

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF VIRGINIA
Richmond Division**

ZACHARY ALLEN MARTIN,

Plaintiff,

CIVIL ACTION NO. 3:11cv654

**Q&A ENTERPRISES, INC., t/a
GLOBAL SELECT AUTO,**

and

**CRESCENT-VIRGINIA LOAN PRODUCTION, INC.,
t/a CRESCENT BANK AND TRUST,**

SERVE: National Corporate Research LTD
250 Browns Hill Ct.
Midlothian, Virginia 23114

and

CONSUMER PORTFOLIO SERVICES, INC.,

SERVE: CT Corporation System
4701 Cox Road, Suite 301
Glen Allen, Virginia 23060-6802

and

**J.P. MORGAN CHASE BANK, N.A., t/a
CHASE CUSTOM FINANCE,**

SERVE: CT Corporation System
4701 Cox Road, Suite 301
Glen Allen, Virginia 23060-6802

Defendants.

FIRST AMENDED COMPLAINT *(Corrected)*

INTRODUCTION

COMES NOW the Plaintiff, Zachary Allen Martin, (hereafter the “Plaintiff”) by counsel, and for his complaint against the Defendants, alleges as follows:

1. This is a case arising from a common sales tactic in the retail automobile sales industry called “a yo-yo sale” or “spot delivery.” Using this tactic, the dealer sells an automobile to the consumer “on the spot.” The consumer signs all paperwork, often pays a down payment and/or provides a trade in, receives a certificate of registration, temporary or transferred tags, gets insurance coverage for the vehicle, and is provided possession of the automobile. All purchase and loan documents are signed by the consumer. The consumer leaves the dealership believing he or she owns the automobile since he is told his loan was approved. The sale is financed by the dealer (as the creditor) on a Retail Installment Sales Contract (RISC). As in the present case, only after the sale is done does the dealer then attempt to sell or assign this installment credit contract (the RISC) to a third party finance company. When the dealer for whatever reason decides not to go through with the deal, or the third party finance companies it “shopped” the loan to is unwilling to purchase the RISC, the dealer attempts to “undo” or cancel the sale, and repossesses or yanks it back from the buyer like a yo-yo.

Sometimes, as in the present case, the dealer will submit a credit application on certain terms to third party lenders, that approve the loan on those terms, but the dealer does not advise the consumer of the terms actually accepted, and convinces the buyer to agree to terms that are higher or “worse” for the consumer by claiming that the terms presented are the only terms that were approved, terms which create a higher profit for the dealer. The consumer never learns that his credit request for a loan on the lower terms was approved because the dealer never advises that the

lower terms were approved, and the third party lender never provides the buyer notice of the approval, as required by the Equal Credit Opportunity Act. (ECOA).

Sometimes, as in the present case, the dealer will also attempt to get the customer to sign a second batch of purchase documents, requiring more money, since it knows the customer is emotionally committed to the car and is vulnerable to the threat that the deal will be cancelled if he does not sign the new, more expensive contract. However, if the sale is cancelled, neither the dealer nor the finance company send the consumer any written notice of adverse action, and sometimes, as in this case, the dealer confiscates the down payment, even though it has cancelled the purchase contract and repossessed the vehicle.

These shady practices violate the ECOA, the Truth In Lending Act (“TILA”), and the Federal Fair Credit Reporting Act (“FCRA”). They also violate the Virginia Consumer Protection Act (“VCPA”), the Virginia Motor Vehicle Code, and often violate the Uniform Commercial Code since the repossession occurs before any default and no notice of disposition of the repossessed vehicle is provided. Furthermore, these tactics of fraudulently inducing the signing of the contract and then failing to abide by the contract and canceling the sale, constitutes fraud and breach the contract.

JURISDICTION

2. This lawsuit is being brought pursuant to the Fair Credit Reporting Act, 15 U.S.C. §1681 et seq and the Equal Credit Opportunity Act, 15 U.S.C. §§ 1691 et seq, which present federal questions and as such jurisdiction arises under 28 U.S.C. §§1331, 1337.

3. This court may exercise supplemental jurisdiction over the related state law claims arising out of the same nucleus of operative facts which give rise to the Federal law claims under

28 U.S.C. §1367.

4. Venue is proper in this court since most of the defendants, Crescent-Virginia Loan Production, Inc., t/a Crescent Bank and Trust, Consumer Portfolio Services, Inc., and J.P. Morgan Chase Bank, N.A., t/a Chase Custom Finance, have their registered agent located within the Richmond Division of the Eastern District of Virginia, and the Plaintiff chooses to bring this lawsuit here.

PARTIES

5. Plaintiff is a consumer as governed by the ECOA, FCRA, Virginia Code §8.9-25, and Virginia Code §59.1-196 et seq. of the VCPA.

6. Defendant, Q&A Enterprises, Inc., t/a Global Select Auto, (hereinafter “Global”), is a Virginia corporation doing business as a retail automobile dealer. At all times relevant hereto it was a “creditor” as defined and governed by the ECOA (15 U.S.C. §1691a(e)) and FCRA (15 U.S.C. §1681m).

7. At all times relevant hereto Global was a “supplier” as governed and defined by the VCPA (Virginia Code § 59.1-198) and was a motor vehicle dealer as governed by Virginia Code Section 46.2-1500, et seq. At all times relevant hereto it was a “creditor” as governed and defined by ECOA, 15 U.S.C. §1691a(e) and FCRA (15 U.S.C. §1681m).

8. Defendant, Crescent-Virginia Loan Production, Inc., t/a Crescent Bank and Trust, (“Crescent Bank”) is a Corporation doing business as a financial institution and doing significant business in the Richmond Division, in the Eastern District of Virginia, where it maintains its registered agent. At all times relevant hereto it was a “creditor” as governed and defined by ECOA, 15 U.S.C. §1691a (e) and FCRA (15 U.S.C. §1681m).

9. Defendant, Consumer Portfolio Services, Inc. (“CPS”), is a Corporation doing business as a financial institution and doing significant business in the Richmond Division, in the Eastern District of Virginia, where it maintains its registered agent. At all times relevant hereto it was a “creditor” as governed and defined by ECOA, 15 U.S.C. §1691a (e) and FCRA (15 U.S.C. §1681m).

10. Defendant, J. P. Morgan Chase Bank, N.A., t/a Chase Custom Finance (“Chase Finance”), is a foreign corporation doing business as a financial institution in Virginia which does significant business in the Richmond Division, in the Eastern District of Virginia. At all times relevant hereto it was a “creditor” as governed and defined by ECOA, 15 U.S.C. §1691a (e) and FCRA (15 U.S.C. §1681m).

FACTS

11. On or about April 20, 2011 Plaintiff went online to Global to purchase a vehicle he had seen advertised by Global on Craig’s List for \$18,900.00, a 2004 Porsche Cayenne, VIN: WP1AB29P04LA61572 (the “vehicle”). He also filled out a credit application online providing certain personal information to see if he could qualify for a loan for the vehicle.

12. Global made a credit inquiry into Plaintiff’s credit on April 20, 2011 and soon thereafter “Alex,” a manager for Global (last name unknown), called and advised that Plaintiff qualified for a loan in order to buy the Porsche and to come to the dealership to work out the details.

13. Dealer Track is a company that instantly and simultaneously communicates to various third party lenders credit applications car dealers submit for customers seeking financing.

14. In order to find a third party lender it hoped to assign the loan it intended to give the Plaintiff for the vehicle purchase, on or about April 21, 2011, it is believed through Dealer Track,

Defendant Global submitted a “completed application” for an extension of credit to Crescent Bank, CPS , and Chase Finance for the Plaintiff’s purchase of the vehicle, an application that was in accordance with the procedures used by the creditor for the type of credit requested, and provided information necessary for the Defendants to obtain access to Plaintiff’s credit report information, the credit score of the Plaintiff, and it is believed it provided certain biographical information, and income, expenses, etc.

15. Chase Finance approved the approved the loan application of the Plaintiff for \$19,118.00, with an Annual Percentage Rate of 9.75% up to 12.25%, on a 60 month loan, with certain stipulations. See **Exhibit 1 (“The Approval”)**. The terms of this approval were different “better” for the Plaintiff than those presented to the Plaintiff by Global in the Retail Installment Sales Contract #1 attached hereto as Exhibit 3..

