

IN THE CIRCUIT COURT OF CABELL COUNTY, WEST VIRGINIA

STATE OF WEST VIRGINIA ex rel.
PATRICK MORRISEY, ATTORNEY GENERAL,

Plaintiff,

v.

Civil Action No. 14-C-366

THOMAS J. MATTHEWS D/B/A
DOWNTOWN USED AUTO SALES,

/s/ CHRISTOPHER D. CHILES

Defendants.

COMPLAINT FOR INJUNCTION, CONSUMER
RESTITUTION, DISGORGEMENT, CIVIL PENALTIES, AND
OTHER APPROPRIATE RELIEF

I. INTRODUCTION

Plaintiff, the State of West Virginia ex rel. Patrick Morrissey, Attorney General ("the State" or "Attorney General"), files this Complaint asking the Court to temporarily and permanently enjoin the above-named Defendant, Thomas J. Matthews d/b/a Downtown Used Auto Sales (hereinafter "Matthews" or "Defendant"), from violating the West Virginia Consumer Credit and Protection Act WVCCPA ("WVCCPA" or "the Act"), W. Va. Code § 46A-1-101 et seq., and other applicable consumer protection laws and regulations, and to enter a final order awarding the State all other appropriate relief as authorized by W. Va. Code § 46A-7-108.

The Defendant's violations include selling unsafe vehicles, selling vehicles "as is" in violation of the implied warranty of merchantability, failing to post Buyers Guides, failing to disclose the terms and conditions of financing in the manner and form required by state and federal law, charging unlawful interest and other excess charges in credit sales, repossessing vehicles without first furnishing consumers with a notice of right to cure default, and unlawfully converting or disposing of personal property found in vehicles that it repossesses.

II. PARTIES

The Plaintiff

1. Plaintiff Patrick Morrissey is the Attorney General of the State of West Virginia and is empowered to enforce the provisions of the WVCCPA, W. Va. Code § 46A-1-101 et seq., including the provisions that govern the sale and financing of used motor vehicles.

The Defendant

2. Defendant Matthews is the owner and operator of a used car dealership known as Downtown Used Auto Sales ("DUAS"), which is located at 1307 Third Avenue, Huntington, West Virginia 25701.

3. The public records on file with the West Virginia Secretary of State ("WVSOS") disclose that DUAS was created as a limited liability company by Matthews and Christopher P. Meek on October 14, 2010. However, the WVSOS issued a certificate of administrative dissolution on November 1, 2011 after DUAS failed to file its

annual report and/or pay the annual report fee as required by W. Va. Code § 59-1-2a(c).

4. Although the WVSOS listed Meek as a member of DUAS when it was created, upon information and belief Meek was not involved in the creation or operation of DUAS. Hence, Meek is not included as a Defendant in this civil action.

III. APPLICABLE LAW

5. DUAS is a licensed dealer of used motor vehicles, as defined by W. Va. Code § 17A-6-1(a)(2) and, as such, it is subject to the provisions set forth in W. Va. Code § 17A-6-1 et seq., as well as the West Virginia Legislative Rules for the Division of Motor Vehicles, 91 C.S.R. 6.

6. DUAS engages in the sale and financing of used motor vehicles to consumers. As such, DUAS's business practices are subject to the provisions set forth in the WVCCPA, which is regulated by the Attorney General pursuant to W. Va. Code § 46A-7-101 et seq.

7. DUAS is a "merchant" as defined by W. Va. Code § 46-2-104(i) of the Uniform Commercial Code and as that term is used generally throughout the WVCCPA.

8. As a merchant engaged in the sale of used motor vehicles to consumers, DUAS is subject to the provisions set forth in the FTC Used Motor Vehicle Trade Regulation Rule ("FTC Used Vehicle Rule"), 16 C.F.R. § 455, which requires car dealers to post a disclosure document called a Buyers Guide on the outside of all used vehicles that are offered for sale to notify consumers about the terms and conditions of the warranty, if any, on the vehicle.

9. As a merchant engaged in the sale or used motor vehicles to consumers, DUAS may not sell vehicles "as is" nor may it exclude, modify or otherwise attempt to limit any warranty, express or implied, including the warranties of merchantability and fitness for a particular purpose, nor may it limit any remedy provided by law, including the measure of damages available, for a breach of warranty, express or implied, W. Va. Code § 46A-6-107.

10. DUAS engages in the extension of "credit" to consumers as defined by the WVCCPA, W. Va. Code § 46A-1-102(17).

11. DUAS is a "creditor" as defined by the federal Truth-in-Lending Act ("TILA") and Regulation Z, 15 U.S.C. § 1601(e) and 12 C.F.R. 226.2(a)(17), respectively, and, as such, it is also subject to the provisions set forth therein.

12. DUAS is a "debt collector" as defined by W. Va. Code § 46A-2-122(d).

13. After a default on any installment obligation or any other secured obligation, except for a covenant to provide insurance for or otherwise to protect and preserve the property covered by a security interest or lease, the WVCCPA prohibits a creditor from accelerating maturity of the unpaid balance of any such installment obligation or any other such secured obligation, commence any action or demand or take possession of collateral on account of default until 10 days after notice has been given to the consumer of his or her right to cure such default. See W. Va. Code § 46A-2-106.

14. The content of the notice of consumer's right to cure default must conform to the language set forth in W. Va. Code § 46A-2-106 and the notice must be mailed or delivered to the last known address for the consumer.

15. Violations of the FTC Used Vehicle Rule, TILA, Regulation Z, and other state and federal laws intended to protect the public are deemed to be unfair or deceptive acts or practices, in violation of W. Va. Code § 46A-6-104.

16. A person or creditor that engages in repeated and willful violations of the WVCCPA is subject to a civil penalty of up to \$5,000.00 for each violation in accordance with W. Va. Code § 46A-7-111(2).

IV. THE ATTORNEY GENERAL'S INVESTIGATION

17. The Attorney General first opened an investigation of Downtown Used Auto Sales in September, 2012, after receiving numerous complaints from consumers alleging that it was engaged in a wide range of violations of the WVCCPA in the sale and financing of used motor vehicles.

18. From the date of its inception of up to and including the time of this Complaint, at least 22 formal complaints were filed with the Attorney General against DUAS.

19. In furtherance of its investigation, the Attorney General issued an investigative subpoena ("Subpoena") to Matthews on April 25, 2013, compelling him to produce documents and information about the sale and financing of used motor vehicles to West Virginia consumers.

20. A review of the complaints filed with the Attorney General's office, including the documents produced by DUAS in response to the Subpoena, disclose that DUAS engaged in a wide range of violations of the WVCCPA. These violations include, but are not limited to, selling unsafe vehicles; selling vehicles "as is" in violation

of the implied warranty of merchantability; failing to post Buyers Guides; failing to disclose the terms and conditions of financing in the manner and form required by state and federal law; charging unlawful interest and other excess charges in credit sales; repossessing vehicles without first furnishing consumers with a notice of right to cure default; and unlawfully converting or disposing of personal property found in vehicles it repossesses.

21. The standard sales and financing documents disclose that DUAS sought to waive consumers' rights under the WVCCPA and to mislead consumers about its obligations to them under the WVCCPA. These documents are discussed below for illustrative purposes.

22. One of the documents used by DUAS contains the following notice to consumers:

ALL VEHICLES SOLD LESS THAN \$1,000 OR LESS WILL
BE SOLD AS-IS NO WARRANTY. NO EXCEPTIONS!!!!
ALSO ALL DEPOSITS ON VEHICLES ARE NO
REFUNDABLE!! NO EXCEPTIONS.

See notice furnished by DUAS to Clarence and Stacie Barker of South Point, Ohio on April 24, 2010, attached hereto as Exhibit A and incorporated by reference herein.

23. On December 29, 2010, DUAS sold a 2001 Toyota Avalon to Donald Adkins of Huntington for \$1,260.00. The Buyers Guide furnished to him states:

VEHICLE IS BEING SOLD "AS IS" WITH NO WARRANTY.
BUYER UNDERSTANDS VEHICLE NEEDS MOTOR
WORK AND AGREES TO FIX VEHICLE HIMSELF.

See Used Car Order and Buyers Guide attached hereto as Exhibits B and B-1 and incorporated by reference herein.

24. DUAS sold a 2002 Dodge Caravan to George Keyes of Huntington for \$1,400 on September 23, 2011. Under the heading "Systems Covered" the Buyers Guide states that the vehicle was sold "AS IN – WHERE IS." (DUAS meant to say "AS IS." – WHERE IS.") See Buyers Guide attached hereto as Exhibit C and incorporated by reference herein.

25. On December 30, 2011, DUAS sold a 2001 Volkswagen Jetta Sedan to Justin and Heather Chastain of Huntington for \$5,500. The second page of the "Bill of Sale-Buyer's Order," Additional Conditions of Sale, contains the following provision:

Any motor vehicle sold to Buyer by Dealer under this Order is sold WITHOUT WARRANTY, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE as to its condition or the condition of any part thereof except as may be specifically provided in a separate writing to Buyer by Dealer. TO THE EXTENT ALLOWED BY LAW, BUYER SHALL NOT BE ENTITLED TO RECOVER FROM THE DEALER ANY CONSEQUENTIAL DAMAGES, DAMAGES TO PROPERTY, DAMAGES FOR LOSS OR USE, LOSS OF TIME, LOSS OF PROFITS OR INCOME FOR ANY OTHER INCIDENTAL DAMAGES.

See Bill of Sale-Buyer's Order, Item 6, attached hereto as Exhibits D and D-1 and incorporated by reference herein.

26. The sale to Justin and Heather Chastain was accompanied by a Buyers Guide that was marked "AS IS - NO WARRANTY." See Buyers Guide attached hereto as Exhibit E and incorporated by reference herein. The exclusion of damages for breach of warranty also violates W. Va. Code § 46A-6-107.

27. On January 17, 2011, DUAS sold a 1995 Toyota Camry to Melissa Medley of Huntington in exchange for an even trade of a 1999 Ford Escort. DUAS

required Ms. Medley to sign a document stating "I declare that I am satisfied with the trade and will forego any and all legal action against Downtown Used Auto Sales in reference to the 1995 Toyota Camry." See document attached hereto as Exhibit F and incorporated by reference herein.

28. Many of the dealer files produced by DUAS contained a document called "Buyers Guide Disclosure Form" that appeared to be a substitute for a proper Buyers Guide. The document contained an option for "AS IS – NO WARRANTY" sales and also contained a list of items that are not covered under the warranty, including such things as "brakes or brake components" and "tires." The implied warranty of merchantability discussed above requires that items such as brakes and tires that affect the safe operation of the vehicle are covered by the implied warranty of merchantability and must meet minimum safety standards in order for the vehicle to pass an official motor vehicle inspection. See "Buyers Guide Disclosure Form" provided by DUAS to Theresa Hatcher of Huntington on March 9, 2012, attached hereto as Exhibit G and incorporated by reference herein.

29. In some instances DUAS offered a limited warranty in which it promised to only pay 50% of parts and labor on mechanical parts that need repair during the first thirty (30) days of 1,000 miles, whatever comes first. This limitation of its obligations is in conflict with the implied warranty of merchantability that requires used car dealers to take full responsibility for parts and labor on repairs of mechanical parts that exist at the time of sale or that arise shortly after the sale. See Buyers Guide issued by DUAS to Ashley Milton of Wayne on January 26, 2013, attached hereto as Exhibit H and

incorporated by reference herein. The Buyers Guide form issued to Ms. Milton is not permissible for use in West Virginia or other states that prohibit the implied warranty of merchantability because it contains the "as is" option even though that option is not checked.

30. In addition to using the wrong Buyers Guide form, it is evident that DUAS did not furnish Buyers Guide forms at all to consumers in many of its sales. See Exhibit G sighted hereinabove. Even when DUAS used the correct Buyers Guide form, it often used the form for improper purposes. For example, DUAS used Buyers Guide forms to memorialize items it promised to fix, to disclose that vehicles had a "rebuilt title," and to disclose terms of financing (i.e., "\$200 due in 2 weeks from date of sale"). See Buyers Guides attached hereto as Exhibits I, J, and K, respectively, and incorporated by reference herein.

