

CAUSE NO. 31DC2600847

MIDLAND CREDIT MANAGEMENT, INC.  
Plaintiff,  
vs.

KIRTUS DIXON  
Defendant

IN THE JUSTICE COURT  
PRECINCT 3 PLACE 1  
BEXAR COUNTY, TEXAS

Filed Justice Court Pct 3 Place 1  
Bexar County, Texas  
2/4/2026 3:44 PM  
EC

**PLAINTIFF'S ORIGINAL PETITION**

**TO THE HONORABLE COURT:**

MIDLAND CREDIT MANAGEMENT, INC., the Plaintiff, complains of KIRTUS DIXON, the Defendant, and for cause of action shows:

**Discovery Level**

1. Plaintiff reserves the right to petition this Court to engage in pretrial discovery pursuant to Rule 500.8 of the Texas Rules of Civil Procedure.

**Parties and Service of Citation**

2. The Plaintiff is a foreign limited liability company duly authorized to conduct business in the State of Texas.

3. The Defendant resides within the venue of the above referenced court and may be served at the following address, or wherever the Defendant may be found:

KIRTUS DIXON  
3827 IRONWOOD ASH  
SAN ANTONIO, TX 78261-2724

**Venue and Jurisdiction; Relief Sought**

4. Venue is proper in this county because Defendant, a natural person, resides in this county. The amount in controversy is within the jurisdictional limit of this court. The Plaintiff seeks only monetary relief of \$20,000.00 or less, including damages of any kind, penalties, cost, expenses if any. Plaintiff does not seek pre-judgment interest or attorney's fees.

**Plaintiffs Efforts To Resolve  
The Underlying Obligation**

5. Plaintiff, MIDLAND CREDIT MANAGEMENT, INC., owns portfolios of consumer receivables, which it attempts to collect. When working with individual consumers, Plaintiff, MIDLAND CREDIT MANAGEMENT, INC., and its affiliates (collectively, "Plaintiff") generally attempt to contact consumers like Defendant through several means, all in an effort to establish contact and to resolve the underlying

obligation. In doing so, Plaintiff attempts to assess each consumer's willingness to pay, through phone calls, letters or other means. Plaintiff attempts to exclude consumers from its collection efforts, where Plaintiff believes those consumers are facing extenuating circumstances or hardships that would prevent them from making any payments.

6. When Plaintiff contacts consumers, it strives to treat consumers with respect, compassion and integrity. Plaintiff works with consumers in an effort to find mutually-beneficial solutions, often offering discounts, hardship plans, and payment options. Plaintiff's efforts are aimed at working with consumers to repay their obligations and to attain financial recovery. Plaintiff strives to engage in dialogue that is honorable and constructive, and to play a positive role in consumers' lives.

7. Despite Plaintiff's efforts to reach consumers and resolve the consumer's obligations, only a percentage of consumers choose to engage with Plaintiff. Those who do are often offered discounts or payment plans that are intended to suit their needs. Plaintiff would prefer to work with consumers to establish voluntary payment arrangements resulting in the resolution of any underlying obligations. However, the majority of Plaintiff's consumers ignore calls or letters, and some simply refuse to repay their obligations despite an apparent ability to do so. When this happens, Plaintiff must decide then whether to pursue collection through legal channels, including litigation like the present action against Defendant. Although the account is now in litigation, Plaintiff remains willing to explore a mutually-beneficial solution through voluntary payment arrangements, if possible.

### **Count I**

8. Defendant had an account with CROSS RIVER BANK. Plaintiff purchased Defendant's debt on or about December 18, 2024. Plaintiff has been assigned the debt, and Plaintiff is now owed money from Defendant. MIDLAND CREDIT MANAGEMENT, INC. is the current owner of the debt, and any prior holders of the debt are listed in the attached Affidavit Relating to Damages and Business Records and are incorporated by reference.

Relevant information related to the account is as follows:

PREDECESSOR IN INTEREST:	CROSS RIVER BANK
ACCOUNT NO.:	XXXXX-5549
DATE OF CHARGE-OFF:	November 24, 2024
CHARGE-OFF BALANCE:	\$12,052.88
DATE OF ORIGINATION:	September 27, 2023

### **Breach of Contract**

9. Defendant breached his/her obligation to pay Plaintiff by failing and/or refusing to pay the remainder of the obligation on this account. The breach was material because Defendant did not substantially perform a material obligation, payment - as required under the contract. Plaintiffs injury, which is the extent of the amount owed on the account, was a natural and probable consequence of Defendants breach.

10. Demand for payment has been made by Plaintiff, and as of December 16, 2025, Defendant has refused and failed to remit the remaining principal amount of \$12,052.88. No interest (0%) is accruing on the account.

**Damages**

11. Plaintiff seeks liquidated damages in the amount of \$12,052.88 along with post judgment interest at the statutory rate provided by applicable law.

**Conditions Precedent**

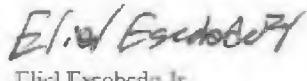
12. All conditions precedent have been performed, have occurred, or should be excused.

**Prayer**

For these reasons, Plaintiff asks that Defendant be cited to appear and answer, and that Plaintiff have judgment against Defendant for the following:

- a. Actual damages in the amount of \$12,052.88;
- b. All costs of suit; and
- c. All other relief, in law and equity, to which Plaintiff may be entitled.

Respectfully submitted  
MIDLAND CREDIT MANAGEMENT, INC.



Eliel Escobedo Jr.

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PLEASE UNDERSTAND THIS COMMUNICATION IS FROM A DEBT COLLECTOR. THIS IS AN ATTEMPT TO COLLECT A DEBT. ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

You can view documents related to your account by visiting our website at [www.midlandcredit.com](http://www.midlandcredit.com) and logging into your account.

# **EXHIBIT A**

## Truth in Lending Disclosure Statement

**Lender:**

Blue Ridge Bank  
17 West Main Street  
Luray, VA 22835

**Borrower:**

KIRTUS DIXON  
3827 IRONWOOD ASH  
SAN ANTONIO, Texas 78261

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.
35.43%	\$7,647.24	\$12,000.00	\$19,647.24

Your payment schedule will be:

Number of Payments	Amount of Payments	When Payments are Due
35	\$545.76	Monthly, Beginning on 10/27/2023 and due on the same day of each following month. If your due date is on the 29th, 30th or 31st and the current month is shorter, your payment will be due on the last day of the month.
One Final Payment	\$545.64	09/27/2026

**Late Charge** If payment is not received in full within 15 calendar days of the payment due date, you may pay a late charge of \$10. This charge is assessed only once per late payment.

**Prepayment** If you pay off all your loan early, you will not have to pay a penalty.

**Security** None. This loan is unsecured.

**Additional Information** See your contract terms for any additional information about nonpayment, default, and repayment in full before the scheduled due date.

**Itemization of the Amount Financed**

Principal Amount of Loan	\$13,042.06
Loan Origination Fee/Prepaid Finance Charge (Paid to Lender)	\$1,042.06
Amount Financed (Amount Provided to You)	\$12,000.00

5549

Date Generated: 09/27/2023

COPY

**LOAN AGREEMENT AND PROMISSORY NOTE**

**DATE: September 27, 2023 ("Effective Date")**

**Borrower Name and Address:**

KIRTUS DIXON, 3827 IRONWOOD ASH SAN ANTONIO, Texas 78261

**1. PROMISE TO PAY.** The parties (each, a "Party" and collectively, "Parties") to this Loan Agreement and Promissory Note ("Note" or "Agreement") are the Borrower designated above ("Borrower," "you," or "your") and Blue Ridge Bank ("Bank"). For value received, you promise to pay to the order of Bank or any subsequent holder ("we," "us," or "Lender") of this Note, the principal loan amount of \$13,042.06, together with interest, fees and charges as set forth below. You promise that you will use the Loan Amount for the purpose you indicated on the loan application to us (the "Application") and not for any post-secondary student loan, to buy or sell securities, or any illegal purposes.

**2. INTEREST AND PAYMENTS.**

a. Payment Timing and Application. Principal and Interest shall be paid in 36 monthly installments of \$545.76 as discussed herein and the Truth in Lending Disclosure. Your first Monthly Payment will be due on 10/27/2023. All other Monthly Payments will be due on the same day of each following month ("Subsequent Due Date") until 09/27/2026, when all principal, interest and fees payable and owing under this Note are due. If your Subsequent Due Date is the 29th, 30th or 31st and the current month is shorter, your payment will be on the last day of the month. All payments or prepayments will be applied first to accrued interest, then to unpaid principal, then to our fees, then to costs and expenses payable to us under this Note, including any costs or expenses that we incur related to enforcement of this Note as further described in Section 5 ("Remedies") below.

b. Accrual. Interest on your loan will accrue and be calculated on a 365 day year basis for each full month and each partial month based on the Interest Rate disclosed below applied to the unpaid Loan Amount for the actual number of days your loan is outstanding for such full or partial month. Interest will start accruing on the Loan Amount on the first calendar day following the Effective Date and will continue to accrue until all amounts owed under this Note are paid in full. The Finance Charge and Total of Payments listed on the Truth in Lending Disclosures are estimates based upon the assumption that all Monthly Payments will be made on time. If Monthly Payments are made before or after the applicable due dates, the actual amount of Finance Charge and Total of Payments may be less or more than that what appears in the Truth in Lending Disclosure.

c. Interest Rate. This Loan bears interest during each calendar month beginning on the Effective Date until paid in full at a rate of 28.89% per year.

d. Maturity. When your loan matures, you agree to pay in full any unpaid amounts payable under this Note. However, interest continues to accrue on the Loan Amount until you pay in full, even if your loan has matured.

e. Payment Method. Payment may be made by check or electronic funds transfer. Payment by check may be made by sending a personal check: (1) by standard US Mail to: Upgrade, Inc., Lbx#452210, P.O. Box 52210, Phoenix, AZ 85072-2210, or (2) by courier (FedEx, UPS, etc.) to: Upgrade, Inc., Attn: Batching Dept. lbx#452210, 530 W Alameda Dr., Suite 105, Tempe, AZ 85282. We may change these addresses from time to time, and we will notify you of the new address for payments.

f. Electronic Check Conversion. If you present a check for payment, you authorize us: (1) to use the information from your check to make an electronic funds transfer from your account; or (2) to process the transaction as a check. Please note, if we elect to use your check for an electronic funds transfer, funds may be withdrawn from your account as soon as the same day your check is received and you may not receive the check back from your financial institution.

g. Prepayment. You may make additional payments to prepay your loan in whole or in part at any time without penalty. Prepayments will not change your Monthly Payment, or your obligation to make scheduled Monthly Payments on each Subsequent Payment Date but your final payment amount may be smaller than the payment amount shown in the Truth in Lending Disclosure or you may reduce the total number of Monthly Payments required to repay your loan as shown in the Truth in Lending Disclosure.

