

**RECEIVED**

**Nov 20 2025**

**SC Court of Appeals**

THE STATE OF SOUTH CAROLINA  
In The Court of Appeals

---

APPEAL FROM SPARTANBURG COUNTY  
Court of Common Pleas

J. Derham Cole, Circuit Court Judge

---

Case No. 2023-CP-42-02216  
Ct. App. No. 2024-002016

---

Founders Federal Credit Union, ..... Respondent,

v.

Kyle Anthony Tracy, ..... Appellant.

---

**SUPPLEMENTAL RECORD ON APPEAL**

---

*s/ Carl H. Petkoff*

Suzanne Taylor Graham Grigg (SC Bar No. 70681)  
Kyle A. Brannon (SC Bar No. 100550)  
MAYNARD NEXSEN PC  
1230 Main Street, Suite 700  
Columbia, South Carolina 29201  
Phone: 803-540-2168  
Email: sgrigg@maynardnexsen.com  
kbrannon@maynardnexsen.com

Carl H. Petkoff (SC Bar No. 104895)  
MAYNARD NEXSEN PC  
205 King Street, Suite 400  
Charleston, South Carolina 29401  
Phone: 843-720-1773  
Email: cpetkoff@maynardnexsen.com  
*Attorneys for Respondent Founders Federal Credit  
Union*

Respondent Founders Federal Credit Union (“Respondent”) hereby submits the following Supplemental Record on Appeal.

On October 13, 2025, Respondent filed its Designation of Matter to Be Included in the Record on Appeal (“DOM”). On October 23, 2025, Appellant Kyle Anthony Tracy (“Appellant”), appearing *pro se* throughout this case, filed the Record on Appeal. The Record on Appeal does not include certain documents identified by Respondent in its DOM.

On November 19, 2025, counsel for Respondent contacted Appellant to request consent, pursuant to South Carolina Appellate Court Rule 212(b), to file this Supplemental Record on Appeal for purposes of including documents that were omitted in the initial Record on Appeal. Appellant provided written consent to the filing of this Supplemental Record on Appeal.

**SUPPLEMENTAL RECORD ON APPEAL INDEX**

1.	Summons and Verified Complaint (6/21/23).....	1-16
2.	Affidavit of Service (6/28/23).....	17
3.	Answer (8/2/23).....	18-21
4.	Plaintiff’s Notice of Motion and Motion for Judgment on the Pleadings (8/23/23).....	22-23
5.	Affidavit of Attorney’s Fees and Costs (8/31/23).....	24-25
6.	Form 4 Order (9/14/23).....	26-28
7.	Plaintiff’s Motion for Summary Judgment (8/22/24).....	29
8.	Notice of Hearing and Certificate of Service (9/25/24).....	30-31
9.	Plaintiff’s Affidavit in Support of Motion for Summary Judgment (10/15/24).....	32-50
10.	Supplemental Affidavit of Attorney’s Fees and Costs (10/15/24).....	51-52
11.	Transcript of Hearing (10/22/24).....	53-58
12.	Order Granting Summary Judgment (11/13/24).....	59-65

Undersigned counsel certifies that this Supplemental Record on Appeal contains no matter that is irrelevant to this appeal.

**[SIGNATURES ON FOLLOWING PAGE]**

Respectfully submitted,

s/ Carl H. Petkoff

Suzanne Taylor Graham Grigg (SC Bar No. 70681)

Kyle A. Brannon (SC Bar No. 100550)

MAYNARD NEXSEN PC

1230 Main Street, Suite 700

Columbia, South Carolina 29201

Phone: 803-540-2168

Email: sgrigg@maynardnexsen.com

kbrannon@maynardnexsen.com

Carl H. Petkoff (SC Bar No. 104895)

MAYNARD NEXSEN PC

205 King Street, Suite 400

Charleston, South Carolina 29401

Phone: 843-720-1773

Email: cpetkoff@maynardnexsen.com

*Attorneys for Respondent Founders Federal  
Credit Union*

November 20, 2025  
Charleston, South Carolina

STATE OF SOUTH CAROLINA

COUNTY OF SPARTANBURG

IN THE CIRCUIT COURT

Case No. 2023-CP-42-\_\_\_\_\_

Founders Federal Credit Union,

Plaintiff,

vs.

Kyle Anthony Tracy,

Defendant.

**SUMMONS  
(Debt Collection)  
(Non-Jury)**

TO: THE DEFENDANT ABOVE NAMED

YOU ARE HEREBY SUMMONED AND REQUIRED to answer the Complaint in the above entitled action, a copy of which is herewith served upon you, and to serve a copy of your Answer upon the subscribers at their offices located at 1230 Main Street, Suite 700, Columbia, South Carolina 29201 within thirty (30) days after the date of such service, exclusive of the day of service; and if you fail to answer the said Complaint within the time aforesaid, judgment by default will be rendered against you for the relief demanded in the Complaint.

s/ Suzanne Taylor Graham Grigg

Suzanne Taylor Graham Grigg (Bar # 70681)

Kyle A. Brannon (Bar # 100550)

MAYNARD NEXSEN PC

1230 Main Street, Suite 700 (29201)

Post Office Box 2426

Columbia, South Carolina 29202

Phone: (803) 540-2114 / (803) 540-2168

Facsimile: (803) 727-1440 / (803) 727-1447

Email: [sgrigg@maynardnexsen.com](mailto:sgrigg@maynardnexsen.com)

[kbrannon@maynardnexsen.com](mailto:kbrannon@maynardnexsen.com)

June 21, 2023

Columbia, South Carolina

Attorneys for Plaintiff Founders Federal Credit Union

STATE OF SOUTH CAROLINA  
COUNTY OF SPARTANBURG

IN THE CIRCUIT COURT

Founders Federal Credit Union,

Case No. 2023-CP-42-\_\_\_\_\_

Plaintiff,

vs.

**VERIFIED COMPLAINT  
(Debt Collection)  
(Non-Jury)**

Kyle Anthony Tracy,

Defendant.

The Plaintiff, Founders Federal Credit Union (the “Plaintiff” or “Founders”), complaining of the Defendant Kyle Anthony Tracy (the “Defendant”), would respectfully show unto the Court:

1. The Plaintiff is a federal credit union, organized and existing under the laws of the United States of America, and doing business in Spartanburg County, South Carolina.

2. Upon information and belief, the Defendant is a citizen and resident of Spartanburg County, South Carolina.

3. The Court has personal jurisdiction over the parties, subject matter jurisdiction over this matter, and venue is proper in this Court.

4. **THIS IS AN ATTEMPT TO COLLECT A CONSUMER DEBT OWED BY THE DEFENDANT TO THE PLAINTIFF AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE. FURTHER, THE NOTICE REQUIRED BY THE FAIR DEBT COLLECTION PRACTICES ACT IS ATTACHED HERETO AS EXHIBIT “A” AND ARE INCORPORATED HEREIN BY REFERENCE.**

5. On or about November 5, 2021, the Defendant submitted that certain Consumer Lending Plan (the “Lending Plan”) executed by the Defendant in favor of the Plaintiff. As provided in the Lending Plan, the Defendant agreed to pay all collection costs incurred by the

Plaintiff in collecting any amounts owed to it by the Defendant, including reasonable attorneys' fees and litigation costs. The Lending Plan enabled the Defendant to incur the debt set forth herein below. A copy of the Lending Plan is attached hereto as Exhibit "B", and is incorporated herein by reference.

6. On or about November 5, 2021, the Plaintiff made a loan to the Defendant referenced as Loan No. XXXX34-3000 (the "BMW Loan"), as evidenced by that certain Security Agreement and Advance Receipt (the "BMW Note") executed by the Defendant in favor of the Plaintiff. The BMW Loan was secured by a 2011 BMW 5 Series automobile VIN # WBAFR7C57BC605969 (the "BMW") owned by the Defendant. The Plaintiff perfected its security interest in the BMW by recording its lien on the face of the Certificate of Title (the "Title") for the BMW. A copy of the BMW Note and Title are attached hereto as Exhibit "C", and are incorporated herein by reference.

7. The Defendant defaulted on the BMW Loan, and after proper notice to the Defendant, the Plaintiff exercised its state law rights and repossessed the BMW. After further notice to the Defendant regarding the right of redemption of the BMW, the BMW was sold in a commercially reasonable manner to the person or entity making the highest offer for the BMW, and the Plaintiff applied the net proceeds from the sale to reduce the amount of the indebtedness due and owing by the Defendant to the Plaintiff under the BMW Note.

8. Subsequent to the sale of the BMW, the Plaintiff sent notice to the Defendant advising the Defendant that a deficiency balance remained due and owing to the Plaintiff, after application of the net sales proceeds. The Defendant has failed to pay the deficiency balance due and owing to the Plaintiff.

9. As of June 21, 2023, there is now due and owing to the Plaintiff on the BMW Note, the sum of Nine Thousand One Hundred Fifty-One and 60/100 Dollars (\$9,151.60) principal and accrued interest and attorneys' fees<sup>1</sup> through June 21, 2023, together with interest that continues to accrue from June 21, 2023, at the contract rate of interest of 13.50% per annum, and additional attorneys' fees and costs for this action.

10. The Plaintiff is lawfully entitled to judgment against the Defendant in an amount to include the outstanding balance of the BMW Loan indebtedness of \$9,151.60, as of June 21, 2023, plus interest accruing from June 21, 2023, and thereafter, and additional attorneys' fees and costs for this action.

11. Upon entry, the judgment will continue to accrue interest at the contract rate of interest until paid in full.

WHEREFORE the Plaintiff prays that the Court grant it judgment against the Defendant as follows:

(a) For the full amount due and owing on the BMW Note in the amount of \$9,151.60, as of June 21, 2023;

(b) For an award of interest accruing on the BMW Note indebtedness at the contract rate from June 21, 2023, until the date of judgment, and interest accruing thereafter at the contract rate of interest until payment in full of the judgment;

(c) For an award of attorneys' fees and expenses in an amount to be determined by the Court; and,

(d) For such other and further relief as the Court may deem just and proper.

---

<sup>1</sup> Attorneys' fees and costs are subject to Court approval in this action.

s/ Suzanne Taylor Graham Grigg  
Suzanne Taylor Graham Grigg (Bar # 70681)  
Kyle A. Brannon (Bar # 100550)  
MAYNARD NEXSEN PC  
1230 Main Street, Suite 700 (29201)  
Post Office Box 2426  
Columbia, South Carolina 29202  
Phone: (803) 540-2114 / (803) 540-2168  
Fax: (803) 727-1440 / (803) 727-1447  
Email: [sgrigg@maynardnexsen.com](mailto:sgrigg@maynardnexsen.com)  
[kbrannon@maynardnexsen.com](mailto:kbrannon@maynardnexsen.com)

Attorneys for Founders Federal Credit Union

June 21, 2023  
Columbia, South Carolina

Maynard Nexsen PC  
Attention: Suzanne Taylor Graham Grigg  
P.O. Box 2426  
Columbia, SC 29202



To: Kyle Anthony Tracy  
590 Cherry Hill Road  
Spartanburg, SC 29307

ELECTRONICALLY FILED - 2023 Jun 21 2:53 PM - SPARTANBURG - COMMON PLEAS - CASE#2023CP4202216

**Maynard Nexsen PC is a debt collector. We are trying to collect a debt that you owe to Founders Federal Credit Union. We will use any information you give us to help collect the debt.**

**Our information shows:**

You have a vehicle loan from Founders Federal Credit Union with account number xxxx34-3000.

As of November 30, 2022, you owed:			\$7,922.11
Between November 30, 2022 and today:			
You were charged this amount in interest:	+	\$	479.49
You were charged this amount in fees:	+	\$	750.00
You paid or were credited this amount toward the debt:	-	\$	
<b>Total amount of the debt now:</b>			<b>\$9,151.60</b>

*(The "Total amount of the debt now" includes \$750.00 in attorneys' fees and other interest and fees that have accrued as of this date. Additional amounts may accrue after the above-stated date).*

**How can you dispute the debt?**

- **Call or write to us within thirty (30) days of your receipt of this notice, to dispute all or part of the debt.** If you do not, we will assume that our information is correct.
- **If you write to us within thirty (30) days of your receipt of this notice, we must stop collection on any amount you dispute until we send you information that shows you owe the debt.** You may use the form below or write to us without the form. You may also include supporting documents.

**What else can you do?**

- **Write to ask for the name and address of the original creditor, if different from the current creditor.** If you write within thirty (30) days of your receipt of this notice, we must stop collection until we send you that information. You may use the form below or write to us without the form.
- **Go to [www.cfpb.gov/debt-collection](http://www.cfpb.gov/debt-collection) to learn more about your rights under federal law.** For instance, you have the right to stop or limit how we contact you.
- **Contact us about your payment options.**

**How do you want to respond?**

*Check all that apply:*

- I want to dispute the debt because I think:**
  - This is not my debt.
  - The amount is wrong.
  - Other (please describe on reverse or attach additional information).
- I want you to send me the name and address of the original creditor.**
- I enclosed this amount:** \$

Make your check payable to Founders Federal Credit Union

**Mail this form to:**

Maynard Nexsen PC  
Attention: Suzanne Taylor Graham Grigg  
P.O. Box 2426  
Columbia, SC 29202

Kyle Anthony Tracy  
590 Cherry Hill Road  
Spartanburg, SC 29307



**Founders Federal Credit Union**  
 737 Plantation Road  
 Lancaster, SC 29720  
 1-800-845-1614

Exhibit "B"

**CONSUMER LENDING PLAN**

	ACCOUNT NUMBER [REDACTED]
BORROWER'S NAME AND ADDRESS <b>Kyle Anthony Tracy</b>	DATE OF BIRTH [REDACTED]
CO-BORROWER'S NAME AND ADDRESS <b>590 Cherry Hill Rd</b>	DATE OF BIRTH [REDACTED]
<b>Spartanburg, SC 29307-3428</b>	

"You", "Your" and "Borrower", means any person who executes the Plan by signing the Consumer Lending Plan, or any person who endorses a proceeds check or otherwise accepts, accesses, or uses Plan funds. "We", "us", "our" or "Credit Union" means the Credit Union named above.