31. A review of the complaints filed with the Attorney General, including the additional files and documents produced by DUAS in response to the subpoena, confirms that DUAS systematically failed to disclose the terms and conditions of financing in the manner required by state and federal law in each credit sale entered into with West Virginia Consumers. This failure to properly disclose the terms and conditions of financing is exemplified by the security agreement entered into between DUAS and Ashley Milton of Wayne on February 26, 2013, the security agreement entered into between DUAS and Terry Asbury of Huntington on January 25, 2010, and the security agreement entered into between DUAS and Kristen Coles of Huntington on

February 11, 2013, attached hereto as Exhibits L, M, N, and O and incorporated by reference herein.

32. A review of the documents that accompanied the complaints filed by West Virginia consumers against DUAS disclosed that DUAS charged a "\$100 contract fee" in each credit sale to each West Virginia consumer. Specifically, almost every dealer file produced by DUAS in response to the Subpoena contains the following notice to consumers:

AT DOWNTOWN USED AUTO SALES WE DO NOT CHARGE FINANCE CHARGES ON OUR IN-HOUSE FINANCING. WE DO HOWEVER, CHARGE A ONE TIME \$100 CONTRACT FEE. THIS WILL BE ADDED TO THE TOTAL AMOUNT PAID FOR THE VEHICLE. WE DO CHARGE A 5% LATE FEE OR \$50 (WHICHEVER IS LESS) FOR PAYMENTS WHICH ARE MORE THAN TEN (10) DAYS LATE.

This practice is exemplified by the contract entered into by DUAS with Terry Asbury of Huntington on January 25, 2010, a copy of which is attached hereto as Exhibit P and incorporated by reference herein. See also documents entered into with and signed by other consumers attached hereto as Exhibits Q and R and incorporated by reference herein.

33. The documents produced by consumers with their complaints, including the documents produced by DUAS in response to the Subpoena, disclose that DUAS charged or represented that it could charge late fees in excess of the amounts allowed by the WVCCPA. This practice is exemplified by Exhibit P referred to hereinabove that contains the following notice:

WE DO CHARGE A 5% LATE FEE OR \$50 (WHICHEVER IS LESS) FOR PAYMENTS WHICH ARE MORE THAN 10 DAYS LATE.

See also Exhibits Q and R that contain the same representations concerning late fees that DUAS may collect.

34. A review of the documents produced by consumers with their complaints, including the documents produced by DUAS in response to the Subpoena, discloses that DUAS repossessed at least 85 vehicles during the period beginning January 1, 2010 up to the time it responded to the Subpoena. DUAS produced the original dealer files containing all original documents to the Attorney General as opposed to providing only copies. The files disclosed that DUAS, upon information and belief, never provided a notice of right to cure default before repossessing vehicles from consumers. The Subpoena also required DUAS to produce the form it uses for providing notice of right to cure default to consumers before repossessing vehicles. DUAS failed to produce any such form.

35. The documents produced by consumers with their complaints, and the documents produced by DUAS in response to the Subpoena, disclose that DUAS misled consumers about their right to receive a notice of right to cure default before their vehicle could be repossessed. This practice is exemplified by the security agreement entered into with Terry Asbury on January 25, 2010 which contains the following provision:

Upon occurrence of any of the foregoing circumstances or conditions of default, Debtor hereby expressly waives any Constitutional right to notice and/or a Hearing prior to Secured Party resuming or taking possession of the collateral herein. . .

See Exhibit N attached hereto and incorporated herein.

36. DUAS's practice of misleading consumers about their right to receive a notice of right to cure default before the vehicle may be repossessed is also exemplified by the security agreement entered into between DUAS and Kristen Coles on February 11, 2011, which provides:

Subject to s 37-5-110 and 37-5-111 of the West Virginia Code Ann. To take immediate possession of the collateral without notice or resort to legal process. . .

See Exhibit O referred to hereinabove. (The statutes cited in DUAS's document do not exist.)

37. The documents produced by consumers with their complaints, including the documents produced by DUAS in response to the Subpoena, also confirm that DUAS could dispose of, and did dispose of, personal property found in the vehicles that it repossessed without affording consumers any reasonable opportunity to reclaim the property. This practice is exemplified by the security agreement entered into between DUAS and Kristen Coles on February 11, 2013, Exhibit O, which contains the following statement:

[I]n the event Debtor, any personal property located therein and not subject to secured party's Security Interest, in such as event Debtor shall by certification or registered U.S. Mail, notify Secured Party within twenty four hours after resumption of possession or repossession of the collateral, as to any such articles claimed by the Debtor may not be subject to secured party's Security Interest. Absent such notification, Secured Party may dispose of any such personal property as if it were expressly covered by its Security Interest created by this Agreement.

See Exhibit O referred to herein above. See also Security Agreement entered into between DUAS and Terry Asbury on January 25, 2010, Exhibit N referred to herein above, which contains the same provision as Exhibit O.

Formal Complaints of West Virginia Consumers

38. A total of 22 formal complaints were filed with the Attorney General against DUAS from the time of DUAS's inception up to and including the time of this Complaint.

39. In accordance with its standard protocol, each formal complaint was forwarded to DUAS with a form letter requesting a written response to the complaint within 10 days. If no response was received, the complaint was resent to DUAS with another letter requesting a written response to the complaint within five days.

40. In connection with its investigation of DUAS, the Attorney General's staff reviewed each complaint, DUAS's response (when it did respond), and interviewed most of the complainants. Upon the basis thereof, the Attorney General offers summaries of 18 consumer complaints as a representative sample of the business practices of DUAS¹.

***Complaint of Margaret Anderson, Huntington, WV
(Filed September 15, 2011)***

41. Ms. Anderson purchased a 1997 Isuzu Rodeo from DUAS on October 15, 2010 for the cash purchase price of \$2,995. She reports that the vehicle had a cracked windshield (and thus, would not pass inspection) and a faulty transmission,

¹The Attorney General's Complaint seeks relief for all consumers aggrieved by

which DUAS refused to repair. After she had paid \$2,235, DUAS repossessed the vehicle without sending her a notice of right to cure default when she was approximately 4-5 days late. She called DUAS one day after the repossession to locate her vehicle so that she could recover her personal belongings. She was advised that the vehicle had already been "cleared out" and that her possessions had been discarded. Among other things, she lost a personal bible, portable battery charger, college text books, jumper cables, compact discs, and an infant seat. As a result of DUAS's unlawful actions in this sale, Ms. Anderson is owed a total of \$2,735, consisting of a refund of all payments she made, \$2,235, and \$500 as reimbursement for her wrongfully discarded personal belongings.

***Complaint of Leann Burns, Huntington, WV
(Filed June 21, 2012)***

42. Ms. Burns purchased a 1996 Toyota Camry from DUAS on February 3, 2012 for the cash purchase price of \$3,995. Within four days after purchase the transmission broke down, which DUAS blamed on her and failed to repair it without charge to her. DUAS ultimately repossessed the vehicle without providing her with a notice of right to cure default. Up until the time of the repossession, Ms. Burns had made total payments of \$2,200, and had paid \$150 for repairs that were the responsibility of DUAS. As a result of DUAS's unlawful actions in this sale, Ms. Burns is owed a total of \$2,350, consisting of a refund of all payments she made, \$2,200, and \$150 as reimbursement for repairs.

the practices of DUAS and is not limited to the complaints summarized here.

***Complaint of Tiffany Dempsey, Milton, WV
(Filed September 19, 2011)***

43. Ms. Dempsey purchased a 2001 Pontiac Grand-Am from DUAS on August 1, 2011 for the cash purchase price of approximately \$2,500. The vehicle began overheating on the way home on the day of purchase. An inspection of the vehicle disclosed that the radiator and reservoir were dry. DUAS suggested she add water, as it had forgotten to do so. The next day she checked the radiator and it was dry again and, upon checking the oil, found that it was mixed with water. DUAS declined to make the repairs without charge to her. Her husband ultimately spent nine hours attempting to make the repair, with labor valued at \$800, and she spent \$350 for vacuum seals, but the repair was not successful. DUAS ultimately repossessed the vehicle without providing her a notice of right to cure default. As a result of DUAS's unlawful actions in this sale, Ms. Dempsey is owed a total of \$2,350, consisting of a refund of all payments she made, \$1,200, and \$1,050 as reimbursement for labor and parts.

***Complaint of Shawn Fowler, Huntington, WV
(Filed August 7, 2013)***

44. Mr. Fowler purchased a 2006 Chevrolet Impala from DUAS on July 18, 2013 for the cash purchase price of \$7,995. Mr. Fowler reports that the engine had a "spit and sputter," and the seat was broken at the time of purchase. DUAS promised to make these repairs prior to his purchase but he later discovered that it failed to do so. He returned the vehicle to DUAS on multiple occasions in an effort to get the repairs completed. As of this date, Mr. Fowler reports that the broken seat was finally

fixed but the "spit and sputter" problem has persisted. Since DUAS has been given ample opportunity to make this repair but has declined to do so, DUAS must resolve this complaint by fully rescinding the sale and refunding all payments made to date by Mr. Fowler in exchange for the return of the car. As of this date, Mr. Fowler has made estimated payments of \$3,100 to DUAS, consisting of a down payment of \$2,100 and five monthly payments of \$200 each.

***Complaint of Patricia Hedrick, Huntington, WV
(Filed August 30, 2011)***

45. Ms. Hedrick purchased a 2002 Oldsmobile Alero from DUAS on July 29, 2011 for the cash purchase price of \$1,025. She encountered significant mechanical problems with the vehicle and it broke down approximately one week after purchase. She brought the vehicle back to DUAS, but DUAS declined to make the repair without charge to her. The attempted repairs by DUAS were not successful and the vehicle continued to break down. DUAS ultimately repossessed the vehicle without providing her with a right to cure default. Because of DUAS's unlawful actions in this sale, Ms. Hedrick is owed a total of \$1,284.75, consisting of a refund of all payments she made (believed to be approximately \$1,025) and \$259.75 as reimbursement for labor and parts.

***Complaint of Cecil Hopkins, Huntington, WV
(Filed April 9, 2012)***

46. Mr. Hopkins purchased a 2003 Chevrolet Impala from DUAS on March 22, 2012 for the cash purchase price of \$3,500. Mr. Hopkins encountered significant mechanical difficulties from the beginning, including faulty brakes and problems with the

front and rear alignment. Three days after purchase, the vehicle began overheating. Mr. Hopkins also reported that he believed the vehicle had flood damage due to the presence of water inside the headlight assembly. We have not been able to confirm whether Mr. Hopkins currently has the vehicle or if it has been repossessed. Because of DUAS's unlawful actions in this sale, Mr. Hopkins is owed a total of \$3,500, consisting of the full amount of the purchase price, or the amount he has paid as of this date.

***Complaint of Patricia Howard, Huntington, WV
(Filed July 20, 2012)***

47. Ms. Howard's complaint arises from the initial purchase of a 1998 Ford Taurus from DUAS on February 2, 2012. After encountering significant mechanical problems from the beginning, she traded the Taurus to DUAS for a 2001 Chrysler Sebring on May 12, 2012 for the cash purchase price of \$4,495. She also encountered significant mechanical problems with the Sebring and it would not pass inspection. One repair shop, Auto-Tech, estimated necessary repairs of \$1,600 before the vehicle would pass inspection. She ultimately returned the vehicle to DUAS because of its continued refusal to make the repairs. Because of DUAS's unlawful actions in this sale, Ms. Howard is owed a total of \$2,381, consisting of the down payments made by Ms. Howard on both vehicles.

***Complaint of Lonzo Lovejoy, Hammond, WV
(Filed July 24, 2012)***

48. Mr. Lovejoy purchased a 2002 Subaru from DUAS in December 2011 for the cash purchase price of \$4,800. He was given a credit of \$2,300 on his trade-in of a

1998 Ford Van and paid an additional \$2,500 cash for the Subaru. Shortly after the purchase Mr. Lovejoy discovered that the frame was so severely damaged that it was not safe to drive. He submitted graphic photos documenting the frame damage with his complaint. The vehicle ultimately broke down on I-64 near Huntington where he had it towed to his home in Hamlin. After DUAS refused to repair the Subaru, Mr. Lovejoy signed the title over to another party who agreed to tow it from his property. Because of DUAS's unlawful actions in this sale, Mr. Lovejoy is owed a total of \$4,800, consisting of \$2,500 cash he paid for the Subaru and reimbursement of \$2,300 for the Ford Van he traded in.