**3. FEES.** We will also charge you and you agree to pay the following fees to the extent permitted by applicable law.

a. Insufficient Funds/Returned Payment Fee. You will be charged a non-refundable fee of ten dollars (\$10) for each failed electronic or check payment attempt. Your bank may assess its own fee in addition to the fee we assess.

b. Late Payment Fee. If a payment is more than fifteen (15) days late, we will charge you a nonrefundable late fee of ten dollars (\$10.00).

c. Loan Origination Fee. We will deduct a loan origination fee in the amount shown in the Truth in Lending Disclosure from the Principal Amount of Loan as shown in the Itemization of the Amount Financed contained in the Truth in Lending Disclosure.

d. Debit Card Fee. You are not required to make payments by use of a debit card. If the option is offered and you do use a debit card to make a payment of any kind, a third-party payment processor may charge you a service fee, which will be disclosed to you prior to your use of the service. Payment by debit card is optional and not a condition of obtaining a loan with us. Fees for this optional service are neither charged nor collected by Bank or Upgrade, Inc. ("Upgrade").

**4. DEFAULT.** Unless expressly provided otherwise in this Note, you will be in default under this Note if:

- a. you fail to make any payment under this Note on the date such payment is due;
- b. you fail to perform any of your obligations under this Note and you fail to cure such failure to perform to our reasonable satisfaction within thirty (30) days after receiving notice from us of your failure to perform;
- c. any representation made by you in, or in connection with your Application or this Note is false in any material respect when made;
- d. any of the following occurs (each a "Bankruptcy Event"): (1) you make an application for the appointment of a receiver, trustee or custodian or a receiver, trustee or custodian is appointed for you or a majority of your assets; (2) you initiate or consent to any legal proceedings under the Bankruptcy Code, or equivalent law providing for the relief of debtors; (3) you make an assignment for the benefit of creditors; or (4) you have a petition in bankruptcy or similar relief of debtors filed against you, which is not withdrawn or discharged within thirty (30) days of being filed.
- e. you die.

**5. REMEDIES.** Our remedies if you default on this Note include the following (to the fullest extent permitted by law):

- a. General. In the event that you are in default under this Note, we may:

- (1) declare our loan to you immediately due and payable, except that your loan will become immediately due and payable to us under a Bankruptcy Event, regardless of whether or not we take any action; and
- (2) pursue any other remedies available to us under applicable law.

- b. Loan Acceleration. If your loan is immediately due and payable, you must promptly pay in full the unpaid principal amount of the loan, all accrued interest, and any other amounts and fees payable under this Note.

- c. Cost Reimbursement: Application of Proceeds. You agree to promptly reimburse us, with interest, for all costs and expenses incurred in exercising our remedies related to this Note, including reasonable attorneys' fees and the costs of collection after default, to the extent permitted by applicable law. Our rights under this Note are cumulative and we may exercise these rights at any time if you default.

In the event that we exercise any of our rights or remedies under this Note, you will continue to be in default until such time that you pay to us all amounts due to us and you have cured any and all defaults. Our failure to take any action or delay taking any action related to your default, does not waive, or imply a waiver of, any of our rights under this Note.

**6. TERMINATION.** This Note will terminate after you have paid in full all amounts payable by you under this Note. The terms of this Note that would, by their express nature, survive the termination of this Note (including the provisions under "Governing Law and Miscellaneous, Arbitration Agreement," "Notices and Other Information," "Limitation of Liability" and "Termination") will survive and be enforceable under this Note.

**7. NOTICES AND OTHER INFORMATION.** You consent to receive through electronic delivery, either via electronic mail at your registered email address or delivery to your online account, of all notices, records, disclosures and other information related to this Note ("Electronic Records") as further provided in the E-Sign Disclosure and Consent to Electronic Receipt of Loan Disclosures provided to you at the time of your Application. We may in our discretion deliver certain records to you in paper form to your last postal service mailing address of record. You must advise us immediately of any changes or updates to, inactivity of or operational problems with your registered email address. You agree that the federal Electronic Signatures in Global and National Commerce Act apply to this Note and our ability to conduct business with you by electronic means. All provisions of any Electronic Records are binding on you just as if they were delivered in paper to one of the addresses listed on the Truth in Lending Disclosure. As described when you provided your phone number in the Application, we may contact you at any phone number you provide. When you give us your mobile phone number, we have your consent to contact you at that number about your loan. Your consent allows us to use text messaging, automatic dialing technology and artificial or prerecorded voice messages for informational and loan service calls, but not for sales or telemarketing calls. It may include contact from companies working on our behalf to service your loan. Message and data rates may apply. You may contact us at any time to change these preferences.

**8. WAIVERS.** To the fullest extent permitted by applicable law, no extension of time for payment of any part of the amount due under this Note, and no alteration, amendment or waiver of any provision of this Note shall release, modify, amend, waive, extend, change, discharge, terminate or affect your unconditional liability, and that at any other person or party who may become liable for the payment of all or part of the amount due under this Note.

**9. CREDIT REPORTS AND MONITORING.** We may obtain credit reports on you on an ongoing basis until this Loan is paid in full. We may report information concerning your performance under this Note to credit reporting agencies. Late payments, missed payments or other defaults on this Note may be reflected in your credit report. If you believe we inaccurately reported information about you or this Note to a credit reporting agency, call (855) 997-3100, write to us at 275 Battery Street, 23rd Floor, San Francisco, CA 94111, Attention: Disputes Department, or send an email to us at [creditreporting@upgrade.com](mailto:creditreporting@upgrade.com). You will need to provide the date of your loan along with copy of your credit bureau report reflecting the information that you believe is inaccurate.

**10. ASSIGNMENT.** You may not assign or transfer your rights or obligations under this Note without our prior

written consent. We may assign or transfer all or a portion of this Note and the related documents to a third party or an affiliate. Our rights under this Note shall inure to the benefit of our successors and assigns and your obligations under this Note shall be binding upon your heirs, personal representatives and permitted assigns.

**11. LIMITATION OF LIABILITY.** OUR LIABILITY TO YOU UNDER THIS NOTE, IF ANY, SHALL BE LIMITED TO DIRECT, ACTUAL DAMAGES ONLY. YOU AGREE THAT IN NO EVENT SHALL WE BE LIABLE TO YOU FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, SPECIAL OR INDIRECT DAMAGES.

**12. GOVERNING LAW AND MISCELLANEOUS.**

Unless expressly provided otherwise in this Note, federal law and the laws of the state of Virginia, as applicable, govern this Note. If any provision of this Note cannot be enforced, the rest of the provisions of this Note will stay in effect. No amendment of this Note will be valid unless in writing and signed by both us and you. This Note represents the entire agreement between you and us regarding your loan.

**13. ARBITRATION AGREEMENT.**

**PLEASE READ THIS SECTION CAREFULLY AS IT AFFECTS YOUR RIGHTS. YOU HAVE THE RIGHT TO OPT OUT OF THIS ARBITRATION AGREEMENT AS DESCRIBED BELOW.**

- a. The parties to this Agreement agree that either you or Bank or its service provider Upgrade (or any subsequent assigns of the foregoing), may, at its sole election, require that the sole and exclusive forum and remedy for resolution of a Claim be final and binding arbitration pursuant to this section (the "Arbitration Provision"), unless you opt out as provided in paragraph (b) below. As used in this Arbitration Provision, "Claim" shall include any past, present, or future claim, dispute, or controversy involving you (or persons claiming through or connected with you), on the one hand, and Bank or Upgrade and/or any assign of Bank or Upgrade (or persons claiming through or connected with Bank or Upgrade and/or any assign of Bank or Upgrade), on the other hand, relating to or arising out of this Agreement and/or the activities or relationships that involve, lead to, or result from this Agreement, including (except to the extent provided otherwise in the last sentence of paragraph (f) below) the validity or enforceability of this Arbitration Provision, any part thereof, or the entire Agreement. Claims are subject to arbitration regardless of whether they arise from contract; tort (intentional or otherwise); a constitution, statute, common law, or principles of equity; or otherwise. Claims include matters arising as initial claims, counter-claims, cross-claims, third-party claims, or otherwise. The scope of this Arbitration Provision is to be given the broadest possible interpretation that is enforceable.
- b. You may opt out of this Arbitration Provision for all purposes by sending an arbitration opt-out notice to Blue Ridge Bank, c/o Upgrade, Inc., 275 Battery Street, 23rd Floor, San Francisco, CA 94111, Attention: Legal Department, only if received at the specified address within 30 days of the date of your electronic acceptance of the terms of this Agreement. The opt-out notice must clearly state that you are rejecting arbitration; identify the agreement to which it applies by date, provide your name, address, and social security number; and be signed by you. You may send the opt-out notice in any manner you see fit as long as it is received at the specified address within the specified time. No other methods can be used to opt-out of this Arbitration Provision. If the opt-out notice is sent on your behalf by a third party, such third party must include evidence of his or her authority to submit the opt-out notice on your behalf.
- c. The party initiating arbitration shall do so with the American Arbitration Association (the "AAA") or JAMS. The arbitration shall be conducted according to, and the location of the arbitration shall be determined in accordance with, the rules and policies of the administrator selected, except to the extent the rules conflict with this Arbitration Provision or any countervailing law. In the case of a conflict between the rules and policies of the administrator and this Arbitration Provision, this Arbitration Provision shall control, subject to countervailing law, unless all parties to the arbitration consent to have the rules and policies of the administrator apply.
- d. If Bank or Upgrade (or any assign of Bank or Upgrade) elects arbitration, Bank or Upgrade (or the assign, as the case may be) shall pay all the administrator's filing costs and administrative fees (other than hearing fees). If you elect arbitration, filing costs and administrative fees (other than hearing fees) shall be paid in accordance with the rules of the administrator selected, or in accordance with countervailing law if contrary to the administrator's rules. Bank or Upgrade (or the assign, as the case may be) shall pay the administrator's hearing fees for one full day of arbitration hearings. Fees for hearings that exceed one day will be paid by the party requesting the hearing, unless the administrator's rules or applicable law require otherwise, or you request that Bank or Upgrade (or the assign) pay them and Bank or Upgrade agrees (or the assign agrees) to do so. Each party to the arbitration shall bear the expense of its own attorneys' fees, except as otherwise provided by law. If a statute gives you the right to recover any of these fees, these statutory rights shall apply in the arbitration notwithstanding anything to the contrary herein.
- e. Within 30 days of a final award by the arbitrator, any party to the arbitration may appeal the award for reconsideration by a three-arbitrator panel selected according to the rules of the arbitrator administrator. In the event of such an appeal, any opposing party may cross-appeal within 30 days after notice of the appeal. The panel will reconsider de novo all aspects of the initial award that are appealed. Costs and conduct of any appeal shall be governed by this Arbitration Provision and the administrator's rules, in the same way as the initial arbitration proceeding. Any award by the individual arbitrator that is not subject to appeal, and any panel award on appeal, shall be final and binding, except for any appeal right under the Federal Arbitration Act (the "FAA"), and may be entered as a judgment in any court of competent jurisdiction.
- f. We agree not to invoke our right to arbitrate an individual Claim you may bring in Small Claims Court or an equivalent court, if any, so long as the Claim is pending only in that court. NO ARBITRATION SHALL PROCEED ON A CLASS, REPRESENTATIVE, OR COLLECTIVE BASIS (INCLUDING AS PRIVATE ATTORNEY GENERAL ON BEHALF OF OTHERS), EVEN IF THE CLAIM OR CLAIMS THAT ARE THE SUBJECT OF THE

ARBITRATION HAD PREVIOUSLY BEEN ASSERTED (OR COULD HAVE BEEN ASSERTED) IN A COURT AS CLASS REPRESENTATIVE, OR COLLECTIVE ACTIONS IN A COURT. Unless consented to in writing by all parties to the arbitration, no party to the arbitration may join, consolidate, or otherwise bring claims for or on behalf of two or more individuals or unrelated corporate entities in the same arbitration unless those persons are parties to a single transaction. Unless consented to in writing by all parties to the arbitration, an award in arbitration shall determine the rights and obligations of the named parties only, and only with respect to the claims in arbitration, and shall not (i) determine the rights, obligations, or interests of anyone other than a named party, or resolve any Claim of anyone other than a named party; nor (ii) make an award for the benefit of, or against, anyone other than a named party. No administrator or arbitrator shall have the power or authority to waive, modify, or fail to enforce this paragraph (f) and any attempt to do so, whether by rule, policy, arbitration decision or otherwise, shall be invalid and unenforceable. Any challenge to the validity of this paragraph (f) shall be determined exclusively by a court and not by the administrator or any arbitrator.