16. CPS also approved the completed loan application request of the Plaintiff submitted by Global.

17. CPS, and Chase Finance never provided any notice of approval of any request for credit either explicitly or implicitly, to the Plaintiff.

18. The Defendants did not approve the Plaintiff’s request for credit on the terms noted in the RISC (Exhibit 3) after making credit inquiries into Plaintiff’s credit report on April 21, 2011, but never provided Plaintiff written notice of this adverse action.

19. On April 23, 2011, Plaintiff and two friends went down to the dealership and upon arrival met his salesman, “Bola” (last name unknown), (hereinafter “Bola”) and the manager, “Alex.” During negotiations “Bola” advised Plaintiff that the vehicle had not been in an accident or previously painted. They also negotiated a purchase price with Alex if Plaintiff made a \$5000.00 down payment they would reduce the price to \$18,500.00, and he advised that his loan

had been approved.

20. On April 23, 2011 Plaintiff paid \$4,000.00 in cash, and provided a \$1,000.00 check to Global which advised that it would return the check to him when he brought in \$1,000.00 in cash, since Alex advised that Global did not accept checks.

21. On April 23, 2011, after waiting three or more hours to go through this sale process, being rushed through the signing of the paperwork, relying on the representations that the vehicle had no accident or re-painting history, that the \$18,500.00 purchase price had increased to \$22,498.88 due to certain fees that were included, that he qualified for a loan, that the terms of the loan were the best that could be found for the plaintiff, and that it would do the DMV paperwork to transfer title into his name, Plaintiff agreed to purchase of the vehicle (the "Sale"). All conditions of the Sale were fulfilled and satisfied by the Plaintiff. Plaintiff made a \$4,000.00 down payment and provided the \$1,000.00 check, expecting to bring in the cash at a later date, at which time his check was to be returned. See Buyer's Order attached **Exhibit 2**.

22. The Buyer's Order provided to the Plaintiff on the date of sale does not contain the notice required by Virginia Code § 46.2-1530 which states in pertinent part:

A buyer's order shall include:...

12. If the dealer delivers to the customer a vehicle purchased by the customer on or after July 1, 2010, that is conditional on dealer-arranged financing, the following notice, printed in bold type no less than ten point: 'IF YOU ARE FINANCING THIS VEHICLE, PLEASE READ THIS NOTICE: YOU ARE PROPOSING TO ENTER INTO A RETAIL INSTALLMENT SALES CONTRACT WITH THE DEALER. PART OF YOUR CONTRACT INVOLVES FINANCING THE PURCHASE OF YOUR VEHICLE. IF YOU ARE FINANCING THIS VEHICLE AND THE DEALER INTENDS TO TRANSFER YOUR FINANCING TO A FINANCE PROVIDER SUCH AS A BANK, CREDIT UNION OR OTHER LENDER, YOUR VEHICLE PURCHASE DEPENDS ON THE FINANCE PROVIDER'S APPROVAL OF YOUR PROPOSED RETAIL INSTALLMENT SALES CONTRACT. IF YOUR RETAIL INSTALLMENT SALES CONTRACT IS APPROVED WITHOUT A CHANGE THAT INCREASES THE COST OR

RISK TO YOU OR THE DEALER, YOUR PURCHASE CANNOT BE CANCELLED. IF YOUR RETAIL INSTALLMENT SALES CONTRACT IS NOT APPROVED, THE DEALER WILL NOTIFY YOU VERBALLY OR IN WRITING. YOU CAN THEN DECIDE TO PAY FOR THE VEHICLE IN SOME OTHER WAY OR YOU OR THE DEALER CAN CANCEL YOUR PURCHASE. IF THE SALE IS CANCELLED, YOU NEED TO RETURN THE VEHICLE TO THE DEALER WITHIN 24 HOURS OF VERBAL OR WRITTEN NOTICE IN THE SAME CONDITION IT WAS GIVEN TO YOU, EXCEPT FOR NORMAL WEAR AND TEAR. ANY DOWN PAYMENT OR TRADE-IN YOU GAVE THE DEALER WILL BE RETURNED TO YOU. IF YOU DO NOT RETURN THE VEHICLE WITHIN 24 HOURS OF VERBAL OR WRITTEN NOTICE OF CANCELLATION, THE DEALER MAY LOCATE THE VEHICLE AND TAKE IT BACK WITHOUT FURTHER NOTICE TO YOU AS LONG AS THE DEALER FOLLOWS THE LAW AND DOES NOT CAUSE A BREACH OF THE PEACE WHEN TAKING THE VEHICLE BACK. IF THE DEALER DOES NOT RETURN YOUR DOWN PAYMENT AND ANY TRADE-IN WHEN THE DEALER GETS THE VEHICLE BACK IN THE SAME CONDITION IT WAS GIVEN TO YOU, EXCEPT FOR NORMAL WEAR AND TEAR, THE DEALER MAY BE LIABLE TO YOU UNDER THE VIRGINIA CONSUMER PROTECTION ACT.' "

23. On April 23, 2011, Global accepted Plaintiff's completed application for credit and upon such application, informed Plaintiff that he was approved for the financing, that the terms of the RISC #1, which designates Global as the Creditor- Seller, were the best that it could find, that he would receive the payment book for the car loan in the mail, and that to complete the deal, all he needed to do was sign the paperwork.

24. After Plaintiff completed the paperwork and was told by Global that his proposed loan for the vehicle had been approved, the finance manager told him that his payments would be \$446.75 monthly for 60 months. This was memorialized by the RISC #1 and was signed by the Plaintiff and Global. **Exhibit 3.**

25. Global intentionally concealed from the Plaintiff that his car purchase and loan request had been approved by lenders on terms lower than what was presented to him by Global as "the best loan that we be found."

26. Paragraph 2(c) on page 3 of the RISC #1 indicates that Plaintiff is providing Global a security interest in the vehicle and the RISC #1 requires that the payments shall be made to the "Creditor-Seller," which is Global. ¶3(b) defines "default" in part as, "You pay any payment (plus any late charges) more than 10 days late or not at all."

27. At the time Plaintiff was presented with the paperwork to sign, he had been at the dealership for three or more hours and did not review the information carefully. He trusted Global's employees to tell him what he needed to know regarding the documents he signed, he noted the monthly payment on the RISC #1 was what he had agreed to and was told those terms were the best Global could get for him, and did not review the documents much further and signed them.

28. Global presented Plaintiff with thirty day temporary tags to drive the vehicle until title could be transferred. Global also required Plaintiff to obtain his own insurance for the vehicle and provide proof of it, which he did.

29. After signing all the paperwork and providing the down payment and proof of insurance, Plaintiff shook hands with Bola and Alex, who congratulated him on his purchase and drove away in what he thought was his new car.

30. Global submitted the Plaintiff's application for financing to one or more lenders in an effort to sell and assign the RISC #1.

31. After the purchase and delivery of the vehicle to Plaintiff he discovered during a Maryland state safety inspection that his vehicle was not in the condition as described to him but in fact had been in an accident and repainted. It still had a cracked taillight that had not been repaired, information he told a Global manager about on two occasions after he discovered it. 32.

After purchase Plaintiff received a second batch of backdated purchase documents to sign

which Danny Price, the finance manager for Global, explained were identical to the first batch he had signed, but were necessary to finalize the deal since Global had put the wrong vehicle identification number on the original purchase documents. See Buyer's Order #2 , RISC #2, a loan application, and an application for title to the Virginia DMV, which were part of the second batch of documents Global sent Plaintiff to sign. **Exhibits 4, 5, 6, and 7.** (These documents have the same VIN as the original purchase documents).

33. On or about April 30, 2011 Plaintiff had a conversation with the finance manager, Danny Price, regarding the new purchase documents Global wanted him to sign. Mr. Price told Plaintiff that the real reason Global needed the second batch of documents signed was that his loan had not gone through and that if he did not sign the second batch of documents that the deal was cancelled and he had to bring the vehicle back. When Plaintiff informed him that he did not intend to sign the second batch of documents Mr. Price told him the deal was cancelled and to return the vehicle on Monday, May 2, 2011.

34. A review of RISC #1 (Ex. 3) and RISC #2 (Ex. 4) reveal that in RISC #2 Global increased the "Cash Price (incl. of sales tax)" even though the finance manager had told Plaintiff that the contracts were the same except for the Vehicle Identification Number.