***Complaint of Alexis Maynard, Huntington, WV
(Filed September 8, 2011)***

49. Ms. Maynard purchased a 2002 Nissan Sentra from DUAS on February 19, 2011 for the cash purchase price of \$4,045. She encountered significant problems with the engine and transmission from the beginning, which DUAS failed to repair after repeated attempts. The vehicle ultimately broke down at the 29th exit off I-64, where it was left under the belief that DUAS would tow it in. Instead, she later learned that the police had it towed to Thompsons, at which point DUAS refused to take any responsibility for paying the towing and storage bill or repairing the vehicle. The vehicle was ultimately abandoned to Thompsons for the unpaid towing and storage bill. Because of DUAS's unlawful actions in this sale, Ms. Maynard is owed a total of \$4,050, consisting of a refund of all payments she made to DUAS, \$4,045, and reimbursement of \$405 for miscellaneous repairs.

***Complaint of Victoria McFann, Barboursville, WV
(February 15, 2012)***

50. Ms. McFann purchased a 2000 Dodge Neon from DUAS on December 6, 2012 for the cash purchase price of \$4,495. She was forced to pay \$300 initially for repairs to enable the vehicle to pass inspection, as well as an additional \$800 in repairs for defects that existed at the time of sale. Because of DUAS's unlawful actions in this sale, Ms. McFann is owed a total of \$1,100 for reimbursement of miscellaneous repairs.

***Complaint of Jamie Moore, Huntington, WV
(Filed April 4, 2011)***

51. Ms. Moore purchased a 2000 Oldsmobile Alero from DUAS in January 2011 for the cash purchase price of \$2,995. The Buyers Guide furnished to Ms. Moore after the sale contains the statement: "Vehicle has rebuilt title." Ms. Moore did not know what that meant and would not have purchased the vehicle had she known that it had been totaled and rebuilt. Ms. Moore reports that she incurred \$762.22 for repairs of mechanical defects that existed from the beginning that DUAS should have taken responsibility for under the implied warranty of merchantability. Because of DUAS's unlawful actions in this sale, DUAS must fully rescind the sale and refund Ms. Moore the amount of \$3757.22, consisting of \$2,995 in payments made to DUAS and reimbursement of \$762.22 in repairs.

***Complaint of Heather Munisteri, Huntington, WV
(Filed October 29, 2012)***

52. Ms. Munisteri purchased a 2006 Kia from DUAS on March 14, 2012 for the cash purchase price of \$7,495. She encountered significant mechanical problems

with the vehicle from the beginning, including problems that prevented it from passing inspection that DUAS had promised to repair. The mechanical problems escalated to the point where the vehicle would not exceed 20 mph and had no working hazard lights. The mechanical problems were the primary cause of an accident in Huntington that resulted in substantial damage to the vehicle. DUAS ultimately went to the shop where the vehicle was being repaired and repossessed it without providing Ms. Munisteri with a notice of right to cure default. Because of DUAS's unlawful actions in this sale, DUAS must make a payment of \$4,632.62 to Ms. Munisteri, consisting of a refund of \$3,600 in payments made to DUAS, and reimbursement of \$1,032.62 in payments to Enterprise for a rental car while her vehicle was in the shop for repairs.

***Complaint of Rebecca Mutters, Huntington, WV
(Filed December 1, 2011)***

53. Ms. Mutters purchased a 1995 Nissan Maxima from DUAS on September 6, 2011 for the cash purchase price of \$3,995. She encountered significant mechanical problems from the beginning as a result of which DUAS charged her approximately \$1,000 for repairs. Ms. Mutters made total payments of \$3,795 to DUAS but withheld payment of the final \$200 because of DUAS's refusal to take responsibility for repairs. DUAS ultimately repossessed the vehicle without providing her with a notice of right to cure default and without paying the surplus to her after resale of the vehicle. Because of DUAS's unlawful actions in this sale, it must make a payment of \$4,795 to Ms. Mutters, consisting of a refund of \$3,700 in payments made and \$1,000 reimbursement for repairs.

***Complaint of Bonnie Neace
(Filed December 1, 2011)***

54. Ms. Neace purchased a 1999 Jeep Grand Cherokee from DUAS on October 5, 2011 for the cash purchase price of \$4,995. Ms. Neace encountered significant mechanical problems with the vehicle from the beginning, including problems with the transmission and heat, which DUAS declined to repair even after having the vehicle in its shop for three weeks in May 2013. Despite these problems, Ms. Neace paid for the vehicle in full. Because of DUAS's unlawful actions in this sale, it must rescind this sale and reimburse Ms. Neace in the amount of \$4,995 in exchange for return of the vehicle.

***Complaint of Tonielle Porter, Huntington, WV
(Filed April 18, 2013)***

55. Ms. Porter purchased a 2003 Ford Truck from DUAS on January 10, 2013 for the cash purchase price of \$4,200. DUAS had promised to repair the brakes and other problems prior to the initial purchase, but failed to do so, which resulted in a charge to her of \$230 for these repairs. She reports that she also paid as much as an additional \$2,000 on parts for other repairs of defects that existed from the beginning. She also believes the vehicle has been flooded because she has had to replace three out of four hub assemblies and observed that the parts were seriously eroded. Because of DUAS's unlawful actions in this sale, it must rescind this sale and reimburse Ms. Porter the amount of \$6,430, consisting of a refund of \$4,200 in payments for the vehicle along with reimbursement of \$2,230 for repairs.

***Complaint of Aaron Ray, Huntington, WV
(Filed April 4, 2011)***

56. Mr. Ray purchased a 2001 Mercury Sable from DUAS on December 4, 2010 for the cash purchase price of \$3,995. He encountered significant mechanical problems with the vehicle from the beginning, including a serious problem with rust, all of which caused the vehicle to not pass inspection. After DUAS declined to make the repairs without charge to him, he ultimately returned the vehicle to DAUS because the cost of making necessary repairs to make it safe exceeded the value of the vehicle. Because of DUAS's unlawful actions in this sale, it must make a payment of \$1,000 to Mr. Ray, consisting of a refund of his down payment.

***Complaint of Amanda Tolliver, Huntington, WV
(Filed September 4, 2013)***

57. Ms. Tolliver purchased a 2001 Chevrolet Impala from DUAS on May 13, 2013 for the cash purchase price of \$5,495. She encountered significant mechanical problems with the vehicle from the beginning that were outlined in detail in her 5 ½ page single spaced typed complaint, to which DUAS never responded. As a result of the problems, Ms. Tolliver was forced to park the vehicle and purchase a new one. Because of DUAS's unlawful actions in this sale, it must fully rescind the sale and make a payment of \$2,297.50 to Ms. Tolliver in exchange for return of the vehicle, consisting of a refund of \$1,949.75 in payments made to DUAS and reimbursement of \$347.75 that she paid to Dutch Miller to inspect and assess the mechanical problems with the vehicle.

***Complaint of Caanan Watts, Barboursville, WV
(Filed September 15, 2010)***

58. Mr. Watts purchased a 1997 Isuzu Rodeo from DUAS on June 10, 2010 for the cash purchase price of \$3,995. Mr. Watts was forced to pay for installation of a new muffler and windshield from the beginning in order for the vehicle to pass inspection, after DUAS refused to take responsibility for those repairs. Within two weeks after purchase of the vehicle, the check engine light came on and, not long after that, the transmission went out. Again, DUAS declined to take responsibility to make the repairs. Altogether, Mr. Watts paid \$659 for repairs that were the responsibility of DUAS, consisting of \$84 for the windshield, \$100 for the muffler, and \$475 for the unsuccessful repair of the transmission. The continuing mechanical problems forced him to trade in the vehicle for another purchase. Because of DUAS's unlawful actions in this sale, it must make a payment of \$1,659 to Mr. Watts, consisting of a refund of \$1,000 for payments made to DUAS and reimbursement of \$659 for repairs paid for by Mr. Watts.

V. CLAIMS FOR RELIEF

**FIRST CAUSE OF ACTION
(Selling Vehicles "as is" in Violation of the
Implied Warranty of Merchantability)**

59. The State reasserts each and every allegation hereinabove in this Complaint as if set forth fully herein.

60. As a merchant engaged in the sale of used motor vehicles to consumers, DUAS may not sell vehicles "as is" nor may it exclude, modify or otherwise attempt to limit any warranty, express or implied, including the warranties of merchantability and

fitness for a particular purpose, nor may it limit any remedy provided by law, including the measure of damages available, for a breach of warranty, express or implied, W. Va. Code § 46A-6-107.

61. DUAS has sold vehicles "as is" at all times pertinent hereto as alleged in this Complaint, in violation of W. Va. Code § 46A-6-107 and W. Va. Code § 46A-6-104.

SECOND CAUSE OF ACTION

(DUAS Misled Consumers About its Obligations under the Implied Warranty of Merchantability)

62. The State reasserts each and every allegation hereinabove in this Complaint as if set forth fully herein.

63. As a merchant engaged in the sale of used motor vehicles to consumers, DUAS may not sell vehicles "as is" nor may it exclude, modify or otherwise attempt to limit any warranty, express or implied, including the warranties of merchantability and fitness for a particular purpose, nor may it limit any remedy provided by law, including the measure of damages available, for a breach of warranty, express or implied, W. Va. Code § 46A-6-107. DUAS has sold vehicles "as is" at all times pertinent hereto as alleged in this Complaint, in violation of W. Va. Code § 46A-6-107 and W. Va. Code § 46A-6-104.

64. DUAS misled consumers about its obligation to provide vehicles that are merchantable and to take responsibility to repair all mechanical defects that fall within the implied warranty of merchantability at all times pertinent hereto as alleged in this Complaint, in violation of W. Va. Code § 46A-6-107, W. Va. Code § 46A-6-102(f)(12)(13) and W. Va. Code § 46A-6-104.

THIRD CAUSE OF ACTION

(DUAS Sold Vehicles That Are Unsafe to Drive)

65. The State reasserts each and every allegation hereinabove in this Complaint as if set forth fully herein.

66. As a merchant engaged in the sale of used motor vehicles to consumers, DUAS may not sell vehicles "as is" nor may it exclude, modify or otherwise attempt to limit any warranty, express or implied, including the warranties of merchantability and fitness for a particular purpose, nor may it limit any remedy provided by law, including the measure of damages available, for a breach of warranty, express or implied, W. Va. Code § 46A-6-107. DUAS has sold vehicles "as is" at all times pertinent hereto as alleged in this Complaint, in violation of W. Va. Code § 46A-6-107 and W. Va. Code § 46A-6-104.

67. DUAS sold vehicles that are unsafe and will not pass a West Virginia motor vehicle safety inspection at certain times pertinent hereto and as alleged in this Complaint, in violation of W. Va. Code § 46A-6-107 and W. Va. Code § 46A-6-104.

FOURTH CAUSE OF ACTION

(DUAS Failed to Post Buyers Guides in the Manner and Form Required by State and Federal Law)

68. The State reasserts each and every allegation hereinabove in this Complaint as if set forth fully herein.

69. As a merchant engaged in the sale of used motor vehicles to consumers, DUAS is subject to the provisions set forth in the FTC Used Motor Vehicle Trade Regulation Rule ("FTC Used Vehicle Rule"), 16 C.F.R. § 455, which requires used car

dealers to post a disclosure document called a Buyers Guide on the outside of all used vehicles that are offered for sale to notify consumers about the terms and conditions of the warranty, if any, on the vehicle.

70. DUAS failed to post Buyers Guides on used motor vehicles it offers for sale to consumers in the manner and form required by the FTC Used Vehicle Rule at all times pertinent hereto and as alleged in this Complaint. In each instance where it failed to do so, it engaged in an unfair or deceptive act or practice, in violation of W. Va. Code § 46A-6-104.

FIFTH CAUSE OF ACTION

(DUAS Failed to Disclose the Terms and Conditions of Financing in the Manner and Form Required by State and Federal Law)

71. The State reasserts each and every allegation hereinabove in this Complaint as if set forth fully herein.

72. As a merchant engaged in the regular sale and financing of used motor vehicles to consumers, DUAS is a “creditor” as defined by the federal Truth-in-Lending Act (“TILA”) and Regulation Z, 15 U.S.C. § 1601(e) and 12 C.F.R. § 226.2(a)(17), respectively, and, as such, it is also subject to the provisions set forth therein. DUAS also engages in the extension of “credit” to consumers as defined by the WVCCPA, W. Va. Code § 46A-1-102(17).