- g. This Arbitration Provision is made pursuant to a transaction involving interstate commerce and shall be governed by and enforceable under the FAA. The arbitrator will apply substantive law consistent with the FAA and applicable statutes of limitations. The arbitrator may award damages or other types of relief permitted by applicable substantive law, subject to the limitations set forth in this Arbitration Provision. The arbitrator will not be bound by judicial rules of procedure and evidence that would apply in a court. The arbitrator shall take steps to reasonably protect confidential information.
- h. This Arbitration Provision shall survive (i) suspension, termination, revocation, closure, or amendments to this Agreement and the relationship of the parties and/or assignee; (ii) the bankruptcy or insolvency of any party or other person; and (iii) any transfer of any loan or this Agreement to any other person or entity. If any portion of this Arbitration Provision is deemed invalid or unenforceable, the remaining portions of this Arbitration Provision shall nevertheless remain valid and in force. If an arbitration is brought on a class, representative, or collective basis, and the limitations on such proceedings in paragraph (f) are finally adjudicated pursuant to the last sentence of paragraph (f) to be unenforceable, then no arbitration shall be had. In no event shall any invalidation be deemed to authorize an arbitrator to determine Claims or make awards beyond those authorized in this Arbitration Provision. THE PARTIES ACKNOWLEDGE THAT THEY MAY HAVE A RIGHT TO LITIGATE CLAIMS THROUGH A COURT BEFORE A JUDGE OR JURY, BUT WILL NOT HAVE THAT RIGHT IF ANY PARTY ELECTS ARBITRATION PURSUANT TO THIS ARBITRATION PROVISION. THE PARTIES HEREBY KNOWINGLY AND VOLUNTARILY WAIVE THEIR RIGHTS TO LITIGATE SUCH CLAIMS IN A COURT BEFORE A JUDGE OR JURY UPON ELECTION OF ARBITRATION BY ANY PARTY.
- i. EXCEPTION: Active duty military servicemembers and their dependents are exempt from arbitration to the extent provided for in the Military Lending Act.

**14. REGISTRATION OF LOAN OWNERS.** You appoint Upgrade, Inc. as your authorized agent (in such capacity, the "Loan Registrar") to maintain a book-entry system (the "Register") for recording the owner of this Loan (the "Loan Owners"). The person or persons identified as the Loan Owners in the Register shall be deemed to be the owner(s) of this Loan for purposes of receiving payment of principal and interest on such Loan and for all other purposes. You acknowledge that the Loan Registrar maintains the only authoritative copy of this Loan. With respect to any transfer by a Loan Owner of its beneficial interest in this Loan, the right to payment of principal and interest on this Loan shall not be effective until the transfer is recorded in the Register.

**15. MILITARY LENDING ACT DISCLOSURE.** Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36 percent. This rate must include, as applicable to the credit transaction or account: the costs associated with credit insurance premiums; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for specified credit transactions or accounts); and any participation fees charged (other than certain participation fees for a credit card account).

(1) To obtain an oral statement regarding the Military Annual Percentage Rate and a description of the payment obligation, Covered Borrowers may call the following toll-free phone number: (855) 511-7676.

(2) A "Covered Borrower" is a consumer who, at the time of Application, qualified as a covered borrower under the Military Lending Act, as defined in 32 CFR § 232.3(g). Notwithstanding any other provision of this Agreement, if you are a "Covered Borrower", then nothing in this Agreement shall be construed as applying to you to the extent inconsistent with the Military Lending Act, including without limitation any interest, fees, or limitations on your rights that would not be consistent with the Military Lending Act. Without limiting the foregoing, if you are a "Covered Borrower", then Section 11 (Limitation of Liability) and Section 13 (Arbitration Agreement) do not apply to you.

**16. ELECTRONIC TRANSACTIONS.** THIS NOTE INCLUDES YOUR EXPRESS CONSENT TO ELECTRONIC TRANSACTIONS AND DISCLOSURES, WHICH CONSENT IS SET FORTH IN THE SEPARATE DOCUMENT TITLED, "E-SIGN ACT CONSENT," THE TERMS OF WHICH ARE EXPRESSLY INCORPORATED HEREIN IN THEIR ENTIRETY.

#### **17. STATE LAW NOTICES AND DISCLOSURES**

ALABAMA RESIDENTS: CAUTION — IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.

CALIFORNIA RESIDENTS: A married applicant may apply for a separate account. If Lender takes any adverse action as defined by Section 1785.3 of the California Civil Code and the adverse action is based, in whole or in part, on any information contained in a consumer credit report, Borrower has the right to obtain within 60 days a free copy of Borrower's consumer credit report from the consumer reporting agency who furnished the consumer credit report and from any other consumer credit reporting agency that complies and maintains files

on consumers on a nationwide basis.

**CALIFORNIA and NEW YORK RESIDENTS:** We may report information about your account to credit bureaus. Late payments, missed payments or other defaults on your account may be included in your credit report.

**CALIFORNIA and UTAH RESIDENTS:** You are hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations.

**FLORIDA RESIDENTS:** Florida documentary stamp tax required by law has been paid or will be paid directly to the Department of Revenue. Certificate of Registration No. 78-8018550901-8.

**IOWA RESIDENTS:** This is a Consumer Credit Transaction. Notwithstanding anything to the contrary in this Note:

- Default: You will be in default under this Note if, after giving you notice, as required by law, regarding your failure to perform and any right to cure:
  - you fail to cure such failure to perform to our reasonable satisfaction within twenty (20) days after receiving notice from us of your failure to perform;
  - you fail to make any payment under this Note within ten (10) days of the date such payment is due; or
  - you fail to observe any other requirement of this Note, breach of which materially impairs the condition, value or protection of our right in any collateral securing the transaction, or materially impairs your prospect to pay amounts due.
- Cost Reimbursement; Application of Proceeds. You agree to promptly reimburse us, with interest, for all costs and expenses incurred in exercising our remedies related to this Note (excluding reasonable attorneys' fees) and the costs of collection after default, to the extent permitted by applicable law. Our rights under this Note are cumulative and we may exercise these rights at any time if you default.
- Governing Law and Miscellaneous: This Note shall be governed by Iowa law, except where otherwise preempted or authorized by 12 U.S.C. §85, including that interest and interest terms including origination fees, periodic interest, late fees, and returned check fees shall be governed by 12 U.S.C. §85 and the laws of Bank's home state. If any provision of this Note cannot be enforced, the rest of the provisions of this Note will stay in effect. No amendment of this Note will be valid unless in writing and signed by both us and you. This Note represents the entire agreement between you and us regarding your loan.

**IMPORTANT: READ BEFORE SIGNING.** The terms of this agreement should be read carefully because only those terms in writing are enforceable. No other terms or oral promises not contained in this written contract may be legally enforced. You may change the terms of this agreement only by another written agreement.

**NOTICE TO CONSUMER:**

1. Do not sign this paper before you read it.
2. You are entitled to a copy of this paper.
3. You may prepay the unpaid balance at any time without penalty and may be entitled to receive a refund of unearned charges in accordance with law.

**KANSAS RESIDENTS: NOTICE TO CONSUMER:** 1. Do not sign this agreement before you read it. 2. You are entitled to a copy of this agreement. 3. You may prepay the unpaid balance at any time without penalty.

**MAINE, NEW YORK and VERMONT RESIDENTS:** A consumer credit report may be requested in connection with your application or in connection with updates, renewals or extensions of any credit granted as a result of your application. Upon your request, you will be informed whether or not such a report was requested and, if so, the name and address of the agency that furnished the report.

**MASSACHUSETTS RESIDENTS:** Massachusetts law prohibits discrimination based upon marital status or sexual orientation.

**MISSOURI AND NEBRASKA RESIDENTS:** YOU MAY PREPAY YOUR LOAN IN WHOLE OR IN PART AT ANY TIME. ORAL AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE. TO PROTECT YOU (BORROWER) AND US (LENDER) FROM MISUNDERSTANDING OR DISAPPOINTMENT, ANY AGREEMENTS WE REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS WRITING, WHICH IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN US, EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT.

**NEW HAMPSHIRE RESIDENTS:** If we refer this Agreement to an attorney for collection, you agree to pay our reasonable attorneys' fees. However, if you prevail in (1) any action, suit, or proceeding we bring, or (2) an action brought by you in connection with this Agreement, or (3) if you successfully assert a partial defense or setoff, recoupment, or counterclaim to an action brought by us, the court may withhold from us the entire amount or such portion of the attorneys' fees as the court considers equitable.

**NEW JERSEY:** The section headings of the Agreement are a table of contents and not contract terms. Portions of this Agreement with references to actions taken to the extent of applicable law apply to acts or practices that New Jersey law permits or requires. In this Agreement, acts or practices (i) by you which are or may be permitted by "applicable law" are permitted by New Jersey law, and (ii) that may or will be taken by you unless prohibited by "applicable law" are permitted by New Jersey law.

**OHIO RESIDENTS:** Ohio anti-discrimination laws require creditors to make credit equally available to all creditworthy customers and that credit reporting agencies maintain separate credit histories on individuals upon request. The Ohio Civil Rights Commission administers these laws.

**SOUTH DAKOTA RESIDENTS:** If there are improprieties in making the loan or loan practices, please contact the SD Division of Banking: South Dakota Division of Banking 1714 Lincoln Ave, Suite 2 Pierre, SD 57501 (605) 773-

**TEXAS RESIDENTS:** You agree to give up (waive) your common law rights to receive notice of intent to accelerate and notice of acceleration. This means that you give up the right to receive notice that we intend to demand that you pay all that you owe on this Note at once (accelerate) and notice that we have accelerated. This written loan agreement represents the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

**UTAH RESIDENTS:** This Agreement is the final expression of the agreement between you and us and it may not be contradicted by evidence of an alleged oral agreement.