**How the Plan Works.** You must become a Credit Union member before opening this Plan. This Consumer Lending Plan has a variety of subaccounts under which you may take various types of loans (called "advances"). Some subaccounts may be revolving (e.g., Personal Line of Credit). The credit available under these subaccounts will replenish as you pay down the balances. Other subaccounts are single-advance subaccounts such as New Auto. These subaccounts will not replenish and will have a set term.

**Binding Contract.** This Consumer Lending Plan, which includes the Credit Agreement, Security Agreement, Truth-in-Lending Statement, and all Advance Receipts ("Plan"), becomes a binding legal contract with regard to each advance as soon as you take an advance, and will govern the terms of all loans that you obtain under the Plan. You only sign once to open the Plan; thereafter, you may request additional advances without signing any paperwork unless requested by us. You become obligated on a particular advance when you receive the advance proceeds or the benefits thereof.

By signing below, you are:

1. **Agreeing to repay all loans you take.** All loans you take under the Plan must be paid back, even if you don't sign any paperwork at the time of the loan.
2. **Pledging funds on deposit with the Credit Union.** If you default, we may apply the funds on deposit in your accounts to the amount you owe us. We may also prevent you from withdrawing funds on deposit if you are in default, or, in the case of a savings-secured or funds on deposit-secured loan, if such withdrawal would cause your balance to fall below what you owe. Your pledge and our lien rights do not include any IRA, Keogh or other account which would lose special tax treatment if pledged. Please see the Security Agreement for complete details.
3. **Granting a security interest in all property you purchase or otherwise pledge.** If you default on any subaccount under the Plan, we may seize and sell any property you have purchased or pledged under that subaccount or any other subaccount. **Cross-Collateralization:** All other collateral you have pledged for any other loan with us (except your home and household goods) will also secure this Plan. **Release of Lien:** We will not release a lien on any of the collateral you have pledged if you are delinquent or in default on any of your subaccounts. For example: if you are in default of your line of credit subaccount, we will not release our lien on your vehicle loan, even if the vehicle loan is paid in full. Please see the Security Agreement for complete details.

**Interest Rates and Fees.** The rates and fees that apply to your subaccounts are disclosed on the separate Truth-in-Lending Statement and/or Advance Receipt.

**BORROWER'S ACKNOWLEDGEMENT & SIGNATURES**

By signing below, you understand and agree as follows:

**Acknowledgement:** You acknowledge that you have read, understand and accept the terms and conditions of the Consumer Lending Plan, Credit Agreement and Security Agreement, and have received copies of these documents. You also understand that you will receive a Truth-in-Lending Statement at the time of a single-disbursement advance, and at the time that you open a revolving subaccount. You agree to be bound by all Advance Receipts or similar documents and the Truth-in-Lending Statements, and understand that by endorsing any advance proceeds check, or by otherwise accepting, using or accessing your advance proceeds, you are bound to the aforementioned documents.

**Authentication and Signature (Loans and Obligations to the Credit Union).** All borrowers and owners of collateral hereby authorize the credit union or its agents to file, execute, sign, authenticate and take all other actions it deems necessary or proper in said parties' name(s) and stand with regard to the said parties' obligations to sign, file or obtain any lien, evidence of lien, financing statement, certificate of title or other security instrument it deems necessary to the attachment or perfection of your lien rights in any Collateral pledged to secure the borrower's obligations to the Credit Union as well as any additional collateral it may require under the terms of the Agreement and any alternate collateral it agrees to accept; or sale of such collateral in the event of default, which authority includes any modification, amendment, continuation or refiling.

**SECURITY INTEREST:** You understand and agree that, in exchange for all loans you may receive under this Plan, that you grant a security interest in any and all property that you purchase or otherwise pledge for those loans. This means we will have a lien on that property and may seize and sell the property if you are in default on any loan under this Plan. You understand and agree that the property will be described on the Advance Receipt that you receive at the time of the advance, and that this collateral description is incorporated as a valid part of granting this security interest. You understand and agree to the security interest even though the property will be described at a later date and even though you do not sign the Advance Receipt.

**Suspension of electronic services and access to funds on deposit accounts.** Subject to applicable law, we may suspend some or all electronic services and access to your checking or other account(s) if you become delinquent on any of your loan or deposit obligations to us or you cause a loss to us. We shall not be liable to you in any regard in connection with such suspension of services.

**NOTICE TO CONSUMER: THIS IS A CONSUMER CREDIT TRANSACTION. (A) DO NOT SIGN ANYTHING BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACES. (B) YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN. (C) YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS AGREEMENT.**

**CAUTION- IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.**

BORROWER'S SIGNATURE <i>X Kyle Tracy</i>	DATE 11/05/2021
---	--------------------

CO-BORROWER'S SIGNATURE <i>X</i>	DATE
-------------------------------------	------

BORROWER NAME

Kyle Anthony Tracy

ACCOUNT NUMBER

**IMPORTANT DISCLOSURES FOR ACTIVE MEMBERS OF THE MILITARY AND THEIR DEPENDENTS:**

The following applies if at the time this loan is made you are an active member of the military or a dependent (as those terms are defined in the Military Lending Act (MLA), 10 U.S.C. 987 and its implementing regulations ("MLA")), and (a) your loan is unsecured or secured by personal property or a vehicle that you did not purchase with the proceeds of the loan; or (b) it is otherwise determined by law that the MLA applies to your loan. If this loan is a revolving line of credit or credit card, the MLA ceases to apply at any time during which you are not a member of the military or a dependent (as defined in the MLA).

- NOTICE:** 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 or debt protection fees; 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 fee charged (other than certain participation fees for a credit card account). To receive this notice verbally, please call 1-800-845-1614 during our normal business hours.
- This loan will not be secured by a consensual lien on funds on deposit in any of your accounts unless you agree to establish an account in connection with this loan ("Secured Account"). Only funds deposited into the Secured Account after the loan is made will secure this loan. Any cross-collateralization provision contained in your loan or account documents will not apply to the Secured Account or your other funds on deposit accounts for any loan subject to the Military Lending Act.  
However, we reserve our statutory lien rights and rights to set-off or administrative freeze under federal or state law, which gives us the right to apply the sums in the Secured Account or any other account(s) you have with us to satisfy your obligations under this loan.
- Any reference in this consumer credit contract to the following are hereby inapplicable to your loan: (a) Mandatory arbitration; (b) Any requirement(s) to waive your rights to legal recourse under any applicable state or federal law; (c) Any demands or requirements construed as unreasonable notice from you in order to exercise your legal rights; or (d) Prepayment penalties.
- Any provisions in your consumer credit contract, loan, security, or account agreements that are determined to be inconsistent with or contradictory to these disclosures or the MLA (as they may be changed or amended from time to time) are inapplicable with regard to this loan. However, all other terms and conditions of the consumer credit contract shall remain in full force and effect.

**CREDIT AGREEMENT**

**Agreement to Terms and Promise to Pay:** By signing this Plan or any advance proceeds check, and/or by accepting, retaining, using, or accessing any proceeds under this Plan, you agree to the terms and conditions of the Consumer Lending Plan, Credit Agreement, Security Agreement, Truth-in-Lending Statement, and all Advance Receipts, or similar document, and any future amendments thereto, and promise to pay all amounts due.

**Endorsement of Proceeds Check:** By endorsing an advance proceeds check, you are agreeing to the terms of the Consumer Lending Plan and Advance Receipt, and are granting a security interest in the collateral described in the Advance Receipt. The terms of the advance proceeds check and the Advance Receipt, including the collateral description, are subject to the terms of the Plan.

**How to Compute the Interest Charge:** (open-end loans): The Interest Charge begins to accrue on the date of each advance and accrues for each day the balance remains unpaid. The unpaid balance for each day is multiplied by the applicable daily periodic rate to determine the Interest Charge for that day. The sum of these daily charges is the Interest Charge. The unpaid balance is the outstanding balance at the close of business after all transactions have been entered.

**Purchase of Optional Products:** If offered, you may apply for optional loan protection products such as debt protection or Guaranteed Asset Protection (GAP). These products are voluntary and are not required to obtain a loan from us. The premium or fee for the product(s) will be added to the outstanding balance and becomes part of your minimum monthly loan payment. We will retain a portion of this fee as compensation for providing this service. Purchase of optional products may extend the time it takes to pay off your outstanding balance(s).

**Access to Plan:** You may request advances under this Plan in any manner allowed by us. We may refuse to make any advance for any reason permitted by applicable law. This Plan has two types of subaccounts: (a) open-end revolving line of credit subaccounts under which the credit available will be replenishing as you pay the outstanding balance; and (b) closed-end single-advance subaccounts which will not replenish and will have a set repayment term (e.g., vehicle loan).

(a) **Open-end Advances:** If approved, you may obtain a revolving line of credit account under this Plan. You will receive open-end disclosures setting forth interest rate, fees, credit limit and other information pertaining to the line at the time you open the line of credit account. You may take advances from the line up to your approved credit limit, re-pay amounts, and continue to access credit up to the credit limit so long as you are not in default on the account. If your credit standing deteriorates, we may suspend your line, increase your rate, or take other actions in accordance with applicable law.

(b) **Closed-end Advances:** You may request closed-end advances under this Plan from time to time. If approved, you will receive an Advance Receipt setting forth closed-end disclosures regarding the annual percentage rate, fees, collateral, and other information pertaining to that advance. If you find the terms acceptable, you may consummate the loan by retaining or using the advance proceeds (such as by cashing the proceeds check or accepting a vehicle purchased with the proceeds). All terms and conditions of this Plan will be effective for a particular advance as of the date of that advance.

**Late Fees and Other Charges:** You agree to pay all fees and charges imposed under the Plan in the amount(s) disclosed on the Truth-in-Lending Statement, which fees may increase from time to time. Such fees shall be added to your outstanding balance and your minimum payment may increase or your loan term may be extended.

**Overdraft Protection:** If you request Overdraft Protection, any overdrafts on your checking account will be added to your line, even if the owner or authorized user of the checking account who causes the overdraft is not a borrower on the line.

**Perfection of Security Interest; Increase in Rate; Fee; Default:** If you fail to perfect our lien, we may take the necessary steps to do so and charge you a filing fee. This fee will be in the amount charged by the state and will be added to your loan balance. If we are unable to perfect our lien on the collateral pledged for any advance, or the value of the collateral deteriorates significantly, that advance may be treated as an advance under a line of credit for the purpose of determining the Interest Rate, and the Interest Rate shall increase to the highest line of credit rate in effect at that time. Your minimum monthly payment shall also increase accordingly. We may also consider the loan to be in default and can call the loan immediately due and payable, in which case you must pay the entire amount due in one lump sum. The loan while in default will bear interest at the highest rate allowed by law.

**Payments:** The minimum monthly payment and due date will be set and disclosed at the time each advance is made. You may pay the outstanding balance in full or pay more than the minimum due at any time without penalty. However, minimum payments are required for each billing cycle as long as any balance exists.

**Skip Payment:** If we make a skip payment option available, you may skip making your payment(s) for certain month(s). If you choose this option, interest will continue to accrue, but no late payment charges will be imposed during the skip period. All credit terms applicable immediately prior to the skip period will again apply once the skip period has expired.

**Default:** You shall be considered in default if we should, in good faith, believe that prospect of payment, performance, or our security interest in, or realization, of the collateral is impaired. You shall also be in default if: (1) you break any promise made under this Plan; (2) you do not use the loan proceeds for the purpose stated in your advance request; (3) you die; (4) you file a petition in bankruptcy, insolvency, or receivership or are put involuntarily into such proceedings; (5) if the collateral is lost, damaged or destroyed, or if it is levied against, attached, garnished, or seized for any reason under any authority; (6) you do not make your required payments on time; (7) anyone is in default of any security agreement given in connection with the Plan; (8) you commit fraud or make any false or misleading statements in connection with this Plan; (9) you are in default of any other loan or security agreement you have with us; (10) you use the Plan for any illegal purpose or transaction as determined by applicable law. Any one of the foregoing events shall evidence a reasonable belief that prospect of payment, performance or realization of the collateral is impaired.

**Actions Upon Default:** If you default, we may declare all amounts immediately due and payable, and you must immediately pay us the total unpaid balance, as well as the Interest Charge to date, any late charges and all collection costs permitted under law. The balance in default shall bear interest at the highest rate permitted by applicable law. If your state law requires a notice of default and an opportunity to cure that default, these rights will be afforded to you before we exercise our remedies.

**Costs of Collection:** You shall pay all costs incurred by us in collecting any amount you owe or in enforcing or protecting our rights. Costs of collection include, but are not limited to, collection agency fees, repossession fees, appraisals, environmental site assessments, and casualty insurance. *The following applies to all borrowers except Wisconsin borrowers:* Costs of collection also include reasonable attorney's fees for any action taken by an attorney who is not our salaried employee in order to collect this loan or preserve or protect our rights and remedies, including, without limitation, pre-suit demands for payment, pre-suit mediation or settlement negotiations, investigation and assessment of our rights, participation in bankruptcy cases, matters, and proceedings (including, without limitation, filing proofs of claim, pursuing reaffirmation agreements, attending meetings of creditors, and pursuing complaints, motions, and objections that relate in any way to the credit union's collateral or right to payment), collateral disposition, non-bankruptcy suits and/or administrative actions, and appeals.

BORROWER NAME

Kyle Anthony Tracy

ACCOUNT NUMBER

## CREDIT AGREEMENT

*For Alabama borrowers:* attorney's fees after default shall not exceed 15% of the unpaid debt, or such higher amount as a court may allow. *For Georgia borrowers:* attorney's fees shall not exceed 15% of principal and accrued interest, or such higher amount as a court may allow.

**Borrower Responsibility:** You must notify us of any change in your name, address, employment, financial situation or credit standing, and you must provide us any additional financial information we request. To prevent identity theft, you may be required to verify any change in your address. You shall not request an advance if you know or should have known that you cannot pay it back.

