

AFC Dealer Changes Lending Terms March 2020



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**Attention! Changes to certain terms and conditions of your account have been posted.
You must accept the changes before proceeding.**

Please note that one or more of the contract amendments may not apply if your Promissory Note and Security Agreement or similar agreement is dated after the effective date of the amendment. To obtain a copy of an amendment, print a copy or contact your AFC branch.

U.S. CONTRACTED DEALERS (including Rent a Car Accounts)

NOTICE March 11, 2020

This is to notify you that the following changes to your account with Automotive Finance Corporation or AFC Cal, LLC (as applicable, "AFC") will apply on and after April 6, 2020. For Rent a Car accounts, the term "RAC" shall replace the term "Dealer".

1. The Document Processing Fee will be \$18 charged on each Advance.

Except as otherwise expressly provided herein, words and terms used in this Notice which are defined or ascribed a meaning in this Notice shall have the same meaning herein as are ascribed to them in your Demand Promissory Note and Security Agreement ("Note"). Dealer agrees to pay all additional charges, fees and expenses that are set forth in the Note which includes, but is not limited to, the document processing fee which is charged on each Advance. AFC is not required, but may grant Dealer's request for additional services and/or terms. In the event AFC grants Dealer's request, additional fees may apply as described in the Note, including Section 9.3, in addition to all other applicable fees and charges.

Please contact your AFC Branch (AFC Cal, LLC Branch in California) if you have any questions about these changes.

NOTICE OF AMENDMENT March 11, 2020

U.S. CONTRACTED DEALERS (including Rent a Car Accounts)

CHANGES TO PROMISSORY NOTE AND SECURITY AGREEMENT

This is to notify you that the following change to your Promissory Note and Security Agreement or similar agreement ("Note") with Automotive Finance Corporation or AFC Cal, LLC (as applicable, "AFC") is effective as of April 6, 2020. For Rent a Car accounts, the term "RAC" shall replace the term "Dealer". You will be deemed to accept these changes by requesting and receiving an Advance, curtailment date extension or any other service, concession or forbearance after the date of this Notice of Amendment ("Notice"):

1. **Late Fees.** The Section of the Note entitled "Late Fee" is hereby amended in its entirety and replaced with the following language, or the following language is added if such sentence is not currently in the Note: "Late Fee - that non-refundable fee in the amount set forth on the Term Sheet, payable to LENDER by Dealer for each item of Purchase Money Inventory for which Dealer fails to repay Obligations under this Note when due as provided by this Note, assessed the day after the due date and each week or portion thereof thereafter, provided that in the event no Term Sheet is executed and effective or the Late Fee is not set forth on the Term Sheet, then the Late Fee shall be equal to One Hundred and Five dollars (\$105.00). Dealer agrees that this Late Fee is a reasonable estimate of LENDER's probable losses due to the delay, inconvenience, and administrative expense associated with late payment. LENDER may also charge an amount not to exceed the maximum amount permitted by law or, if there is no applicable law, an amount not to exceed \$50 for each Check or ACH tendered to LENDER, by or on behalf of Dealer, that is subsequently dishonored, in addition to any charge or fee imposed by the depository institution for each returned or dishonored item and any other charges or fees permitted by law."

Except as otherwise expressly provided herein, words and terms used in this Notice which are defined or ascribed a meaning in this Notice shall have the same meaning herein as are ascribed to them in the Note. Except to the extent amended by this Notice, all other terms and conditions of the Note remain in full force and effect. Further, Dealer acknowledges and agrees that it has no defenses or claims whatsoever, at law or in equity, against AFC, or to the extent that such claims or defenses now exist or have existed prior to the date of the Notice, whether known or unknown, Dealer hereby knowingly and irrevocably releases and waives any and all claims and defenses against AFC.

Please contact your AFC Branch (AFC Cal, LLC Branch in California) if you have any questions about these changes.