73. Violations of TILA and Regulation Z are deemed to be unfair or deceptive practices in violation of W. Va. Code § 46A-6-104.

74. TILA and Regulation Z require that DUAS, as a creditor, must conspicuously disclose, in each credit transaction, the “amount financed,” using that

term; the "finance charge," using that term; the finance charge expressed as an "annual percentage rate," using that term; the sum of the amount financed and the finance charge, which shall be termed the "total payments"; the number, amount, and due dates or period of payments scheduled to repay the total of payments; where the credit is secured, a statement that a security interest has been taken; and the dollar charge or percentage amount which may be imposed on account of a late payment, in accordance with TILA, 15 U.S.C. § 1638, Regulation Z, 12 C.F.R. § 226.17-18, and W. Va. Code § 46A-6-104.

75. DUAS failed to disclose the terms and conditions of financing in the manner and form required by TILA and Regulation Z at all times pertinent hereto and as alleged in this Complaint. In each instance where it failed to do so, DUAS has engaged in an unfair or deceptive act or practice, in violation of W. Va. Code § 46A-6-104.

SIXTH CAUSE OF ACTION

(DUAS Charged a "One Time \$100 Contract Fee" In Each Credit Sale Without Disclosing Such Fee as a Finance Charge)

76. The State reasserts each and every allegation hereinabove in this Complaint as if set forth fully herein.

77. TILA and Regulation Z require that DUAS, as a creditor, must conspicuously disclose, in each credit transaction, the "amount financed" using that term, and the finance charged expressed as "annual percentage rate," using that term.

78. Regulation Z defines "finance charge" as follows:

The finance charge is the cost of consumer credit as a dollar amount. It includes any charge payable directly or indirectly

by the consumer and imposed directly or indirectly by the creditor as an incident to or a condition of the extension of credit.

See 12 C.F.R. § 226.4(a).

79. DUAS charged a "one-time \$100 contract fee" to each consumer in each credit sale without disclosing the fee as a finance charge as required by TILA and Regulation Z at all times pertinent hereto as alleged in this Complaint. In each instance where DUAS did so, it engaged in an unfair or deceptive act or practice, in violation of W. Va. Code § 46A-6-104, and charged an unlawful "excess charge," in violation of W. Va. Code § 46A-7-111(1).

SEVENTH CAUSE OF ACTION

(DUAS Charged Unlawful Debt Collection Fees)

80. The State reasserts each and every allegation hereinabove in this Complaint as if set forth fully herein.

81. The WVCCPA prohibits a creditor from collecting, attempting to collect, or representing that it can collect debt collection fees, service fees, investigation fees, attorney's fees, and all other such charges, however denominated, unless authorized by the agreement creating the allegation and by statute. See W. Va. Code § 46A-2-127(g), W. Va. Code § 46A-2-128(c), W. Va. Code § 46A-2-128(d), and W. Va. Code § 46A-6-104.

82. The sole exception to the near blanket prohibition against the imposition or collection of the aforesaid fees in West Virginia is that attorney's fees and reasonable collection costs and charges may be imposed upon delinquent educational

loans made by institutions of higher education within the State when the terms of the obligation so provide. See W. Va. Code § 46A-2-128(c). Hence, this exception does not apply to DUAS.

83. DUAS collected, attempted to collect, or represented it may collect, debt collection fees and other such charges at all times pertinent hereto as alleged in this Complaint, in violation of W. Va. Code § 46A-2-127(g), W. Va. Code § 46A-2-128(c), W. Va. Code § 46A-2-128(d), and W. Va. Code § 46A-6-104.

EIGHTH CAUSE OF ACTION

(DUAS Repossessed Vehicles Without First Providing Consumers with a Notice of Their Right to Cure Default)

84. The State reasserts each and every allegation hereinabove in this Complaint as if set forth fully herein.

85. As a merchant engaged in the regular sale and financing of used motor vehicles to consumers on credit, DUAS was obligated to provide consumers with notice of their right to cure default in the manner and form required by W. Va. Code § 46A-2-106 before it may accelerate the unpaid balance on a credit sale or other secured obligation, commence any action or demand or take possession of the collateral on account of an alleged default.

86. DUAS accelerated unpaid balances and repossessed vehicles without first furnishing consumers with a notice of their right to cure default at all times pertinent hereto as alleged in the Complaint, in violation of W. Va. Code § 46A-2-106 and W. Va. Code § 46A-6-104.

NINTH CAUSE OF ACTION

(DUAS Misled Consumers About Its Obligation to Provide Notice of Their Right to Cure Default Before Repossessing Vehicles)

87. The State reasserts each and every allegation hereinabove in this Complaint as if set forth fully herein.

88. As a merchant engaged in the regular sale and financing of used motor vehicles to consumers on credit, DUAS was obligated to provide consumers with notice of their right to cure default in the manner and form required by W. Va. Code § 46A-2-106 before it may accelerate the unpaid balance on a credit sale or other secured obligation, commence any action or demand or take possession of the collateral on account of an alleged default.

89. DUAS misled consumers about its obligation to provide consumers with a notice of their right to cure default prior to accelerated an unpaid balance, commencing an action, or repossessing a vehicle on account of an alleged default at all times pertinent hereto as alleged in this Complaint, in violation of W. Va. Code § 46A-6-107, W. Va. Code § 46A-6-102(f)(12)(13), and W. Va. Code § 46A-6-104.

TENTH CAUSE OF ACTION

(DUAS Failed to Furnish Consumers with Notice of Their Right to Redeem After Repossession of a Vehicle)

90. The State reasserts each and every allegation hereinabove in this Complaint as if set forth fully herein.

91. As a merchant engaged in the regular sale and financing of used motor vehicles to consumers, the Uniform Commercial Code requires DUAS to furnish

consumers with notice of their absolute to redeem after repossession of a vehicle. See W. Va. Code § 46-9-611.

92. DUAS failed to furnish consumers with notice of their absolute right to redeem after repossession of their vehicle at all times pertinent hereto as alleged in the Complaint and as required by W. Va. Code § 46-9-611. In each such instance, DUAS engaged in an unfair or deceptive act or practice, in violation of W. Va. Code § 46A-6-104.

ELEVENTH CAUSE OF ACTION

(DUAS Failed to Furnish Consumers with a Letter or Notice Itemizing The Proceeds After Disposition of a Vehicle That it Has Repossessed)

93. The State reasserts each and every allegation hereinabove in this Complaint as if set forth fully herein.

94. As a merchant engaged in the regular sale and financing of used motor vehicles to consumers, the Uniform Commercial Code requires DUAS to furnish consumers with a letter or notice itemizing the proceeds after disposition of a vehicle that has been repossessed. See W. Va. Code § 46-9-161.

95. DUAS failed to furnish consumers with a letter or notice itemizing the proceeds after disposition of a vehicle that it has repossessed at all times pertinent hereto as alleged in the Complaint, as required by W. Va. Code § 46-9-616. In each such instance, it engaged in an unfair or deceptive act or practice, in violation of W. Va. Code § 46A-6-104.

TWELFTH CAUSE OF ACTION

(DUAS Failed to Provide Consumers with a Surplus When One Was Owed After Disposition of a Vehicle that it Repossessed)

96. The State reasserts each and every allegation hereinabove in this Complaint as if set forth fully herein.

97. As a merchant engaged in the regular sale and financing of used motor vehicles to consumers, the Uniform Commercial Code required DUAS to provide consumers with the surplus from the proceeds of a sale after disposition of a vehicle it has repossessed. See W. Va. Code § 46-0-615(d)(1).

98. DUAS failed to provide consumers with a surplus when one was owed after disposition of a vehicle that it repossessed at all times pertinent hereto as alleged in this Complaint as required by W. Va. Code § 46-9-616. In each such instance, it engaged in an unfair or deceptive act or practice, in violation of W. Va. Code § 46A-6-104.

THIRTEENTH CAUSE OF ACTION

(DUAS Converted or Unlawfully Disposed of Personal Property Left in Vehicles it Repossesses)

99. The State reasserts each and every allegation hereinabove in this Complaint as if set forth fully herein.

100. As a merchant engaged in the regular sale and financing of used motor vehicles to consumers on credit, DUAS has an obligation to respect, safely store, inventory, and promptly return at no cost any personal property left in vehicles that it repossesses from consumers.

101. DUAS converted to its own use or unlawfully disposed of personal property left in vehicles that it repossessed without giving consumers any reasonable opportunity to retain or recover possession of their personal property at all times pertinent hereto as alleged in this Complaint, in violation of W. Va. Code § 46A-6-104.

FOURTEENTH CAUSE OF ACTION

(DUAS's Credit Sales to Consumers are Unconscionable)

102. The State reasserts each and every allegation hereinabove in this Complaint as if set forth fully herein.

103. As a merchant engaged in the regular sale and financing of used motor vehicles to consumers on credit, DUAS is subject to the prohibition in the WVCCPA against unconscionable conduct and the sanctions that a court may impose upon a finding that a creditor has engaged in such conduct. See W. Va. Code § 46A-2-121.

104. Based upon the totality of violations of the WVCCPA that DUAS has committed in each credit sale to West Virginia consumers at all times pertinent hereto as alleged in this complaint, DUAS has engaged in unconscionable conduct as defined by W. Va. Code § 46A-2-121. As such, the court should enter an order requiring that all credit sales entered into by DUAS with West Virginia consumers be rescinded and all payments collected by DUAS be returned without regard to whether consumers still have physical possession of the vehicles they purchased from DUAS.

VI. PRAYER

WHEREFORE, the State respectfully prays that it be granted relief against DUAS as follows:

(a) That the Court enter a Final Order finding that Defendants have violated the WVCCPA as alleged herein and permanently enjoining DUAS from violating the WVCCPA and other applicable consumer protection laws;

(b) That the Court enter a Final Order finding that the “one time \$100 contract fee” and all other such unlawful charges imposed or collected by DUAS constitute “excess charges” as defined by W. Va. Code § 46A-7-111(1) and, as such, that Defendants be ordered to pay each such aggrieved consumer a civil penalty not less than the amount of the excess charge up to ten times the amount of the excess charge as authorized by W. Va. Code § 46A-7-111(1);

(c) That the Court enter a Final Order finding that the credit sales entered into by DUAS with West Virginia consumers were induced by unconscionable conduct, that the written agreements memorializing these transactions contain unconscionable terms, and that the agreements should be rescinded as authorized by W. Va. Code § 46A-2-121.

(d) That the Court enter a Final Order requiring that all payments collected by DUAS arising from the unconscionable transactions be disgorged and that all such payments be returned to the consumers as restitution without regard to whether consumers have the ability to return the vehicle they purchased to DUAS.

(e) That the Court enter a Final Order finding that Defendants have engaged in a course of repeated and willful violations of the WVCCPA as alleged in the causes of action set forth herein above and requiring Defendants to pay a civil penalty of up to \$5,000.00 to the State for each such violation as authorized by W. Va. Code

§ 46A-7-111(2);

(f) That the Court enter a Final Order as authorized by W. Va. Code § 46A-7-108 requiring that Defendants reimburse the State for all its attorney's fees and costs expended in connection with the investigation and litigation of this matter; and

(g) That the Court enter a Final Order awarding the State such other and further equitable relief as is proper and just arising from this matter.

Respectfully submitted,

STATE OF WEST VIRGINIA ex rel.
PATRICK MORRISEY,
ATTORNEY GENERAL, Plaintiff

By Counsel



NORMAN GOOGEL (WV State Bar # 1438)
SENIOR ASSISTANT ATTORNEY GENERAL
Consumer Protection/Antitrust Division
Post Office Box 1789
Charleston, West Virginia 25326-1789
(304) 558-8986

EXHIBIT
A

AT DOWN TOWN USED
AUTO SALES.

ALL VEHICLES SOLD LESS THAN
\$1,000 OR LESS WILL BE SOLD

AS-IS NO WARRANTY.

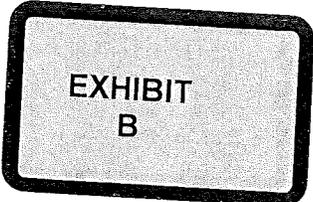
NO EXCEPTIONS!!!!

ALSO ALL DEPOSITS ON
VEHICLES ARE NO REFUNDABLE!!

NO EXCEPTIONS!!!