35. The sales tax charged by Global in both RISCs (Ex. 3 & 4) are in an amount that is higher than the 6% permitted by Maryland law.

36. Since Global had advised him that the sale was being cancelled, Plaintiff began the process of stopping payment on his \$1,000.00 check and even called the alleged assignee of the RISC, Wells Fargo Dealer Services, which informed him that it had no record of a vehicle loan in his name.

37. On Sunday, May 1, 2011 Plaintiff returned a call from Alex about the \$1,000.00

down payment, who advised him that the finance manager, Danny Price, had said the deal had been cancelled and that he could bring the vehicle back on Monday, to which the Plaintiff agreed.

38. On Monday, May 2, 2011, as requested by Global, Plaintiff and a friend returned the vehicle, but when he demanded his down payment back, he was informed by Alex that Global did not intend to cancel the deal or return his down payment, and that since he had not brought in the \$1,000.00 down payment in cash it was repossessing the vehicle (“the taking”), that he did not care what Wells Fargo said about the loan because “Global is the bank,” and to leave the vehicle on the lot because “you’re wasting your time and mine.”

39. The \$5,000.00 down payment was due on April 23, 2011, thus, according to ¶3(b) of the RISC #1 (Ex. 3) Plaintiff had ten days or until May 3, 2011 to pay the \$5,000.00 before he was in default.

40. Global repossessed the vehicle on May 2, 2011.

41. Plaintiff was not in default when the vehicle was repossessed by Global.

42. Since the taking of the automobile, Plaintiff has suffered damages for the loss of his down payment, cost of insurance, lost wages, cost of substitute transportation, aggravation, humiliation, and inconvenience.

43. Based on information and belief, inducing customers to purchase its vehicles via fraudulent representations about the vehicles it is selling is a common business practice of Global. In fact, after the repossession of the Plaintiff’s vehicle, on June 25, 2011 it was sold to Brandon Boey (“Mr. Boey”), and, not only was its prior repossession not disclosed to Mr. Boey or the Virginia Department Of Motor Vehicles as required by DMV regulations and Virginia law [Va. Code §59.1-200(7)], but Global, via its manager “Alex,” fraudulently described the prior history of the vehicle to Mr. Boey as never having being an accident as proven by the “clean” Car Fax he

presented for the vehicle. This misrepresentation was made despite Global previously having been told about the accident damage and repainting by the plaintiff and Global's knowledge that the vehicle has sustained accident damage.

44. Global never did the paperwork necessary to put title to the vehicle into Plaintiff's name and never provided any notice of disposition of the vehicle to the Plaintiff after it repossessed it and before it was sold to Mr. Boey.

45. Plaintiff intends to purchase other vehicles in the future and if he needs financing intends to seek financing for future purchases from the Crescent Bank, CPS and Chase Finance, among others, if he needs a loan.

COUNT ONE: VIOLATION OF THE EQUAL CREDIT OPPORTUNITY ACT

46. The Defendants are "creditors" under the ECOA (15 USC § 1691 (a)). The failure of the Defendants to provide to Plaintiff notice of the approval of any credit application made to it by Plaintiff, and due to their failure to provide any written or other statement of reasons for the denial of credit, they violated the ECOA. 15 U.S.C. §1691(d) (1) and Reg. B, 12 C.F.R. §202.9(a)(1)(i) (notice of approval required); and 15 U.S.C §1691(d) (2) (b) (notice of adverse action required).

47. As a result of the above alleged ECOA violations, Plaintiff has suffered substantial actual damages in the loss of his right to learn that the loan had been approved on terms lower than those provided him by Global, and then suffered actual damages in the loss of his right to determine the basis for the other credit denials, his loss of the credit itself, plus suffered frustration, anger, humiliation, fear, embarrassment, and other emotional and mental anguish.

48. As a result of the above alleged ECOA violations, Defendants are liable to

Plaintiff for his actual damages pursuant to 15 U.S.C. §1691e (a), for punitive damages of \$10,000.00 against each Defendant pursuant to 15 U.S.C. § 1691e (b), and for attorney's fees and costs pursuant to 15 U.S.C. § 1691e (d).

49. Plaintiff is entitled to equitable relief against the Defendants since he intends to do business with them in the future, and thus asks the Court enter an Order requiring that in the future these Defendants abide by the ECOA and deliver compliant notices to customer loans they approve or on which they take adverse action. 15 U.S.C. §1691e (c).

COUNT TWO: VIOLATION OF FAIR CREDIT REPORTING ACT

50. Plaintiff reiterates and incorporates paragraphs 1 through 49 above as if fully set out herein.

51. The failure of the Defendants to send any adverse action notice to Plaintiff on each credit denial decision willfully violated the Fair Credit Reporting Act, 15 U.S.C. §1681m.

52. In the alternative to the allegation that no notices were sent to Plaintiff, he alleges that the notices sent do not comply with the Fair Credit Reporting Act, 15 U.S.C. §1681m.

53. In addition, if the credit decision was based on information other than information obtained from a credit reporting agency, Defendants willfully violated the FCRA by failing to provide the notice required by 1681m(b).

54. In the alternative of a willful violation, the Defendants' violations were negligent.

55. As a result of the above alleged FCRA violations, Plaintiff has suffered substantial actual damages in the loss of his rights to determine the basis for credit denial, his loss of the credit itself, frustration, anger, humiliation, fear, embarrassment and other emotional and mental anguish.

56. As a result of these FCRA violations, Defendants are individually liable to Plaintiff for statutory damages from \$100.00 to \$1,000.00 pursuant to 15 U.S.C. §1681n(a)(1)(A), or jointly

and severally liable for actual damages pursuant to 15 U.S.C. §1681n and §1681o if the amount of actual damages is greater than the statutory amount; Defendants are also individually liable for punitive damages pursuant to 15 U.S.C. §1681n(a)(2), and for attorneys fees and costs pursuant to 1681n and 1681o.

57. Plaintiff is entitled to equitable relief against the Defendants requiring delivery of compliant notices in all future instances.

COUNT THREE: VIOLATION OF THE VIRGINIA CONSUMER PROTECTION ACT
(Against Global Only)

58. Plaintiff reiterates and incorporates paragraphs 1 through 57 above as if fully set out herein.

59. Global violated the prohibition under of Va. Code § 59.1-200 (14) of using any deception, fraud, false pretense, false promise, or misrepresentation in connection with a consumer transaction by each, or by any one or a combination of the following actions:

- a. By stating that financing was approved when it had not been, (this violation is pled in the alternative to the allegations that the contract was final);
- b. by misrepresenting that the RISC contained terms of the loan that were the best it could find for the plaintiff when it had received approval for the vehicle loan on terms lower than those n the RISC; by misrepresenting the accident and painting history of the vehicle; by misrepresenting that the second batch of documents were identical to the first; by misrepresenting the reason for the need for the second batch of documents; by misrepresenting that the second RISC was identical to the first except for vehicle identification numbers; by charging sales tax in an amount higher than the 6% required by Maryland law; by deceitfully indicating that the deal was cancelled so that Plaintiff would return the vehicle himself and Global would not have to pay for the vehicle to be towed; and then when Plaintiff returned the vehicle, indicating that the deal was not cancelled but that Global was repossessing the vehicle and confiscating his down payment;

c. by deceptively utilizing a Buyer's Order that violates Virginia law since it did not notify Plaintiff of his rights to cancel the sale and get his full down payment back if the loan was not approved by a third party assignee and that failure to return his down payment may be a violation of the VCPA;

d. by utilizing a business practice of falsely promising Plaintiff it would make him the owner of the vehicle and that for a fee it would obtain his new title and tags for him when Global uses this purported "service" as a means to hide the fact that it is not transferring the old title to the consumer at the time of sale.

(Collectively, the "misrepresentations").

60. Global committed the "misrepresentations" deliberately and willfully.

61. As a result of the "misrepresentations" Plaintiff has suffered substantial actual damages including the cost of substitute transportation, aggravation, humiliation, and distress. Plaintiff has also suffered other substantial actual damages including, by example only and without limitation, the loss of the value of the vehicle he purchased from Global, the loss of use of this vehicle, the cost of substitute transportation, inconvenience, aggravation, humiliation, and other incidental and consequential damages which were reasonably foreseeable by Global.