**U.S. CONTRACTED DEALERS
(including Rent a Car Accounts)**

**NOTICE
October 1, 2019**

This is to notify you that the following changes to your account with Automotive Finance Corporation or AFC Cal, LLC (as applicable, "AFC") will apply on and after November 1, 2019. For Rent a Car accounts, the term "RAC" shall replace the term "Dealer".

1. The Additional Curtailment Fee will be charged as set forth below when Dealer requests an extension beyond contracted terms (pre-approval from AFC is required for all additional extensions of the contracted Curtailment Date):
 - First additional extension of Curtailment Date: \$95
 - Second additional extension of Curtailment Date: \$120
 - Third and subsequent additional extensions of Curtailment Date: \$145
2. The Title Release Fee will be \$25 when Dealer requests and is granted a release of Title prior to the related Advance being paid off on an eligible Vehicle for which Dealer has satisfied all of AFC's requirements. Pre-approval from AFC is required for any title release.

Except as otherwise expressly provided herein, words and terms used in this Notice which are defined or ascribed a meaning in this Notice shall have the same meaning herein as are ascribed to them in your Demand Promissory Note and Security Agreement ("Note"). Dealer agrees to pay all additional charges, fees and expenses that are set forth in the Note which includes, but is not limited to, the document processing fee (current fee of \$15.75 per Advance) which is charged on each Advance. LENDER is not required, but may grant Dealer's request for additional services and/or terms. In the event LENDER grants Dealer's request, additional fees may apply as described in the Note, including Section 9.3, in addition to all other applicable fees and charges.

Please contact your AFC Branch (AFC Cal, LLC Branch in California) if you have any questions about these changes.

**NOTICE OF AMENDMENT
October 1, 2019**

**U.S. CONTRACTED DEALERS
(including Rent a Car Accounts)**

CHANGES TO PROMISSORY NOTE AND SECURITY AGREEMENT

This is to notify you that the following changes to your Promissory Note and Security Agreement or similar agreement ("Note") with Automotive Finance Corporation or AFC Cal, LLC (as applicable, "AFC") are effective as of the date of this Notice. For Rent a Car accounts, the term "RAC" shall replace the term "Dealer". You will be deemed to accept these changes by requesting and receiving an Advance, curtailment date extension or any other service, concession or forbearance after the date of this Notice:

Term Sheet. The following language is added to the Term Sheet of your Note if such sentences are not currently in the Term Sheet: Dealer agrees to pay all additional charges, fees and expenses that are set forth in Section 9.3 of the Note which includes, but is not limited to, the document processing fee which is charged on each Advance and title release fee charged on each title released prior to Advance payoff. LENDER is not required, but may grant Dealer's request for additional services and/or terms. In the event LENDER grants Dealer's request, additional fees may apply in addition to all other applicable fees and charges. Dealer further acknowledges and agrees that it has no defenses or claims whatsoever, at law or in equity, against LENDER, or to the extent that such claims or defenses now exist or have existed prior to the date of the Notice, whether known or unknown, Dealer hereby knowingly and irrevocably releases and waives any and all claims and defenses against LENDER as part of the consideration to LENDER.

Except as otherwise expressly provided herein, words and terms used in this Notice which are defined or ascribed a meaning in this Notice shall have the same meaning herein as are ascribed to them in the Note. Except to the extent amended by this Notice, all other terms and conditions of the Note remain in full force and effect. Please note that this contract amendment may not apply if Dealer's Note or similar agreement is dated after the effective date of the amendment.

Please contact your AFC Branch (AFC Cal, LLC Branch in California) if you have any questions about these changes.