**Joint Plans:** If this Plan has more than one borrower, each of you is individually and jointly responsible for paying all amounts owed. We can enforce our rights against one or all of you. If you give us inconsistent instructions, we can refuse to follow those instructions or follow the instruction of our choosing. Unless our written policy requires all of you to sign for an advance, each of you may obtain advances individually and each agrees to repay advances made to the other(s). Any notice mailed to one shall be considered notice mailed to all. Any of you can remove yourself from responsibility as a co-borrower by notifying us in writing, unless such removal would violate our policy or regulations. In such a case the Plan may be terminated. Removing a Borrower or terminating the Plan will not relieve any of you from joint or several liability for any obligations already incurred.

**Termination:** This Plan may be terminated (1) upon adverse re-evaluation of your creditworthiness; (2) if you should fail to meet the terms of the Plan; (3) at our option, or your option, upon written notice. Termination will not affect your obligation to pay the balance outstanding prior to termination.

**Unlawful Transactions:** Your Plan shall not be used to make or facilitate any illegal transaction(s); and any such use will constitute an event of default. We shall not have any liability for any such use by you or any authorized user(s). You shall indemnify and hold us harmless from any suits, liability, damages or adverse action of any kind that results directly or indirectly from such illegal use.

**Change in Terms:** We may change the terms of this Plan at any time in accordance with applicable law. Increases in the interest rate will apply to future advances and, subject to applicable law, unpaid balances.

**Severability:** In case any provision of this Plan is held invalid, the Plan shall be enforced as if such provision was never included.

**No Waiver:** We may waive or delay exercising any of our rights without losing our ability to exercise those rights in the future.

**Governing Law:** This Plan shall be construed and enforced according to the laws of the State in which our headquarters are located. *If you have entered into a mandatory arbitration agreement in connection with this Plan:* if any provisions within this Agreement pertaining to jurisdiction and venue are inconsistent with the arbitration agreement, the arbitration agreement will govern.

**Final Agreement:** This written agreement is a final expression of the agreement between you and us, and may not be contradicted by evidence of any oral agreement.

**State and Federal Notices:**

**NOTICES TO WISCONSIN BORROWERS:** (1) If you are married and are extended individual credit, Wis. Stat. 766.56(3)(b) requires us to notify your spouse of the extension of credit. If we receive written notice of termination from your spouse pursuant to Wis. Stat. Section 766.56(5), we may declare you in default of the Plan and call the entire extension of credit due and payable notwithstanding Wis. Stat. Sections 425.103 and 425.105. If the Plan is called due and payable, you may have certain rights to cure the default.

(2) Additionally, no provision of a marital property agreement, a unilateral agreement under Wis. Stat. 766.59, or a court decree under Wis. Stat. 766.70 adversely affects our interests unless prior to the time the credit is extended, we are furnished with a copy of the agreement or statement, or have actual knowledge of the adverse provision when the obligation is incurred.

**NOTICE FOR ARIZONA OWNERS OF PROPERTY:** It is unlawful for you to fail to return a motor vehicle that is subject to a security interest within thirty days after you have received notice of default. The notice will be mailed to the address provided on this document unless you have given us a new address. It is your responsibility to notify us if your address changes. The maximum penalty for unlawful failure to return a motor vehicle is one year in prison and/or a fine of \$150,000.

**NORTH DAKOTA NOTICE TO BORROWERS PURCHASING A MOTOR VEHICLE - THE MOTOR VEHICLE IN THIS TRANSACTION MAY BE SUBJECT TO REPOSSESSION. IF IT IS REPOSSESSED AND SOLD TO SOMEONE ELSE, AND ALL AMOUNTS DUE TO THE SECURED PARTY ARE NOT RECEIVED IN THAT SALE, YOU MAY HAVE TO PAY THE DIFFERENCE.**

**NOTICE TO CALIFORNIA RESIDENTS:** By signing this Plan, you specifically agree that we may access the records of the California Department of Motor Vehicles from time to time to obtain your current mailing address, and by so agreeing, you are specifically waiving your rights under sections 1808.21 and 1808.22 of the California Vehicle Code.

**NOTICE TO TEXAS BORROWERS- INSURANCE REQUIRED:** You are required to: (i) keep the collateral insured against damage in the amount of the loan or another amount if we so specify; (ii) purchase this insurance from an insurer that is authorized to do business in the state of Texas or an eligible surplus lines insurer; and (iii) name us as the person to be paid under the policy in the event of a loss. You must also provide us a copy of the policy and proof of the payment of premiums if we so request. If you fail to meet any of these requirements, we may obtain collateral protection insurance on your behalf at your expense.

**For Missouri Residents: 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 (creditor) 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.**

**For Vermont Residents: NOTICE TO CO-BORROWER: YOUR SIGNATURE ON THIS AGREEMENT MEANS THAT YOU ARE EQUALLY LIABLE FOR REPAYMENT OF THE PLAN. IF THE BORROWER DOES NOT PAY, WE HAVE A LEGAL RIGHT TO COLLECT FROM YOU.**

**OHIO RESIDENTS ONLY:** The Ohio laws against discrimination require that all creditors make credit equally available to all creditworthy customers, and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law.

**FOR WASHINGTON AND OREGON RESIDENTS ONLY:**

**WARNING: UNLESS YOU PROVIDE US WITH EVIDENCE OF THE INSURANCE COVERAGE AS REQUIRED BY YOUR AGREEMENT, WE MAY PURCHASE INSURANCE AT YOUR EXPENSE TO PROTECT OUR INTEREST. THIS INSURANCE MAY, BUT NEED NOT, ALSO PROTECT YOUR INTEREST. IF THE COLLATERAL BECOMES DAMAGED, THE COVERAGE WE PURCHASE MAY NOT PAY ANY CLAIM YOU MAKE OR ANY CLAIM MADE AGAINST YOU. YOU MAY LATER CANCEL THIS COVERAGE BY PROVIDING EVIDENCE THAT YOU HAVE OBTAINED PROPER COVERAGE ELSEWHERE. YOU ARE RESPONSIBLE FOR THE COST OF ANY INSURANCE PURCHASED BY US. THE COST OF THIS INSURANCE MAY BE ADDED TO YOUR LOAN BALANCE. IF THE COST IS ADDED TO THE LOAN BALANCE, THE INTEREST RATE ON THE UNDERLYING LOAN WILL APPLY TO THIS ADDED AMOUNT. THE EFFECTIVE DATE OF COVERAGE MAY BE THE DATE YOUR PRIOR COVERAGE LAPSED OR THE DATE YOU FAILED TO PROVIDE PROOF OF COVERAGE. THE COVERAGE WE PURCHASE MAY BE CONSIDERABLY MORE EXPENSIVE THAN INSURANCE YOU CAN OBTAIN ON YOUR OWN AND MAY NOT SATISFY WASHINGTON'S OR OREGON'S MANDATORY LIABILITY INSURANCE LAWS.**

**Negative Information Notice:** We may report information concerning your account(s) and credit to credit reporting agencies/bureaus or others. Late payments, missed payments, insufficient funds transactions or other defaults on your loan may be reflected in your credit report.

**IMPORTANT NOTICE ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT:** To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying information.

**THIS WRITTEN PLAN 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.**

BORROWER NAME <b>Kyle Anthony Tracy</b>	ACCOUNT NUMBER [REDACTED]
--	------------------------------

**BILLING RIGHTS NOTICE****YOUR BILLING RIGHTS: KEEP THIS DOCUMENT FOR FUTURE USE**  
(applies to revolving subaccounts only):

This notice tells you about your rights and our responsibilities under the Fair Credit Billing Act.

**What To Do If You Find A Mistake On Your Statement**

If you think there is an error on your statement, write to us at the address(es) listed on your statement.

In your letter, give us the following information:

1. Your name and account number.
2. The dollar amount of the suspected error.
3. If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us:

- Within 60 days after the error appeared on your statement.
- At least 3 business days before an automated payment is scheduled, if you want to stop payment on the amount you think is wrong.

You must notify us of any potential errors in writing. You may call us, but if you do, we are not required to investigate any potential errors and you may have to pay the amount in question.

**What Will Happen After We Receive Your Letter****When we receive your letter, we must do two things:**

1. Within 30 days of receiving your letter, we must tell you that we received your letter. We will also tell you if we have already corrected the error.
2. Within 90 days of receiving your letter, we must either correct the error or explain to you why we believe the bill is correct.

**While we investigate whether or not there has been an error:**

- We cannot try to collect the amount in question, or report you as delinquent on that amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount.
- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your credit limit.

**After we finish our investigation, one of two things will happen:**

- If we made a mistake: You will not have to pay the amount in question or any interest or other fees related to that amount.
- If we do not believe there was a mistake: You will have to pay the amount in question, along with applicable interest and fees. We will send you a statement of the amount you owe and the date payment is due. We may then report you as delinquent if you do not pay the amount we think you owe.

If you receive our explanation but still believe your bill is wrong, you must write to us within 10 days telling us that you still refuse to pay. If you do so, we cannot report you as delinquent without also reporting that you are questioning your bill. We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us.

If we do not follow all of the rules above, you do not have to pay the first \$50 of the amount you question even if your bill is correct.

**SECURITY AGREEMENT**

**Security Interest; Description of Collateral:** By signing the Consumer Lending Plan, or a document that specifically references this Security Agreement, or by signing any advance proceeds check, and/or by accessing, retaining, using, or otherwise accepting any funds, accounts or services under the Plan, you grant us a security interest in all goods, property, or other items purchased under this Plan (hereinafter referred to as "Collateral") either now or in the future, or in any other property given in connection with the Plan. Any required description of the Collateral shall appear on the Advance Receipt or similar document and you agree that the document containing the collateral description becomes a part of this Security Agreement. The Collateral shall secure your advances even though you did not sign anything at the time of the advance. The security interest includes all increases, substitutions and additions to the Collateral, proceeds from any insurance on the Collateral and all earnings received from the Collateral. The security interest also includes all accessions. Accessions are things which are attached to or installed in the property now or in the future. The security interest also includes any replacements for the property which you buy within 10 days of the Advance or any extensions, renewals or refinancing of the Advance. If the value of the Collateral declines, you promise to give us more security if asked to do so. You also agree to abide by the terms of the Security Agreement and any Advance Receipt or similar document.

**CONSENSUAL PLEDGE of FUNDS; Consensual Lien; Statutory Lien; Right to Set-off; Administrative Freeze:** By signing the Consumer Lending Plan, and/or by accessing, retaining, using, or otherwise accepting any funds, accounts or services, **you grant us, and we impress, a lien on your funds on deposit with the Credit Union.** We also have similar statutory lien rights in your funds on deposit under the Federal Credit Union Act and/or applicable state law, as well as the common law right to set-off and administrative freeze. "Savings," "savings accounts," "funds on deposit," and "funds on deposit accounts" means any and all funds, regardless of the source of those funds, in any joint or individual account held and whether your interest in the account(s) is direct, indirect, contingent or secondary and whether held now or in the future. Your pledge and our lien rights do not include any IRA, Keogh or other account which would lose special tax treatment if pledged, or any irrevocable trust or fiduciary account in which you do not have vested ownership interest. **IF YOU HAVE A CREDIT CARD WITH US, OUR RIGHTS ALSO APPLY TO THAT CREDIT CARD ACCOUNT.** If you default, we may apply the funds in your savings accounts and funds on deposit accounts to any obligations you owe us, without any legal process, court proceeding or any notice to any owner of the affected savings and funds on deposit accounts, unless applicable law so requires. **You specifically agree that we have the right to place an administrative freeze on any of your savings and funds on deposit accounts** subject to applicable law, and such action shall not violate 11 USC 362 or other applicable law. These rights are multiple and we can exercise one or all of them.

**Savings- or Certificate-Secured Subaccounts:** If you have a Savings-Secured or Certificate-Secured subaccount, you must maintain an amount in the pledged account at least equal to your credit limit. If you fail to do so, you will be in default. Certificates must be renewed as long as a balance remains on a Certificate-Secured subaccount.

**CROSS-COLLATERALIZATION: Property and/or funds on deposit given as security under this Plan or for any other loan you have with us will secure any and all advances under this Plan as well as any account owner's joint or individual obligations to us, now or in the future, whether direct, indirect, contingent or secondary and arising from any loan or credit agreement, insufficient fund items; fees; cost, expenses, reasonable attorney's fees, or otherwise. However, property securing another debt will not secure advances under this Plan if such property is your primary residence or are household goods. IF YOU HAVE A CREDIT CARD WITH US, THIS CROSS-COLLATERALIZATION CLAUSE ALSO APPLIES TO THAT CREDIT CARD.**

**Release of Lien:** We will not release any lien on any collateral if you are delinquent on, or in default on, any subaccount under this Plan. For example, if you are in default of your line of credit subaccount, we will not release our lien on a vehicle loan, even if the vehicle loan is current or paid in full.

**No Liability for Dishonor:** We shall not have any liability relating to the dishonor or other return of any check or other item occurring as a result of us exercising our lien rights or good-faith freezing of your accounts.

BORROWER NAME

Kyle Anthony Tracy

ACCOUNT NUMBER

**SECURITY AGREEMENT**

**Ownership of the Collateral:** If you are granting a security interest in property you already own, you promise that the property is free of all security interests except that given to us or disclosed prior to the advance. You promise that you have informed us of any and all co-owners of the Collateral and/or any other person with an interest in or claim against the property. If you are using the advance proceeds to buy the property that shall be used as Collateral, you shall use those advance proceeds for the sole purpose of buying that Collateral. You shall not sell or lease the Collateral or use it as security for a loan with another creditor until the advance is repaid. You shall not allow another security interest or lien to attach to the Collateral either by your actions or by operation of law.

**Protecting the Security Interest:** You shall take any steps necessary for us to perfect our security interest in the Collateral. If asked to do so, you shall sign a financing statement or similar instrument to perfect our security interest and/or to protect our security interest from the claims of others.