SIGNED Steve Baker
C. Baker

DATE 2-24-10



SED CAR ORDER Date 12/29 20 10
 Dealer DOWNTOWN USED AUTO SALES Phone: 304 529 9886
 Street 1307 3RD AVE City WASHINGTON Zip 25701
 Purchaser DONALD ADKINS 3016 NICKIE PLATE DR. ARLINGTON 25703

ENTER MY ORDER FOR ONE Red CAR AS FOLLOWS:

YEAR <u>01</u>	MAKE <u>TOYOTA</u>	MODEL <u>AVANON</u>	BODY <u>4 DR</u>	LIC. H. P
MOTOR NO.	SERIAL NO. <u>4TBFB28261012871</u>	COLOR <u>WHIT</u>	STOCK NO.	

CAR SALES PRICE	\$	TOTAL PURCHASE PRICE	\$ <u>1260</u>	<u>00</u>
DEL. GET READY AND HANDLING		DEPOSIT		
TAX		USED CAR ALLOWANCE	\$	
FILING		LESS LIEN	\$	
LIC. PLATES		HELD BY		
		EQUITY		
		CASH ON DELIVERY		
		TOTAL PAYMENT	\$ <u>1260</u>	<u>00</u>
		BAL. FINANCED BY		
		INSURANCE		
		TIME SALE CHARGES		
		ANNUAL PERCENTAGE RATE		%
TOTAL PURCHASE PRICE	\$	AMOUNT OF CONTRACT	\$ <u>0</u>	

Contract to be Paid in _____ Payments of \$ _____ Each, 1st Payment Due _____ 20 _____
 TRADE IN RECORD

YEAR <u>19</u>	MAKE	MODEL	BODY	COLOR	LIC. H. P
MOTOR NO.	SERIAL NO.	TITLE NO.	STOCK NO.		

"The information you see on the window form for this vehicle is part of the contract. Information on the window form overrides any contrary provision in the contract of sale."

I have read the face and back of this order, and I hereby certify that I am 18 years of age or older and acknowledge receipt of a copy of this order. The figures in this order are predicated upon actual cost of insurance and the correct amount of the lien due on the traded-in motor vehicle.

I agree to accept delivery 12/29 20 10
 Buyer's Signature Donald Adkins Phone _____

Address _____ THIS ORDER IS NOT VALID UNLESS SIGNED AND ACCEPTED BY DEALER

Salesman BO Accepted by _____



BUYERS

WARRANTY: Spoken promises are difficult to enforce. Ask the dealer to put all promises in writing.

VEHICLE MAKE: TOYOTA MODEL: AVALON YEAR: 2001
DEALER STOCK NUMBER (Optional): _____ VIN NUMBER: 4T1BF283011121971

WARRANTIES FOR THIS VEHICLE:

IMPLIED WARRANTIES ONLY

This means that the dealer does not make any specific promises to fix things that need repair when you buy the vehicle or after the time of sale. But, state law "implied warranties" may give you some rights to have the dealer take care of serious problems that were not apparent when you bought the vehicle.

WARRANTY

- FULL
- LIMITED WARRANTY. The dealer will pay _____% of the labor and _____% of the parts for the covered systems that fail during the warranty period. Ask the dealer for a copy of the warranty document for a full explanation of warranty coverage, exclusions, and the dealer's repair obligations. Under state law, "implied warranties" may give you even more rights.

SYSTEMS COVERED:

VEHICLE IS BEING SOLD "AS IS" WITH NO WARRANTY.

BUYER UNDERSTANDS VEHICLE NEEDS MOTOR WORK AND AGREES TO FIX VEHICLE HIMSELF.

[Signature]

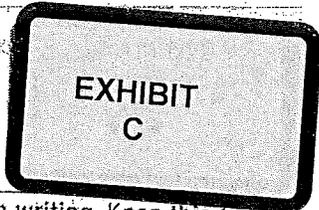
DURATION:

SERVICE CONTRACT. A service contract is available at an extra charge on this vehicle. Ask for details as to coverage, deductible, price, and exclusions. If you buy a service contract within 90 days of the time of sale, state law "implied warranties" may give you additional rights.

PRE PURCHASE INSPECTION: ASK THE DEALER IF YOU MAY HAVE THIS VEHICLE INSPECTED BY YOUR MECHANIC EITHER ON OR OFF THE LOT.

SEE THE BACK OF THIS FORM for important additional information, including a list of some major defects that may occur in used motor vehicles.





BUYERS GUIDE

IMPORTANT: Spoken promises are difficult to enforce. Ask the dealer to put all promises in writing. Keep this form.

DODGE CRAYAN 2002
VEHICLE MAKE MODEL YEAR

DEALER STOCK NUMBER (Optional) 1B46P44372BS40357 VIN NUMBER

WARRANTIES FOR THIS VEHICLE:

IMPLIED WARRANTIES ONLY

This means that the dealer does not make any specific promises to fix things that need repair when you buy the vehicle or after the time of sale. But, state law "implied warranties" may give you some rights to have the dealer take care of serious problems that were not apparent when you bought the vehicle.

WARRANTY

FULL LIMITED WARRANTY. The dealer will pay _____% of the labor and _____% of the parts for the covered systems that fail during the warranty period. Ask the dealer for a copy of the warranty document for a full explanation of warranty coverage, exclusions, and the dealer's repair obligations. Under state law, "implied warranties" may give you even more rights.

SYSTEMS COVERED:

AS IN - WHERE IS
X. George Hayes

DURATION:

SERVICE CONTRACT. A service contract is available at an extra charge on this vehicle. Ask for details as to coverage, deductible, price, and exclusions. If you buy a service contract within 90 days of the time of sale, state law "implied warranties" may give you additional rights.

PRE PURCHASE INSPECTION: ASK THE DEALER IF YOU MAY HAVE THIS VEHICLE INSPECTED BY YOUR MECHANIC EITHER ON OR OFF THE LOT.

SEE THE BACK OF THIS FORM for important additional information, including a list of some major defects that may occur in used motor vehicles.



Bill of Sale - Buyer's Order



Downtown Auto Sales Dealer #: DUC1897 1307 3rd Ave Huntington, WV. 25701 PH: (304)-529-2886 FAX: (304)-529-2889	Date: 12/30/2011 Account: 0000000063 Sales Person: License:
---	--

Buyer: Justin Chastain Address: 1559 A Spring Valley Drive HUNTINGTON WV 25704 County: CABELL Birthdate: DL #: _____ Phones: Home: Business: Other:	Co-Buyer: Heather Chastain Address: 1559 A Spring Valley Drive HUNTINGTON WV 25704 County: CABELL Birthdate: L #: _____ Home: Bus: _____ Other:
---	---

New Used Rent Consign Salvage Stock #: 0000000063
 Vehicle: 2001 VOLKSWAGEN Jetta Sedan 4D GLS VR6 Color: Red
 VIN: 3VWSG29M31M030143
 The Odometer of the above described vehicle now reads 146,230 miles and is accurate. is not accurate. is exempt.

Trade1: 2003 Chevrolet Truck TRAILBLAZER-I6 VIN: IGNDT13S832342436 Mileage: 0 Allowance: \$5,500.00 Owed to: Payoff: \$0.00	Trade2: Allowance: \$0.00 VIN: Mileage: 0 Payoff: \$0.00 Net Trade: \$5,500.00
--	---

Selling Price	\$5,500.00
Net Trade	\$5,500.00
Balance	\$0.00
Aftermarket***	\$0.00
*	\$0.00
Warranty	\$0.00
**Gap	\$0.00
Sub Total	\$0.00
Total Tax May not include all the above items	
Sales Tax	\$0.00
Title / Tag / MV & Fees	\$75.00
Misc Fees (Smog, inspect, etc.)	\$0.00
Total Sale Price	\$75.00
Cash Paid	\$0.00
Rebate	\$0.00
Deferred Down Payment	\$0.00
Balance to be Financed	\$75.00
* The represents costs and profit to the dealer for items such as inspecting, cleaning, adjusting vehicles, and preparing documents related to the sale.	
** GAP, Credit Life, and Disability Insurances.	
*** Aftermarket represents items purchased in addition to the vehicle.	
**** Misc Fees could include Smog Fees and other charges	

Lender:

Used motor vehicle buyer's 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.

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 de la sin efecto toda disposición en contrario contenida en el contrato de venta.

For "AS-IS" Sale Only:
 I UNDERSTAND THAT THIS VEHICLE IS BEING SOLD "AS IS" WITH ALL FAULTS AND IS NOT COVERED BY ANY DEALER WARRANTY. I UNDERSTAND THAT THE DEALER IS NOT REQUIRED TO MAKE ANY REPAIRS AFTER I BUY THIS VEHICLE. I WILL HAVE TO PAY FOR ANY REPAIRS THIS VEHICLE WILL NEED.

Buyer Signature _____ Buyer Printed Name _____ Date _____

DEALER MAY RECEIVE A FEE, COMMISSION, OR OTHER COMPENSATION FOR PROVIDING, PROCURING, OR ARRANGING FINANCING FOR THE RETAIL PURCHASE OR LEASE OF A MOTOR VEHICLE, FOR WHICH THE CUSTOMER MAY BE RESPONSIBLE.

NO LIABILITY INSURANCE INCLUDED

ALL PRIOR ORAL STATEMENTS, NEGOTIATIONS, COMMUNICATIONS, OR REPRESENTATIONS ABOUT THE PRODUCTS SOLD HEREUNDER ARE SUPERSEDED BY THIS BILL OF SALE/BUYER'S ORDER, AND, IF NOT EXPRESSLY STATED HEREIN, ARE NOT BINDING.

By signing below, you acknowledge that you have read all pages of this contract. You also acknowledge receipt of: (1) A true and completely filled in copy of all pages of this contract at the time you sign it and (2) if Arbitration is agreed upon, a copy of the arbitration agreement pertaining to this contract. Purchaser certifies he/she is of legal age to purchase a motor vehicle. If this transaction is to be a retail installment sale, this contract is not effective unless financing is obtained on terms satisfactory to all parties.

Buyer Signature: Buyer Printed Name: Justin Chastain	Date: 12/30/11	Dealership Representative:	Name: Downtown Auto Sales
Co-Buyer Signature: Co-Buyer Printed Name: Heather Chastain	Date: 12/30/11		

Bill of Sale - Buyer's Order

EXHIBIT
D-1

ADDITIONAL CONDITIONS OF SALE

It is further understood and agreed that the purchase or order on page one (pg 1) is subject to the following terms and conditions:

1. If the used motor vehicle (hereinafter the "Trade-In") which is being traded-in as part of the consideration for the motor vehicle purchased or ordered hereunder (hereinafter the "Vehicle") will not be delivered to dealer until delivery to Buyer of the vehicle, the Trade-in may be reappraised by the dealer at that time. The reappraised value shall determine the amount of the Trade-in allowance. If the reappraised value is lower than the original allowance shown on the front of this Order, and such lower value is not due to damage which the Trade-in incurs after the original appraisal, Buyer may cancel this Order, provided, that the Buyer exercises his/her right to cancel prior to delivery of the Vehicle to Buyer and surrender of the Trade-in to dealer.
2. Buyer agrees to deliver to Dealer satisfactory evidence of title to the Trade-in at the time of delivery of the Trade-in, which shall constitute part of the consideration for the Vehicle. Buyer warrants that he/she has good and marketable title to the Trade-in and that it is free and clear of all liens and encumbrances; and further, that the title is not branded, and is free and clear of all indicators that the Trade-in was a police, taxi, salvage or flood damaged vehicle, that it was reconstructed or subject to any other condition that would adversely affect the value of such vehicle, except as otherwise disclosed to Dealer.
3. Unless this Order has been cancelled by Buyer in accordance with the terms of this Order, Dealer shall have the right, upon failure or refusal of Buyer to accept delivery of the Vehicle or to comply with any of the terms of this Order, to retain as liquidated damages any cash deposit or Trade-in, if any, tendered by Buyer. Dealer may sell the Trade-in. The liquidated damages shall be applied to any expenses and losses Dealer may have suffered as a result of Buyer's failure or refusal to complete the purchase.
4. Dealer shall not be liable for any delay or failure to deliver the Vehicle if such delay or failure is due, in whole or in part, to circumstances or cause beyond Dealer's control, or is not caused by the negligence of Dealer.
5. Unless this Order expressly provides otherwise, the Vehicle's purchase price does not include any taxes imposed by any governmental authority with respect to such Vehicle prior to or at time of delivery of such Vehicle to Buyer. Buyer assumes and agrees to pay any and all such taxes, and any and all other taxes, except income taxes, imposed on or incidental to the transaction covered by this Order, regardless of who may have the primary tax liability.
6. Any motor vehicle sold to Buyer by Dealer under this Order is sold WITHOUT WARRANTY, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE as to its condition or the condition of any part thereof except as may be specifically provided in a separate writing furnished to Buyer by Dealer. TO THE EXTENT ALLOWED BY LAW, BUYER SHALL NOT BE ENTITLED TO RECOVER FROM THE DEALER ANY CONSEQUENTIAL DAMAGES, DAMAGES TO PROPERTY, DAMAGES FOR LOSS OF USE, LOSS OF TIME, LOSS OF PROFITS OR INCOME OR ANY OTHER INCIDENTAL DAMAGES. The Dealer neither assumes nor authorizes any other person to assume for it any liability in connection with the sale of such vehicle.
7. In the cases of a cash transaction, title to the Vehicle shall not pass to the Buyer until Dealer has received in immediately available funds, the full amount of the balance due. In the event that the transaction covered by this Order is not a cash transaction, Buyer agrees to execute prior to the delivery of the Vehicle, an installment sales contract, conditional sales contract and/or other instrument to finance the purchase of the Vehicle.
8. Any amount marked as an "estimate" on this agreement is based on best information available to Dealer and is subject to change when the true amount is determined. Buyer agrees to the changes in these estimated amounts, as is necessary to reflect the correction of such estimate.
9. For sales involving dealer-arranged financing, the following notice applies. THIS SALE IS CONDITIONED UPON PURCHASE OF YOUR PROPOSED INSTALLMENT SALES CONTRACT BY A FINANCE COMPANY. IF THE PROPOSED INSTALLMENT SALES CONTRACT IS NOT APPROVED UNDER THE TERMS AGREED TO WITH THE DEALER AND PURCHASED BY THE FINANCE COMPANY, YOU MAY CANCEL THIS SALE AND ANY DOWNPAYMENT AND/OR TRADE-IN YOU SUBMITTED WILL BE RETURNED TO YOU, PROVIDED THAT ANY VEHICLE DELIVERED TO YOU BY THE DEALER PURSUANT TO THIS AGREEMENT IS RETURNED TO THE DEALER WITHIN TWENTY-FOUR HOURS OF WRITTEN OR ORAL NOTICE OF THE CREDIT DENIAL, IN THE SAME CONDITION AS DELIVERED TO YOU, NORMAL WEAR AND TEAR EXCEPTED.

X

BUYERS GUIDE

EXHIBIT
E

IMPORTANT: Spoken promises are difficult to enforce. Ask the dealer to put all promises in writing. Keep this form.

VOLKSWAGEN Jetta 2001 3VWVG29M31M030143
VEHICLE MAKE MODEL YEAR VIN NUMBER

0000000063
DEALER STOCK NUMBER(Optional)

WARRANTIES FOR THIS VEHICLE:

AS IS - NO WARRANTY

YOU WILL PAY FOR ALL COSTS FOR ANY REPAIRS. The dealer assumes no responsibility for any repairs, regardless of any oral statements about the vehicle.

WARRANTY

FULL **LIMITED WARRANTY:** The dealer will pay _____ % of the labor and _____ % of the parts for the covered systems that fail during the warranty period. Ask the dealer for a copy of the warranty document for a full explanation of warranty coverage, exclusions, and the dealer's repair obligations. Under state law, "implied warranties" may give you even more rights.

SYSTEMS COVERED :

DURATION :

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

SERVICE CONTRACT A service contract is available at an extra charge on this vehicle. Ask for details as to coverage, deductible, and exclusions. If you buy a service contract within 90 days of the time of sale, state law "implied warranties" may give you additional rights.

PRE PURCHASE INSPECTION: ASK THE DEALER IF YOU MAY HAVE THIS VEHICLE INSPECTED BY YOUR MECHANIC EITHER ON OR OFF THE LOT.

SEE THE BACK OF THIS FORM for important additional information, including a list of some major defects that may occur in used motor vehicles.

Below is a list of some major defects that may occur in used motor vehicles.

Body

Cracks, Corrective welds, or rusted through
tracks—bent or twisted frame

Engine

Oil leakage, excluding normal seepage
Cracked block or head
Belts missing or inoperable
Knocks or misses related to camshaft lifters and push rods
Abnormal exhaust discharge

Transmission & Drive Shaft

Improper fluid level or leakage, excluding normal seepage
Cracked or damaged cases which is visible
Abnormal noise or vibration caused by faulty
transmission or drive shaft
Improper shifting or functioning in any gear
Manual clutch slips or chatters

Differential

Improper fluid level or leakage excluding normal seepage
Cracked or damaged housing which is visible
Abnormal noise or vibration caused by faulty
differential

Cooling System

Leakage including radiator
Improperly functioning water pump

Electrical System

Battery leakage
Improperly functioning alternator, generator,
battery, or starter

Fuel System

Visible leakage

Inoperable Accessories

Gauges or warning devices
Air conditioner
Heater, or Defroster

Brake System

Failure warning light broken
Pedal not firm under pressure(DOT spec.)
Not enough pedal reserve(DOT spec.)
Does not stop vehicle in straight line (DOT spec.)
Hoses damaged
Drum or rotor too thin(Mfgr. Specs)
Lining or pad thickness less than 1/32 inch
Power unit not operating or leaking
Structural or mechanical parts damaged

Steering System

Too much free play at steering wheel(DOT spec.)
Free play in linkage more than 1/4 inch
Steering gear binds or jams
Front wheels aligned improperly (DOT spec.)
Power unit belts cracked or slipping
Power unit fluid level improper

Suspension System

Ball joint seals damaged
Structural parts bent or damaged
Stabilizer bar disconnected
Spring broken
Shock absorber mounting loose
Rubber bushings damaged or missing
Radius rod damaged or missing
Shock absorber leaking or functioning improperly

Tires

Tread depth less than 2/32 inch
Sizes mismatched
Visible Damage

Wheels

Visible cracks, Damage or repairs
Mounting bolts loose or missing

Exhaust System

Leakage

DOWNTOWN AUTO SALES

DEALER
ADDRESS

1307 3rd Ave
Huntington, WV 25701
(304)-529-2886

SEE FOR COMPLAINTS

DOWNTOWN AUTO SALES

1307 3rd Ave
Huntington, WV 25701
(304)-529-2886

IMPORTANT: The information on this form is part of any contract to buy this vehicle. Removal of this label before consumer purchase (except for purchase of test-driving) is a violation of federal law (16 C.F.R.455).

I HAVE READ AND RECEIVED A COPY OF THE BUYERS GUIDE ON THIS VEHICLE

Signature

Date

12-30-11



EXHIBIT
F

DOWNTOWN USED AUTO SALES

I, Melissa Medley have agreed to trade my previously purchased 1995 Toyota Camry for a 1999 Ford Escort. In doing so, I declare that I am satisfied with the trade and will forego any and all legal action against Downtown Used Auto Sales in reference to the 1995 Toyota Camry.

Melissa Medley
Signature

1-17-11
Date



DOWNTOWN
USED AUTO SALES

EXHIBIT
G

1307 3rd Avenue - Huntington, WV 25701

Phone: 304.529.2886

Buyers Guide Disclosure Form

AS IS - NO WARRANTY

WARRANTY

30 DAY WARRANTY ON INTERNAL
ENGINE PARTS AND INTERNAL
TRANSMISSION PARTS. MUST BE
INTERNAL PARTS ONLY!

This Warranty Does Not Include The Following Items

Belts, hoses, brakes or brake components, gaskets and seals, tires, battery, air conditioning, radio, window motor and regulators, starter, alternator, water pump, CV axles or anything else that is considered an external component. This will be the responsibility of the buyer.

Theresa Hatcher
Signature

3-9-10
Date

BUYERS GUIDE

EXHIBIT
H

IMPORTANT: Spoken promises are difficult to enforce. Ask the dealer to put all promises in writing, keep this form.

CHRYSLER PT Cruiser-4 Cyl. 2001 3C8FY4BBX1T653758
VEHICLE MAKE MODEL YEAR VIN NUMBER

000000480

DEALER STOCK NUMBER(Optional)

WARRANTIES FOR THIS VEHICLE:

AS IS - NO WARRANTY

YOU WILL PAY FOR ALL COSTS FOR ANY REPAIRS. The dealer assumes no responsibility for any repairs, regardless of any oral statements about the vehicle.

WARRANTY

FULL LIMITED WARRANTY: The dealer will pay 50 % of the labor and 50 % of the parts for the covered systems that fail during the warranty period. Ask the dealer for a copy of the warranty document for a full explanation of warranty coverage, exclusions, and the dealer's repair obligations. Under state law, "implied warranties" may give you even more rights.

SYSTEMS COVERED :

Engine and Transmission

DURATION :

30 Days or 1000 Miles Whichever Comes First.

** EXTENDED WARRANTY **

NONE

Signature: X *Anthony*

SERVICE CONTRACT. A service contract is available at an extra charge on this vehicle. Ask for details as to coverage, deductible, and exclusions. If you buy a service contract within 90 days of the time of sale, state law "implied warranties" may give you additional rights.

PRE PURCHASE INSPECTION: ASK THE DEALER IF YOU MAY HAVE THIS VEHICLE INSPECTED BY YOUR MECHANIC EITHER ON OR OFF THE LOT.

SEE THE BACK OF THIS FORM for important additional information, including a list of some major defects that may occur in used motor vehicles.

EXHIBIT
J

BUYERS GUIDE

IMPORTANT: Spoken promises are difficult to enforce. Ask the dealer to put all promises in writing. Keep this form.

Pontiac Camaro 1993
VEHICLE MAKE MODEL YEAR

1G2WJ454T3P4211824
DEALER STOCK NUMBER (Optional) VIN NUMBER

WARRANTIES FOR THIS VEHICLE:

IMPLIED WARRANTIES ONLY

This means that the dealer does not make any specific promises to fix things that need repair when you buy the vehicle or after the time of sale. But, state law "implied warranties" may give you some rights to have the dealer take care of serious problems that were not apparent when you bought the vehicle.

WARRANTY

- FULL LIMITED WARRANTY. The dealer will pay 50 % of the labor and 50 % of the parts for the covered systems that fail during the warranty period. Ask the dealer for a copy of the warranty document for a full explanation of warranty coverage, exclusions, and the dealer's repair obligations. Under state law, "implied warranties" may give you even more rights.

SYSTEMS COVERED:

30 days or 1000 miles
whichever comes first
on Motor & Trans
X mechanical parts

DURATION:

Prebuilt title
X mechanical parts

- SERVICE CONTRACT. A service contract is available at an extra charge on this vehicle. Ask for details as to coverage, deductible, price, and exclusions. If you buy a service contract within 90 days of the time of sale, state law "implied warranties" may give you additional rights.

PRE PURCHASE INSPECTION: ASK THE DEALER IF YOU MAY HAVE THIS VEHICLE INSPECTED BY YOUR MECHANIC EITHER ON OR OFF THE LOT.

SEE THE BACK OF THIS FORM for important additional information, including a list of some major defects that may occur in used motor vehicles.



BUYERS GUIDE

Spoken promises are difficult to enforce. Ask the dealer to put all promises in writing. Keep this form.

GMAC GRAND AM 1996
MAKE MODEL YEAR

DEALER STOCK NUMBER (Optional) 162AE527NC70053
VIN NUMBER

WARRANTIES FOR THIS VEHICLE:

IMPLIED WARRANTIES ONLY

This means that the dealer does not make any specific promises to fix things that need repair when you buy the vehicle or after the time of sale. But, state law "implied warranties" may give you some rights to have the dealer take care of serious problems that were not apparent when you bought the vehicle.

WARRANTY

FULL LIMITED WARRANTY. The dealer will pay 50 % of the labor and 50 % of the parts for the covered systems that fail during the warranty period. Ask the dealer for a copy of the warranty document for a full explanation of warranty coverage, exclusions, and the dealer's repair obligations. Under state law, "implied warranties" may give you even more rights.

SYSTEMS COVERED:

WARRANTY COVERS MOTOR & TRANS
FOR 30 DAYS OR 1000 MILES
WHICHEVER COMES FIRST.