**U.S. CONTRACTED DEALERS
(including Rent a Car Accounts)**

**NOTICE
December 5, 2018**

This is to notify you that the following changes to your account with Automotive Finance Corporation or AFC Cal, LLC (as applicable, "AFC") will apply on and after December 5, 2018. For Rent a Car accounts, the term "RAC" shall replace the term "Dealer". You will be deemed to accept these changes by requesting and receiving an Advance, curtailment date extension or any other service, concession or forbearance after the date of this Notice:

1. The Additional Curtailment Fee will be charged as follows when Dealer requests an extension beyond contracted terms (pre-approval from AFC is required for all additional extensions of the contracted Curtailment Date):
 - First additional extension of Curtailment Date \$70
 - Second additional extension of Curtailment Date \$95
 - Third and subsequent additional extensions of Curtailment Date \$120

Dealer agrees to pay all applicable additional fees and expenses set forth in Section 9.3 of your Promissory Note and Security Agreement or similar agreement ("Note") with AFC, which was amended on May 20, 2017. Such additional charges, fees and expenses include, but are not limited to, Late Fees, fees for dishonored Checks, NAP Fees, highline fees, document processing fees (charged on each Advance), title fees, audit fees, lot audit failure fees, lien holder payoff service fees, title release fees, balance transfer fees, unit transfer fees, additional curtailment fees, curtailment reduction fees, courier fees, cross border fees, exported vehicle fees, sold and unpaid fees, other standard fees charged by AFC, and fees and expenses incurred by AFC or its counsel and any filing fees, stamp taxes, insurance or other charges associated with the creation, perfection, or maintenance of the security interest granted herein.

AFC is not required, but may grant Dealer's request for additional services and/or terms. In the event AFC grants Dealer's request, all other applicable fees and charges will apply.

Please contact your AFC Branch (AFC Cal, LLC Branch in California) if you have any questions about these changes or this Notice.

**U.S. CONTRACTED DEALERS
(including Rent a Car Accounts)**

**NOTICE
May 5, 2017**

May 9, 2017

This is to notify you that the following changes to your account with Automotive Finance Corporation or AFC Cal, LLC (as applicable, "AFC") will apply on and after May 20, 2017. For Rent a Car accounts, the term "RAC" shall replace the term "Dealer". You will be deemed to accept these changes by requesting and receiving an Advance after the date of this Notice:

1. The Additional Curtailment Fee will be charged as follows when Dealer requests an extension beyond contracted terms (pre-approval from AFC is required for all additional extensions of the contracted Curtailment Date):
 - First additional extension of Curtailment Date \$50
 - Second additional extension of Curtailment Date \$75
 - Third and subsequent additional extensions of Curtailment Date \$100
2. The Curtailment Reduction Fee will be \$75 when Dealer requests a reduction of the principal payment due on an eligible unit for which (a) Dealer is requesting a second or subsequent additional extension of the contracted Curtailment Date and (b) a principal payment of at least 20% is due. Pre-approval from AFC is required for any reduction of the principal payment otherwise due upon a second or subsequent additional extension of the contracted Curtailment Date. The Curtailment Reduction Fee is in addition to the applicable Additional Curtailment Fee.
3. The Exported Vehicle Fee will be \$100 when a qualifying Dealer exports an AFC-financed unit purchased in the United States to Canada or exports a unit purchased in Canada to the United States. Pre-approval from AFC is required for any Dealer who wishes to export one or more AFC-financed units to the United States or Canada. Exporting AFC-financed units to any other country is not permitted.
4. The Cross Border Fee will be \$97.50 (a) when Dealer floors a unit purchased in Canada if the dealership is located in the United States, and (b) when Dealer floors a unit purchased in the United States if the dealership is located in Canada. AFC will not finance units purchased in any other country prior to Dealer importing the unit to the country where the dealership is located.

Please contact your AFC Branch (AFC Cal, LLC Branch in California) if you have any questions about these changes.