62. The Plaintiff is entitled to the greater of his actual and treble damages and \$1,000.00 and his costs and attorneys fees pursuant to Virginia Code § 59.1-204.

COUNT FOUR: FRAUD

(Against Global Only)

63. Plaintiff reiterates and incorporates paragraphs 1 through 61 above as if fully set out herein.

64. Global made the "misrepresentations"(defined above) so that Plaintiff would sign the Buyer's Order and RISC and be obligated to pay this amount in order to receive the vehicle.

65. At the time of sale Global intentionally misrepresented that it would make Plaintiff

the owner of the vehicle when it did not have present intent to perform under the Buyer's Order and the RISC nor did it have the present intent to put title in Plaintiff's name if it was not able to assign the RISC, but made these promises in order to obtain Plaintiff's signature on the sales and transaction documents.

66. Based upon plaintiff's counsel's experience it is believed that Global uses such misrepresentations as alleged in this case and deceitful yo-yo sales as its standard business practice.

67. Plaintiff relied on Global's representation about becoming the owner of the vehicle by signing the Buyer's Order and the RISC, becoming obligated under them, and he considered himself the owner of the car until Global cancelled the Sale and effectively repossessed the vehicle.

68. Global made the "misrepresentations" so that on the one hand Plaintiff would sign the Buyer's Order and Credit Contract and become obligated to buy the vehicle and be obligated to those payments, but on the other hand, by not processing the title documents with DMV until it was able to sell the loan, permit it to repossess the vehicle if it decided not to go through with the sale at a later date if no buyer for the loan could be found, or if the third party assignee's offer for buying the loan did not provide enough profit.

69. As the agent for Plaintiff and as well for the DMV, upon issuing the temporary tags and registration Global was required to perform these DMV services immediately and had a fiduciary duty to perform these services; however it had no present intention of performing these services if the assignment of the RISC did not go through.

70. Global's scheme of obtaining a fee to perform the Department of Motor Vehicle services is actually a means to hide the fact that it does not transfer title to consumers at the time of sale; this purported "service" is created solely for its benefit to hide its conduct, to allow it to demand a larger down payment or payment after the sale, and if not complied with, then demand or

even seize possession of vehicles after a sale, and to keep that sale from showing up in the official chain of title.

71. The sale to the Plaintiff is not recorded in the vehicle's chain of title, even though it is believed the title was reassigned to Plaintiff via a separate Reassignment of Title form that would have been filed with Maryland had Global not cancelled the sale. The failure to record the sale to Plaintiff by filing the Reassignment of Title is called "skipping title", which obscures an owner of a vehicle, thereby making knowledge of his existence, the repossession difficult, and makes the buyer's ability to confirm the odometer certifications as accurate, virtually impossible, or any buyer's ability to discover problems or prior accident damage via contact with a prior owner.

72. Plaintiff relied on these misrepresentations by signing the RISC #1 and Buyer's Order and getting his own insurance on the vehicle.

73. Plaintiff was harmed by Global's misrepresentation because he never received title to the vehicle and had his vehicle repossessed.

74. In addition, as a result of the Defendant's multiple acts of fraud and/or misrepresentation, he has suffered substantial actual damages from the confiscation of his down payment, the cost of substitute transportation, plus aggravation, humiliation, and distress. The Plaintiff has also suffered other substantial actual damages, including, by example only and without limitation, the loss of the value of the vehicle he purchased from Global, inconvenience, aggravation, humiliation, and other incidental and consequential damages which were reasonably foreseeable by the Defendant.

75. Defendant knew that all of the misrepresentations were false when it made them. It committed the fraud willfully and with deliberate intent. It did so with actual and legal malice to the Plaintiff and without regard to his rights and interests. Accordingly, the Defendants are also

liable to the Plaintiff for punitive damages.

COUNT FIVE: BREACH OF CONTRACT

(Against Global Only)

76. Plaintiff reiterates and incorporates paragraphs 1 through 74 above as if fully set out herein.

77. By accomplishing the taking and upon its refusal to honor the terms of the Buyer's Order and the RISC #1, Global breached its contract with Plaintiff to sell him the vehicle and to finance same (the "Breach").

78. As result of the Breach, Plaintiff has suffered substantial actual damages in the value of the automobile, its loss of use, costs of cover, and other benefits of the ownership of the automobile.

COUNT SIX: VIOLATION OF ARTICLE 9 OF UNIFORM COMMERCIAL CODE

(Against Global Only)

79. Plaintiff reiterates and incorporates paragraphs 1 through 78 above as if fully set out herein.

80. After the Sale was transacted, the RISC #1 and Global were governed by Article 9 of the Uniform Commercial Code.

81. Upon the taking, Global failed to comply with the default, notice and disposition requirements of Article 9 of the U.C.C. by taking possession of the automobile though Plaintiff was not in default and failing to provide notice of the disposition of the vehicle once it was repossessed. Virginia Code §§8.9A-609 (a)(1) and 611(b)- 614.

82. As a result of the above alleged failures of Global to comply with Article 9 of the U.C.C., it is liable to Plaintiff for the greater of his actual damages and liquidated damages pursuant

to Virginia Code §8.9A-625 in the amount of the total finance charge and 10% of the principal as noted in the RISC.

WHEREFORE Plaintiff prays for judgment against the Defendants, jointly, severally, and individually for their actual, liquidated, punitive and statutory damages, for equitable relief; for reasonable attorney's fees and pre-judgment and post-judgment interest; for the costs of litigation; and for such other and further relief as the Court deems just and appropriate.

TRIAL BY JURY IS DEMANDED.

ZACHARY ALLEN MARTIN,

By

Counsel

Handwritten signature marks consisting of two stylized, curved lines.

John Cole Gayle, Jr.
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Counsel for Plaintiff

LAW 553-VA-ep 5/08

RETAIL INSTALLMENT SALE CONTRACT SIMPLE FINANCE CHARGE

Dealer Number 23554 Contract Number 1514180 04/23/2011

Buyer Name and Address (Including County and Zip Code) ZACHARY ALLEN MARTIN	Co-Buyer Name and Address (Including County and Zip Code)	Creditor-Seller (Name and Address) GLOBAL SELECT AUTO 17970 Fraley Blvd. Dumfries VA 22026 (703)441-0111
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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 in this contract. You agree to pay the Creditor - Seller (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.

New/Used/Demo	Year	Make and Model	Vehicle Identification Number	Primary Use For Which Purchased
Used	2004	Porsche Cayenne	WP1AB29P04LA61572	<input checked="" type="checkbox"/> personal, family or household <input type="checkbox"/> business <input type="checkbox"/> agricultural

FEDERAL TRUTH-IN-LENDING DISCLOSURES				
ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments	Total Sale Price
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.	The total cost of your purchase on credit, including your down payment of
12.49% %	\$ 7,039.30	\$ 19,765.70	\$ 26,805.00	\$ 5,000.00 is \$ 31,805.00

WARRANTIES SELLER DISCLAIMS
 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. Any implied warranties arising from a written warranty or service contract are limited to the duration of such written warranty or service contract.
 This provision does not affect any warranties covering the vehicle that the vehicle manufacturer may provide.

Your Payment Schedule Will Be:

Number of Payments	Amount of Payments	When Payments Are Due
Monthly beginning		
Or As Follows: 60	\$446.75	06/07/2011 Monthly

Late Charge. If payment is not received in full within 7 days after it is due, you will pay a late charge of 5 % 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 non-payment, default, any required repayment in full before the scheduled date and security interest.

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 PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.

The preceding NOTICE applies only if the "personal, family or household" box in the "Primary Use for Which Purchased" section of this contract is checked. In all other cases, Buyer will not assert against any subsequent holder or assignee of this contract any claims or defenses the Buyer (debtor) may have against the Seller, or against the manufacturer of the vehicle or equipment obtained under this contract.

VSI and Optional Insurance
 Choice of Insurer. If vendor's single interest insurance is required (as indicated below), or if you desire optional insurance, such as credit life insurance or credit disability insurance, you have the right to use alternative coverage or to buy insurance elsewhere from the agent or insurer of your choice. You may also buy required physical damage insurance from the agent or insurer of your choice. Your choice of agent or insurer will not affect our decision to extend credit or your credit terms.