DURATION:

\$200 DUE IN 2 WEEKS
FROM DATE OF SALE.

[Signature]

[Signature]

SERVICE CONTRACT. A service contract is available at an extra charge on this vehicle. Ask for details as to coverage, deductible, price, and exclusions. If you buy a service contract within 90 days of the time of sale, state law "implied warranties" may give you additional rights.

PRE PURCHASE INSPECTION: ASK THE DEALER IF YOU MAY HAVE THIS VEHICLE INSPECTED BY YOUR MECHANIC EITHER ON OR OFF THE LOT.

SEE THE BACK OF THIS FORM for important additional information, including a list of some major defects that may occur in used motor vehicles.

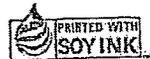


EXHIBIT
L

DOWNTOWN USED AUTO SALES

Security Agreement

Ashley Milton
FULL NAME

F318115
DRIVERS LICENSE NUMBER

WV
STATE

100 Palo Alto
STREET ADDRESS

Apt 4
APT#

Wayne
CITY

WV 25570
STATE ZIP

Hereafter called "Debtor for the valuable consideration, receipt whereof is hereby acknowledged, hereby grants to DOWNTOWN AUTO SALES, herein called "Secured Party" a security interest in the following property the title which "Debtor" warrants to be free and clear of any and all encumbrances until which the following has been paid in correspondence with the agreement set forth. The "Debtor" hereby purchases and grant to "Secured Party" and its assigns a Purchase Money Security Interest under the West Virginia Uniform Commercial Code in and to the following described property and proceeds thereof, including an insurance proceeds and all accessions thereto (hereinafter "collateral") Debtor has examined and accepted the collateral described below in its present condition, satisfactory delivery thereof being herewith acknowledged. The "Debtor" agrees to purchase the following:

2001
YEAR

CHRYSLER
MAKE

PT Cruiser-4 Cyl.
MODEL

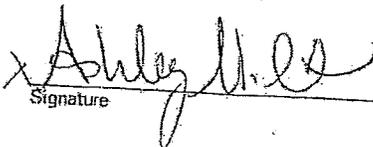
3C8FY4BBX1T6S3768
VEHICLE IDENTIFICATION NUMBER

BODY STYLE

And to make subsequent payments of \$200.00 Monthly beginning 2/26/2013

Cash Price of Vehicle.....	\$ 6,495.00
→ LESS	
Cash Down Payment.....	\$ 2,000.00
Trade In Amount.....	\$ 0.00
Total Down Payment.....	\$ 2,000.00
Unpaid Balance of Cash Price.....	\$ 4,495.00
One Time Contract Fee.....	\$ 100.00
Total Amount Financed.....	\$ 4,595.00
State Sales Tax.....	\$ 324.75
License, Title and/or Registration Fees.....	\$ 75.00

I have read, understand and agree to the terms above. I understand that I am responsible for the taxes and fees associated to license the vehicle and those taxes and fees are payable only at the dealership and are to be paid within 60 days of today.


Signature

1/26/2013
Date



DOWNTOWN AUTO SALES
 1307 THRID AVENUE
 HUNTINGTON WVA.25701

SECURTY AGREEMENT FOR MOTOR VEHICLES

(Date of Execution) 1/25/10

Name: Terry Ashwin
 Address: 5310 Allison Ave Lot A
 City/State/ Zip code: Huntington WV 25705
 Drivers License# C369670 State WV

Thereafter called "Debtor for the valuable consideration, receipt whereof is hereby acknowledge, hereby grants to DOWNTOWN AUTO SALES, herein called "Secured Party" a security interest in the following property the title which "Debtor" warrants to be free and clear of any and all encumbrances until which the following has been paid in correspondence with the agreement set forth. The "Debtor" Herby purchases and grants to "Secured Party" and its assigns a Purchase Money Security Interest under the West Virginia Uniform Commercial Code. in and to the following described property and proceeds thereof, including any insurance proceeds and all accessions thereto (hereinafter "collateral") Debtor has examined and accepted the collateral described below in its present condition, satisfactory delivery thereof being herewith acknowledged. The "Debtor" agrees to purchase the following:

Year	Make	Model	Body Style
1995	Buick	Century	4DR
1E4A6554556508548			
Vin#			

And to make subsequent payments of \$ 150⁰⁰ weekly/monthly

Beginning Feb 23 10

Cash price of vehicle \$ 1495⁰⁰

LESS:

Cash down payment: \$ 400⁰⁰

Trade in: \$ _____

Total down payment: \$ 400⁰⁰

Unpaid balance of Cash Price: \$ 1095⁰⁰

One time Contract fee: \$ 100.00

Total amount financed: \$ 1195⁰⁰

State Sales Tax: (7%) \$ 84.65

License, Title and/or registration fees: \$ 55.00

DOWNTOWN AUTO SALES
1307 3RD AVENUE
HUNTINGTON, WVA. 25701

EXHIBIT
N

The security interest in the collateral shall remain in Secured Party until all amounts due aforementioned or any rearrangements thereof, have been fully paid by Debtor in cash. Debtor agrees to pay his/her entire indebtedness under this Contract, together with a Late Charge of 10% of any installment in default for more than 10 days or \$50 whichever is the lesser. The collateral shall, at all times, be at the Debtor's risk. The loss, injury to or destruction of said collateral shall not release the debtor from payment or other performances hereof. Debtor agrees to obtain and keep in force Physical Damage and/or Property Damage Insurance on said collateral and any other such insurance requested by the Secured Party. Such insurance is to be in form and amounts satisfactory to Secured Party, with the same payable to Secured Party and Debtor as their interest may appear. All such policies shall provide for 10 days written minimum cancellation notice to Secured Party. Debtor shall provide to secured Party the original policies or certification or other evidence satisfactory to Secured Party of compliance with the foregoing insurance provisions.

Debtor hereby assigns to Secured Party the proceeds of all such insurance to the extent of the unpaid balance hereunder, and directs any insurer to make payments directly to Secured Party, holder hereof. Debtor further hereby grants to Secured Party his POWER OF ATTORNEY which shall be irrevocable for so long as any amount is unpaid hereunder. Said POWER OF ATTORNEY gives Secured Party the sole right to: File Proof of loss and/or any other forms required to collect from any insurer any amount due from loss, damage, or destruction of the collateral; to agree to and bind the Debtor as to the amount of said recovery; to designate payee(s) of such recovery; to grant releases to payor-insurers for the liability, to grant subrogation rights to any such payor-insurer, to endorse any settlement check or draft. Debtor, further, agrees not to exercise any of the foregoing powers granted to Secured Party without the Latter's written consent. Debtor further agrees to pay this account in full and remain personally liable therefore, to pay promptly all taxes and assessments upon the collateral and/or for its use or operation and/or on this contract. To keep the collateral free from all liens; that all equipment, accessories and parts shall become part of said collateral by accession; not to sell, transfer or encumber said collateral or use it for hire or illegally; that said collateral shall be located at Debtor's residence or chief place of business address hereinbefore stated; not to remove said collateral from the State of Debtor's residence as shown hereon without the express consent of Secured Party. Further to keep, use and maintain said collateral in a reasonably careful manner, so as to not to unreasonably or unnecessarily expose the same to damage, wear or depreciation, and to keep the same in good order and repair. That Debtor warrants that any collateral traded in is free from any indebtedness, it being understood that breach of said warranty shall be a breach of this contract. Debtor shall be in default under this agreement upon the occurrence of any of the following events, circumstances or conditions: namely

- (1) Default in the payment or performance of any of the obligations or, of any covenant, warranty or liability contained or referred to herein or contained in any other contract or Agreement with secured Party, whether now existing or hereafter arising; or
- (2) The prospect of payment, performance, or realization of collateral is significantly impaired

behalf of Debtor, in connection with this Contract or to induce Secured Party to finance the purchase of said collateral by said Debtor proving to have been false in any material respect when made or furnished: or

(ii) Loss, theft, substantial damage, destruction sale or encumbrances to or of any of the collateral, or the assertion or making of any levy seizure, mechanic's or material man's lien, or attachment thereof, or thereon: or

(iii) Death, dissolution, termination of existence, insolvency, business failure, appointment of a Receiver of any part of the property of Assignment for the Benefit of Creditors by, or the commencement of any proceeding under the Bankruptcy or Insolvency Laws by or against Debtor or any guarantor or surety for said Debtor: or

(iv) Debtor's being found to have either a "record or reputation for violating the laws of the United States or of any State relating to liquor or narcotics" (as referred to in 18 U.S.C.A. 3617 et seq.)

(v) If any physical Damage, Property and/or other such insurance, insuring said collateral and the respective interests of the parties therein, is cancelled for any reason and Debtor fails or refuses to furnish written proof to Secured Party of his/her having obtained substitute insurance coverage replacing the cancelled policy: and/or

(vi) If Secured Party should otherwise deem itself, its secured interest, its collateral or said debt unsafe or insecure, or should said Secured Party, in good faith, believe that the prospect of payment or other performance is impaired; provided, however, the burden of proof is establishing the prospect of significant impairment is on Secured Party.

Upon occurrence of any of the foregoing circumstances or conditions of default, Debtor hereby expressly waives any Constitutional right to notice and/or a Hearing prior to Secured Party resuming or taking possession of the collateral herein, either by Claim and delivery (court action) or otherwise, except to the extent that such waiver is violative of South Carolina law and except that Debtor shall be entitled to receive Notice of Consumer's Right to Cure as provided by s37-5-110 of the South Carolina Code Ann, and shall have the right to cure the default as provided in s37-5-111 of the South Carolina Code Ann.

Upon occurrence of any of the foregoing events, circumstances or conditions of default, all of the obligations evidenced herein and secured hereby shall immediately be due and payable, without notice. Secured Party then shall have all the rights and remedies of a Secured Party under the Uniform Commercial Code as enacted in South Carolina.

Without limitation thereto, Secured Party shall have the following specific rights:

(1) Subject to s37-5-110 and 37-5-111 of the South Carolina Code Ann, To take immediate possession of the collateral without notice or resort to legal process; and for such purpose to enter upon any premises on which the collateral or any part thereof may be situated and remove the same therefrom, in the event the collateral is a motor vehicle, Secured Party may temporarily hold, for the Debtor, any personal property located therein and not subject to Secured Party's security interest, in such an event Debtor shall by certification or registered U.S. mail, notify Secured Party within twenty four hours after resumption of possession or repossession of the collateral, as to any such articles claimed by Debtor may not be subject to Secured Party's security interests. Absent such notification, Secured Party may dispose of any such personal property as if it were expressly covered by its security interest created in this Agreement.

(2) To require Debtor to assemble the collateral and make it available to Secured Party at

_____ (Debtor)

_____ (Date)

DOWNTOWN AUTO SALES
1307 3RD AVENUE
HUNTINGTON, WVA. 25701

Secured Party may dispose of any such personal property as if it were expressly covered by its security interest created in this Agreement.

(2) To require Debtor to assemble the collateral and make it available to Secured Party at a place to then be designated by said Secured Party which is reasonably convenient to both parties.

(3) At its sole option to retain the collateral in satisfaction of all obligations hereunder is Secured Party should effect such option, written notice of such election shall be mailed to Debtor by certified or registered mail, a minimum of five days prior to the date such election is to be effective. Unless such written notice is sent by Secured Party, as aforementioned retention of said collateral shall not be in satisfaction of any obligations hereunder, but instead shall be for the purpose of foreclosing thereon its security interest as herein provided.

(4) To make or have made any repairs to collateral found necessary or desirable at time of repossession, possession or sale, the cost of which is to be charged against Debtor.

Payments are due in the office monthly/weekly and must be made in cash, money order or its equivalent. If payment becomes delinquent beyond ten days an attempt will be made to contact Debtor by telephone or by mail. If the attempt is unsuccessful, and payment is still not made, repossession of the collateral will commence as before mentioned.

This Contract, constitutes the entire agreement between the parties and no waivers or modifications shall be valid unless written upon or attached to this contract. Said contract shall apply to, inure to the benefit of and bind the heirs, executors, administrators, successors and assigns of the Secured Party and Debtor. This Security Agreement shall be governed by and construed under the laws of the State of West Virginia.