NOTICE OF AMENDMENT
May 9, 2017

U.S. CONTRACTED DEALERS
(including Rent a Car Accounts)

CHANGES TO PROMISSORY NOTE AND SECURITY AGREEMENT

This is to notify you that the following changes to your Promissory Note and Security Agreement or similar agreement ("Note") with Automotive Finance Corporation or AFC Cal, LLC (as applicable, "AFC") will apply as of May 20, 2017. For Rent a Car accounts, the term "RAC" shall replace the term "Dealer". You will be deemed to accept these changes by requesting and receiving an Advance after the date of this Notice:

1. Expenses. The second sentence in the Section of the Note entitled "Expenses" is hereby amended in its entirety and replaced with the following language, or the following language is added if such sentence is not currently in the Note: "Such charges shall include, but are not limited to, Late Fees, fees for dishonored Checks, ACH payments or other electronic fund transfers charged by LENDER or imposed by the depository institution, NAP Fees, highline fees, document processing fees, title fees, audit fees, lot audit failure fees, lien holder payoff service fees, title release fees, balance transfer fees, unit transfer fees, additional curtailment fees, curtailment reduction fees, courier fees, cross border fees, exported vehicle fees, sold and unpaid fees, and other standard fees charged by LENDER, fees and expenses incurred by LENDER or its counsel (including paralegals and similar persons) and any filing fees, stamp taxes, insurance or other charges associated with the creation, perfection, or maintenance of the security interest granted herein."
2. Insurance. The Section of the Note entitled "Insurance" is hereby amended in its entirety and replaced with the following language:

"Insurance. Dealer shall keep the Collateral insured against such risks and in an amount equal to the Aggregate Advance Limit or such lesser amount as LENDER may from time to time permit and with such insurer or insurers as LENDER may from time to time approve, and shall maintain such other insurance coverage as LENDER may from time to time require. Dealer shall provide LENDER, or LENDER's designees, with copies of its policies of such insurance together with evidence that the premium therefor has been paid, that LENDER has been named as loss payee or additional insured on such policies, and that the insurer will notify LENDER in writing at least thirty (30) days prior to non-renewal or cancellation of such policies. The proceeds of loss under such policies are hereby assigned to LENDER. If LENDER determines, in its sole discretion, that Dealer has not maintained adequate insurance coverage, LENDER may, but has no obligation to, purchase a policy or policies of insurance (through forced placement or otherwise) and may treat amounts so expended as additional Obligations. The risk of loss or damage to the Collateral shall at all times remain solely with Dealer."

3. Definitions.

- a. The definition of the term "Interest" in the Section of the Note entitled "Definitions" is hereby amended in its entirety and replaced with the following language, or the following language is added if such definition is not currently in the Note: "Interest - those finance charges owed by Dealer to LENDER on all outstanding Obligations, which charges shall begin to accrue, on the earliest of (regardless of the date the Advance is funded) the date an item of Purchase Money Inventory is purchased by Dealer, the date of the request of an Advance, or the date that an Obligation is incurred, compounded daily, and shall be payable at the rate and upon the terms and conditions set forth in this Note."
- b. The definition of the term "Period" in the Section of the Note entitled "Definitions" is hereby amended in its entirety and replaced with the following language, or the following language is added if such definition is not currently in the Note: "Period - that number of days that an item of Purchase Money Inventory will be financed by LENDER pursuant to this Note as set forth on the Term Sheet, beginning on the earliest of (regardless of the date the Advance is funded) the date an item of Purchase Money Inventory is purchased by Dealer, the date of the request of an Advance, or the date that an Obligation is incurred, and ending on the Curtailment Date, provided that in the event no Term Sheet is executed and effective, then the Period shall be thirty (30) days."
4. Term Sheet. The following sentence the Term Sheet of your Note is hereby amended in its entirety and replaced with the following language, or the following language is added to the Term Sheet of your Note if such sentence is not currently in the Term Sheet: "Dealer agrees and acknowledges that Interest and fees shall begin to accrue on the earliest of (regardless of the date the Advance is funded) the date an item of Purchase Money Inventory is purchased by Dealer, the date of the request of an Advance, or the date that an Obligation is incurred, and interest shall be compounded daily."