**WISCONSIN RESIDENTS: NOTICE TO CUSTOMER:** (A) DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT, EVEN IF OTHERWISE ADVISED; (B) DO NOT SIGN THIS IF IT CONTAINS ANY BLANK SPACES; (C) YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN; AND (D) YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE OF THE UNPAID BALANCE DUE UNDER THIS AGREEMENT AND YOU MAY BE ENTITLED TO A PARTIAL REFUND OF THE FINANCE CHARGE.

**MARRIED WISCONSIN RESIDENTS:** No provision of any marital agreement, unilateral statement or court order applying to marital property will adversely affect a creditor's interest unless prior to the time credit is granted, the creditor is furnished with a copy of the agreement, statement or court order, or has actual knowledge of the provision. If you are married, by signing this Loan Agreement, you are confirming that this loan obligation is being incurred in the interest of your marriage and your family. If the loan for which you are applying is granted, you will notify the Lender if you have a spouse who needs to receive notification that credit has been extended to you.

**GENERAL NOTICE TO CUSTOMER:**

- (a) DO NOT SIGN THIS BEFORE YOU READ THE ENTIRE AGREEMENT, EVEN IF OTHERWISE ADVISED.
- (b) DO NOT SIGN THIS IF IT CONTAINS ANY BLANK SPACES.
- (c) YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN.
- (d) YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS AGREEMENT AND THE FINANCE CHARGE DISCLOSED MAY BE LESS.

KIRTUS DIXON

██████████ 5549

BY: UPGRADE, INC.

ATTORNEY-IN-FACT FOR KIRTUS DIXON

(Signed Electronically)

COPY

COPY

Field	Field Data
Account Number	[REDACTED] 5549
First Name	KIRTUS
Last Name	DIXON
SSN	XXX-XX-8328
Date of Birth	[REDACTED]
Address 1	3827 IRONWOOD ASH
City	SAN ANTONIO
State	TX
Zip	78261
Open Date	09/27/2023
Last Payment Date	07/27/2024
Last Payment Amount	\$545.76
Sale Amount	\$12,052.88
Charge Off Date	11/24/2024
Charge off Balance	\$12,052.88
Post Charge Off Interest	\$0.00
Post Charge off Fee	\$0.00
Post Charge off Payments	\$0.00
Post Charge off Payments and Credits	\$0.00
Post Charge off Credits	\$0.00
Affinity	UPGRADE

Account information provided by Upgrade, Inc. pursuant to the Bill of Sale/Assignment of Accounts transferred on or about 12/18/2024 in connection with the sale of accounts from Upgrade, Inc. to Midland Credit Management, Inc.

pii\_loan\_positions\_Midland\_9097442\_20241212\_072614

# **EXHIBIT B**

STATE OF TEXAS

Midland Credit Management, Inc.,

Plaintiff

-vs-

AFFIDAVIT OF GRISEL LOPEZ PENA

KIRTUS DIXON,

Defendant(s).

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Grisel Lopez Pena, whose business address is 600 W. Saint Germain St Suite 200, St. Cloud, MN 56301-3616, certifies and says:

1. I am employed as a Legal Specialist and have access to pertinent account records for Midland Credit Management, Inc. ("Plaintiff" or "MCM"). I am a competent person over eighteen years of age, and make the statements herein based upon personal knowledge of those account records maintained by Plaintiff. Plaintiff is the current owner of, and was assigned all the rights, title and interest to Defendant's CROSS RIVER BANK/UPGRADE account XXXXX5549 (MCM Number 330438366) (hereinafter "the Account").
2. I have access to and have reviewed the electronic records pertaining to the Account maintained by MCM and am authorized to make this affidavit on MCM's behalf. The electronic records reviewed consist of (i) data and records acquired from the seller or assignor when MCM purchased or was assigned the Account, which were incorporated into MCM's business records upon purchase or assignment, and (ii) data and records generated by MCM in connection with servicing the Account since the date the Account was purchased by or was assigned to MCM. In addition, I reviewed the documents that are attached to this affidavit.
3. I am familiar with and trained on the manner and method by which MCM creates and maintains its business records pertaining to the Account, which consist of (i) data and documents acquired from the seller or assignor, and (ii) subsequent collection and/or servicing activities by MCM. The records are acquired or created, and are kept in the regular course of MCM's business. It was in the regular course of MCM's business for a person with knowledge

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AFFIDAVIT OF GRISEL LOPEZ PENA - 1



330438366



AFFRECATTACH



25-381409

of the subsequent collection and/or servicing activities recorded, and a business duty to report, to make the record or data compilation, or to transmit information thereof to be included in such record, or for such information to be posted in MCM's records by a computer or similar digital means. In the regular course of MCM's business, the record or compilation of the subsequent collection activities is made at or near the time of the act or event by MCM as a regular practice.

4. The accuracy of such records is relied upon by Plaintiff in collecting this Account. These records are trustworthy and relied upon because the original creditor was required to keep careful records of the Account at issue in this case as required by law and/or suffer business loss.

5. MCM's records show that the Account was charged off on 2024-11-24 with a balance of \$12,052.88. On or about 2024-12-18, Plaintiff purchased and was assigned the Account with a balance owed by Defendant of \$12,052.88. As of 2025-11-06, MCM's records show that the balance of \$12,052.88 remains due and owing and no interest has been assessed to the Account. Therefore, Plaintiff seeks the amount of \$12,052.88 from Defendant. All credits and offsets for payments have been applied to the balance.

6. The complete chain of title including CROSS RIVER BANK, the original creditor, and all post-charge-off purchasers/assignees of the debt are as follows:

1. CROSS RIVER BANK

2024-12-18

2. Midland Credit Management, Inc.

7. Based upon my review, attached hereto are records regarding the Account being a reproduction from Plaintiff's records. The documents attached hereto, are true and correct copies of the originals, except to the extent that confidential and privileged information is omitted or redacted and personal identifying information is omitted or redacted as required by local rules, and applicable state and federal law.

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AFFIDAVIT OF GRISEL LOPEZ PENA - 2



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AFFRECATTACH



25-381409

I certify under penalty of perjury that the foregoing statements are true and correct.

DEC 09 2025

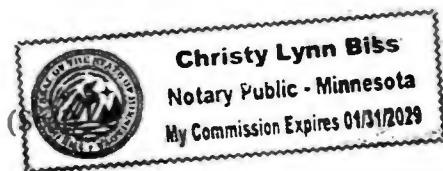
Date

Grisel Lopez Pena

STATE OF MINNESOTA  
COUNTY OF STEARNS

DEC 09 2025

Signed and sworn to (or affirmed) before me on \_\_\_\_\_  
by Grisel Lopez Pena.



Grisel Lopez Pena  
Notary Public

CA137

AFFIDAVIT OF GRISEL LOPEZ PENA - 3



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AFFRECATTACH



25-381409

## EXHIBIT II

### BILL OF SALE

Upgrade, Inc., a Delaware corporation and Midland Credit Management, Inc., a Kansas corporation ("Buyer") executed a Purchase Agreement – Forward Flow dated October 25, 2024 ("Agreement").

For value received and in further consideration of the mutual covenants and conditions set forth in the Agreement, the Investors hereby transfer(s), sell(s), conveys(s), grant(s), and deliver(s) to Buyer, and assigns the Accounts referenced in the data file named [pii\_loan\_positions\_Midland\_9097442\_20241212\_072614] that lists the accounts sold, as set forth in the Account Schedule attached hereto as Exhibit I delivered by Seller to Buyer on the Closing Date.

On December 18, 2024, each Investor referenced sold (or cause to be sold) a pool of Accounts held by such Investor and described in the Account Schedule attached to this Bill of Sale.

With respect to information for the Accounts summarized in the Account Data File, Upgrade, Inc. represents and warrants to Buyer that (i) the Account information constitutes Upgrade, Inc.'s own business records and accurately reflects in all material respects the information in Upgrade, Inc.'s database; (ii) the Account information was kept in the regular course of business; (iii) the Account information was made at or near the time by, or from information transmitted by, a person with knowledge of the data entered into and maintained in the Account's database; and (iv) it is the regular practice of Upgrade, Inc.'s business to maintain and compile such data. All capitalized terms used, but not defined, in this Bill of Sale shall have the meanings assigned to such term in the Agreement.

Upgrade, Inc. represents and warrants that each of the undersigned Investors has executed a limited power of attorney between such Investor and Upgrade, Inc., and such limited power of attorney has not been revoked, wherein a designated power is for Upgrade, Inc. to act as attorney in-fact for such Investor and to execute this Bill of Sale on behalf of such Investor and take any action and execute any instruments or documents that Upgrade, Inc. may deem reasonably necessary or advisable in connection with the transfers contemplated thereby.

DATED: December 18, 2024

SELLER(S): Upgrade, Inc.

By: Upgrade, Inc., as attorney-in-fact  


By: \_\_\_\_\_

Name (print): Michael Young  
Title: Sr. Director of Servicing

Midland Credit Management, Inc

By: Danielle Wohlfahrt

Name (print): Danielle Wohlfahrt

Title: MVP Business Development

**EXHIBIT I**  
**ACCOUNT SCHEDULE**

Seller	Type of Account	# of Loans	Unpaid Balance	Purchase Price	As of Cut Off Date
1st MidAmerica Credit Union	REGULAR				12/11/2024
ACM GRUFLS Purchaser Trust	REGULAR				12/11/2024
Affinity Plus Federal Credit Union	REGULAR				12/11/2024
Allegius Federal Credit Union	REGULAR				12/11/2024
Alternative Lending Holdings Trust II	REGULAR				12/11/2024
Altra Federal Credit Union	REGULAR				12/11/2024
Amerant Bank NA	REGULAR				12/11/2024
American First Credit Union	REGULAR				12/11/2024
American Heritage Federal Credit Union	REGULAR				12/11/2024
Arkansas Federal Credit Union	REGULAR				12/11/2024
Arrowhead Central Credit Union	REGULAR				12/11/2024
Associated Credit Union of Texas	REGULAR				12/11/2024
Banco Popular de Puerto Rico	REGULAR				12/11/2024
Baxter Credit Union	REGULAR				12/11/2024
BayFirst National Bank	REGULAR				12/11/2024
Bellco Credit Union	REGULAR				12/11/2024
Benchmark Federal Credit Union	REGULAR				12/11/2024
Broadway Bank	REGULAR				12/11/2024
Campus Federal Credit Union	REGULAR				12/11/2024