VENDOR'S SINGLE INTEREST INSURANCE (VSI insurance): If the preceding box is checked, the Creditor requires VSI insurance for the initial term of the contract to protect the Creditor for loss or damage to the vehicle (collision, fire, theft). VSI insurance is for the Creditor's sole protection. This insurance does not protect your interest in the vehicle. You may choose the insurance company through which the VSI insurance is obtained. If you elect to purchase VSI insurance through the Creditor, the cost of this insurance is \$ 0.00 and is also shown in Item 4B of the Itemization of Amount Financed. The coverage is for the initial term of the contract. See above for more information.



ITEMIZATION OF AMOUNT FINANCED

1	Cash Price (including \$ <u>1,385.63</u> sales tax)	\$ <u>23,884.51</u> (1)
2	Total Downpayment =	
	Trade In	
	(Year) (Make) (Model)	
	Gross Trade-In Allowance	\$ <u>0.00</u>
	Less Pay Off Made By Seller	\$ <u>0.00</u>
	Equals Net Trade In	\$ <u>0.00</u>
	+ Cash	\$ <u>5,000.00</u>
	+ Other	\$ <u>0.00</u>
	(If total downpayment is negative, enter "0" and see 4) below)	\$ <u>5,000.00</u> (2)
3	Unpaid Balance of Cash Price (1 minus 2)	\$ <u>18,884.51</u> (3)
4	Other Charges Including Amounts Paid to Others on Your Behalf (Seller may keep part of these amounts):	
A	Cost of Optional Credit Insurance	
	Paid to Insurance Company or Companies:	
	Life <u>N/A</u>	\$ <u>0.00</u>
	Disability <u>N/A</u>	\$ <u>0.00</u>
B	Vendor's Single Interest Insurance	
	Paid to Insurance Company(ies):	\$ <u>0.00</u>
C	Other Optional Insurance Paid to Insurance Company or Companies	\$ <u>0.00</u>
D	Optional Gap Contract	\$ <u>0.00</u>
E	Official Fees Paid to Government Agencies	\$ <u>0.00</u>
	1) to <u>State of VA</u> for Gross Receipt Tax	\$ <u>46.19</u>
	2) to _____ for _____	\$ <u>0.00</u>
	3) to _____ for _____	\$ <u>0.00</u>
F	Government Taxes Not Included in Cash Price	\$ <u>0.00</u>
G	Government License and/or Registration Fees	\$ <u>185.00</u>
H	Government Certificate of Title Fees	\$ <u>55.00</u>
I	Other Charges (Seller must identify who is paid and describe purpose.)	
	1) to _____ for Prior Credit or Lease Balance	\$ <u>0.00</u>
	2) to _____ for DMV Filing Fee	\$ <u>0.00</u>
	3) to <u>N/A</u> for <u>N/A</u>	\$ <u>0.00</u>
	4) to <u>Dealer</u> for <u>Admin/Doc Fee</u>	\$ <u>595.00</u>
	5) to <u>Dealer</u> for <u>Inspection</u>	\$ <u>0.00</u>
	6) to _____ for <u>Unemployment ins</u>	\$ <u>0.00</u>
	7) to _____ for <u>Pre-Delivery Fee</u>	\$ <u>0.00</u>
	8) to _____ for <u>N/A</u>	\$ <u>0.00</u>
	Total Other Charges and Amounts Paid to Others on Your Behalf	\$ <u>881.19</u> (4)
5	Amount Financed (3 + 4)	\$ <u>18,765.70</u> (5)

OPTION: You pay no finance charge if the Amount Financed, Item 5, is paid in full on or before _____ Year _____ 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.

OPTIONAL GAP CONTRACT. A gap contract (debt 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 4D 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.

Term N/A Mos. N/A
Name of Gap Contract _____

I want to buy a gap contract.

Buyer Signs X _____

insurance. You may buy the physical damage insurance this contract requires from anyone you choose who is authorized to sell such insurance in Virginia. Your choice will not affect our decision to extend credit or the terms of this contract. You are not required to buy any other insurance to obtain credit unless the box indicating Vendor's Single Interest insurance is required is checked below.

If any insurance is checked below, policies or certificates from the named insurance companies will describe the terms and conditions.

**Check the insurance you want and sign below:
Optional Credit Insurance**

Credit Life: Buyer Co Buyer Both
 Credit Disability: Buyer Co Buyer Both

Premium:

Credit Life \$ N/A

Credit Disability \$ N/A

Insurance Company Name _____

Home Office Address N/A

Credit life insurance and credit disability insurance are not required to obtain credit. You have the right to use alternate coverage or buy such insurance elsewhere. Your choice of insurer will not affect our decision to extend credit or the terms of this contract. Your decision to buy or not to buy credit life insurance and credit disability insurance will not be a factor in the credit approval process. They will not be provided unless you sign and agree to pay the extra cost. If you choose this insurance, the cost is shown in Item 4A of the Itemization of Amount Financed. Credit life insurance is based on your original payment schedule. This insurance may not pay all you owe on this contract if you make late payments. Credit Disability Insurance does not cover any increase in your payment or in the number of payments. Coverage for credit life insurance and credit disability insurance ends on the original due date for the last payment unless a different term for the insurance is shown below.

Other Optional Insurance

_____ N/A
Type of Insurance _____ Term _____

Premium \$ 0.00

Insurance Company Name _____

N/A

Home Office Address _____

Type of Insurance _____ Term _____

Premium \$ _____

Insurance Company Name _____

Home Office Address _____

Other optional insurance is not required to obtain credit. Your decision to buy or not buy other optional insurance will not be a factor in the credit approval process. It will not be provided unless you sign and agree to pay the extra cost. Your choice of insurer will not affect our decision to extend credit or the terms of this contract.

I want the insurance checked above.

X _____
Buyer Signature _____ Date _____

X _____
Co-Buyer Signature _____ Date _____

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

Returned Check Charge: If any check you give us is dishonored, we may, at our option, charge you \$ 35

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

- a. **How we will figure the 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 page 1 of this contract 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.
- e. **Your right to refinance a balloon payment.** A balloon payment is any payment other than a down payment that is more than 10% greater than the regular or recurring installment payments. If you use the vehicle primarily for consumer purposes, you have the right to refinance a balloon payment over an extended period with additional payments. The additional periodic payments will not be more than 10% greater than the regularly scheduled installment payments.

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, 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.

- 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 interest in the vehicle. 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 may either buy insurance that covers your interest and our interest in the vehicle, or buy insurance that covers only our interest. If we buy either type of insurance, we will tell you which type and the charge you must pay. The charge will be the premium of the insurance and a finance charge equal to the Annual Percentage Rate shown on page 1 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 obtain 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 page 1 of this contract. 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 pay any payment (plus any late charges) more than 10 days late or not at all;
 - You give us false, incomplete, 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 we hire an attorney to collect what you owe, you will pay the attorney's fee and court costs as the law allows. You will also pay any collection costs we incur as the law allows.
- 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 pay to get it back (redeem). We will tell you how much to pay to redeem. Your right to redeem ends when we sell the vehicle.
- f. We will sell the vehicle if you do not get it back. If you do not redeem, 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. 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 must 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, 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.

4. Applicable Law

Federal law and the law of the state of our address shown on page 1 of this contract apply to this contract.

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.

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.

HOW THIS CONTRACT CAN BE CHANGED. This contract, along with all other documents signed by you in connection with the purchase of the vehicle, comprise the entire agreement between you and us affecting this purchase. No oral agreements or understandings are binding. Upon assignment of this contract: (i) only this contract and addenda to this contract comprise the entire agreement between you and the assignee relating to this contract; (ii) any change to this contract must be in writing and the assignee must sign it; and (iii) no oral changes are binding. Buyer Signs W F E Co-buyer signs W F E

If any part of this contract is not valid, all other parts stay valid. We may delay or refrain from enforcing any of our rights under this contract without losing them. For example, we may extend the time for making some payments without extending the time for making others.

See the rest of this contract for other important agreements.

LIABILITY INSURANCE INCLUDED

NOTICE TO RETAIL BUYER: Do not sign this contract in blank. You are entitled to a copy of the contract at the time you sign. Keep it to protect your legal rights.

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 W F E Date 04/23/2011 Co-Buyer Signs X Date 04/23/2011

Co-Buyers and Other Owners — A co-buyer is a person who is responsible for paying the entire debt. An other owner is a person whose name is on the title to the vehicle but does not have to pay the debt. The other owner agrees to the security interest in the vehicle given to us in this contract.