Except to the extent amended by this Notice, all other terms and conditions of the Note remain in full force and effect as in effect immediately

prior to May 20, 2017. Please contact your AFC Branch (AFC Cal, LLC Branch in California) if you have any questions about these changes.

**AMENDMENT
U.S. CONTRACTED DEALERS
(including Rent a Car Accounts)
NOTICE
December 19, 2016**

CHANGE TO PROMISSORY NOTE AND SECURITY AGREEMENT

This is to notify you that the following changes to your Promissory Note and Security Agreement or similar agreement ("Note") with Automotive Finance Corporation or AFC Cal, LLC (as applicable, "AFC") (for Rent A Car accounts, the term "RAC" shall replace the term "Dealer"):

1. Jurisdiction and Choice of Law. The Section of the Note entitled "Jurisdiction and Choice of Law" is hereby amended by adding the following sentence if such sentence is not currently in the Note: **"DEALER AND LENDER AGREE THAT EACH MAY BRING CLAIMS AGAINST THE OTHER ONLY IN THE CLAIMANT'S INDIVIDUAL CAPACITY, AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING OR AS A NAMED OR UNNAMED MEMBER IN A CLASS, CONSOLIDATED, REPRESENTATIVE OR PRIVATE ATTORNEY GENERAL ACTION."**
2. Arbitration. The Section of the Note entitled "Arbitration" is hereby amended by adding the following sentence if such sentence is not currently in the Note: **"Any dispute resolution proceedings, whether in arbitration or court, will be conducted only on an individual basis and not in a class or representative action or a named or unnamed member in a class, consolidated, representative or private attorney general action, unless both Dealer and Lender specifically agree to do so in writing following initiation of the arbitration."**
3. Limitation of Liability. If the Note does not have a Section entitled "Limitation of Liability", then the Note is hereby amended by adding the following Section: **"LIMITATION OF LIABILITY. LENDER SHALL NOT BE LIABLE TO DEALER FOR LOST PROFITS OR FOR ANY SPECIAL, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES WHATSOEVER EVEN IF LENDER KNEW ABOUT THE POSSIBILITY OF SUCH DAMAGES."**
4. Term Sheet. The Term Sheet of your Note is amended by adding the following sentence: "Dealer agrees and acknowledges that Interest and fees shall accrue from the earliest of (regardless of the date the Advance is funded) the date an item of Purchase Money Inventory is purchased by Dealer, the date of the request of an Advance, or the date that an Obligation is incurred, and interest shall be compounded daily."

Except to the extent amended by this Notice, all other terms and conditions of the Note remain in full force and effect. Please contact your AFC Branch (AFC Cal, LLC Branch in California) if you have any questions about these changes or if you need a copy the amendment.

**U.S. CONTRACTED DEALERS
(including Rent a Car Accounts)
NOTICE
November 18, 2016**

This is to notify you that the following changes to your account with Automotive Finance Corporation or AFC Cal, LLC (as applicable, "AFC") will apply on and after December 1, 2016:

- The Document Processing Fee is \$15.75 per transaction. This change does not apply to Advances that are outstanding prior to December 1, 2016.
- The Lienholder Payoff Service Fee is \$75.00 per transaction. This change does not apply to Advances that are outstanding prior to December 1, 2016.
- The Title Release Fee is \$15.75 per transaction, regardless of the floorplan date for the subject vehicle.
- The Courier Fee is actual cost or \$12.75, whichever is greater, for each shipped package.

Please contact your AFC Branch (AFC Cal, LLC Branch in California) if you have any questions about these changes.

Please note that one or more of the contract amendments may not apply if your Promissory Note and Security Agreement or similar agreement is dated after the effective date of the amendment. To obtain a copy of an amendment, print a copy or contact your AFC branch.