Below is the Hand(s) and Seal(s) of the undersigned, this sealed Instrument being executed on the date first above written. Each of the undersigned herewith expressly adopts as his seal the word "SEAL" appearing beside or near his/her signature below:

Secured Party _____ (seal)
Signature

By: _____ (seal)
Title:

Debtor Ferry Dobson _____ (seal)
Signature

Co-Debtor _____ (seal)
Signature

DOWNTOWN USED AUTO SALES

EXHIBIT
0

Security Agreement

Kristen Coles F254353 WV
 FULL NAME DRIVERS LICENSE NUMBER STATE
6 Northcat Ct Apt 2 Huntington WV 25701
 STREET ADDRESS APT # CITY STATE ZIP

Hereafter called "Debtor for the valuable consideration, receipt whereof is hereby acknowledged, hereby grants to DOWNTOWN AUTO SALES, herein called "Secured Party" a security interest in the following property the title which "Debtor" warrants to be free and clear of any and all encumbrances until which the following has been paid in correspondence with the agreement set forth. The "Debtor" hereby purchases and grant to "Secured Party" and its assigns a Purchase Money Security Interest under the West Virginia Uniform commercial Code in and to the following described property and proceeds thereof, including an insurance proceeds and all accessions thereto (hereinafter "collateral") Debtor has examined and accepted the collateral described below in its present condition, satisfactory delivery thereof being herewith acknowledged. The "Debtor" agrees to purchase the following:

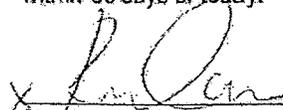
2001 FORD TRUCK Expedition-V8
 YEAR MAKE MODEL BODY STYLE

1FMRU16W11LA40399
 VEHICLE IDENTIFICATION NUMBER

And to make subsequent payments of \$200.00 Monthly beginning 3/11/2013

FINANCE WORKSHEET	
Cash Price of Vehicle.....	\$ 7,995.00
→ LESS	
Cash Down Payment.....	\$ 2,000.00
Trade In Amount.....	\$ 0.00
Total Down Payment.....	\$ 2,000.00
Unpaid Balance of Cash Price.....	\$ 5,995.00
One Time Contract Fee.....	\$ 100.00
Total Amount Financed.....	\$ 6,095.00
State Sales Tax.....	\$ 399.75
License, Title and/or Registration Fees.....	\$ 75.00

I have read, understand and agree to the terms above. I understand that I am responsible for the taxes and fees associated to license the vehicle and those taxes and fees are payable only at the dealership and are to be paid within 60 days of today.


 Signature

2/11/2013
 Date

Security Agreement (cont)

The security interest in the collateral shall remain in Secured Party until all amounts due aforementioned or any rearrangements thereof, have been fully paid by Debtor in cash. Debtor agrees to pay his/her entire indebtedness under this Contract, together with a Late Charge of 10% of any installment in default for more than 10 days or \$50 whichever is the lesser.

The collateral shall, at all times, be at Debtor's risk. The loss, injury to or destruction of said collateral shall not release the debtor from payment or other performances hereof. Debtor agrees to obtain and keep in force Physical Damage and/or Property Damage Insurance on said collateral and any other such insurance requested by the Secured Party. Such insurance is to be in form and amounts satisfactory to Secured Party, with the same payable to Secured Party and debtor as their interest may appear. All such policies shall provide for 10 days written minimum cancellation notice to Secured party. Debtor shall provide to Secured party the original policies or certification or other evidence satisfactory to Secured Party of compliance with the foregoing insurance provisions.

Debtor hereby assigns to Secured Party the proceeds of all such insurance to the extent of the unpaid balance hereunder, and directs any insurer to make payments directly to Secured Party, holder hereof. Debtor further hereby grants to Secured party his POWER OF ATTORNEY which shall be irrevocable for so long as any amount is unpaid hereunder. Said POWER OF ATTORNEY gives Secured Party the sole right to: File proof of loss and/or any other forms required to collect from any insurer any amount due from loss, damage, or destruction of the collateral; to agree to and bind the debtor as to the amount of said recovery; to designate payee(s) of such recovery; to grant releases to payer-insurers for the liability, to grant subrogation rights to any such payer/insurer, to endorse any settlement check or draft. Debtor, further, agrees not to exercise any of the foregoing powers granted to secured party without the latter's written consent. Debtor further agrees to pay this account in full and remain personally liable therefore, to pay promptly all taxes and assessments upon the collateral and/or for its use or operation and/or on this contract. To keep the collateral by accession not to sell, transfer or encumber said collateral or use it for hire or illegally; that said collateral shall be located at Debtor's residence or chief place of business address hereinbefore stated; not to remove said collateral from the State of Debtor's residence as shown hereon without the express consent of Secured Party. Further to keep, use and maintain said collateral in a reasonably careful manner, so as to not to unreasonably or unnecessarily expose the same to damage, wear or depreciation, and to keep the same in good order and repair. That Debtor warrants that any collateral traded in is free from any indebtedness, it being understood that breach of said warranty shall be a breach of this contract. Debtor shall be in default under this agreement upon the occurrence of any of the following events, circumstances or conditions: namely

- (1) Default in the payment or performance of any of the obligations or, of any covenant, warranty or liability contained or referred to herein or contained in any other contract or Agreement with secured party, whether now existing or hereafter arising: or
 - (2) The prospect of payment, performance, or realization of collateral is significantly impaired behalf of the Debtor, in connection with this Contract or to induce Secured party to finance the purchase of said collateral by said Debtor proving to have been false in any material respect when made or furnished: or
 - (i) Loss, theft, substantial damage, destruction sale or encumbrances to or of any of the collateral, or the assertion or making of any levy seizure, mechanic's or material man's lien, or attachment thereof, or thereon: or
 - (ii) Death, dissolution, termination of existence, insolvency, business failure, appointment of a Receiver of any part of the property of Assignment for the Benefit of Creditors by, or the commencement of any proceeding under the Bankruptcy or Insolvency laws by or against Debtor or any guarantor or surety for said Debtor: or
 - (iii) Debtor's being found to have either a "record or reputation for violating the laws of the United States or of any State relating to liquor or narcotics (as referred to in 18 U.S.C.A. 3617. et seq.)
 - (iv) If any physical Damage, Property, and/or other such insurance, insuring said collateral and the respective interests of the parties therein, is cancelled for any reason and Debtor fails or refuses to furnish written proof to Secured party of his/her having obtained substitute insurance coverage replacing the cancelled policy: and/or
 - (v) If secured party should otherwise deem itself, its secured interest, its collateral or said debt unsafe or insecure, or should said Secured Party, in good faith, believe that the prospect of payment or other performance is impaired; provided, however, the burden of proof is establishing the prospect of significant impairment is on Secured Party.
- Upon occurrence of any of the foregoing circumstances or conditions of default, Debtor hereby expressly waives any Constitutional right to notice and/or a Hearing prior to Secured party resuming or taking possession of the collateral herein, either by Claim and delivery (court action) or otherwise, except to the extent that such waiver is violating West Virginia law and except that Debtor shall be entitled to receive Notice of Consumer's Right to Cure as provided by s37-5-110 of the West Virginia Code Ann, and shall have the right to cure the default as provided in s37-5-111 of the West Virginia Code Ann.

Security Agreement (cont)

Upon occurrence of any of the foregoing events, circumstances or conditions of default, all of the obligations evidenced herein and secured hereby shall immediately be due and payable, without notice. Secured Party then shall have all the rights and remedies of a Secured Party under the Uniform Commercial Code as enacted in West Virginia. Without limitation thereto, Secured Party shall have the following specific rights:

- (1) Subject to §37-5-110 and 37-5-111 of the West Virginia Code Ann. To take immediate possession of the collateral without notice or resort to legal process; and for such purpose to enter upon and premises on which the collateral or any part thereof may be situated and remove the same therefore, in the event Debtor, any personal property located therein and not subject to Secured Party's security interest, in such event Debtor shall by certification or registered U.S. Mail, notify Secured Party within twenty four hours after resumption of possession or repossession of the collateral, as to any such articles claimed by the Debtor may not be subject to secured Party's security interests. Absent such notification, Secured Party may dispose of any such personal property as if it were expressly covered by its security interest created in this Agreement.
- (2) To require Debtor to assemble the collateral and make it available to Secured party at a place to be designated by said Secured Party which is reasonably convenient to both parties.
- (3) At its sole option to retain the collateral in satisfaction of all obligations hereunder if Secured party should effect such option, written notice of such election shall be mailed to Debtor by certified or registered mail, a minimum of five days prior to the date such election is to be effective. Unless such written notice is sent Secured party, as aforementioned retention of said collateral shall not be in satisfaction of any obligations hereunder, but instead shall be for the purpose of foreclosing thereon its security interest as herein provided.
- (4) To make or have made any repairs to collateral found necessary or desirable at time of repossession, possession or sale, the cost of which is to be charged against Debtor.

Payments are due in the office monthly/weekly and must be made in cash, money order or its equivalent. If payment becomes delinquent beyond ten days an attempt will be made to contact Debtor by telephone or by mail. If the attempt is unsuccessful, and payment is still not made, repossession of the collateral will commence as before mentioned. This contract constitutes the entire agreement between the parties and no waivers or modifications shall be valid unless written upon or attached to this contract. Said contract shall apply to, insure the benefit of and bind the heirs, executors, administrators, successors and assigns of the Secured party and debtor. This Security Agreement shall be governed by and construed under the laws of the State of West Virginia.

Below is the Hand(s) and Seal(s) of the undersigned, this sealed instrument being executed on the date first above written. Each of the undersigned herewith expressly adopts as his seal the word "SEAL" appearing beside or near his/her signature below:

[Signature]
Buyer

8/11/13
Date

Co-Buyer

Date

EXHIBIT
P

AT DOWN TOWN USED AUTOSALES

WE DO NOT CHARGE FINANCE

CHARGES ON OUR IN-HOUSE

FINANCING.

WE DO HOWEVER, CHARGE A ONE

TIME \$100 CONTRACT FEE.

THIS WILL BE ADDED TO THE TOTAL

AMOUNT PAID FOR THE VEHICLE.

WE DO CHARGE A 5% LATE FEE OR \$50

(WHICHEVER IS LESS) FOR PAYMENTS

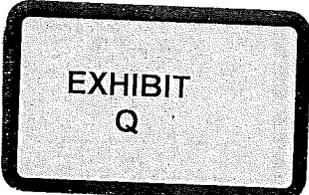
WHICH ARE MORE THAN 10 DAYS

LATE.

Erroy Desbury

DATE 1-25-10

DOWNTOWN USED AUTO SALES



venue - Huntington, WV 25701

Phone: 304.529.2886

Section 1 - Finance Charges and Late Fees

At Downtown Auto Sales we **DO NOT CHARGE FINANCE CHARGES** on our in-house financing. We do however, charge a **ONE TIME CONTRACT FEE OF \$100**. This will be added to the total amount paid for the vehicle. We also charge a **5% or \$50 late fee (whichever is less)** for payments that are more than 10 days late.

Roma *CEVA*
Signature

8/14/10
Date



Section 2 - Refund Policy

At Downtown Auto Sales **ALL deposits and down payments on vehicles are non-refundable. No exceptions will be made to this policy.**

Roma *CEVA*
Signature

8/14/10
Date

DOWNTOWN USED AUTO SALES

EXHIBIT
R

In-House Policies

Section 1 – Finance Charges and Late Fees

At Downtown Auto Sales we **DO NOT CHARGE FINANCE CHARGES** on our in-house financing. We do however, charge a **ONE TIME CONTRACT FEE OF \$100**. This will be added to the total amount paid for the vehicle.

Ashley M. Lee
Signature

1/26/201
Date

Section 2 – Refund Policy

At Downtown Auto Sales all sales are final and **ALL deposits and down payments on vehicles are non-refundable**. No exceptions will be made to this policy.

Ashley M. Lee
Signature

1/26/201
Date

Section 3 - Buyer's Guide Disclosure

AS IS – NO WARRANTY

WARRANTY

30 DAY WARRANTY ON INTERNAL ENGINE
PARTS AND INTERNAL TRANSMISSION
PARTS. MUST BE INTERNAL PARTS ONLY!

This Warranty Does Not Include The Following Items

Belts, hoses, brakes or brake components, gaskets and seals, tires, battery, air conditioning, radio, window motor and regulators, starter, alternator, water pump, CV axles or anything else that is considered an external non-lubricated component of the engine or transmission. This will be the responsibility of the buyer.

Ashley M. Lee
Signature

1/26/201
Date