Other owner signs here X Address _____

Seller signs GLOBAL SELECT AUTO Date 04/23/2011 By X

Seller assigns its interest in this contract to Wells Fargo Dealer Services (Assignee) under the terms of Seller's agreement(s) with Assignee.

Assigned with recourse Assigned without recourse Assigned with limited recourse

Seller GLOBAL SELECT AUTO By _____ Title _____

105695

Retail Installment Contract and Security Agreement

Seller Name and Address
Global Select Auto
17970 Fraley Blvd
Dumfries, VA 22026

Buyer(s) Name(s) and Address(es)
ZACHARY A MARTIN

No. 330115/97179653
Date 4/23/2011

Business, commercial or agricultural purpose Contract. Refer to the attached addendum for additional Buyers and their signatures.

Truth-in-Lending Disclosure

Annual Percentage Rate The cost of your credit as a yearly rate.	Finance Charge The dollar amount the credit will cost you.	Amount Financed The amount of credit provided to you or on your behalf.	Total of Payments The amount you will have paid when you have made all scheduled payments.	Total Sale Price The total cost of your purchase on credit, including your down payment of
12.490%	\$ 7,048.30	\$ 19,765.70	\$ 26,814.00	\$ 5,000.00 \$ 31,814.00

Payment Schedule. Your payment schedule is:

No. of Payments	Amount of Payments	When Payments are Due
60	\$ 446.90	Monthly beginning 6/7/2011.
0	\$ 0.00	NOT APPLICABLE
0	\$ 0.00	NOT APPLICABLE

Security. You are giving us a security interest in the Property purchased.

Late Charge. If all or any portion of a payment is not paid within 7 days of its due date, you will be charged a late charge of 5% of the unpaid amount of the payment due.

Prepayment. If you pay off this Contract early, you will not have to pay a penalty.

Filing Fees. \$ 240.00

Contract Provisions. You can see the terms of this Contract for any additional information about nonpayment, default, any required repayment before the scheduled date, and prepayment refunds and penalties.

Description of Property

Year	Make	Model	Style	Vehicle Identification Number	Odometer Mileage
2004	PORSCHE	CAYENNE	UTILITY 4D S 4WD (V8)	WP1AB29P04LA61572	85682
<input type="checkbox"/> New <input checked="" type="checkbox"/> Used <input type="checkbox"/> Demo Other: 2004 PORSCHE CAYENNE UTILITY 4D S 4WD (V8) WP1AB29P04LA61572					

Description of Trade-In

Sales Agreement

Assignment

This Contract and Security Agreement is assigned to Wells Fargo, the Assignee, phone 800-289-8004. This assignment is made under the terms of a separate agreement made between the Seller and Assignee.

Conditional Delivery

Conditional Delivery. The Buyer's Order that is being signed as a part of this transaction contains a conditional delivery notice. The Buyer's Order is incorporated by reference into this Contract, and a copy of the Buyer's Order is attached to this Contract.

Payment. You promise to pay us the principal amount of \$ 19,765.70 plus finance charges accruing on the unpaid balance at the rate of 12.490% per year from the date of this Contract until maturity. Finance charges accrue on a Actual/365 day basis. After maturity, or after you default and we demand payment, we will charge finance charges on the unpaid balance at 12.490% per year. You agree to pay this Contract according to the payment schedule and late charge provisions shown in the Truth-in-Lending Disclosures. You also agree to pay any additional amounts according to the terms and conditions of this Contract.

Down Payment. You also agree to pay or apply to the Cash Price, on or before the date of this Contract, any cash, rebate and net trade-in value described in the *Itemization of Amount Financed*.

Additional Charge. You agree to pay an additional processing fee of \$ 0.00 that will be paid in cash. financed over the term of the Contract.



Customers Initial Here

105695

Itemization of Amount Financed

a. Cash Price of Vehicle, etc. (incl. sales tax of \$ <u>1,431.82</u>)	\$ <u>23,930.70</u>
b. Trade-in allowance	\$ <u>0.00</u>
c. Less: Amount owing, paid to (includes i):	
<u>N/A</u>	\$ <u>0.00</u>
d. Net trade-in (b-c; if negative, enter \$0 here and enter the amount on line i)	\$ <u>0.00</u>
e. Cash payment	\$ <u>5,000.00</u>
f. Manufacturer's rebate	\$ <u>0.00</u>
g. Down payment (d+e+f)	\$ <u>5,000.00</u>
h. Unpaid balance of Cash Price (a-g)	\$ <u>18,930.70</u>
i. Financed trade-in balance (see line d)	\$ <u>0.00</u>
j. Paid to public officials - filing fees	\$ <u>240.00</u>
k. Insurance premiums	\$ <u>0.00</u>
l. Service Contract, paid to:	
<u>N/A</u>	\$ <u>0.00</u>
m. Processing fee, paid to Seller	\$ <u>0.00</u>
n. Documentation Fee paid to Seller	\$ <u>595.00</u>
o. <u>N/A</u>	\$ <u>0.00</u>
p. <u>N/A</u>	\$ <u>0.00</u>
q. <u>N/A</u>	\$ <u>0.00</u>
r. <u>N/A</u>	\$ <u>0.00</u>
s. <u>N/A</u>	\$ <u>0.00</u>
t. <u>N/A</u>	\$ <u>0.00</u>
u. Total Other Charges/Amts Paid (l thru t)	\$ <u>835.00</u>
v. Prepaid Finance Charge	\$ <u>0.00</u>
w. Amount Financed (h+u-v)	\$ <u>18,765.70</u>

We may retain or receive a portion of any amounts paid to others, except those fees paid to public officials.

Insurance Disclosures

Credit Insurance. Credit life and credit disability (accident and health) are not required to obtain credit and are not a factor in the credit decision. You have the right to use alternative coverage or to buy insurance elsewhere. We will not provide them unless you sign and agree to pay the additional premium. If you want such insurance, we will obtain it for you (if you qualify for coverage). We are quoting below only the coverages you have chosen to purchase.

Credit Life
 Single Joint None
 Premium \$ 0.00 Term N/A

Insured N/A

Credit Disability
 Single Joint None
 Premium \$ 0.00 Term N/A

Insured N/A

Your signature below means you want (only) the insurance coverage(s) quoted above. If "None" is checked, you have declined the coverage we offered.

By: ZACHARY A MARTIN 1/9/1984
 DOB

By: N/A N/A
 DOB

Property Insurance. You must insure the Property. You may purchase or provide the insurance through any insurance company reasonably acceptable to us. The collision coverage deductible may not exceed \$ 500.00. If you get insurance from or through us you will pay \$ 0.00 for N/A of coverage.

This premium is calculated as follows:

- \$ 0.00 Deductible, Collision Cov. \$ 0.00
- \$ 0.00 Deductible, Comprehensive \$ 0.00
- Fire-Theft and Combined Additional Cov. \$ 0.00
- N/A \$ 0.00

If applicable, insert 'No Liability Insurance Included' in at least 18 point type.
N/A

Single-Interest Insurance. You must purchase single-interest insurance as part of this sale transaction. You may purchase the coverage from a company of your choice, reasonably acceptable to us. If you buy the coverage from or through us, you will pay \$ 0.00 for N/A of coverage.

105695

Additional Protections

You may buy any of the following voluntary protection plans. They are not required to obtain credit, are not a factor in the credit decision, and are not a factor in the terms of the credit or the related sale of the Vehicle. The voluntary protections will not be provided unless you sign and agree to pay the additional cost.

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

Term N/A
 Price \$ 0.00
 Coverage N/A

Gap Waiver or Gap Coverage

Term N/A
 Price \$ 0.00
 Coverage N/A

N/A

Term N/A
 Price \$ 0.00
 Coverage N/A

4/23/2011

By: ZACHARY A MARTIN Date

N/A

By: N/A Date

Additional Terms of the Sales Agreement

Definitions. "Contract" refers to this Retail Installment Contract and Security Agreement. The pronouns "you" and "your" refer to each Buyer signing this Contract, and any guarantors, jointly and individually. The pronouns "we", "us" and "our" refer to the Seller and any entity to which it may transfer this Contract. "Vehicle" means each motor vehicle described in the Description of Property section. "Property" means the Vehicle and all other property described in the Description of Property and Additional Protections sections.