**AMENDMENT
U.S. CONTRACTED DEALERS
(including Rent a Car Accounts)
NOTICE
December 21, 2015**

CHANGE TO PROMISSORY NOTE AND SECURITY AGREEMENT

This is to notify you that the following changes to your Promissory Note and Security Agreement or similar agreement ("Note") with Automotive Finance Corporation or AFC Cal, LLC (as applicable, "AFC") will apply on or after January 1, 2016 (for Rent A Car accounts, the term "RAC" shall replace the term "Dealer"):

1. Non-Sufficient Funds Fee. The third sentence in the Section of the Note entitled "Late Fee" is hereby amended in its entirety and replaced with the following language, or the following language is added if such sentence is not currently in the Note: "LENDER may also charge an amount not to exceed the maximum amount permitted by law or, if there is no applicable law, an amount not to exceed \$50 for each Check or ACH tendered to LENDER, by or on behalf of Dealer, that is subsequently dishonored, in addition to any charge or fee imposed by the depository institution for each returned or dishonored item and any other charges or fees permitted by law."
2. Expenses. The second sentence in the Section of the Note entitled "Expenses" is hereby amended in its entirety and replaced with the following language, or the following language is added if such sentence is not currently in the Note: "Such charges shall include, but are not limited to, Late Fees, fees for dishonored Checks, ACH payments or other electronic fund transfers charged by LENDER or imposed by the depository institution, NAP Fees, highline fees, document processing fees, title fees, audit fees, lot audit failure fees, lien holder direct pay service fees, title release fees, balance transfer fees, unit transfer fees, courier fees, and other standard fees charged by LENDER, fees and expenses incurred by LENDER or its counsel (including paralegals and similar persons) and any filing fees, stamp taxes, insurance or other charges associated with the creation, perfection, or maintenance of the security interest granted herein."
3. Term Sheet. Some Notes are amended as set forth below. If your Term Sheet contains the following language:

"However, in no event shall the calculation of prime rate be at a rate less than five percent (5%) per annum.", your Term Sheet is hereby amended by deleting the foregoing sentence and replacing it with the following language: "However, in no event shall the calculation of prime rate be at a rate less than the most recent prime rate published in The Wall Street Journal plus one and three quarters percent (1.75%) per annum."

You will be deemed to accept these changes by requesting and receiving an Advance after the date of this Notice. These changes do not apply to Advances that are outstanding prior to January 1, 2016. Except to the extent amended by this Notice, all other terms and conditions of the Note remain in full force and effect as in effect immediately prior to January 1, 2016. Please contact your AFC Branch (AFC Cal, LLC Branch in California) if you have any questions about these changes.

**AMENDMENT
U.S. CONTRACTED DEALERS
(including Rent a Car Accounts)**

**NOTICE
March 5, 2014**

CHANGE TO PROMISSORY NOTE AND SECURITY AGREEMENT

This is to notify you that the following change to your Promissory Note and Security Agreement or similar agreement ("Note") with Automotive Finance Corporation or AFC Cal, LLC (as applicable, "AFC") will apply to each request for an Advance received by AFC on or after March 8, 2014:

Late Fee. The Late Fee is Ninety-nine dollars (\$99.00).

You will be deemed to accept this change by requesting and receiving an Advance after the date of this Notice. This change does not apply to Advances that are outstanding prior to March 8, 2014. Except to the extent amended by this Notice, all other terms and conditions of the Note remain in full force and effect as in effect immediately prior to March 8, 2014.

Please contact your AFC Branch (AFC Cal, LLC Branch in California) if you have any questions about this change.

AMENDMENT

**NOTICE
April 30, 2010**

**U.S. CONTRACTED DEALERS
(including Rent a Car Accounts)
CHANGES TO PROMISSORY NOTE AND SECURITY AGREEMENT**

This is to notify you that, effective May 1, 2010 (the "Effective Date"), the following change to your Promissory Note and Security Agreement ("Note") will apply. You will be deemed to accept this change by requesting and receiving an Advance after the date of this notice.