**Use and Maintenance of Collateral:** Until the advance has been paid in full, you agree to (1) use the Collateral carefully and for the purpose it was intended and keep it in good repair; (2) Obtain our written permission before making material changes to the Collateral or changing the address where the Collateral is kept; (3) allow us to inspect the Collateral; (4) Promptly notify us if the Collateral is damaged, stolen or abused; (5) Not use the Collateral for any unlawful purpose; (6) pay all taxes, assessments and liens regarding the Collateral.

**Notices:** We may meet all requirements for sending you notice of any kind if we send it to you via United States mail, at your last given address. We may also meet this requirement by delivering these notices to you electronically if you have agreed to receive notices by electronic means.

**Additional Advances:** Any additional advances made by us for the payment of taxes or assessments or liens of any kind, or premiums on insurance and the interest owing thereon or any other advance necessary to perfect or protect our security interest shall also be secured by this agreement. Such amounts shall be added to your loan balance and your minimum payment due shall be increased or your loan term extended accordingly.

**Disposition of Collateral:** If a default under the Plan occurs, we may repossess and sell the Collateral in a lawful manner. In such case, you will at our request assemble the Collateral and make it available to us at a place of our choosing, or we may enter the premises where the Collateral is kept and take possession, subject to applicable law. We may also render the Collateral unusable. If we decide to sell the Collateral at a public sale, private sale, or otherwise dispose of the Collateral, we will provide reasonable notice if required by law and will otherwise comply with applicable state law. If we sell or otherwise dispose of the Collateral we may collect from you reasonable expenses incurred in the retaking, holding and preparing the Collateral for and arranging the sale of the Collateral, as well as any deficiency balance as allowed under applicable law. We may also collect reasonable attorney's fees and legal expenses, permitted by applicable law, incurred in connection with disposition of the Collateral. We have certain rights and legal remedies available under the Uniform Commercial Code and other applicable laws, and we may use these rights to enforce payment if you default.

**Attorney-in-Fact:** You hereby appoint us as your Attorney-in-Fact to perform any acts which we feel are necessary to protect the Collateral and our security interest. You specifically authorize us to endorse on your behalf any check made payable to both you and us.

**Survival of Obligations:** This security agreement not only binds you, but your executors, administrators, heirs and assigns.

*Applies to Louisiana residents only:*

### **Louisiana law permits repossession of motor vehicles upon default without further notice or judicial process.**

If the secured collateral is a motor vehicle and you are in default, we may seize and sell the motor vehicle without demand for payment or advance notice to you. Collateral other than motor vehicles may be repossessed without judicial process only as allowed by applicable Louisiana law.

For purposes of foreclosure under Louisiana executory process, **you hereby confess judgment in our favor for all amounts secured by the Plan**, including, but not limited to, principal, interest, late charges, costs of collection, costs of preservation of the collateral, reasonable attorney's fees, and all other amounts advanced under the Plan. We may appoint a keeper of the property in the event of foreclosure. To the extent allowed under Louisiana law, you hereby waive the following rights and procedures under Louisiana

law: (a) all rights and benefit of appraisal; (b) notice of seizure; (c) the 3-day delay afforded under Articles 2331 and 2722; and (d) all other provisions under Articles 2331, 2722 and 2723 and all other Articles not specifically mentioned herein. You further agree that any declaration of fact made by authentic act by a person declaring that such facts are within his or her knowledge shall constitute authentic evidence of facts for the purposes of foreclosure under applicable Louisiana law and for the purposes of LSA-R.S. 9:3504(D)(6) and LSA-R.S. 10:9-508, to the extent applicable.

#### **PROPERTY INSURANCE; LENDER-PLACED INSURANCE - PLEASE READ CAREFULLY**

(a) Your requirement to maintain property insurance. You are required to carry insurance to protect your interest and our interest in the collateral securing this loan. The insurance:

- Must protect against any loss by fire or theft, and collision and comprehensive coverage on motor vehicles and other property pledged as security on this Plan.
- Must (i) be in an amount and type sufficient to repair the collateral to its existing condition prior to the loss, and/or to replace the collateral with comparable or like property, minus depreciation, if it is damaged or lost; or (ii) be in an amount and type as we might otherwise inform you that we require.
- Must have a maximum deductible as set forth by us.
- Must be maintained in force for as long as the loan is outstanding.
- Must name us as loss payee. We must receive the loss payee endorsement within 30 days of your loan date.

These requirements are solely in our discretion and we may change any of these requirements at any time for any reason. The insurance may be obtained by any insurer of your choice that is acceptable to us.

(b) Lender-placed property insurance. Please read carefully:

- **If you fail to maintain insurance satisfying the requirements set forth above, or if you fail to provide us proof of such coverage, we may, but do not have to, obtain insurance to protect our interest (not yours) in the property.**
- **The total cost of lender-placed insurance may be added to the loan balance.** The total cost of this insurance includes, but is not limited to, the premium, any administrative costs we incur, any commissions that may be earned, and other reasonable expenses related to your failure to maintain insurance. This cost will be paid by you either on demand, or by increasing your periodic payment, or by extending the loan term.
- Whether we obtain insurance, and the amount and types of coverage that we may obtain, is solely in our discretion. We may obtain this insurance from anyone we want, including an affiliate of ours, and such affiliate may earn a commission on the coverage.
- **The insurance placed by us is without benefit to you personally,** and is primarily for our protection. It may not adequately protect your interest in the collateral or any personal property contained in the collateral, and will not satisfy any mandatory liability or financial responsibility requirements under state law.
- **Coverage obtained by us may be considerably more expensive than coverage you could obtain on your own** and may be different than previous policies you may have had or policies that you may prefer.
- Any insurance placed by us will be effective as of the date your policy lapsed or, if you never obtained insurance, the date of the loan.
- Nothing in this agreement is intended to confer third-party beneficiary rights or status to you with respect to any agreements between us and our insurer or its agent.

(c) How to remove lender-placed property insurance. You may have the lender-placed coverage cancelled at any time by providing evidence to us that you have purchased insurance coverage satisfying the requirements set forth above.

(d) Other. You assign us the right to receive and endorse any insurance proceeds check, to apply those proceeds to the sums you owe, and you direct any insurer to pay those proceeds directly to us. You further authorize us or our representative to obtain the necessary information for verification of adequate coverage. We, or our affiliates, may receive compensation or reimbursement of expenses related to any insurance premiums added by us.

(e) Default. If you fail to maintain insurance as set forth in this provision, you will be in default of your loan. We may either place our own insurance on the collateral as explained above, or we can declare you in default and take all remedies set forth in your loan agreement or available to us under applicable law, including calling the loan immediately due.



**Founders Federal Credit Union**  
 737 Plantation Road  
 Lancaster, SC 29720  
 1-800-845-1614

Exhibit "C"

**SECURITY AGREEMENT AND  
 ADVANCE RECEIPT**

BORROWER'S/OWNER'S NAME <b>Kyle Anthony Tracy</b>	DATE <b>11/05/2021</b>
CO-BORROWER'S/OWNER'S NAME	ACCOUNT NUMBER [REDACTED] - 3000
NON-BORROWER OWNER'S NAME	

**SECURITY INFORMATION**

THE FOLLOWING PROPERTY IS GIVEN AS COLLATERAL TO SECURE THE DEBT DESCRIBED HEREIN. THE ADVANCE IS ALSO SECURED BY BORROWER'S SAVINGS, ALL PROPERTY SECURING OTHER PLAN ADVANCES AND LOANS RECEIVED IN THE PAST OR IN THE FUTURE:

SAVINGS PLEDGED:	ACCOUNT NUMBER	AMOUNT	ACCOUNT NUMBER	AMOUNT

MOTOR VEHICLES:	YEAR	MAKE	MODEL	BODY TYPE	SERIAL NUMBER OR VIN
	2011	BMW	5 Series	Sedan 4D 535i 3.0L I6 Tu	WBAFR7C57BC605969
	VALUE			AMOUNT OF LIEN (TOTAL OF PAYMENTS)	
\$11,850.00			\$18,198.25		

OTHER COLLATERAL:	YEAR	MAKE	MODEL	BODY TYPE	SERIAL NUMBER OR VIN
	VALUE			AMOUNT OF LIEN (TOTAL OF PAYMENTS)	

**CREDIT INFORMATION**

<b>ANNUAL PERCENTAGE RATE:</b> The cost of your credit as a yearly rate. <b>13.500%</b>	<b>FINANCE CHARGE:</b> The dollar amount the credit will cost you. <b>\$4,395.25</b>	Amount Financed: The amount of credit provided to you or on your behalf. <b>\$13,803.00</b>	Total of Payments: The amount you will have paid after you have made all payments as scheduled. <b>\$18,198.25</b>
---	---	--	---

**\*Savings/Certificate Secured:** If checked, this is a savings or certificate secured loan and the Annual Percentage Rate for savings/certificate secured advances will be the dividend rate being paid on savings/certificate(s) offered as security (Index) plus a margin of \_\_\_\_\_. If there is an existing balance on the date of the new advance, the existing balance will be added to the new advance and the entire balance will be at the new APR. The APR shall be subject to an increase or decrease at the time the dividend rate on your pledged savings/certificate(s) changes. Savings dividend rate changes shall be at the sole discretion of Founders Federal Credit Union. The certificate must be renewed until the advance is completely paid. Any increase will take the form of higher payment amounts. EXAMPLE: If your loan was \$10,000 at 6% for 120 months and the rate increased to 6.50% after 3 years, your monthly payment would increase by \$1.83.

**\*Prime Rate:** If checked, the Annual Percentage Rate disclosed above may increase or decrease during the term of this transaction if the highest rate of interest identified as the 'Prime Rate' in the 'Money Rates' column of the Wall Street Journal increases or decreases. The Annual Percentage Rate will be equal to the Prime Rate plus a margin of \_\_\_\_\_. Rates can change annually on the anniversary of the loan date following a change in the Prime Rate. Any increase will take the form of higher payment amounts. EXAMPLE: If your loan was \$10,000 at 6% for 120 months and the rate increased to 6.25% after 3 years, your monthly payment would increase by \$0.91.

Your payment schedule will be:

NUMBER OF PAYMENTS	AMOUNT OF PAYMENTS	WHEN PAYMENTS ARE DUE	
50	\$358.00	Monthly	12/05/2021
1 Final Payment	\$298.25		02/05/2026

**Security:** You are giving a security interest in your funds on deposit with the Credit Union, as well as the collateral described above. Collateral for other loans with us will also secure this loan, except for your home and household goods.

**Late Charges:** If a payment is received more than 15 days after the due date, you will be charged 5% of the scheduled payment amount on each said installment subject to a minimum of \$5.00 and a maximum of \$25.00

**Filing Fees:**

**Property Insurance:** You may obtain property insurance from anyone you want that is acceptable to us. If you do not obtain property insurance we will obtain it at your cost.

**Required Deposit Balance:** The Annual Percentage Rate does not take into account your required deposit balance.

**Prepayment:** If you pay off early, you will not have to pay a penalty.

"e" means estimate.

See your contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled date, and prepayment refunds and penalties.

ITEMIZATION OF AMOUNT FINANCED OF	\$13,803.00	Amount Paid to Others on Your Behalf					
AMOUNT GIVEN TO YOU DIRECTLY	\$10,500.00	GAP To: Allied (a portion will be retained by us)	Title Fees To: DMV	Title Fees To: DDI	Repair Agreement To: APCO (a portion will be retained by us)	Carfax	FedEx
AMOUNT PAID ON YOUR ACCOUNT	\$0.00		\$0.00	\$0.00	\$2,798.00	\$10.00	
PREPAID FINANCE CHARGE		\$495.00					

BORROWER'S NAME <b>Kyle Anthony Tracy</b>	ACCOUNT NUMBER [REDACTED] - 3000
--	-------------------------------------

**Debt Protection:** Thank you for purchasing optional debt protection on your Consumer Lending Plan. The Total Estimated Fee for this loan is \$0.00, and is included in the payment schedule disclosed on page 1 of this document. We will retain a portion of this amount.

**Products/Services Offered By Third Parties/Affiliates:** Any Guaranteed Asset Protection insurance or extended warranty services ("products") which are provided by third parties or any affiliates are not products of the Credit Union. If the purchase of same is facilitated by or through Credit Union financing; such is a convenience to the borrower(s) and in no way creates any contractual or other relationship between the borrower(s) and the Credit Union with regard to any such products. Any rights, obligations or claims with regard to such products shall be solely and exclusively by and between the party providing such products as may be set forth in any applicable contracts, agreements or otherwise, and the Credit Union shall have no obligations, responsibilities, duties, or liabilities whatsoever regarding same. This does not apply to our Debt Protection product, which is governed by the Loan Addendum between the Credit Union and the member.

**Authentication and Signature (Loans and Obligations to the Credit Union).** All borrowers and owners of collateral hereby authorize the Credit Union or its agents to file, execute, sign, authenticate and take all other actions it deems necessary or proper in said parties' name(s) and stand with regard to the said parties' obligations to sign, file or obtain any lien, evidence of lien, financing statement, certificate of title or other security instrument it deems necessary to the attachment or perfection of your lien rights in any Collateral pledged to secure the borrower's obligations to the Credit Union as well as any additional collateral it may require under the terms of the Agreement and any alternate collateral it agrees to accept; or sale of such collateral in the event of default, which authority includes any modification, amendment, continuation or refinancing.

By signing below, Borrower agrees to abide by the terms of the Credit Agreement and all owners GRANT TO THE CREDIT UNION A SECURITY INTEREST IN THE PROPERTY DESCRIBED ABOVE and agree to abide by the terms of the Security Agreement. This pledge of security is governed by the Security Agreement contained herein. Property given as security for this loan or for any other loan will secure all amounts you owe the Credit Union now and in the future. This includes a security interest in all your funds on deposit with the Credit Union. However, for purposes of this advance, the Credit Union specifically waives any security interest it may have in your dwelling as explained in the Security Agreement. Non-purchase money household goods will not secure future advances. By signing below, Non-Borrower Owner agrees to abide by the terms of the Security Agreement and grants to the Credit Union a security interest in the property described above.