Purchase of Property. You agree to purchase the Property from us, subject to the terms and conditions of this Contract. Seller will not make any repairs or additions to the Vehicle except as noted in the Description of Property section.

You have been given the opportunity to purchase the Property and described services for the Cash Price or the Total Sale Price. The "Total Sale Price" is the total price of the Property if you buy it over time.

General Terms. The Total Sale Price shown in the Truth-in-Lending Disclosures assumes that all payments will be made as scheduled. The actual amount you will pay may be more or less depending on your payment record.

We do not intend to charge or collect, and you do not agree to pay, any finance charge or fee that is more than the maximum amount permitted for this sale by state or federal law. If you pay a finance charge or fee that exceeds that maximum amount, we will first apply the excess amount to reduce the principal balance and, when the principal has been paid in full, refund any remaining amount to you.

You understand and agree that some payments to third parties as a part of this Contract may involve money retained by us or paid back to us as commissions or other remuneration.

Prepayment. You may prepay this Contract in full or in part at any time without penalty. Any partial prepayment will not excuse any later scheduled payments. A refund of any prepaid, unearned insurance premiums may be obtained from us or from the insurance company named in your policy or certificate of insurance.

Balloon Payment. If any payment is more than 10% greater than the regular or recurring installment payments you may refinance it when due as provided by law.

Governing Law and Interpretation. This Contract is governed by the law of Virginia and applicable federal law and regulations.

If any section or provision of this Contract is not enforceable, the other terms will remain part of this Contract. You authorize us to correct any clerical error or omissions in this Contract or in any related document.

Name and Location. Your name and address set forth in this Contract are your exact legal name and your principal residence. You will provide us with at least 30 days notice before you change your name or principal residence.

Telephone Monitoring and Calling. From time to time you agree we may monitor and record telephone calls made or received by us or our agents regarding your account to assure the quality of our service. In order for us to service the account or to collect any amounts you may owe, and subject to applicable law, you agree that we may from time to time make calls and send text messages to you using prerecorded/artificial voice messages or through the use of an automatic dialing device at any telephone number you provide to us in connection with your account, including a mobile telephone number that could result in charges to you.

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

- You fail to perform any obligation that you have undertaken in this Contract.
- We, in good faith, believe that you cannot, or will not, pay or perform the obligations you have agreed to in this Contract.

If you default, you agree to pay our costs of collection, including fees for repossession, repair, storage and sale of the Property securing this Contract. You also agree to pay our reasonable attorneys' fees and legal expenses.

If an event of default occurs as to any of you, we may exercise our remedies against any or all of you.

Remedies. We may not accelerate payment or repossess any Property described in this Contract on account of late payment or nonpayment of an installment if you make payment (together with any agreed late charge) within 10 days of the date on which the installment was due. If you are in default on this Contract, we have all of the remedies provided by law and this Contract, subject to any right to cure that you may exercise.

Those remedies include:

- We may require you to immediately pay us, subject to any refund required by law, the remaining unpaid balance of the amount financed, finance charges and all other agreed charges.
- We may pay taxes, assessments, or other liens or make repairs to the Property if you have not done so. We are not required to do so. You will repay us that amount immediately. That amount will earn finance charges from the date we pay it at the post-maturity rate described in the Payment section until paid in full.
- We may require you to make the Property available to us at a place we designate that is reasonably convenient to you and us.
- We may immediately take possession of the Property by legal process or self-help, but in doing so we may not breach the peace or unlawfully enter onto your premises.
- We may then sell the Property and apply what we receive as provided by law to our reasonable expenses and then toward what you owe us.
- Except when prohibited by law, we may sue you for additional amounts if the proceeds of a sale do not pay all of the amounts you owe us.

By choosing any one or more of these remedies, we do not give up our right to later use another remedy. By deciding not to use any remedy, we do not give up our right to consider the event a default if it happens again.

You agree that if any notice is required to be given to you of an intended sale or transfer of the Property, notice is reasonable if mailed to your last known address, as reflected in our records, at least 10 days before the date of the intended sale or transfer (or such other period of time as is required by law).

You agree that we may take possession of personal property left in or on the Property securing this Contract and taken into possession as provided above. You may have a right to recover that property.

Waiver of Homestead Exemption. You waive the benefit of your exemption as to the obligation under this Contract.

Obligations Independent. Each person who signs this Contract agrees to pay this Contract according to its terms. This means the following:

- You must pay this Contract even if someone else has also signed it.
- We may release any co-buyer or guarantor and you will still be obligated to pay this Contract.
- We may release any security and you will still be obligated to pay this Contract.
- If we give up any of our rights, it will not affect your duty to pay this Contract.
- If we extend new credit or renew this Contract, it will not affect your duty to pay this Contract.

Warranty. Warranty information is provided to you separately.

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Security Agreement

Security. To secure your payment and performance under the terms of this Contract, you give us a security interest in the Vehicle, all accessions, attachments, accessories, and equipment placed in or on the Vehicle and in all other Property. You also assign to us and give us a security interest in proceeds and premium refunds of any insurance and service contracts purchased with this Contract.

Duties Toward Property. By giving us a security interest in the Property, you represent and agree to the following:

- You will defend our interests in the Property against claims made by anyone else. You will keep our claim to the Property ahead of the claim of anyone else. You will not do anything to change our interest in the Property.
- You will keep the Property in your possession and in good condition and repair. You will use the Property for its intended and lawful purposes.
- Except when in use, the Property will be located at your address set forth in this Contract.
- You will not attempt to sell the Property, transfer any rights in the Property, or grant another lien on the Property without our prior written consent.
- You will pay all taxes and assessments on the Property as they become due.
- You will notify us with reasonable promptness of any loss or damage to the Property.
- You will provide us reasonable access to the Property for the purpose of inspection. Our entry and inspection must be accomplished lawfully, and without breaching the peace.

Agreement to Provide Insurance. You agree to provide property insurance on the Property protecting against loss and physical damage and subject to a maximum deductible amount indicated in the *Insurance Disclosures* section, or as we will otherwise require. You will name us as loss payee on any such policy. Generally, the loss payee is the one to be paid the policy benefits in case of loss or damage to the Property. In the event of loss or damage to the Property, we may require additional security or assurances of payment before we allow insurance proceeds to be used to repair or replace the Property. You agree that if the insurance proceeds do not cover the amounts you still owe us, you will pay the difference. Your choice of insurance provider will not affect the credit decision or interest rate. You will keep the insurance in full force and effect until this Contract is paid in full.

If you fail to obtain or maintain this insurance, or name us as loss payee, we may obtain insurance to protect our interest in the Property. This insurance may be written by a company other than one you would choose. It may be written at a rate higher than a rate you could obtain if you purchased the property insurance required by this Contract. We will add the premium for this insurance to the amount you owe us. Any amount we pay will be due immediately. This amount will earn finance charges from the date paid at the post-maturity rate described in the *Payment* section until paid in full.

Gap Waiver or Gap Coverage. In the event of theft or damage to the Vehicle that results in a total loss, there may be a gap between the amount due under the terms of the Contract and the proceeds of your insurance settlement and deductibles. You are liable for this difference. You have the option of purchasing Gap Waiver or Gap Coverage to cover the gap liability.

Notices

Note. If the primary use of the Vehicle is non-consumer, this is not a consumer contract, and the following notice does not apply. **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 PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.**

If you are buying a used vehicle: 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.

Si compra un vehículo usado: La información que ve adherida en la ventanilla forma parte de este contrato. La información contenida en el formulario de la ventanilla prevalece por sobre toda otra disposición en contrario incluida en el contrato de compraventa.

Third Party Agreement

In this section only, "you" means only the person signing this section.

By signing below you agree to give us a security interest in the Property described in the *Description of Property* section. You also agree to the terms of this Contract except that you will not be liable for the payments it requires. Your interest in the Property may be used to satisfy the Buyer's obligation. You agree that we may renew, extend or change this Contract, or release any party or Property without releasing you from this Contract. We may take these steps without notice or demand upon you.

You acknowledge receipt of a completed copy of this Contract.
NOT APPLICABLE

By: NOT APPLICABLE N/A
Date

Signature Notices

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.