Late Fee. The Late Fee for Advances made on and after the Effective Date is Ninety-five Dollars (\$95.00). The change does not apply to Advances that are outstanding immediately prior to the Effective Date.

Except to the extent amended by this Notice, all other terms and conditions of the Note remain in full force and effect as in effect immediately prior to the Effective Date of this Notice.

Please contact your AFC Branch (AFC Cal Branch in California) if you have any questions about the changes to your Term Sheet.

**AMENDMENT
NOTICE
December 17, 2008**

**U.S. CONTRACTED DEALERS
CHANGES TO TERM SHEET FOR PROMISSORY NOTE AND SECURITY AGREEMENT**

This is to notify you that, effective January 1, 2009 (the "Effective Date"), the following change to your Term Sheet for Promissory Note and Security Agreement ("Term Sheet") will apply. You will be deemed to accept this change by requesting and receiving an Advance after the date of this notice.

Floorplan Fee. The Floorplan Fee listed in your Term Sheet is increased Ten Dollars (\$10.00) as of the Effective Date. By way of example, if your Term Sheet lists a Floorplan Fee of \$75.00, the Floorplan Fee will be \$85.00 for Advances made on and after the Effective Date and for extensions of the Curtailment Date for those Advances. The change does not apply to extensions of the Curtailment Date for Advances that are outstanding immediately prior to the Effective Date.

Late Fee. The Late Fee for Advances made on and after the Effective Date will be an amount equal to the new Floorplan Fee. The change does not apply to Advances that are outstanding immediately prior to the Effective Date.

Audit Charge. On and after January 1, 2009, an audit charge of \$80.00 per audit will be assessed.

Except to the extent amended by this Notice, all other terms and conditions of the Term Sheet remain in full force and effect as in effect immediately prior to the Effective Date of this Notice.

Please contact your AFC Branch (AFC Cal Branch in California) if you have any questions about the changes to your Term Sheet.

**AMENDMENT
U.S. Contracts
CHANGES TO THE TERMS AND CONDITIONS OF THE DEMAND PROMISSORY NOTE AND SECURITY AGREEMENT**

This is to notify you that, effective October 8, 2008 (the "Effective Date"), the following changes to the terms and conditions of your Demand Promissory Note and Security Agreement ("Note") and any Exhibits referenced in your Note or attached thereto (except to the extent such Exhibit is not subject to amendment hereby, in which case it will remain unamended) will apply.

1. **Lender.** If you are located in any state other than California, Automotive Finance Corporation ("AFC") is the lender and each existing reference throughout the Note or any Exhibit to AFC is hereby amended and replaced with LENDER and each existing reference throughout the Note or any Exhibit to LENDER means AFC. If you are located in California, AFC Cal, LLC ("AFC Cal") is the lender and each existing reference throughout the Note or any Exhibit to LENDER means AFC Cal.

2. **Minimum Interest Rate.** The first sentence of the first paragraph of the Note is hereby amended to add the following phrase at the end of the sentence: "; provided, however, that in no event shall the calculation of prime rate in the Term Sheet be at a rate less than five percent (5%) per annum." The second sentence in the first paragraph of the Note is also hereby amended to add the following phrase at the end of the sentence: "; provided, however, that in no event shall the calculation of prime rate be at a rate less than five percent (5%) per annum."

3. **Interest Rate After Event of Default.** The next to last sentence in the first paragraph of the Note is hereby amended in its entirety and replaced with the following language, or the following language is added if such sentence is not currently in the Note: "After an Event of Default, interest shall accrue at a rate of fifteen percent (15%) per annum, with such interest compounded daily and accruing from the date on which the Event of Default first occurred." This change applies only to Advances made and Obligations incurred after the Effective Date of this Notice.

4. **Payments.** The last sentence in the first paragraph of the Note is hereby amended in its entirety and replaced with the following language, or the following language is added if such sentence is not currently in the Note: "All payments shall be made in lawful money of the United States and in immediately available funds, whether in cash, via Check, via ACH, via certified funds, or otherwise."