**NOTICE TO CONSUMER: THIS IS A CONSUMER CREDIT TRANSACTION. (A) DO NOT SIGN ANYTHING BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACES. (B) YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN. (C) YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS AGREEMENT. THIS WRITTEN 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.**

**CAUTION- IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.**

<input checked="" type="checkbox"/> BORROWER/OWNER	<input type="checkbox"/> NON-BORROWER/OWNER	DATE
<i>X</i> <i>Kyle Tracy</i>		11/05/2021
<input checked="" type="checkbox"/> BORROWER/OWNER	<input type="checkbox"/> NON-BORROWER/OWNER	DATE
<i>X</i>		

<input type="checkbox"/> BORROWER/OWNER	<input checked="" type="checkbox"/> NON-BORROWER/OWNER	DATE
<i>X</i>		
SECURED PARTY SIGNATURE (IF REQUIRED)		DATE
<i>X</i> <i>Sayani Ponce Lopez</i>		11/08/2021

CONSUMER'S CLAIMS AND DEFENSES NOTICE - IF CHECKED, SEE NOTICE BELOW

**NOTICE: ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.**

**IMPORTANT DISCLOSURES FOR ACTIVE MEMBERS OF THE MILITARY AND THEIR DEPENDENTS:**

The following applies if at the time this loan is made you are an active member of the military or a dependent (as those terms are defined in the Military Lending Act (MLA), 10 U.S.C. 987 and its implementing regulations ("MLA")), and (a) your loan is unsecured or secured by personal property or a vehicle that you did not purchase with the proceeds of the loan; or (b) it is otherwise determined by law that the MLA applies to your loan. If this loan is a revolving line of credit or credit card, the MLA ceases to apply at any time during which you are not a member of the military or a dependent (as defined in the MLA).

- NOTICE:** 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 or debt protection fees; 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 fee charged (other than certain participation fees for a credit card account). To receive this notice verbally, please call 1-800-845-1614 during our normal business hours.
- This loan will not be secured by a consensual lien on funds on deposit in any of your accounts unless you agree to establish an account in connection with this loan ("Secured Account"). Only funds deposited into the Secured Account after the loan is made will secure this loan. Any cross-collateralization provision contained in your loan or account documents will not apply to the Secured Account or your other funds on deposit accounts for any loan subject to the Military Lending Act.  
However, we reserve our statutory lien rights and rights to set-off or administrative freeze under federal or state law, which gives us the right to apply the sums in the Secured Account or any other account(s) you have with us to satisfy your obligations under this loan.
- Any reference in this consumer credit contract to the following are hereby inapplicable to your loan: (a) Mandatory arbitration; (b) Any requirement(s) to waive your rights to legal recourse under any applicable state or federal law; (c) Any demands or requirements construed as unreasonable notice from you in order to exercise your legal rights; or (d) Prepayment penalties.
- Any provisions in your consumer credit contract, loan, security, or account agreements that are determined to be inconsistent with or contradictory to these disclosures or the MLA (as they may be changed or amended from time to time) are inapplicable with regard to this loan. However, all other terms and conditions of the consumer credit contract shall remain in full force and effect.

"YOU" OR "YOURS" MEANS EACH PERSON WHO SIGNED THIS SECURITY AGREEMENT ABOVE. "WE" OR "OURS" MEAN THE CREDIT UNION NAMED ON PAGE 1 OF THIS SECURITY AGREEMENT. "BORROWER" MEANS ALL BORROWER(S) NAMED ON PAGE 1 OF THIS SECURITY AGREEMENT.

**SECURITY AGREEMENT**

**Security Interest; Description of Collateral** By signing this Security Agreement, and/or by accessing, using, or otherwise accepting any funds, accounts or services under Borrower's Consumer Lending Plan, you grant us a security interest in all goods, property, or other items purchased under this Plan (hereinafter referred to as "Collateral") either now or in the future, or in any other property given in connection with the Plan. Any required description of the Collateral shall appear on the Advance Receipt or similar document and is hereby incorporated by reference. The security interest includes all increases, substitutions and additions to the Collateral, proceeds from any insurance on the Collateral and all earnings received from the Collateral. The security interest also includes all accessions. Accessions are things which are attached to or installed in the property now or in the future. The security interest also includes any replacements for the property which you buy within 10 days of the Advance or any extensions, renewals or refinancing of the Advance. If the value of the Collateral declines, you promise to give us more security if asked to do so. You also agree to abide by the terms of the Security Agreement and any Advance Receipt or similar document.

"Savings," "savings accounts," "funds on deposit," and "funds on deposit accounts" means any and all funds, regardless of the source of those funds, in any joint or individual account held and whether your interest in the account(s) is direct, indirect, contingent or secondary and whether held now or in the future. Your pledge and our lien rights do not include any IRA, Keogh or other account which would lose special tax treatment if pledged, or any irrevocable trust or fiduciary account in which you do not have vested ownership interest. IF YOU HAVE A CREDIT CARD WITH US, OUR RIGHTS ALSO APPLY TO THAT CREDIT CARD ACCOUNT.  
If you default, we may apply the funds in your savings accounts and funds on deposit accounts to any obligations you owe us, without any legal process, court proceeding or any notice to any owner of the affected savings and funds on deposit accounts, unless applicable law so requires. You specifically agree that we have the right to place an administrative freeze on any of your funds on deposit accounts subject to applicable law, and such action shall not violate 11 USC 362 or other applicable law. These rights are multiple and we can exercise one or all of them.

**CONSENSUAL PLEDGE OF FUNDS; Consensual Lien; Statutory Lien; Right to Set-off; Administrative Freeze:** By signing this Security Agreement, and/or by accessing, retaining, using, or otherwise accepting any funds, accounts or services, you grant us, and we impress, a lien on your funds on deposit with the Credit Union. We also have similar statutory lien rights in your funds on deposit under the Federal Credit Union Act and/or applicable state law, as well as the common law right to set-off and administrative freeze.

**GROSS-COLLATERALIZATION:** Property and/or funds on deposit given as security under this Agreement or for any other loan you have with us will secure any and all advances under this Agreement as well as any account owner's joint or individual obligations to us, now or in the future, whether direct, indirect, contingent or secondary and arising from any loan or credit agreement, insufficient fund items; fees; cost, expenses, reasonable attorney's fees, or otherwise. However, property securing another debt will not secure advances under this Agreement if such property is your primary residence, or are non-purchase money household goods.

BORROWER'S NAME <b>Kyle Anthony Tracy</b>	ACCOUNT NUMBER [REDACTED] - 3000
--	-------------------------------------

"YOU" OR "YOURS" MEANS EACH PERSON WHO SIGNED THIS SECURITY AGREEMENT ON PAGE 2. "WE" OR "OURS" MEAN THE CREDIT UNION NAMED ON PAGE 1 OF THIS SECURITY AGREEMENT.  
"BORROWER" MEANS ALL BORROWER(S) NAMED ON PAGE 1 OF THIS SECURITY AGREEMENT.

**Release of Lien:** We will not release any lien on any collateral if Borrower is delinquent on, or in default on, any subaccount under the Consumer Lending Plan. For example, if you are in default of your line of credit subaccount, we will not release our lien on a vehicle loan, even if the vehicle loan is current or paid in full.  
**No Liability for Dishonor:** We shall not have any liability relating to the dishonor or other return of any check or other item occurring as a result of us exercising our lien rights or good-faith freezing of your accounts.

**Ownership of the Collateral:** If you are granting a security interest in property you already own, you promise that the property is free of all security interests except that given to us or disclosed prior to the advance. You promise that you have informed us of any and all co-owners of the Collateral and/or any other person with an interest in or claim against the property. If you are using the advance proceeds to buy the property that shall be used as Collateral, you shall use those advance proceeds for the sole purpose of buying that Collateral. You shall not sell or lease the Collateral or use it as security for a loan with another creditor until the advance is repaid. You shall not allow another security interest or lien to attach to the Collateral either by your actions or by operation of law.

**Protecting the Security Interest:** You shall take any steps necessary for us to perfect our security interest in the Collateral. If asked to do so, you shall sign a financing statement or similar instrument to perfect our security interest and/or to protect our security interest from the claims of others.

**Use and Maintenance of Collateral:** Until the advance has been paid in full, you agree to (1) use the Collateral carefully and for the purpose it was intended and keep it in good repair; (2) Obtain our written permission before making material changes to the Collateral or changing the address where the Collateral is kept; (3) allow us to inspect the Collateral; (4) Promptly notify us if the Collateral is damaged, stolen or abused; (5) Not use the Collateral for any unlawful purpose; (6) pay all taxes, assessments and liens regarding the Collateral.

**Notices:** We may meet all requirements for sending you notice of any kind if we send it to you via United States mail, at your last given address. We may also meet this requirement by delivering these notices to you electronically if you have agreed to receive notices by electronic means.

**Additional Advances:** Any additional advances made by us for the payment of taxes or assessments or liens of any kind, or premiums on insurance and the interest owing thereon or any other advance necessary to perfect or protect our security interest shall also be secured by this agreement. Such amounts shall be added to your loan balance and the minimum payment due shall be increased or your loan term extended accordingly.

**Disposition of Collateral:** If a default under the Plan occurs, we may repossess and sell the Collateral in a lawful manner. In such case, you will at our request assemble the Collateral and make it available to us at a place of our choosing, or we may enter the premises where the Collateral is kept and take possession, subject to applicable law. We may also render the Collateral unusable. If we decide to sell the Collateral at a public sale, private sale, or otherwise dispose of the Collateral, we will provide reasonable notice if required by law and will otherwise comply with applicable state law. If we sell or otherwise dispose of the Collateral we may collect from you reasonable expenses incurred in the retaking, holding and preparing the Collateral for and arranging the sale of the Collateral, as well as any deficiency balance as allowed under applicable law. We may also collect reasonable attorney's fees and legal expenses, permitted by applicable law, incurred in connection with disposition of the Collateral. We have certain rights and legal remedies available under the Uniform Commercial Code and other applicable laws, and we may use these rights to enforce payment if you default.

**Attorney-in-Fact:** You hereby appoint us as your Attorney-in-Fact to perform any acts which we feel are necessary to protect the Collateral and our security interest. You specifically authorize us to endorse on your behalf any check made payable to both you and us.

**Survival of Obligations:** This security agreement not only binds you, but your executors, administrators, heirs and assigns.

*Applies to Louisiana residents only:*

**Louisiana law permits repossession of motor vehicles upon default without further notice or judicial process.**

If the secured collateral is a motor vehicle and you are in default, we may seize and sell the motor vehicle without demand for payment or advance notice to you. Collateral other than motor vehicles may be repossessed without judicial process only as allowed by applicable Louisiana law.

For purposes of foreclosure under Louisiana executory process, you hereby confess judgment in our favor for all amounts secured by the Plan, including, but not limited to, principal, interest, late charges, costs of collection, costs of preservation of the collateral, reasonable attorney's fees, and all other amounts advanced under the Plan. We may appoint a keeper of the property in the event of foreclosure. To the extent allowed under Louisiana law, you hereby waive the following rights and procedures under Louisiana law: (a) all rights and benefit of appraisal; (b) notice of seizure; (c) the 3-day delay afforded under Articles 2331 and 2722; and (d) all other provisions under Articles 2331, 2722 and 2723 and all other Articles not specifically mentioned herein. You further agree that any declaration of fact made by authentic act by a person declaring that such facts are within his or her knowledge shall constitute authentic evidence of facts for the purposes of foreclosure under applicable Louisiana law and for the purposes of LSA-R.S. 9:3504(D)(6) and LSA-R.S. 10:9-508, to the extent applicable.

**NOTICE FOR ARIZONA OWNERS OF PROPERTY:** It is unlawful for you to fail to return a motor vehicle that is subject to a security interest within thirty days after you have received notice of default. The notice will be mailed to the address provided on this document unless you have given us a new address. It is your responsibility to notify us if your address changes. The maximum penalty for unlawful failure to return a motor vehicle is one year in prison and/or a fine of \$150,000.

**NORTH DAKOTA NOTICE TO BORROWERS PURCHASING A MOTOR VEHICLE - THE MOTOR VEHICLE IN THIS TRANSACTION MAY BE SUBJECT TO REPOSSESSION. IF IT IS REPOSSESSED AND SOLD TO SOMEONE ELSE, AND ALL AMOUNTS DUE TO THE SECURED PARTY ARE NOT RECEIVED IN THAT SALE, YOU MAY HAVE TO PAY THE DIFFERENCE.**

**PROPERTY INSURANCE; LENDER-PLACED INSURANCE - PLEASE READ CAREFULLY**

(a) Your requirement to maintain property insurance. You are required to carry insurance to protect your interest and our interest in the collateral securing this loan. The insurance:

- Must protect against any loss by fire or theft, and collision and comprehensive coverage on motor vehicles and other property pledged as security on this Plan.
- Must (i) be in an amount and type sufficient to repair the collateral to its existing condition prior to the loss, and/or to replace the collateral with comparable or like property, minus depreciation, if it is damaged or lost; or (ii) be in an amount and type as we might otherwise inform you that we require.
- Must have a maximum deductible as set forth by us.
- Must be maintained in force for as long as the loan is outstanding.
- Must name us as loss payee. We must receive the loss payee endorsement within 30 days of your loan date.

These requirements are solely in our discretion and we may change any of these requirements at any time for any reason. The insurance may be obtained by any insurer of your choice that is acceptable to us.