Signatures

Entire Agreement. Your and our entire agreement is contained in this Contract. There are no unwritten agreements regarding this Contract. Any change to this Contract must be in writing and signed by you and us.

By: ZACHARY A MARTIN 4/23/2011
Date

By: N/A N/A
Date

Notice to Buyer. (1) Do not sign this Contract before you read it or if it contains any blank spaces. (2) You are entitled to a completely filled-in copy of this Contract.

By signing below, you agree to the terms of this Contract. You received a copy of this Contract and had a chance to read and review it before you signed it.

Buyer
By: ZACHARY A MARTIN 4/23/2011
Date

By: N/A N/A
Date

Seller
By: Global Select Auto 4/23/2011
Date

REGISTRATION INFORMATION (PASSENGER VEHICLES ONLY)	
REGISTRATION PERIOD (check one): <input type="checkbox"/> ONE YEAR <input type="checkbox"/> TWO YEAR <input type="checkbox"/> PERMANENT	REGISTRATION TYPE (check one): <input type="checkbox"/> PRIVATE <input type="checkbox"/> RENTAL <input type="checkbox"/> ANTIQUE (check one): <input type="checkbox"/> BLACK AND WHITE <input type="checkbox"/> ANTIQUE YELLOW <input type="checkbox"/> VOLUNTEER EMERGENCY VEHICLE <input type="checkbox"/> TRANSFER OF LICENSE NUMBER: _____
TYPE OF PLATE REQUESTED (check one): <input type="checkbox"/> REGULAR (Virginia 400th ANNIVERSARY) <input type="checkbox"/> HERITAGE (DOGWOOD CARDINAL) SCENIC: <input type="checkbox"/> MOUNTAIN TO SEASHORE <input type="checkbox"/> AUTUMN <input type="checkbox"/> PATRIOT	

REGISTRATION INFORMATION (FOR-HIRE VEHICLES ONLY)	
REGISTRATION PERIOD (check one): <input type="checkbox"/> ONE-YEAR <input type="checkbox"/> TWO-YEAR <input type="checkbox"/> PERMANENT	REGISTRATION TYPE (check one): <input type="checkbox"/> FOR HIRE <input type="checkbox"/> FOR HIRE TOW TRUCK
FOR PERMANENT PLATES - Permanent Plates may be issued to taxis and to trailers and tractor/trucks with a GVWR or GCWR of 26,001 lbs. or more or 7501 lbs. or more if used for business or farming, or vehicles operating with Common Carrier or Irregular Route Common Carrier Authority. Trailers pay a one-time fee. All others must pay a 1- or 2-year registration fee.	
PERMANENT TRAILER (check one): <input type="checkbox"/> Regular Size Plate <input type="checkbox"/> Small Size Plate (Gross weight of trailer must be 4,000 lbs or less.)	
COMMON CARRIER (check one): <input type="checkbox"/> E Permanent Plate <input type="checkbox"/> Passenger Permanent For Hire Plate <input type="checkbox"/> Scenic Permanent For Hire Plate <input type="checkbox"/> Great Seal Permanent For Hire Plate	
VEHICLE USE: (check all that apply) <input type="checkbox"/> Operating Authority <input type="checkbox"/> Leased Authority <input type="checkbox"/> Exempt Commodity Operations <input type="checkbox"/> Interstate Operations Only (Less than 26,001 lbs) If you checked <u>Operating Authority</u> or <u>Leased Authority</u> , check all of the following authority types for which the vehicle is used: <input type="checkbox"/> Carrier Passengers (Regular Routes) <input type="checkbox"/> Carrier Passengers (Irregular Routes) <input type="checkbox"/> Non-Profit/Tax-Exempt <input type="checkbox"/> *Employee Hauler <input type="checkbox"/> Taxicab <input type="checkbox"/> Bulk Property Carrier <input type="checkbox"/> Contract Bus Carrier <input type="checkbox"/> Contract Passenger Carrier <input type="checkbox"/> Sight-Seeing Carrier <input type="checkbox"/> Household Goods Carrier <input type="checkbox"/> Property Carrier	

LEASED VEHICLE INFORMATION			
Do you wish to have the vehicle renewal card mailed to the lessee? <input type="checkbox"/> YES <input type="checkbox"/> NO If yes, provide the information requested below.			
LESSEES' FULL LEGAL NAME (last)	(first)	(mi)	(suffix)
ZACHARY A MARTIN			
CO-LESSEE'S FULL LEGAL NAME (last)	(first)	(mi)	(suffix)
STREET ADDRESS (APT# IF APPLICABLE)	CITY	STATE	ZIP CODE

INSURANCE CERTIFICATION
I/WE certify that (check one): <input type="checkbox"/> This vehicle is insured by a liability policy issued through an insurance company licensed to do business in Virginia and it will remain insured while registered. <input type="checkbox"/> This vehicle is not insured; therefore, I am remitting the application uninsured motor vehicle fee. (This fee provides no insurance coverage.) A vehicle must be insured with liability coverage when it is registered, and it must remain insured while registered, whether or not it is operated, or the uninsured motor vehicle fee must be paid. Penalties are severe for violation of this requirement.

POWER OF ATTORNEY FOR NON-RESIDENT(S) AND CORPORATION(S) NOT DOMICILED IN VIRGINIA
Pursuant to the provisions of Section 46.2-601 of the Code of Virginia, I/WE appoint the Commissioner of the Department of Motor Vehicles of the Commonwealth of Virginia, to be my/our true and legal agent upon whom all legal processes against me/us may be served in any legal proceeding arising from the operation and/or use of any motor vehicle registered in my/our name(s) in the Commonwealth of Virginia. I/We agree that any lawful process or notice to me/us which is served on the Commissioner shall have the same legal effect as if served on me/us within the Commonwealth of Virginia.

CERTIFICATION/AFFIDAVIT	
I certify and affirm under penalty of perjury that the information contained in this application is true and correct to the best of my knowledge. I understand it is unlawful to knowingly make a false statement and any violation may be prosecuted as a felony as provided in Virginia law.	
Is this a state- or locally-owned vehicle? <input type="checkbox"/> YES <input type="checkbox"/> NO If yes, enter agency code: _____ Unit having operational control: _____	
SIGNATURE OF APPLICANT	DATE (mm/dd/yyyy)
SIGNATURE OF CO-APPLICANT	DATE (mm/dd/yyyy)

NOTICES
PRIVACY ACT NOTICE: The information, including Social Security Number, is requested in accordance with Section 46.2-623, (Code of Virginia). Any person who refuses to supply the required information will be denied a Certificate of title and/or registration. Titles and registration records may be disseminated, in accordance with Section 46.2-208 through Section 46.2-214, to business, law enforcement, or authorized government entities.
AMERICANS WITH DISABILITIES ACT: If you need special assistance to use this form, or if you need this form in an alternate format, please notify a DMV customer service center manager so we may make arrangements to accommodate your needs.
VEHICLE SAFETY REQUIREMENTS: Motor vehicles registered in Virginia require safety inspection every 12 months. Trailers with separate tracking systems must also be inspected. A vehicle may be inspected at inspection stations licensed by the State Police, including many service stations and auto repair shops. A valid safety inspection sticker must be displayed on the vehicle.
VEHICLE SUN-SHADING REQUIREMENTS: Virginia's sun-shading requirements for the minimum percent of light allowed are as follows: Regular passenger vehicles - front side windows-50%; rear side and rear windows-35%; and windshield - no sun shading allowed. Multi-purpose passenger vehicles and pickup trucks = front side windows-50%; rear side and rear windows-no limitations and windshield - no sun shading allowed. Contact the State Police if you have questions about whether the sun-shading on your vehicle meets these requirements. DMV is authorized to issue waivers to individuals who have medical conditions requiring restriction from sunlight or bright artificial light.

DMV USE ONLY					
WITH LIEN?	PLATE NUMBER	PLATE TYPE	EXPIRATION DATE	IF HELD, REASON:	PROOF OF ADDRESS VERIFIED?
<input type="checkbox"/> YES <input type="checkbox"/> NO					<input type="checkbox"/> YES <input type="checkbox"/> NO
SALES PRICE		TITLE FEE		TRANSFER FEE	CLERK STAMP
PROCESSING FEE		REGISTRATION FEE		DEALER SURCHARGE	
TAX		UMV FEE		TOTAL	