Capital Community Bank	REGULAR		12/11/202 4
Capital Educators Federal Credit Union	REGULAR		12/11/202 4
Carolinias Telco Federal Credit Union	REGULAR		12/11/202 4
Carter Federal Credit Union	REGULAR		12/11/202 4
Chartway Federal Credit Union	REGULAR		12/11/202 4
Citadel Credit Union	REGULAR		12/11/202 4
Clearview Federal Credit Union	REGULAR		12/11/202 4
Community Star Credit Union	REGULAR		12/11/202 4
Credit Union of New Jersey	REGULAR		12/11/202 4
Credit Union West	REGULAR		12/11/202 4
Cross River Bank	REGULAR		12/11/202 4
Department of Commerce Federal Credit Union	REGULAR		12/11/202 4
DL INVESTMENT Sàrl	REGULAR		12/11/202 4
Dynamic Credit Loan Investments Designated Activity Company	REGULAR		12/11/202 4
Edge Focus High Yield Fund, LP	REGULAR		12/11/202 4
Edge Focus Paradigm Fund, LP	REGULAR		12/11/202 4
Edge Focus Warehouse Trust II	REGULAR		12/11/202 4
Elga Credit Union	REGULAR		12/11/202 4
Encourage Financial Network Credit Union	REGULAR		12/11/202 4
ESL Federal Credit Union	REGULAR		12/11/202 4
Excite Credit Union	REGULAR		12/11/202 4
Farmers Insurance Group Federal Credit Union	REGULAR		12/11/202 4

Fasanara Apex III	REGULAR		12/11/202 4
Financial Resources Federal Credit Union	REGULAR		12/11/202 4
First Florida Credit Union	REGULAR		12/11/202 4
First Neighbor Bank NA	REGULAR		12/11/202 4
First Western Trust Bank	REGULAR		12/11/202 4
Fortress Investment Group CF Ascent Holding LLC	REGULAR		12/11/202 4
Freestar Financial Credit Union	REGULAR		12/11/202 4
Garden Savings Federal Credit Union	REGULAR		12/11/202 4
Georgias Own Credit Union	REGULAR		12/11/202 4
Gesa Credit Union	REGULAR		12/11/202 4
Great Lakes Credit Union	REGULAR		12/11/202 4
GTE Federal Credit Union	REGULAR		12/11/202 4
Heritage Valley Federal Credit Union	REGULAR		12/11/202 4
IBI Consumer Credit, LP	REGULAR		12/11/202 4
IBI Investment House	REGULAR		12/11/202 4
IBI New Consumer Credit Fund 2024, LP	REGULAR		12/11/202 4
Idaho Central Credit Union	REGULAR		12/11/202 4
Intouch Credit Union	REGULAR		12/11/202 4
Intrust Bank, National Association	REGULAR		12/11/202 4
Island Federal Credit Union	REGULAR		12/11/202 4
Jefferies on behalf of Structured Pass Thru	REGULAR		12/11/202 4
KCT Credit Union	REGULAR		12/11/202 4

Keypoint Credit Union	REGULAR		12/11/202 4
Listerhill Credit Union	REGULAR		12/11/202 4
Loan Asset Issuer II LLC, Series 2020-1	REGULAR		12/11/202 4
Loan Asset Issuer II LLC, Series 2021-1	REGULAR		12/11/202 4
Loan Asset Issuer II LLC, Series 2022-1	REGULAR		12/11/202 4
Loan Asset Issuer II LLC, Series 2023-1	REGULAR		12/11/202 4
Loan Asset Issuer LLC	REGULAR		12/11/202 4
Loan Asset Issuer LLC Series 2020-2	REGULAR		12/11/202 4
Loan Asset Issuer LLC, Series 2020 M-1	REGULAR		12/11/202 4
Loan Asset Issuer LLC, Series 2020-3	REGULAR		12/11/202 4
Loan Asset Issuer LLC, Series 2021 M-1	REGULAR		12/11/202 4
Loan Asset Issuer LLC, Series 2021 M-2	REGULAR		12/11/202 4
Loan Asset Issuer LLC, Series 2022-1	REGULAR		12/11/202 4
MC Bank	REGULAR		12/11/202 4
Members 1ST Federal Credit Union	REGULAR		12/11/202 4
Members Choice Credit Union	REGULAR		12/11/202 4
Meriwest Credit Union	REGULAR		12/11/202 4
Mid Hudson Valley Federal Credit Union	REGULAR		12/11/202 4
Monroe Savings Bank	REGULAR		12/11/202 4
MPLI Capital Holdings IV	REGULAR		12/11/202 4
Nasa Federal Credit Union	REGULAR		12/11/202 4
National Institutes of Health Federal Credit Union	REGULAR		12/11/202 4

Nymeo Federal Credit Union	REGULAR		12/11/202 4
One Credit Union	REGULAR		12/11/202 4
OneNebraska Federal Credit Union	REGULAR		12/11/202 4
OnPath Federal Credit Union	REGULAR		12/11/202 4
Pathways Financial Credit Union	REGULAR		12/11/202 4
Patriot Bank	REGULAR		12/11/202 4
Pennsville National Bank	REGULAR		12/11/202 4
People First Federal Credit Union	REGULAR		12/11/202 4
Presidential Bank, FSB	REGULAR		12/11/202 4
RIA Federal Credit Union	REGULAR		12/11/202 4
Rogue Credit Union	REGULAR		12/11/202 4
Santander Bank, N.A.	REGULAR		12/11/202 4
Seattle Bank	REGULAR		12/11/202 4
Service FCU - PL LID	REGULAR		12/11/202 4
Service Federal Credit Union	REGULAR		12/11/202 4
Signal Financial Federal Credit Union	REGULAR		12/11/202 4
Spirit Financial Credit Union	REGULAR		12/11/202 4
Spokane Teachers Credit Union	REGULAR		12/11/202 4
State Employees Credit Union of Maryland, Incorporated	REGULAR		12/11/202 4
Sun East Federal Credit Union	REGULAR		12/11/202 4
Sunrise Banks, National Association	REGULAR		12/11/202 4
Teachers Federal Credit Union	REGULAR		12/11/202 4

Telhio Credit Union	REGULAR		12/11/202
Texas Bay Credit Union	REGULAR		4
Texell Credit Union	REGULAR		12/11/202
The Golden 1 Credit Union	REGULAR		4
The Harbor Bank of Maryland	REGULAR		12/11/202
The Tennessee Credit Union	REGULAR		4
Theorem Grantor Trust 2022-1	REGULAR		12/11/202
Theorem Grantor Trust 2022-2	REGULAR		4
Theorem Grantor Trust 2022-3	REGULAR		12/11/202
Theorem Grantor Trust 2023-1	REGULAR		4
Theorem Main Fund Trust II	REGULAR		12/11/202
Theorem Main Master Fund LP	REGULAR		4
Three Rivers Federal Credit Union	REGULAR		12/11/202
Tompkins Financial Corporation	REGULAR		4
Topside Federal Credit Union	REGULAR		12/11/202
True Sky Credit Union	REGULAR		4
Unify Financial Federal Credit Union	REGULAR		12/11/202
United Credit Union	REGULAR		4
Unity Bank	REGULAR		12/11/202
University of Hawaii Federal Credit Union	REGULAR		4
Upgrade Grantor Certificate Trust 2019-2	REGULAR		12/11/202
Upgrade Inc	REGULAR		4

Upgrade Master Pass-Thru Trust Series 2023-PT1	REGULAR	12/11/202 4
Upgrade Master Pass-Thru Trust, Series 2021-PT1	REGULAR	12/11/202 4
Upgrade Master Pass-Thru Trust, Series 2021-PT3	REGULAR	12/11/202 4
Upgrade Master Pass-Thru Trust, Series 2021-PT4	REGULAR	12/11/202 4
Upgrade Master Pass-Thru Trust, Series 2021-PT5	REGULAR	12/11/202 4
Upgrade Master Pass-Thru Trust, Series 2021-PT6	REGULAR	12/11/202 4
Upgrade Warehouse Trust 2018-1	REGULAR	12/11/202 4
US Alliance Federal Credit Union	REGULAR	12/11/202 4
Valley 1st Community Federal Credit Union	REGULAR	12/11/202 4
Valley Strong Credit Union	REGULAR	12/11/202 4
ValleyStar Credit Union	REGULAR	12/11/202 4
Value P2P General Partner Ltd	REGULAR	12/11/202 4
Veridian Credit Union	REGULAR	12/11/202 4
Webster First Federal Credit Union	REGULAR	12/11/202 4
Westerly Community Credit Union	REGULAR	12/11/202 4
Westerra Credit Union	REGULAR	12/11/202 4
White River Credit Union	REGULAR	12/11/202 4
Wilmington Trust, National Association as owner trustee for Upgrade Master Pass-Thru Trust	REGULAR	12/11/202 4
Woodlands National Bank	REGULAR	12/11/202 4
<b>Grand Total</b>		

AN ELECTRONIC ACCOUNT DATA FILE CONTAINING DETAILED ACCOUNT INFORMATION  
WILL BE PROVIDED TO BUYER ON THE APPLICABLE CLOSING DATE. SUCH FILE SHALL

CONTAIN AT LEAST THE SAME FIELDS AS PROVIDED TO BUYER IN THE DUE DILIGENCE FILES PROVIDED TO BUYER PRIOR TO NEGOTIATION OF THIS AGREEMENT.

**EXHIBIT V**  
**ORIGINAL DEBT SALE AFFIDAVIT**

**STATE OF: ARIZONA**

**COUNTY OF: MARICOPA**

Michael Young, being duly sworn, deposes and says:

1. I am over 18 and not a party to this action. I am Sr. Director of Account Servicing of Upgrade, Inc. ("Seller"). In that capacity, I am a custodian of certain books and records of Seller, and am aware of the process of the sale and assignment of electronically stored business records.
2. Seller owns and/or facilitates the sale of certain accounts, and maintains and records information in the records as they relate to such accounts. I am authorized to make the statements and representations set forth in this affidavit on behalf of Seller. The statements set forth herein are true and correct to the best of my knowledge, information, and belief, based on either personal knowledge or review of the business records of Seller.
3. As a custodian of records for Seller, my duties include having knowledge of, and access to, business records relating to the Accounts (as defined below). These records are kept by Seller in the regular course of business, and it was in the regular course of business of Seller, for an employee or representative with personal knowledge of the act, event, condition, or opinion recorded to make memorandum or records or to transmit information thereof to be included in such memorandum or records; and that the records were made at or near the time of the act and/or event recorded or reasonably soon thereafter.
4. On or about December 18, 2024, Seller sold (or caused to be sold) a pool of charged-off accounts (the "Accounts") to Midland Credit Management, Inc ("Buyer"). Pursuant to the sale, Seller sold (or caused to be sold), transferred, assigned, conveyed, granted, bargained, set over and delivered to Buyer and its successors and assigns, good and marketable title to the Accounts and any unpaid balance free and clear of any encumbrance, equity, lien, pledge, charge, claim or security interest. I am not aware of any errors in the Accounts.
5. In connection with the sale of the Accounts, electronic and other records were transferred to or otherwise made available to the Buyer (the "Transferred Records"). The Transferred Records are kept by Seller in the regular course of business, and it was in the regular course of business of Seller for an employee or representative with personal knowledge of the act, event, condition, or opinion recorded to make memorandum or records or to transmit information thereof to be included in such memorandum or records; and that the records were made at or near the time of the act and/or event recorded or reasonably soon thereafter. To the extent that the Transferred Records include records that were prepared by a third party, they are records that

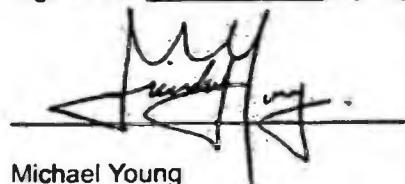
were incorporated into the records of Seller as a business record and the accuracy of such records are relied upon by Seller in the regular course of business.