5. **ACH.** The term "ACH" and corresponding definition are added in alphabetical order in the Section of the Note entitled "Definitions" as follows: "ACH - an electronic network for financial transactions, also known as automated clearing house payment system, which processes credit and debit transactions including payments by or on behalf of Dealer to LENDER."

6. **Approved Auction Purchase** - The term "Approved Auction Purchase" and corresponding definition are added in alphabetical order in the Section of the Note entitled "Definitions" as follows: "Approved Auction Purchase - any Vehicle, vehicle part, or goods of any kind, now or hereafter acquired by Dealer from a LENDER-approved auction if LENDER pays the Advance for such Vehicle, vehicle part, or other goods directly to the auction."

7. **Check.** The definition of the term "Check" in the Section of the Note entitled "Definitions" is hereby amended in its entirety and replaced with the following language, or the following language is added if such definition is not currently in the Note: "Check - a payment by or on behalf of Dealer to LENDER which is other than a payment in cash, via ACH or via certified funds."

8. **Late Fee.** The last sentence in the definition of the term "Late Fee" in the Section of the Note entitled "Definitions" is hereby amended in its entirety and replaced with the following language, or the following language is added if such sentence is not currently in the Note: "LENDER may also include in the Late Fee an amount equal to the lesser of \$25 or the maximum amount permitted by law for each Check tendered to LENDER, by or on behalf of Dealer, that is subsequently dishonored, in addition to any charge or fee imposed by the depository institution for each returned or dishonored item and any other charges or fees permitted by law."

9. **NAP Fee.** The term "NAP Fee" and corresponding definition are added in alphabetical order in the Section of the Note entitled "Definitions" as follows: "NAP Fee - that non-refundable fee payable to LENDER by Dealer, in the amount set forth on the Term Sheet for each individual item of Purchase Money Inventory acquired by Dealer as a Non-Auction Purchase, provided that in the event no Term Sheet is executed and effective or no NAP Fee is listed in the Term Sheet, then the NAP Fee shall be equal to Seventy-five Dollars (\$75.00). Notwithstanding the foregoing or any provision in the Term Sheet to the contrary, LENDER reserves the right to charge a NAP Fee in a higher amount as a condition to making an Advance for a Non-Auction Purchase if, in its sole discretion, LENDER determines that the circumstances so warrant."

10. **Non-Auction Purchase.** The term "Non-Auction Purchase" and corresponding definition are added in alphabetical order in the Section of the Note entitled "Definitions" as follows: "Non-Auction Purchase - a transaction other than an Approved Auction Purchase in which any Vehicle, vehicle part, or goods of any kind, is now or hereafter acquired or refinanced by Dealer."

11. **ACH Authorization.** A new sentence is hereby added at the end of the Section of the Note entitled "Repayment of Purchase Money Inventory Obligations and Obligations" as follows: "Notwithstanding anything herein to the contrary, LENDER reserves the right to require that all payments be made via ACH, and Dealer shall execute an ACH payment authorization upon request."

12. **Purchase Money Inventory and Title Control.** The last sentence in the Section of the Note entitled "Purchase Money Inventory and Title Control" is hereby amended in its entirety and replaced with the following language, or the following language is added if such sentence is not currently in the Note: "Unless such Title(s) are returned to LENDER within the time period established by LENDER, (a) LENDER may (i) deposit or present such check or draft for payment or (ii) process such payment via ACH and return the Check to Dealer, and (b) any outstanding Obligation(s), Floorplan Fee(s) or accrued interest relating to Advance(s) for such Vehicle(s) shall become immediately due and payable."

Except to the extent amended by this Notice, all other terms and conditions of the Note and any Exhibit remain in full force and effect as in effect immediately prior to the Effective Date of this Notice.

By clicking here, I acknowledge, accept and agree to all amendments to my Contract posted on this website.

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