate depending on the tax rates in effect or the value of the Vehicle at the time a fee or tax is assessed.

Assignments and Transfers. We may sell, assign, or in any other way transfer our rights and responsibilities in the Vehicle and this Lease.

You will not sublease the Vehicle, assign, pledge, or permit a security interest to be created in, or in any other way transfer your interests or responsibilities in the Vehicle and in this Lease. We may, at our discretion, give you permission to make a transfer that is otherwise prohibited. Such permission must be given by us in writing before any such transfer will be authorized or recognized.

Arbitration Agreement

Please read this section carefully. Notice of Arbitration. By agreeing to this Arbitration Agreement you are giving up your right to go to court for claims and disputes arising from this Lease if you or we choose to arbitrate.

- You or we may choose to have any dispute between us decided by arbitration, and not by a court or by jury trial.
- If a dispute is arbitrated, you give up your right to join as a class representative or class member in any class action or class arbitration that you may have against us.
- In arbitration, discovery and rights to appeal are generally more limited than they would be in a judicial proceeding, and other rights that you and we would have in court may not be available.

At your or our election any claim or dispute in contract, tort, statute, or otherwise between you and us or our employees, agents, successors, or assigns that arises out of, or relates to your credit application, this Lease, or any related transaction or relationship is to be decided by neutral, binding arbitration. Also, to the extent allowed by law, the validity, scope, and interpretation of this Arbitration Agreement is to be decided by neutral, binding arbitration. The arbitration will be conducted by a single arbitrator and will be held in the State of Georgia.

If you or we choose to arbitrate a claim or dispute, you and we agree that no trial by jury or other judicial proceeding take place. In addition, you agree not to participate as a class representative or class member on any class claim that you may have against us, including class arbitration. You and we also agree that any claim or dispute is to be heard and decided by one arbitrator only, and only on an individual basis and not as a class action.

The arbitrator shall follow the governing substantive law. The arbitrator has the authority to order specific performance, compensatory damages, punitive damages, and any other relief allowed by applicable law. Other than the grounds for review under the Federal Arbitration Act, the arbitration award is final and binding on all parties. Any court having jurisdiction may enforce the arbitrator's award.

The arbitrator shall be selected, and the arbitration shall be conducted, in accordance with the Comprehensive Arbitration Rules and Procedures of JAMS. The arbitrator's decision shall be final and binding. Judgment on the award of the arbitrator may be entered in any court having jurisdiction. Any post-award proceedings shall be conducted in accordance with the Federal Arbitration Act, 9 U.S.C. § 1 et seq. Unless the parties otherwise agree in writing, the costs of the arbitration, including the fees and expenses of the arbitrator, shall be

Motor Vehicle Lease Agreement – Closed End

shared equally by the parties. Each party shall bear his, her, or its own costs and attorneys' fees related to the arbitration, provided that the losing party shall bear the costs of the arbitrator appointed under JAMS.

You or we can do the following without giving up the right to require arbitration:

- Seek remedies in small claims court for claims within that court's jurisdiction, unless these claims are transferred, removed, or appealed to a different court. If they are, either you or we can require the transfer of these claims to arbitration.
- Seek judicial provisional remedies.
- Exercise self-help remedies and to take measures that do not involve a court or arbitration, including but not limited to setting off against a deposit account and repossessing property.

The Federal Arbitration Act, 9 U.S.C. § 1 *et seq.* governs this Arbitration Agreement, and not any state law concerning arbitration, including state law arbitration rules and procedures. This Arbitration Agreement survives any termination, payoff, or transfer of this Lease. If any part of this Arbitration Agreement is not enforceable, the rest is enforceable; but if the waiver of class action rights is unenforceable, then this entire Arbitration Agreement is unenforceable.

By signing this Lease you and we understand and agree to be bound by its terms, and expressly waive our rights to trial by jury and judicial process, and review, except as allowed by law. Caution: It is important that you read this Arbitration Agreement thoroughly before you sign this Lease. By signing it, you are accepting that you have read, understand, and agree to this Arbitration Agreement, and have received a copy of it. If you do not understand something in this Arbitration Agreement, do not sign this Lease; instead ask your lawyer. You may reject this Arbitration Agreement by sending us a rejection notice by certified or registered mail or by messenger service within 10 days after the date of signing this Lease.

Notices

THIS IS A LEASE AGREEMENT. THIS IS NOT A PURCHASE AGREEMENT. PLEASE REVIEW THESE MATTERS CAREFULLY AND SEEK INDEPENDENT PROFESSIONAL ADVICE IF YOU HAVE ANY QUESTIONS CONCERNING THIS TRANSACTION. YOU ARE ENTITLED TO AN EXACT COPY OF THE AGREEMENT YOU SIGN.

Notice. You have no ownership rights in the Vehicle unless and until you exercise your option to purchase the Vehicle.

Arbitration. This Lease contains an Arbitration Agreement that affects your rights. By signing this Lease, you agree to the terms of this Arbitration Agreement.

Signatures

Entire Agreement. Your and our entire agreement is contained in: (a) this Lease; and (b) any related agreement between you and us about conditions that must be satisfied after delivery of the Vehicle. There are no unwritten agreements regarding this Lease. Any change to this Lease must be in writing and signed by you and us.

 Lessee's Signature
First Time Buyer
 Lessee's Name
03/03/2021
 Date

 Co-Lessee's Signature

 Co-Lessee's Name
03/03/2021
 Date

Notice to Lessee. (1) Do not sign this Lease before you read it or if it contains any blank spaces; (2) You are entitled to a completely filled-in copy of this Lease; (3) This is a Lease agreement and not a purchase agreement. Please seek independent professional advice if you have any questions concerning this transaction. By signing below, you agree to all terms of this Lease. You received a copy of this Lease and had a chance to read and review it before you signed it.

 Lessee's Signature
First Time Buyer
 Lessee's Name
03/03/2021
 Date

 Co-Lessee's Signature

 Co-Lessee's Name
03/03/2021
 Date

Lessor's Acceptance. By signing below, Lessor agrees to the terms and conditions of this Lease:

- **Lessee DL Inspection.** The Lessor inspected each of Lessee's and (if applicable) Co-Lessee's driver's licenses and compared and verified the signature on each license with the signature of the Lessee and (if applicable) the Co-Lessee, each written in Lessor's presence. Lessor believes that the Lessee and (if applicable) the Co-Lessee providing such information is currently licensed to drive by the state of his or her residence.
- **Assignment.** Lessor assigns this Lease and all rights and title to the Vehicle to the Assignee identified below (if any). This assignment is subject to any separate Assignment Agreement between the Lessor and Assignee.

Assignee Name: Apex Auto Lending

Address: 334 Canton Road Ste B, Cumming, GA 30040

Phone: 770-406-8680

By: _____

Its: Friendly Auto Gallery Date: 03/03/2021