(b) Lender-placed property insurance. Please read carefully:

- If you fail to maintain insurance satisfying the requirements set forth above, or if you fail to provide us proof of such coverage, we may, but do not have to, obtain insurance to protect our interest (not yours) in the property.
- The total cost of lender-placed insurance may be added to the loan balance. The total cost of this insurance includes, but is not limited to, the premium, any administrative costs we incur, any commissions that may be earned, and other reasonable expenses related to your failure to maintain insurance. This cost will be paid by you either on demand, or by increasing your periodic payment, or by extending the loan term.
- Whether we obtain insurance, and the amount and types of coverage that we may obtain, is solely in our discretion. We may obtain this insurance from anyone we want, including an affiliate of ours, and such affiliate may earn a commission on the coverage.
- The insurance placed by us is without benefit to you personally, and is primarily for our protection. It may not adequately protect your interest in the collateral or any personal property contained in the collateral, and will not satisfy any mandatory liability or financial responsibility requirements under state law.
- Coverage obtained by us may be considerably more expensive than coverage you could obtain on your own and may be different than previous policies you may have had or policies that you may prefer.
- Any insurance placed by us will be effective as of the date your policy lapsed or, if you never obtained insurance, the date of the loan.
- Nothing in this agreement is intended to confer third-party beneficiary rights or status to you with respect to any agreements between us and our insurer or its agent.

(c) How to remove lender-placed property insurance. You may have the lender-placed coverage cancelled at any time by providing evidence to us that you have purchased insurance coverage satisfying the requirements set forth above.

(d) Other. You assign us the right to receive and endorse any insurance proceeds check, to apply those proceeds to the sums you owe, and you direct any insurer to pay those proceeds directly to us. You further authorize us or our representative to obtain the necessary information for verification of adequate coverage. We, or our affiliates, may receive compensation or reimbursement of expenses related to any insurance premiums added by us.

(e) Default. If you fail to maintain insurance as set forth in this provision, you will be in default of your loan. We may either place our own insurance on the collateral as explained above, or we can declare you in default and take all remedies set forth in your loan agreement or available to us under applicable law, including calling the loan immediately due.



# Electronic Title Copy

Vehicle ID Number WBAFR7C57BC605969	Year 2011	Make BMW	Model 535	Body Style SD	Lic Plate	Reg Exp
Weight 4090	New/Used Used	Title Number 0960414816913	Odometer 136650	State SC	Date Issued 12-02-2021	
Vehicle Color						
Full Name of Owner(s) KYLE ANTHONY TRACY 590 CHERRY HILL RD SPARTANBURG, SC 293073428				Liens(s) FOUNDERS FEDERAL CREDIT UNION 737 PLANTATION RD LANCASTER, SC 297205808		
				Lien Date: 11-05-2021 [REDACTED]		

\* Information has been supplied by the lienholder, not the state titling agency.

Document ID: YDD7TK0BN9

**THIS IS NOT A TITLE**  
This is an official Premier eTitleLien® Report  
generated by a customer of DDI Technology.



**DDI Technology**

STATE OF SOUTH CAROLINA  
COUNTY OF SPARTANBURG

IN THE CIRCUIT COURT

Founders Federal Credit Union,  
Plaintiff,


Case No. 2023-CP-42-\_\_\_\_\_

vs.


Kyle Anthony Tracy,  
Defendant.

VERIFICATION

Personally appeared before me Peyton Norcia, who, being duly sworn, says that he is the Loss Mitigation Specialist for Founders Federal Credit Union, the Plaintiff in the foregoing action; that he has read the foregoing Verified Complaint; that the statements contained therein are true to the best of his knowledge except those stated to be based upon information and belief, as to which he believes such matters to be true.

  
\_\_\_\_\_  
Peyton Norcia  
Loss Mitigation Specialist

SWORN and subscribed to before me  
this 16<sup>th</sup> day of June 2023.

 (L.S.)  
Karen A. Downey  
(Printed Name)  
Notary Public for South Carolina  
My commission expires: 12-20-2026

"Official Seal"  
Karen A Downey, Notary Public  
State of South Carolina  
Comm. Expires: 12/20/2026





**Suzanne Taylor Graham Grigg**  
Member  
Admitted in SC

August 2, 2023

Spartanburg County Clerk of Court  
180 Magnolia Street  
Spartanburg, SC 29306

Re: Founders Federal Credit Union v. Kyle Anthony Tracy  
Case No. 2023-CP-42-02216

Dear Sir or Madam:

Attached for filing in the above-referenced case, please find a Response/Answer from Defendant Kyle Anthony Tracy. We would appreciate you filing the same.

Very truly yours,

*/s/ Suzanne Taylor Graham Grigg*

Suzanne Taylor Graham Grigg  
Member

Enclosure

1230 Main Street  
Suite 700 (29201)  
PO BOX 2426  
Columbia, SC 29202  
www.maynardnexsen.com

**T** 803.540.2114  
**F** 803.727.1440  
**E** SGrigg@maynardnexsen.com  
Maynard Nexsen PC  
**Attorneys and Counselors at Law**

**R 0018**

rev'd. 7/25/2023

ELECTRONICALLY FILED - 2023 Aug 02 4:41 PM - SPARTANBURG - COMMON PLEAS - CASE#2023CP4202216

STATE OF SOUTH CAROLINA  
COUNTY OF SPARTANBURG

**ANSWER**

Founders Federal Credit Union,  
Plaintiff,

Case No. 2023-CP-42

Vs.

**VERIFIED COMPLAINT**

Kyle Anthony Tracy,  
Defendant,

(Debt Collection)

(Non-Jury)

**RESPONSE TO ALLEGATIONS**

1. The Defendant agrees to the allegations in paragraph 1
2. The Defendant agrees to the allegations in paragraph 2
3. The Defendant agrees to the allegations in paragraph 3
4. The Defendant denies the allegations in paragraph 4
5. The Defendant agrees to the allegations in paragraph 5
6. The Defendant agrees to the allegations in paragraph 6
7. The Defendant denies the allegations in paragraph 7
8. The Defendant agrees to the allegations in paragraph 8
9. The Defendant denies the allegations in paragraph 9
10. The Defendant denies the allegations in paragraph 10
11. The Defendant denies the allegations in paragraph 11

## DEFENSES TO ALLEGATIONS

1. The Defendant denies the allegations in paragraph 4 due to lack of information given to the Defendant in order to redeem the vehicle disregarding the right of redemption of the vehicle. The car was repossessed in March and took five months to sell the vehicle disregarding selling the vehicle in a commercial manner.
2. The Defendant denies the allegations in paragraph 9 & 11. due to belief that he does not owe the full amount to Plaintiff
3. The Defendant denies the allegations in paragraph 10 due to damages the vehicle incurred while in possession of the Plaintiff, does not reflect the amount being penalized for.

Kyle Tracy

(864) 381-1317

**Dated : 7/24/2023**

**How do you want to respond?**

**Mail this form to:**

Maynard Nexsen PC  
Attention: Suzanne Taylor Graham Grigg  
P.O. Box 2426  
Columbia, SC 29202

Kyle Anthony Tracy  
590 Cherry Hill Road  
Spartanburg, SC 29307

*Check all that apply:*

- I want to dispute the debt because I think:
  - This is not my debt.
  - The amount is wrong.
  - Other (please describe on reverse or attach additional information).
- I want you to send me the name and address of the original creditor.
- I enclosed this amount: \$

Make your check payable to Founders Federal Credit Union

STATE OF SOUTH CAROLINA  
COUNTY OF SPARTANBURG

IN THE CIRCUIT COURT

Founders Federal Credit Union,  
Plaintiff,

Case No. 2023-CP-42-02216

vs.

**PLAINTIFF'S NOTICE OF MOTION  
AND MOTION FOR JUDGMENT ON  
THE PLEADINGS**

Kyle Anthony Tracy,  
Defendant.

**TO: DEFENDANT KYLE ANTHONY TRACY, APPEARING *PRO SE***

YOU WILL PLEASE TAKE NOTICE that, pursuant to Rule 12(c) of the South Carolina Rules of Civil Procedure, ten days from the service hereof or as soon thereafter as counsel may be heard before the presiding judge of the Circuit Court for Spartanburg County, South Carolina, Plaintiff Founders Federal Credit Union ("Plaintiff") will move the Court for an Order granting judgment on the pleadings in favor of Plaintiff against Defendant Kyle Anthony Tracy (the "Defendant").

Based upon the pleadings, Plaintiff is entitled to judgment as a matter of law against Defendant in this case. In its Verified Complaint filed on June 21, 2023, Plaintiff asserted a debt collection cause of action against Defendant based on his payment default on a vehicle loan provided by Plaintiff to Defendant. Defendant filed his Answer with the Court on August 2, 2023.

This Motion is based on the pleadings filed, applicable law, and such other materials as may be served upon you before or at the hearing of the Motion.

s/ Suzanne Taylor Graham Grigg

---

Suzanne Taylor Graham Grigg (Bar # 70681)

Kyle A. Brannon (Bar # 100550)

MAYNARD NEXSEN PC

1230 Main Street, Suite 700 (29201)

Post Office Box 2426

Columbia, South Carolina 29202

Phone: (803) 540-2114 / 803-540-2168

Fax: (803) 727-1440 / 803-727-1447

Email: [sgrigg@maynardnexsen.com](mailto:sgrigg@maynardnexsen.com)

[kbrannon@maynardnexsen.com](mailto:kbrannon@maynardnexsen.com)

August 23, 2023  
Columbia, South Carolina

Attorneys for Plaintiff Founders Federal Credit  
Union

STATE OF SOUTH CAROLINA

COUNTY OF SPARTANBURG

Founders Federal Credit Union,

Plaintiff,

vs.

Kyle Anthony Tracy,

Defendant.

IN THE CIRCUIT COURT

Case No. 2023-CP-42-02216

**AFFIDAVIT OF ATTORNEY'S FEES  
AND COSTS**


PERSONALLY APPEARED before me Kyle A. Brannon, who first being duly sworn, states as follows:

1. He is an attorney with the law firm of Maynard Nexsen PC ("Maynard Nexsen"), attorneys for the Plaintiff Founders Federal Credit Union (the "Plaintiff"), in the above entitled action;
2. He has examined the billing records of Maynard Nexsen for this matter;
3. The Plaintiff has incurred fees in the amount of One Thousand Five Hundred and 00/100 Dollars (\$1,500.00) in legal fees, and Two Hundred Fifty-Five and 32/100 Dollars (\$255.32) in costs for this collection action;
4. He anticipates Maynard Nexsen will bill Plaintiff additional fees in the amount of Seven Hundred Fifty and 00/100 Dollars (\$750.00) to complete this case;
5. He is informed and believes that the Plaintiff is entitled to an award of reasonable attorneys' fees and costs in connection with this matter in the combined amount of \$2,505.32; and
6. The loan documents and disclosures that the Defendant is bound by for the indebtedness due and owing to the Plaintiff on the installment loan, which is the subject of this collection action, provide that the Defendant shall pay to the Plaintiff reasonable attorneys' fees

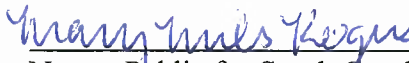
and costs incurred in the collection of the amount due and owing by the Defendant to the Plaintiff upon default.

7. He believes attorneys' fees and costs in the combined amount of \$2,505.32 are reasonable given the six factors laid out by the South Carolina Supreme Court in *Glasscock v. Glasscock*, 304 S.C. 158, 161, 403 S.E.2d 313, 315 (1991).

FURTHER THE AFFIANT SAYETH NOT.

  
\_\_\_\_\_  
Kyle A. Brannon (Bar # 100550)  
MAYNARD NEXSEN PC  
1230 Main Street, Suite 700 (29201)  
Post Office Drawer 2426  
Columbia, South Carolina 29202  
Phone: (803) 540-2168  
Fax: (803) 727-1447  
Email: [kbrannon@maynardnexsen.com](mailto:kbrannon@maynardnexsen.com)  
*Attorneys for Founders Federal Credit Union*

SWORN and subscribed to before me  
this 31 day of August 2023

  
Mary Mills Regno (L.S.)  
Notary Public for South Carolina  
My Commission Expires: 2-11-2030

FORM 4

STATE OF SOUTH CAROLINA  
COUNTY OF SPARTANBURG  
IN THE COURT OF COMMON PLEAS

JUDGMENT IN A CIVIL CASE  
CASE NO. 2023-CP-42-02216

FOUNDERS FEDERAL CREDIT UNION,

Kyle Anthony TRACY,

Plaintiff(s),

Defendant(s).

CHECK ONE:

- JURY VERDICT.** This action came before the court for a trial by jury. The issues have been tried and a verdict rendered.
- DECISION BY THE COURT.** This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.
- ACTION DISMISSED** (CHECK REASON):  Rule 12(b), SCRPC;  Rule 41(a), SCRPC (Vol. Nonsuit);  Rule 43(k), SCRPC (Settled);  Other SCRPC 56.
- ACTION STRICKEN** (CHECK REASON):  Rule 40(j) SCRPC;  Bankruptcy;  Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award;  Other .

IT IS ORDERED AND ADJUDGED:  formal order to follow;  **Statement of Judgment by the Court:**

This matter came before this court on **MOTION** of the plaintiff for **JUDGMENT ON THE PLEADINGS** pursuant to *Rule 12(c), SCRPC*.

Salient Facts

This is a civil action seeking a deficiency judgment on a purchase money secured loan agreement between the parties related to the purchase of a motor vehicle. The plaintiff alleges the defendant defaulted on the loan agreement, the motor vehicle was sold in accordance with the contract, and there exists a deficiency in the amount due on the loan and the amount received as proceeds from the sale. Defendant filed an Answer denying the material allegations and asserting that the vehicle was not sold in a commercially reasonable manner and that the vehicle was damaged while in the possession of the defendant prior to the sale, diminishing the value of the vehicle prior to its sale, resulting in a deficiency that would be less than that claimed by the plaintiff.

Applicable Law

Rule 12(c), SCRPC, provides that:

“After the pleadings are closed but within such time as to not delay the trial, any party may move for judgment on the pleadings.”

“A judgment on the pleadings is a drastic procedure and, therefore, is not proper if there is an issue of fact raised by the [answer] which, if resolved in favor of the [defendant], would entitle [him] to judgment.” “Moreover, the pleadings must be construed liberally to ensure substantial justice between the parties.” McCurry v. Keith, 312 S.C. 254 (Ct. App. 1994) *affirmed* 325 S.C. 441, (1997).