6. The charge-off creditor's address in care of Seller at time of charge-off was c/o Upgrade, Inc. 275 Battery Street, San Francisco, CA 94111.

7. The above statements are true to the best of my knowledge.

FURTHER AFFIANT SAYETH NOT.

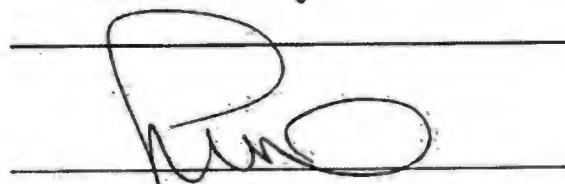
Signed this 3 day of January, 2025



Michael Young

Upgrade, Inc.

Subscribed and sworn to before me this 3 day of January, 2025, by  
Michael Young an employee of Upgrade, Inc.



Notary Public



[INCLUDE FOLLOWING CERTIFICATE OF CONFORMITY IF NOTARIZED OUTSIDE NEW YORK]

CERTIFICATE OF CONFORMITY

STATE OF ARIZONA

CITY OF PHOENIX

The undersigned does hereby certify that he/she is an attorney at law duly admitted to practice in the State of Arizona and is a resident of Phoenix, in the State of Arizona; that he/she is a person duly qualified to make this certificate of conformity pursuant to the laws of the State of Arizona; that the foregoing acknowledgment by Michael Young named in the foregoing instrument taken before Shannon Jackson a notary in the State of Arizona was taken in the manner prescribed by such laws of the State of Arizona, being the State in which it was

taken; and that it duly conforms with such laws and is in all respects valid and effective in such state.

Date 1/3/2025

A handwritten signature consisting of a stylized 'X' or checkmark followed by a horizontal line.

Attorney at law in the State of Arizona

Consumer Name: KURTUS DIXON

loan_id	month	begin_principal_balance	end_principal_balance	due_date	last_payment_date	last_payment_amount	principal_at_chargeoff	last_recovery_amount	last_recovery_date	interest_at_chargeoff
5549	1	13042.06	12805.99	10/27/2023	10/27/2023	\$45.76				
5549	2	12805.99	12574.44	11/27/2023	11/27/2023	\$45.76				
5549	3	12574.44	12337.37	12/27/2023	12/27/2023	\$45.76				
5549	4	12337.37	12083.98	1/27/2024	1/27/2024	\$45.76				
5549	5	12083.98	11834.77	2/27/2024	2/27/2024	\$45.76				
5549	6	11834.77	11586.61	3/27/2024	3/27/2024	\$45.76				
5549	7	11586.61	11298.51	4/27/2024	4/27/2024	\$45.76				
5549	8	11298.51	11021.03	5/27/2024	5/27/2024	\$45.76				
5549	9	11021.03	11007.39	6/27/2024	6/27/2024	\$45.76				
5549	10	11021.03	11007.39	7/27/2024	7/27/2024	\$45.76				
5549	11	11007.39	11007.39	8/27/2024						
5549	12	11007.39	11007.39	9/27/2024						
5549	13	11007.39	11007.39	10/27/2024						1045.49

## Truth in Lending Disclosure Statement

**Lender:**

Blue Ridge Bank  
17 West Main Street  
Luray, VA 22835

**Borrower:**

KURTUS DIXON  
3827 IRONWOOD ASH  
SAN ANTONIO, Texas 78261

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.
35.43%	\$7,647.24	\$12,000.00	\$19,647.24

Your payment schedule will be:

Number of Payments	Amount of Payments	When Payments are Due
35	\$545.76	Monthly, Beginning on 10/27/2023 and due on the same day of each following month. If your due date is on the 29th, 30th or 31st and the current month is shorter, your payment will be due on the last day of the month.
One Final Payment	\$545.64	09/27/2026

**Late Charge** If payment is not received in full within 15 calendar days of the payment due date, you may pay a late charge of \$10. This charge is assessed only once per late payment.

**Prepayment** If you pay off all your loan early, you will not have to pay a penalty.

**Security** None. This loan is unsecured.

**Additional Information** See your contract terms for any additional information about nonpayment, default, and repayment in full before the scheduled due date.

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**Itemization of the Amount Financed**

Principal Amount of Loan

Loan Origination Fee/Prepaid Finance Charge (Paid to Lender)

Amount Financed (Amount Provided to You)

\$12,000.00  
\$7,642.65  
\$19,647.65

5549

Date Generated: 09/27/2023

Original Document hash: upOpgUFzKO7FiAbXzym8/44uxtdZq/BAx+wydrrNEO4=

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**LOAN AGREEMENT AND PROMISSORY NOTE**

**DATE: September 27, 2023 ("Effective Date")**

**Borrower Name and Address:**

KIRTUS DIXON, 3827 IRONWOOD ASH SAN ANTONIO, Texas 78261

**1. PROMISE TO PAY.** The parties (each, a "Party" and collectively, "Parties") to this Loan Agreement and Promissory Note ("Note" or "Agreement") are the Borrower designated above ("Borrower," "you," or "your") and Blue Ridge Bank ("Bank"). For value received, you promise to pay to the order of Bank or any subsequent holder ("we," "us," or "Lender") of this Note, the principal loan amount of \$13,042.06, together with interest, fees and charges as set forth below. You promise that you will use the Loan Amount for the purpose you indicated on the loan application to us (the "Application") and not for any post-secondary student loan, to buy or sell securities, or any illegal purposes.

**2. INTEREST AND PAYMENTS.**

a. **Payment Timing and Application.** Principal and interest shall be paid in 36 monthly installments of \$545.76 as discussed herein and the Truth in Lending Disclosure. Your first Monthly Payment will be due on 10/27/2023. All other Monthly Payments will be due on the same day of each following month ("Subsequent Due Date") until 09/27/2026, when all principal, interest and fees payable and owing under this Note are due. If your Subsequent Due Date is the 29th, 30th or 31st and the current month is shorter, your payment will be on the last day of the month. All payments or prepayments will be applied first to accrued interest, then to unpaid principal, then to our fees, then to costs and expenses payable to us under this Note, including any costs or expenses that we incur related to enforcement of this Note as further described in Section 5 ("Remedies") below.

b. **Accrual.** Interest on your loan will accrue and be calculated on a 365 day year basis for each full month and each partial month based on the Interest Rate disclosed below applied to the unpaid Loan Amount for the actual number of days your loan is outstanding for such full or partial month. Interest will start accruing on the Loan Amount on the first calendar day following the Effective Date and will continue to accrue until all amounts owed under this Note are paid in full. The Finance Charge and Total of Payments listed on the Truth in Lending Disclosures are estimates based upon the assumption that all Monthly Payments will be made on time. If Monthly Payments are made before or after the applicable due dates, the actual amount of Finance Charge and Total of Payments may be less or more than that what appears in the Truth in Lending Disclosure.

c. **Interest Rate.** This Loan bears interest during each calendar month beginning on the Effective Date until paid in full at a rate of 18.89% per year.

d. **Maturity.** When your loan matures, you agree to pay in full any unpaid amounts payable under this Note. However, interest continues to accrue on the Loan Amount until you pay in full, even if your loan has matured.

e. **Payment Method.** Payment may be made by check or electronic funds transfer. Payment by check may be made by sending a personal check: (1) by standard US Mail to: Upgrade, Inc., Lbx#452210, P.O. Box 52210, Phoenix, AZ 85072-2210, or (2) by courier (FedEx, UPS, etc.) to: Upgrade, Inc., Attn: Batching Dept. lbx#452210, 530 W Alameda Dr., Suite 105, Tempe, AZ 85282. We may change these addresses from time to time, and we will notify you of the new address for payments.

f. **Electronic Check Conversion.** If you present a check for payment, you authorize us: (1) to use the information from your check to make an electronic funds transfer from your account; or (2) to process the transaction as a check. Please note, if we elect to use your check for an electronic funds transfer, funds may be withdrawn from your account as soon as the same day your check is received and you may not receive the check back from your financial institution.

g. **Prepayment.** You may make additional payments to prepay your loan in whole or in part at any time without penalty. Prepayments will not change your Monthly Payment, or your obligation to make scheduled Monthly Payments on each Subsequent Payment Date but your final payment amount may be smaller than the payment amount shown in the Truth in Lending Disclosure or you may reduce the total number of Monthly Payments required to repay your loan as shown in the Truth in Lending Disclosure.

**3. FEES.** We will also charge you and you agree to pay the following fees to the extent permitted by applicable law.

a. **Insufficient Funds/Returned Payment Fee.** You will be charged a non-refundable fee of ten dollars (\$10) for each failed electronic or check payment attempt. Your bank may assess its own fee in addition to the fee we assess.

b. **Late Payment Fee.** If a payment is more than fifteen (15) days late, we will charge you a nonrefundable late fee of ten dollars (\$10.00).

c. **Loan Origination Fee.** We will deduct a loan origination fee in the amount shown in the Truth in Lending Disclosure from the Principal Amount of Loan as shown in the Itemization of the Amount Financed contained in the Truth in Lending Disclosure.

d. **Debit Card Fee.** You are not required to make payments by use of a debit card. If the option is offered and you do use a debit card to make a payment of any kind, a third-party payment processor may charge you a service fee, which will be disclosed to you prior to your use of the service. Payment by debit card is optional and not a condition of obtaining a loan with us. Fees for this optional service are neither charged nor collected by Bank or Upgrade, Inc. ("Upgrade").

- 4. DEFAULT.** Unless expressly provided otherwise in this Note, you will be in default under this Note if:
- a. you fail to make any payment under this Note on the date such payment is due;
  - b. you fail to perform any of your obligations under this Note and you fail to cure such failure to perform to our reasonable satisfaction within thirty (30) days after receiving notice from us of your failure to perform;
  - c. any representation made by you in, or in connection with your Application or this Note is false in any material respect when made;
  - d. any of the following occurs (each a "Bankruptcy Event"): (1) you make an application for the appointment of a receiver, trustee or custodian or a receiver, trustee or custodian is appointed for you or a majority of your assets; (2) you initiate or consent to any legal proceedings under the Bankruptcy Code, or equivalent law providing for the relief of debtors; (3) you make an assignment for the benefit of creditors; or (4) you have a petition in bankruptcy or similar relief of debtors filed against you, which is not withdrawn or discharged within thirty (30) days of being filed.
  - e. you die.