Conclusion

It appears from the pleadings that there does exist issues of fact which, if decided in favor of the defendant, would establish at the least a reduction in the amount of recovery sought by the plaintiff. As such the plaintiff is not entitled to judgment based upon the pleadings.

After consideration of the applicable rule, statutory and case law, this court finds that the plaintiff's **MOTION** should be and **IS** therefore **DENIED**.

---

**J. DERHAM COLE,** **Presiding JUDGE**

This judgment was entered on the            day of            and a copy mailed first class this            day of  
to attorneys of record or to parties (when appearing pro se) as follows:

**KYLE ANTHONY TRACY**, PRO SE

**CARL H. PETKOFF**, *Esq.*

ATTORNEY(S) FOR PLAINTIFF(S)

ATTORNEY(S) FOR THE DEFENDANT(S)

---

**AMY W. COX**, CLERK OF COURT



Spartanburg Common Pleas

**Case Caption:** Founders Federal Credit Union VS Kyle Anthony Tracy

**Case Number:** 2023CP4202216

**Type:** Order/Form 4

IT IS SO ORDERED!

s/J. Derham Cole 2053

Electronically signed on 2023-09-14 16:06:01 page 3 of 3

STATE OF SOUTH CAROLINA

COUNTY OF SPARTANBURG

Founders Federal Credit Union,

Plaintiff,

vs.

Kyle Anthony Tracy,

Defendant.

IN THE CIRCUIT COURT

Case No. 2023-CP-42-02216

**PLAINTIFF'S MOTION FOR  
SUMMARY JUDGMENT**

**TO: DEFENDANT KYLE ANTHONY TRACY, APPEARING *PRO SE***

YOU WILL PLEASE TAKE NOTICE that, pursuant to Rule 56 of the South Carolina Rules of Civil Procedure, ten days from the service hereof or as soon thereafter as counsel may be heard before the presiding judge of the Circuit Court for Spartanburg County, South Carolina, the Plaintiff will move for an order granting summary judgment in its favor, on the grounds that there is no genuine issue of material fact and that it is entitled to summary judgment as a matter of law with respect to its debt collection cause of action against the Defendant.

This Motion is supported by the pleadings, applicable law, and the affidavits to be filed before the hearing on this Motion.

s/Carl H. Petkoff

Carl H. Petkoff (S.C. Bar #104895)

MAYNARD NEXSEN PC

205 King Street, Suite 400

Charleston, SC 29401

Telephone: 843.720.1773

E-mail: cpetkoff@maynardnexsen.com

*Attorneys for Plaintiff Founders Federal Credit Union*

August 22, 2024

Charleston, South Carolina

STATE OF SOUTH CAROLINA  
COUNTY OF SPARTANBURG

IN THE CIRCUIT COURT  
Case No. 2023-CP-42-02216

Founders Federal Credit Union,  
Plaintiff,  
vs.  
Kyle Anthony Tracy,  
Defendant.

**NOTICE OF HEARING**

**TO: THE DEFENDANT ABOVE NAMED**

YOU WILL PLEASE TAKE NOTICE THAT the hearing to determine whether the Plaintiff is entitled to judgment against Defendant Kyle Anthony Tracy has been scheduled for **Tuesday, October 22, 2024, at 9:30 a.m.**, before the Honorable J. Derham Cole, located at the Spartanburg County Judicial Center located at 180 Magnolia Street Spartanburg SC 29306 in Courtroom 6B.

s/ Suzanne Taylor Graham Grigg  
Suzanne Taylor Graham Grigg (Bar # 70681)  
MAYNARD NEXSEN PC  
1230 Main Street, Suite 700 (29201)  
Post Office Box 2426  
Columbia, South Carolina 29202  
Phone: (803) 540-2114  
Fax: (803) 727-1440  
Email: [sgrigg@maynardnexsen.com](mailto:sgrigg@maynardnexsen.com)

September 25, 2024  
Columbia, South Carolina

*Attorneys for Founders Federal Credit Union*

STATE OF SOUTH CAROLINA  
COUNTY OF SPARTANBURG

IN THE CIRCUIT COURT  
Case No. 2023-CP-42-02216

Founders Federal Credit Union,  
Plaintiff,

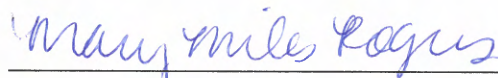
vs.

Kyle Anthony Tracy,  
Defendant.

**CERTIFICATE OF SERVICE**

I, Mary Miles Rogers, of Maynard Nexsen PC, do hereby certify that a copy of the **Notice of Hearing** was served upon the following party of record by placing the same in the United States mail, first class postage prepaid, addressed as shown below, this 25<sup>th</sup> day of September 2024, at Columbia, South Carolina.

Kyle Anthony Tracy  
590 Cherry Hill Road  
Spartanburg, SC 2930732750



---

Mary Miles Rogers, Paralegal to  
Suzanne Taylor Graham Grigg  
MAYNARD NEXSEN PC  
1230 Main Street, Suite 700 (29201)  
Post Office Box 2426  
Columbia, SC 29202

STATE OF SOUTH CAROLINA  
COUNTY OF SPARTANBURG

Founders Federal Credit Union,  
Plaintiff,

vs.

Kyle Anthony Tracy,  
Defendant.

IN THE CIRCUIT COURT

Case No. 2023-CP-42-02216

**PLAINTIFF'S AFFIDAVIT IN SUPPORT  
OF MOTION FOR SUMMARY  
JUDGMENT**

Personally appeared before me, Joseph McCain (the "Affiant"), who being first duly sworn, deposes and says that:

1. I am employed as the Repossession Coordinator for Founders Federal Credit Union ("FFCU"), the Plaintiff in this action, and I am duly authorized to make this Affidavit. I provide this Affidavit for and on behalf of FFCU by reason of the fact that, being a financial institution, it can only speak by and through its officers and agents, and by reason of the further fact that the matters and things set forth herein are within my personal knowledge, as indicated in the original papers and files of FFCU in my possession.

2. On or about November 5, 2021, Kyle Anthony Tracy (the "Defendant") submitted and executed in favor of FFCU that certain Consumer Lending Plan (the "Lending Plan"). As provided in the Lending Plan, the Defendant agreed to pay all collection costs incurred by FFCU in collecting any amounts owed to it by the Defendant, including reasonable attorneys' fees and litigation costs. The Lending Plan enabled the Defendant to incur the debt set forth herein below. A copy of the Lending Plan is attached hereto as "**Exhibit A.**"

3. On or about November 5, 2021, FFCU made a loan to the Defendant referenced as Loan No. XXXX34-3000 (the "BMW Loan"), as evidenced by that certain Security

Agreement and Advance Receipt (the “Note”) executed by the Defendant in favor of FFCU. The BMW Loan was secured by a 2011 BMW 5 Series automobile VIN # WBAFR7C57BC605969 (the “BMW”) owned by the Defendant. FFCU perfected its security interest in the BMW by recording its lien on the face of the Certificate of Title (the “Title”) for the BMW. Copies of the Note and Title are attached hereto as “**Exhibit B.**”

4. The Defendant failed to repay the indebtedness due and owing to FFCU on the Note, and the Defendant is in default under the terms and conditions of the Note. FFCU sent the Defendant a right to cure letter on the Note on or about January 4, 2022. A copy of the letter is attached hereto as “**Exhibit C.**”

5. As of October 18, 2024, there is now due and owing to FFCU under the Note, the amount of Nine Thousand Five Hundred Forty-Seven and 19/100 Dollars (\$9,547.19) principal and accrued interest. The installment payments under the Note are currently past due, and the Defendant never made any payments on the Note.

6. After proper notice to the Defendant, FFCU exercised its state law rights and repossessed the BMW on March 1, 2022.<sup>1</sup> Based on records received by FFCU from Travelers Property Casualty Insurance (“Travelers”), the BMW sustained damage in an automobile accident on February 1, 2022, which occurred one month prior to FFCU repossessing the BMW.

7. In the Defendant’s Answer, he claims the BMW should have sold for more and the amount he owes to FFCU should be less because it “took five months to sell the vehicle.” The elapsed time between the date of repossession (*i.e.*, March 1, 2022) and the date of sale (*i.e.*, August 23, 2022) was largely attributable to the insurance claim initiated prior to FFCU’s repossession of the BMW.

---

<sup>1</sup> FFCU engaged Carolina Pro Recovery, LLC (“Carolina Pro”) to repossess the BMW. Copies of the Car Condition Report and Picture Report from Carolina Pro, which provide the condition of the BMW at the time of repossession, are attached hereto as “**Exhibit D.**”

8. After repossession, FFCU began working with Travelers on the insurance claim. The adjuster for Traveler's closed the original claim due to the repossession, without notifying FFCU. Additionally, the Traveler's adjuster was out of the office for an extended period of time during the relevant period. Upon the adjuster's return, FFCU reopened the insurance claim on June 28, 2022. Travelers issued payment on the claim for \$2,474.56 on July 18, 2022, which FFCU applied to reduce the balance owed on the Note.<sup>2</sup>

9. Prior to sending the BMW to auction, FFCU engaged Southeastern Automotive Group, LLC ("SAG") to perform limited repair work on the BMW; SAG's invoice for the repair work was in the amount of \$1,191.43. Pursuant to the Carolina Pro Recovery Invoices, the involuntary repossession fee was \$375.00 and the Auction Transportation expense was \$300.00. The auctioneer – County Auto Auction – charged \$175.00 in auction-related fees. Thus, the total cost of repossession / repair work was \$2,041.43.

10. FFCU arranged for the sale of the BMW in a commercially reasonable manner and provided the Defendant with all required notices.<sup>3</sup> FFCU sent the BMW to auction on August 4, 2022, and the BMW sold for \$5,500.00 on August 23, 2022.

11. FFCU anticipates that repossessed vehicles will sell in the range of 75–80% of the average trade value for the subject vehicle. At the time of auction, the average trade value for the BMW was \$6,125.00. Therefore, in light of the \$5,500.00 sale price, the BMW received 89.7% of the average trade value and exceeded FFCU's expectations.

12. Attorneys' fees and costs to complete this action are in the amount of \$5,372.99, as evidenced by the Supplemental Affidavit of Attorneys' Fees and Costs filed contemporaneously herewith.

---


<sup>2</sup> In addition, FFCU received a MRC Warranty refund on the BMW in the amount of \$1,480.62, which FFCU applied to reduce the balance owed on the Note.

<sup>3</sup> A copy of the Demand for Payment of Deficiency Balance sent to the Defendant is attached hereto as "Exhibit E."

13. The total combined amount in which Plaintiff is entitled to a monetary judgment against the Defendants for their breach of the terms and conditions of the Note plus attorneys' fees and costs is Fourteen Thousand Nine Hundred Twenty and 18/100 Dollars (\$14,920.18), as of October 18, 2024.

FURTHER THE AFFIANT SAYETH NOT.

Founders Federal Credit Union

  
\_\_\_\_\_  
Joseph McCain  
Repossession Coordinator

SWORN and subscribed to before me  
this 15<sup>th</sup> day of October 2024

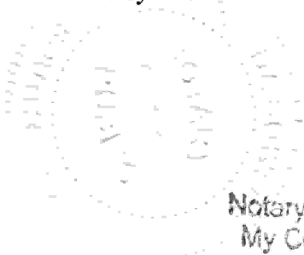
 (L.S.)

Miranda Cowles

(Print Name)

Notary Public for South Carolina

My commission expires: 8/16/2027



Miranda Cowles  
Notary Public State of South Carolina  
My Commission Expires 8/16/2027



Founders Federal Credit Union

737 Plantation Road
Lancaster, SC 29720
1-800-845-1614

EXHIBIT "A"

CONSUMER LENDING PLAN

BORROWER'S NAME AND ADDRESS

Kyle Anthony Tracy 590 Cherry Hill Rd Spartanburg, SC 29307-3428

CO-BORROWER'S NAME AND ADDRESS

ACCOUNT NUMBER

DATE OF BIRTH

DATE OF BIRTH

"You", "Your" and "Borrower", means any person who executes the Plan by signing the Consumer Lending Plan, or any person who endorses a proceeds check or otherwise accepts, accesses, or uses Plan funds. "We", "us", "our" or "Credit Union" means the Credit Union named above.

How the Plan Works. You must become a Credit Union member before opening this Plan. This Consumer Lending Plan has a variety of subaccounts under which you may take various types of loans (called "advances").

Binding Contract. This Consumer Lending Plan, which includes the Credit Agreement, Security Agreement, Truth-in-Lending Statement, and all Advance Receipts ("Plan"), becomes a binding legal contract with regard to each advance as soon as you take an advance, and will govern the terms of all loans that you obtain under the Plan.

By signing below, you are:

- 1. Agreeing to repay all loans you take. All loans you take under the Plan must be paid back, even if you don't sign any paperwork at the time of the loan.
2. Pledging funds on deposit with the Credit Union. If you default, we may apply the funds on deposit in your accounts to the amount you owe us.
3. Granting a security interest in all property you purchase or otherwise pledge. If you default on any subaccount under the Plan, we may seize and sell any property you have purchased or pledged under that subaccount or any other subaccount.

Interest Rates and Fees. The rates and fees that apply to your subaccounts are disclosed on the separate Truth-in-Lending Statement and/or Advance Receipt.

BORROWER'S ACKNOWLEDGEMENT & SIGNATURES

By signing below, you understand and agree as follows:

Acknowledgement: You acknowledge that you have read, understand and accept the terms and conditions of the Consumer Lending Plan, Credit Agreement and Security Agreement, and have received copies of these documents.