**5. REMEDIES.** Our remedies if you default on this Note include the following (to the fullest extent permitted by law):

- a. General. In the event that you are in default under this Note, we may:
  - (1) declare our loan to you immediately due and payable, except that your loan will become immediately due and payable to us under a Bankruptcy Event, regardless of whether or not we take any action; and
  - (2) pursue any other remedies available to us under applicable law.
- b. Loan Acceleration. If your loan is immediately due and payable, you must promptly pay in full the unpaid principal amount of the loan, all accrued interest, and any other amounts and fees payable under this Note.
- c. Cost Reimbursement: Application of Proceeds. You agree to promptly reimburse us, with interest, for all costs and expenses incurred in exercising our remedies related to this Note, including reasonable attorneys' fees and the costs of collection after default, to the extent permitted by applicable law. Our rights under this Note are cumulative and we may exercise these rights at any time if you default.

In the event that we exercise any of our rights or remedies under this Note, you will continue to be in default until such time that you pay to us all amounts due to us and you have cured any and all defaults. Our failure to take any action or delay taking any action related to your default, does not waive, or imply a waiver of, any of our rights under this Note.

**COPY**

**6. TERMINATION.** This Note will terminate after you have paid in full all amounts payable by you under this Note. The terms of this Note that would, by their express nature, survive the termination of this Note (including the provisions under "Governing Law and Miscellaneous, Arbitration Agreement," "Notices and Other Information," "Limitation of Liability" and "Termination") will survive and be enforceable under this Note.

**7. NOTICES AND OTHER INFORMATION.** You consent to receive through electronic delivery, either via electronic mail at your registered email address or delivery to your online account, of all notices, records, disclosures and other information related to this Note ("Electronic Records") as further provided in the E-Sign Disclosure and Consent to Electronic Receipt of Loan Disclosures provided to you at the time of your Application. We may in our discretion deliver certain records to you in paper form to your last postal service mailing address of record. You must advise us immediately of any changes or updates to, inactivity of or operational problems with your registered email address. You agree that the federal Electronic Signatures in Global and National Commerce Act apply to this Note and our ability to conduct business with you by electronic means. All provisions of any Electronic Records are binding on you just as if they were delivered in paper to one of the addresses listed on the Truth in Lending Disclosure. As described when you provided your phone number in the Application, we may contact you at any phone number you provide. When you give us your mobile phone number, we have your consent to contact you at that number about your loan. Your consent allows us to use text messaging, automatic dialing technology and artificial or prerecorded voice messages for informational and loan service calls, but not for sales or telemarketing calls. It may include contact from companies working on our behalf to service your loan. Message and data rates may apply. You may contact us at any time to change these preferences.

**8. WAIVERS.** To the fullest extent permitted by applicable law, no extension of time for payment of any part of the amount due under this Note, and no alteration, amendment or waiver of any provision of this Note shall release, modify, amend, waive, extend, change, discharge, terminate or affect your unconditional liability, and that at any other person or party who may become liable for the payment of all or part of the amount due under this Note.

**9. CREDIT REPORTS AND MONITORING.** We may obtain credit reports on you on an ongoing basis until this Loan is paid in full. We may report information concerning your performance under this Note to credit reporting agencies. Late payments, missed payments or other defaults on this Note may be reflected in your credit report. If you believe we inaccurately reported information about you or this Note to a credit reporting agency, call (855) 997-3100, write to us at 275 Battery Street, 23rd Floor, San Francisco, CA 94111, Attention: Disputes Department, or send an email to us at creditreporting@upgrade.com. You will need to provide the date of your loan along with copy of your credit bureau report reflecting the information that you believe is inaccurate.

**10. ASSIGNMENT.** You may not assign or transfer your rights or obligations under this Note without our prior

written consent. We may assign or transfer all or a portion of this Note and the related documents to a third party or an affiliate. Our rights under this Note shall inure to the benefit of our successors and assigns and your obligations under this Note shall be binding upon your heirs, personal representatives and permitted assigns.

**11. LIMITATION OF LIABILITY.** OUR LIABILITY TO YOU UNDER THIS NOTE, IF ANY, SHALL BE LIMITED TO DIRECT, ACTUAL DAMAGES ONLY. YOU AGREE THAT IN NO EVENT SHALL WE BE LIABLE TO YOU FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, SPECIAL OR INDIRECT DAMAGES.

**12. GOVERNING LAW AND MISCELLANEOUS.**

Unless expressly provided otherwise in this Note, federal law and the laws of the state of Virginia, as applicable, govern this Note. If any provision of this Note cannot be enforced, the rest of the provisions of this Note will stay in effect. No amendment of this Note will be valid unless in writing and signed by both us and you. This Note represents the entire agreement between you and us regarding your loan.

**13. ARBITRATION AGREEMENT.**

**PLEASE READ THIS SECTION CAREFULLY AS IT AFFECTS YOUR RIGHTS. YOU HAVE THE RIGHT TO OPT OUT OF THIS ARBITRATION AGREEMENT AS DESCRIBED BELOW.**

- a. The parties to this Agreement agree that either you or Bank or its service provider Upgrade (or any subsequent assigns of the foregoing), may, at its sole election, require that the sole and exclusive forum and remedy for resolution of a Claim be final and binding arbitration pursuant to this section (the "Arbitration Provision"), unless you opt out as provided in paragraph (b) below. As used in this Arbitration Provision, "Claim" shall include any past, present, or future claim, dispute, or controversy involving you (or persons claiming through or connected with you), on the one hand, and Bank or Upgrade and/or any assign of Bank or Upgrade (or persons claiming through or connected with Bank or Upgrade and/or any assign of Bank or Upgrade), on the other hand, relating to or arising out of this Agreement and/or the activities or relationships that involve, lead to, or result from this Agreement, including (except to the extent provided otherwise in the last sentence of paragraph (f) below) the validity or enforceability of this Arbitration Provision, any part thereof, or the entire Agreement. Claims are subject to arbitration regardless of whether they arise from contract; tort (intentional or otherwise); a constitution, statute, common law, or principles of equity; or otherwise. Claims include matters arising as initial claims, counter-claims, cross-claims, third-party claims, or otherwise. The scope of this Arbitration Provision is to be given the broadest possible interpretation that is enforceable.
- b. You may opt out of this Arbitration Provision for all purposes by sending an arbitration opt-out notice to Blue Ridge Bank, c/o Upgrade, Inc., 275 Battery Street, 23rd Floor, San Francisco, CA 94111, Attention: Legal Department, only if received at the specified address within 30 days of the date of your electronic acceptance of the terms of this Agreement. The opt-out notice must clearly state that you are rejecting arbitration; identify the agreement to which it applies by date, provide your name, address, and social security number, and be signed by you. You may send the opt-out notice in any manner you see fit as long as it is received at the specified address within the specified time. No other methods can be used to opt-out of this Arbitration Provision. If the opt-out notice is sent on your behalf by a third party, such third party must include evidence of his or her authority to submit the opt-out notice on your behalf.
- c. The party initiating arbitration shall do so with the American Arbitration Association (the "AAA") or JAMS. The arbitration shall be conducted according to, and the location of the arbitration shall be determined in accordance with, the rules and policies of the administrator selected, except to the extent the rules conflict with this Arbitration Provision or any countervailing law. In the case of a conflict between the rules and policies of the administrator and this Arbitration Provision, this Arbitration Provision shall control, subject to countervailing law, unless all parties to the arbitration consent to have the rules and policies of the administrator apply.
- d. If Bank or Upgrade (or any assign of Bank or Upgrade) elects arbitration, Bank or Upgrade (or the assign, as the case may be) shall pay all the administrator's filing costs and administrative fees (other than hearing fees). If you elect arbitration, filing costs and administrative fees (other than hearing fees) shall be paid in accordance with the rules of the administrator selected, or in accordance with countervailing law if contrary to the administrator's rules. Bank or Upgrade (or the assign, as the case may be) shall pay the administrator's hearing fees for one full day of arbitration hearings. Fees for hearings that exceed one day will be paid by the party requesting the hearing, unless the administrator's rules or applicable law require otherwise, or you request that Bank or Upgrade (or the assign) pay them and Bank or Upgrade agrees (or the assign agrees) to do so. Each party to the arbitration shall bear the expense of its own attorneys' fees, except as otherwise provided by law. If a statute gives you the right to recover any of these fees, these statutory rights shall apply in the arbitration notwithstanding anything to the contrary herein.
- e. Within 30 days of a final award by the arbitrator, any party to the arbitration may appeal the award for reconsideration by a three-arbitrator panel selected according to the rules of the arbitrator administrator. In the event of such an appeal, any opposing party may cross-appeal within 30 days after notice of the appeal. The panel will reconsider de novo all aspects of the initial award that are appealed. Costs and conduct of any appeal shall be governed by this Arbitration Provision and the administrator's rules, in the same way as the initial arbitration proceeding. Any award by the individual arbitrator that is not subject to appeal, and any panel award on appeal, shall be final and binding, except for any appeal right under the Federal Arbitration Act (the "FAA"), and may be entered as a judgment in any court of competent jurisdiction.
- f. We agree not to invoke our right to arbitrate an individual Claim you may bring in Small Claims Court or an equivalent court, if any, so long as the Claim is pending only in that court. NO ARBITRATION SHALL PROCEED ON A CLASS, REPRESENTATIVE, OR COLLECTIVE BASIS (INCLUDING AS PRIVATE ATTORNEY GENERAL ON BEHALF OF OTHERS). EVEN IF THE CLAIM OR CLAIMS THAT ARE THE SUBJECT OF THE

ARBITRATION HAD PREVIOUSLY BEEN ASSERTED (OR COULD HAVE BEEN ASSERTED) IN A COURT AS CLASS REPRESENTATIVE, OR COLLECTIVE ACTIONS IN A COURT. Unless consented to in writing by all parties to the arbitration, no party to the arbitration may join, consolidate, or otherwise bring claims for or on behalf of two or more individuals or unrelated corporate entities in the same arbitration unless those persons are parties to a single transaction. Unless consented to in writing by all parties to the arbitration, an award in arbitration shall determine the rights and obligations of the named parties only, and only with respect to the claims in arbitration, and shall not (i) determine the rights, obligations, or interests of anyone other than a named party, or resolve any Claim of anyone other than a named party; nor (ii) make an award for the benefit of, or against, anyone other than a named party. No administrator or arbitrator shall have the power or authority to waive, modify, or fail to enforce this paragraph (f) and any attempt to do so, whether by rule, policy, arbitration decision or otherwise, shall be invalid and unenforceable. Any challenge to the validity of this paragraph (f) shall be determined exclusively by a court and not by the administrator or any arbitrator.

- g. This Arbitration Provision is made pursuant to a transaction involving interstate commerce and shall be governed by and enforceable under the FAA. The arbitrator will apply substantive law consistent with the FAA and applicable statutes of limitations. The arbitrator may award damages or other types of relief permitted by applicable substantive law, subject to the limitations set forth in this Arbitration Provision. The arbitrator will not be bound by judicial rules of procedure and evidence that would apply in a court. The arbitrator shall take steps to reasonably protect confidential information.
- h. This Arbitration Provision shall survive (i) suspension, termination, revocation, closure, or amendments to this Agreement and the relationship of the parties and/or assignee; (ii) the bankruptcy or insolvency of any party or other person; and (iii) any transfer of any loan or this Agreement to any other person or entity. If any portion of this Arbitration Provision is deemed invalid or unenforceable, the remaining portions of this Arbitration Provision shall nevertheless remain valid and in force. If an arbitration is brought on a class, representative, or collective basis, and the limitations on such proceedings in paragraph (f) are finally adjudicated pursuant to the last sentence of paragraph (f) to be unenforceable, then no arbitration shall be had. In no event shall any invalidation be deemed to authorize an arbitrator to determine Claims or make awards beyond those authorized in this Arbitration Provision. THE PARTIES ACKNOWLEDGE THAT THEY MAY HAVE A RIGHT TO LITIGATE CLAIMS THROUGH A COURT BEFORE A JUDGE OR JURY, BUT WILL NOT HAVE THAT RIGHT IF ANY PARTY ELECTS ARBITRATION PURSUANT TO THIS ARBITRATION PROVISION. THE PARTIES HEREBY KNOWINGLY AND VOLUNTARILY WAIVE THEIR RIGHTS TO LITIGATE SUCH CLAIMS IN A COURT BEFORE A JUDGE OR JURY UPON ELECTION OF ARBITRATION BY ANY PARTY.
- i. EXCEPTION: Active duty military servicemembers and their dependents are exempt from arbitration to the extent provided for in the Military Lending Act.

**14. REGISTRATION OF LOAN OWNERS.** You appoint Upgrade, Inc. as your authorized agent, in such capacity, the "Loan Registrar" to maintain a book-entry system (the "Register") for recording the owner of this Loan (the "Loan Owners"). The person or persons identified as the Loan Owners in the Register shall be deemed to be the owner(s) of this Loan for purposes of receiving payment of principal and interest on such Loan and for all other purposes. You acknowledge that the Loan Registrar maintains the only authoritative copy of this Loan. With respect to any transfer by a Loan Owner of its beneficial interest in this Loan, the right to payment of principal and interest on this Loan shall not be effective until the transfer is recorded in the Register.

**15. MILITARY LENDING ACT DISCLOSURE.** Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36 percent. This rate must include, as applicable to the credit transaction or account: the costs associated with credit insurance premiums; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for specified credit transactions or accounts); and any participation fees charged (other than certain participation fees for a credit card account).

(1) To obtain an oral statement regarding the Military Annual Percentage Rate and a description of the payment obligation, Covered Borrowers may call the following toll-free phone number: (855) 511-7676.

(2) A "Covered Borrower" is a consumer who, at the time of Application, qualified as a covered borrower under the Military Lending Act, as defined in 32 CFR § 232.3(g). Notwithstanding any other provision of this Agreement, if you are a "Covered Borrower", then nothing in this Agreement shall be construed as applying to you to the extent inconsistent with the Military Lending Act, including without limitation any interest, fees, or limitations on your rights that would not be consistent with the Military Lending Act. Without limiting the foregoing, if you are a "Covered Borrower", then Section 11 (Limitation of Liability) and Section 13 (Arbitration Agreement) do not apply to you.

**16. ELECTRONIC TRANSACTIONS.** THIS NOTE INCLUDES YOUR EXPRESS CONSENT TO ELECTRONIC TRANSACTIONS AND DISCLOSURES, WHICH CONSENT IS SET FORTH IN THE SEPARATE DOCUMENT TITLED, "E-SIGN ACT CONSENT," THE TERMS OF WHICH ARE EXPRESSLY INCORPORATED HEREIN IN THEIR ENTIRETY.

**17. STATE LAW NOTICES AND DISCLOSURES**

**ALABAMA RESIDENTS:** CAUTION — IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.

**CALIFORNIA RESIDENTS:** A married applicant may apply for a separate account. If Lender takes any adverse action as defined by Section 1785.3 of the California Civil Code and the adverse action is based, in whole or in part, on any information contained in a consumer credit report, Borrower has the right to obtain within 60 days a free copy of Borrower's consumer credit report from the consumer reporting agency who furnished the consumer credit report and from any other consumer credit reporting agency that complies and maintains files

on consumers on a nationwide basis.

**CALIFORNIA and NEW YORK RESIDENTS:** We may report information about your account to credit bureaus. Late payments, missed payments or other defaults on your account may be included in your credit report.

**CALIFORNIA and UTAH RESIDENTS:** You are hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations.

**FLORIDA RESIDENTS:** Florida documentary stamp tax required by law has been paid or will be paid directly to the Department of Revenue. Certificate of Registration No. 78-8018550901-8.

**IOWA RESIDENTS:** This is a Consumer Credit Transaction. Notwithstanding anything to the contrary in this Note:

- **Default:** You will be in default under this Note if, after giving you notice, as required by law, regarding your failure to perform and any right to cure:
  - you fail to cure such failure to perform to our reasonable satisfaction within twenty (20) days after receiving notice from us of your failure to perform;
  - you fail to make any payment under this Note within ten (10) days of the date such payment is due; or
  - you fail to observe any other requirement of this Note, breach of which materially impairs the condition, value or protection of or our right in any collateral securing the transaction, or materially impairs your prospect to pay amounts due.
- **Cost Reimbursement: Application of Proceeds.** You agree to promptly reimburse us, with interest, for all costs and expenses incurred in exercising our remedies related to this Note (excluding reasonable attorneys' fees) and the costs of collection after default, to the extent permitted by applicable law. Our rights under this Note are cumulative and we may exercise these rights at any time if you default.
- **Governing Law and Miscellaneous:** This Note shall be governed by Iowa law, except where otherwise preempted or authorized by 12 U.S.C. §85, including that interest and interest terms including origination fees, periodic interest, late fees, and returned check fees shall be governed by 12 U.S.C. §85 and the laws of Bank's home state. If any provision of this Note cannot be enforced, the rest of the provisions of this Note will stay in effect. No amendment of this Note will be valid unless in writing and signed by both us and you. This Note represents the entire agreement between you and us regarding your loan.

**IMPORTANT: READ BEFORE SIGNING.** The terms of this agreement should be read carefully because only those terms in writing are enforceable. No other terms or oral promises not contained in this written contract may be legally enforced. You may change the terms of this agreement only by another written agreement.

**NOTICE TO CONSUMER:**

1. Do not sign this paper before you read it.
2. You are entitled to a copy of this paper.
3. You may prepay the unpaid balance at any time without penalty and may be entitled to receive a refund of unearned charges in accordance with law.

**KANSAS RESIDENTS: NOTICE TO CONSUMER:** 1. Do not sign this agreement before you read it. 2. You are entitled to a copy of this agreement. 3. You may prepay the unpaid balance at any time without penalty.

**MAINE, NEW YORK and VERMONT RESIDENTS:** A consumer credit report may be requested in connection with your application or in connection with updates, renewals or extensions of any credit granted as a result of your application. Upon your request, you will be informed whether or not such a report was requested and, if so, the name and address of the agency that furnished the report.

**MASSACHUSETTS RESIDENTS:** Massachusetts law prohibits discrimination based upon marital status or sexual orientation.

**MISSOURI and NEBRASKA RESIDENTS:** YOU MAY PREPAY YOUR LOAN IN WHOLE OR IN PART AT ANY TIME. ORAL AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE. TO PROTECT YOU (BORROWER) AND US (LENDER) FROM MISUNDERSTANDING OR DISAPPOINTMENT, ANY AGREEMENTS WE REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS WRITING, WHICH IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN US, EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT.

**NEW HAMPSHIRE RESIDENTS:** If we refer this Agreement to an attorney for collection, you agree to pay our reasonable attorneys' fees. However, if you prevail in (1) any action, suit, or proceeding we bring, or (2) an action brought by you in connection with this Agreement, or (3) if you successfully assert a partial defense or setoff, recoupment, or counterclaim to an action brought by us, the court may withhold from us the entire amount or such portion of the attorneys' fees as the court considers equitable.

**NEW JERSEY:** The section headings of the Agreement are a table of contents and not contract terms. Portions of this Agreement with references to actions taken to the extent of applicable law apply to acts or practices that New Jersey law permits or requires. In this Agreement, acts or practices (i) by you which are or may be permitted by "applicable law" are permitted by New Jersey law, and (ii) that may or will be taken by you unless prohibited by "applicable law" are permitted by New Jersey law.

**OHIO RESIDENTS:** Ohio anti-discrimination laws require creditors to make credit equally available to all creditworthy customers and that credit reporting agencies maintain separate credit histories on individuals upon request. The Ohio Civil Rights Commission administers these laws.

**SOUTH DAKOTA RESIDENTS:** If there are improprieties in making the loan or loan practices, please contact the SD Division of Banking: South Dakota Division of Banking 1714 Lincoln Ave, Suite 2 Pierre, SD 57501 (605) 773-

3421.

**TEXAS RESIDENTS:** You agree to give up (waive) your common law rights to receive notice of intent to accelerate and notice of acceleration. This means that you give up the right to receive notice that we intend to demand that you pay all that you owe on this Note at once (accelerate) and notice that we have accelerated. This written loan agreement represents the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

**UTAH RESIDENTS:** This Agreement is the final expression of the agreement between you and us and it may not be contradicted by evidence of an alleged oral agreement.

**WISCONSIN RESIDENTS: NOTICE TO CUSTOMER:** (A) DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT, EVEN IF OTHERWISE ADVISED; (B) DO NOT SIGN THIS IF IT CONTAINS ANY BLANK SPACES; (C) YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN; AND (D) YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE OF THE UNPAID BALANCE DUE UNDER THIS AGREEMENT AND YOU MAY BE ENTITLED TO A PARTIAL REFUND OF THE FINANCE CHARGE.

**MARRIED WISCONSIN RESIDENTS:** No provision of any marital agreement, unilateral statement or court order applying to marital property will adversely affect a creditor's interest unless prior to the time credit is granted, the creditor is furnished with a copy of the agreement, statement or court order, or has actual knowledge of the provision. If you are married, by signing this Loan Agreement, you are confirming that this loan obligation is being incurred in the interest of your marriage and your family. If the loan for which you are applying is granted, you will notify the Lender if you have a spouse who needs to receive notification that credit has been extended to you.

**GENERAL NOTICE TO CUSTOMER:**

- (a) DO NOT SIGN THIS BEFORE YOU READ THE ENTIRE AGREEMENT, EVEN IF OTHERWISE ADVISED.
- (b) DO NOT SIGN THIS IF IT CONTAINS ANY BLANK SPACES.
- (c) YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN.
- (d) YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS AGREEMENT AND THE FINANCE CHARGE DISCLOSED MAY BE LESS.

KIRTUS DIXON

L 5549

BY: UPGRADE, INC.

ATTORNEY-IN-FACT FOR KIRTUS DIXON

(Signed Electronically)

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