Authentication and Signature (Loans and Obligations to the Credit Union). All borrowers and owners of collateral hereby authorize the credit union or its agents to file, execute, sign, authenticate and take all other actions it deems necessary or proper in said parties' name(s) and stead with regard to the said parties' obligations to sign, file or obtain any lien, evidence of lien, financing statement, certificate of title or other security instrument it deems necessary to the attachment or perfection of your lien rights in any Collateral pledged to secure the borrower's obligations to the Credit Union as well as any additional collateral it may require under the terms of the Agreement and any alternate collateral it agrees to accept; or sale of such collateral in the event of default, which authority includes any modification, amendment, continuation or refinancing.

SECURITY INTEREST: You understand and agree that, in exchange for all loans you may receive under this Plan, that you grant a security interest in any and all property that you purchase or otherwise pledge for those loans. This means we will have a lien on that property and may seize and sell the property if you are in default on any loan under this Plan.

Suspension of electronic services and access to funds on deposit accounts. Subject to applicable law, we may suspend some or all electronic services and access to your checking or other account(s) if you become delinquent on any of your loan or deposit obligations to us or you cause a loss to us.

NOTICE TO CONSUMER: THIS IS A CONSUMER CREDIT TRANSACTION. (A) DO NOT SIGN ANYTHING BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACES. (B) YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN. (C) YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS AGREEMENT.

CAUTION- IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.

BORROWER'S SIGNATURE DATE 11/05/2021

CO-BORROWER'S SIGNATURE DATE

R-0036

ELECTRONICALLY FILED - 11/05/2021 15:35 PM - SPARTANBURG - COMMON PLEAS - CASE#2220CP42216

**IMPORTANT DISCLOSURES FOR ACTIVE MEMBERS OF THE MILITARY AND THEIR DEPENDENTS:**

The following applies if at the time this loan is made you are an active member of the military or a dependent (as those terms are defined in the Military Lending Act (MLA), 10 U.S.C. 987 and its implementing regulations ("MLA")); and (a) your loan is unsecured or secured by personal property or a vehicle that you did not purchase with the proceeds of the loan; or (b) it is otherwise determined by law that the MLA applies to your loan. If this loan is a revolving line of credit or credit card, the MLA ceases to apply at any time during which you are not a member of the military or a dependent (as defined in the MLA).

- NOTICE:** 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 or debt protection fees; 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 fee charged (other than certain participation fees for a credit card account). To receive this notice verbally, please call 1-800-845-1614 during our normal business hours.
- This loan will not be secured by a consensual lien on funds on deposit in any of your accounts unless you agree to establish an account in connection with this loan ("Secured Account"). Only funds deposited into the Secured Account after the loan is made will secure this loan. Any cross-collateralization provision contained in your loan or account documents will not apply to the Secured Account or your other funds on deposit accounts for any loan subject to the Military Lending Act.  
However, we reserve our statutory lien rights and rights to set-off or administrative freeze under federal or state law, which gives us the right to apply the sums in the Secured Account or any other account(s) you have with us to satisfy your obligations under this loan.
- Any reference in this consumer credit contract to the following are hereby inapplicable to your loan: (a) Mandatory arbitration; (b) Any requirement(s) to waive your rights to legal recourse under any applicable state or federal law; (c) Any demands or requirements construed as unreasonable notice from you in order to exercise your legal rights; or (d) Prepayment penalties.
- Any provisions in your consumer credit contract, loan, security, or account agreements that are determined to be inconsistent with or contradictory to these disclosures or the MLA (as they may be changed or amended from time to time) are inapplicable with regard to this loan. However, all other terms and conditions of the consumer credit contract shall remain in full force and effect.

**CREDIT AGREEMENT**

**Agreement to Terms and Promise to Pay:** By signing this Plan or any advance proceeds check, and/or by accepting, retaining, using, or accessing any proceeds under this Plan, you agree to the terms and conditions of the Consumer Lending Plan, Credit Agreement, Security Agreement, Truth-in-Lending Statement, and all Advance Receipts, or similar document, and any future amendments thereto, and promise to pay all amounts due.

**Endorsement of Proceeds Check:** By endorsing an advance proceeds check, you are agreeing to the terms of the Consumer Lending Plan and Advance Receipt, and are granting a security interest in the collateral described in the Advance Receipt. The terms of the advance proceeds check and the Advance Receipt, including the collateral description, are subject to the terms of the Plan.

**How to Compute the Interest Charge:** (open-end loans): The Interest Charge begins to accrue on the date of each advance and accrues for each day the balance remains unpaid. The unpaid balance for each day is multiplied by the applicable daily periodic rate to determine the Interest Charge for that day. The sum of these daily charges is the Interest Charge. The unpaid balance is the outstanding balance at the close of business after all transactions have been entered.

**Purchase of Optional Products:** If offered, you may apply for optional loan protection products such as debt protection or Guaranteed Asset Protection (GAP). These products are voluntary and are not required to obtain a loan from us. The premium or fee for the product(s) will be added to the outstanding balance and becomes part of your minimum monthly loan payment. We will retain a portion of this fee as compensation for providing this service. Purchase of optional products may extend the time it takes to pay off your outstanding balance(s).

**Access to Plan:** You may request advances under this Plan in any manner allowed by us. We may refuse to make any advance for any reason permitted by applicable law. This Plan has two types of subaccounts: (a) open-end revolving line of credit subaccounts under which the credit available will be replenishing as you pay the outstanding balance; and (b) closed-end single-advance subaccounts which will not replenish and will have a set repayment term (e.g., vehicle loan).

(a) **Open-end Advances:** If approved, you may obtain a revolving line of credit account under this Plan. You will receive open-end disclosures setting forth interest rate, fees, credit limit and other information pertaining to the line at the time you open the line of credit account. You may take advances from the line up to your approved credit limit, re-pay amounts, and continue to access credit up to the credit limit so long as you are not in default on the account. If your credit standing deteriorates, we may suspend your line, increase your rate, or take other actions in accordance with applicable law.

(b) **Closed-end Advances:** You may request closed-end advances under this Plan from time to time. If approved, you will receive an Advance Receipt setting forth closed-end disclosures regarding the annual percentage rate, fees, collateral, and other information pertaining to that advance. If you find the terms acceptable, you may consummate the loan by retaining or using the advance proceeds (such as by cashing the proceeds check or accepting a vehicle purchased with the proceeds). All terms and conditions of this Plan will be effective for a particular advance as of the date of that advance.

**Late Fees and Other Charges:** You agree to pay all fees and charges imposed under the Plan in the amount(s) disclosed on the Truth-in-Lending Statement, which fees may increase from time to time. Such fees shall be added to your outstanding balance and your minimum payment may increase or your loan term may be extended.

**Overdraft Protection:** If you request Overdraft Protection, any overdrafts on your checking account will be added to your line, even if the owner or authorized user of the checking account who causes the overdraft is not a borrower on the line.

**Perfection of Security Interest; Increase in Rate; Fee; Default:** If you fail to perfect our lien, we may take the necessary steps to do so and charge you a filing fee. This fee will be in the amount charged by the state and will be added to your loan balance. If we are unable to perfect our lien on the collateral pledged for any advance, or the value of the collateral deteriorates significantly, that advance may be treated as an advance under a line of credit for the purpose of determining the Interest Rate, and the Interest Rate shall increase to the highest line of credit rate in effect at that time. Your minimum monthly payment shall also increase accordingly. We may also consider the loan to be in default and can call the loan immediately due and payable, in which case you must pay the entire amount due in one lump sum. The loan while in default will bear interest at the highest rate allowed by law.

**Payments:** The minimum monthly payment and due date will be set and disclosed at the time each advance is made. You may pay the outstanding balance in full or pay more than the minimum due at any time without penalty. However, minimum payments are required for each billing cycle as long as any balance exists.

**Skip Payment:** If we make a skip payment option available, you may skip making your payment(s) for certain month(s). If you choose this option, interest will continue to accrue, but no late payment charges will be imposed during the skip period. All credit terms applicable immediately prior to the skip period will again apply once the skip period has expired.

**Default:** You shall be considered in default if we should, in good faith, believe that prospect of payment, performance, or our security interest in, or realization of the collateral is impaired. You shall also be in default if: (1) you break any promise made under this Plan; (2) you do not use the loan proceeds for the purpose stated in your advance request; (3) you die; (4) you file a petition in bankruptcy, insolvency, or receivership or are put involuntarily into such proceedings; (5) if the collateral is lost, damaged or destroyed, or if it is levied against, attached, garnished, or seized for any reason under any authority; (6) you do not make your required payments on time; (7) anyone is in default of any security agreement given in connection with the Plan; (8) you commit fraud or make any false or misleading statements in connection with this Plan; (9) you are in default of any other loan or security agreement you have with us; (10) you use the Plan for any illegal purpose or transaction as determined by applicable law. Any one of the foregoing events shall evidence a reasonable belief that prospect of payment, performance or realization of the collateral is impaired.

**Actions Upon Default:** If you default, we may declare all amounts immediately due and payable, and you must immediately pay us the total unpaid balance, as well as the Interest Charge to date, any late charges and all collection costs permitted under law. The balance in default shall bear interest at the highest rate permitted by applicable law. If your state law requires a notice of default and an opportunity to cure that default, these rights will be afforded to you before we exercise our remedies.

**Costs of Collection:** You shall pay all costs incurred by us in collecting any amount you owe or in enforcing or protecting our rights. Costs of collection include, but are not limited to, collection agency fees, repossession fees, appraisals, environmental site assessments, and casualty insurance. *The following applies to all borrowers except Wisconsin borrowers:* Costs of collection also include reasonable attorney's fees for any action taken by an attorney who is not our salaried employee in order to collect this loan or preserve or protect our rights and remedies, including, without limitation, pre-suit demands for payment, pre-suit mediation or settlement negotiations, investigation and assessment of our rights, participation in bankruptcy cases, matters, and proceedings (including, without limitation, filing proofs of claim, pursuing reaffirmation agreements, attending meetings of creditors, and pursuing complaints, motions, and objections that relate in any way to the credit union's collateral or right to payment), collateral disposition, non-bankruptcy suits and/or administrative actions, and appeals.



CREDIT AGREEMENT

For Alabama borrowers: attorney's fees after default shall not exceed 15% of the unpaid debt, or such higher amount as a court may allow. For Georgia borrowers: attorney's fees shall not exceed 15% of principal and accrued interest, or such higher amount as a court may allow.

**Borrower Responsibility:** You must notify us of any change in your name, address, employment, financial situation or credit standing, and you must provide us any additional financial information we request. To prevent identity theft, you may be required to verify any change in your address. You shall not request an advance if you know or should have known that you cannot pay it back.

**Joint Plans:** If this Plan has more than one borrower, each of you is individually and jointly responsible for paying all amounts owed. We can enforce our rights against one or all of you. If you give us inconsistent instructions, we can refuse to follow those instructions or follow the instruction of our choosing. Unless our written policy requires all of you to sign for an advance, each of you may obtain advances individually and each agrees to repay advances made to the other(s). Any notice mailed to one shall be considered notice mailed to all. Any of you can remove yourself from responsibility as a co-borrower by notifying us in writing, unless such removal would violate our policy or regulations. In such a case the Plan may be terminated. Removing a Borrower or terminating the Plan will not relieve any of you from joint or several liability for any obligations already incurred.

**Termination:** This Plan may be terminated (1) upon adverse re-evaluation of your creditworthiness; (2) If you should fail to meet the terms of the Plan; (3) at our option, or your option, upon written notice. Termination will not affect your obligation to pay the balance outstanding prior to termination.

**Unlawful Transactions:** Your Plan shall not be used to make or facilitate any illegal transaction(s); and any such use will constitute an event of default. We shall not have any liability for any such use by you or any authorized user(s). You shall indemnify and hold us harmless from any suits, liability, damages or adverse action of any kind that results directly or indirectly from such illegal use.

**Change in Terms:** We may change the terms of this Plan at any time in accordance with applicable law. Increases in the interest rate will apply to future advances and, subject to applicable law, unpaid balances.

**Severability:** In case any provision of this Plan is held invalid, the Plan shall be enforced as if such provision was never included.

**No Waiver:** We may waive or delay exercising any of our rights without losing our ability to exercise those rights in the future.

**Governing Law:** This Plan shall be construed and enforced according to the laws of the State in which our headquarters are located. If you have entered into a mandatory arbitration agreement in connection with this Plan: if any provisions within this Agreement pertaining to jurisdiction and venue are inconsistent with the arbitration agreement, the arbitration agreement will govern.

**Final Agreement:** This written agreement is a final expression of the agreement between you and us, and may not be contradicted by evidence of any oral agreement.

**State and Federal Notices:**

**NOTICES TO WISCONSIN BORROWERS:** (1) If you are married and are extended individual credit, Wis. Stat. 766.56(3)(b) requires us to notify your spouse of the extension of credit. If we receive written notice of termination from your spouse pursuant to Wis. Stat. Section 766.56(5), we may declare you in default of the Plan and call the entire extension of credit due and payable notwithstanding Wis. Stat. Sections 425.103 and 425.105. If the Plan is called due and payable, you may have certain rights to cure the default.

(2) Additionally, no provision of a marital property agreement, a unilateral agreement under Wis. Stat. 766.59, or a court decree under Wis. Stat. 766.70 adversely affects our interests unless prior to the time the credit is extended, we are furnished with a copy of the agreement or statement, or have actual knowledge of the adverse provision when the obligation is incurred.

**NOTICE FOR ARIZONA OWNERS OF PROPERTY:** It is unlawful for you to fail to return a motor vehicle that is subject to a security interest within thirty days after you have received notice of default. The notice will be mailed to the address provided on this document unless you have given us a new address. It is your responsibility to notify us if your address changes. The maximum penalty for unlawful failure to return a motor vehicle is one year in prison and/or a fine of \$150,000.

**NORTH DAKOTA NOTICE TO BORROWERS PURCHASING A MOTOR VEHICLE - THE MOTOR VEHICLE IN THIS TRANSACTION MAY BE SUBJECT TO REPOSSESSION. IF IT IS REPOSSESSED AND SOLD TO SOMEONE ELSE, AND ALL AMOUNTS DUE TO THE SECURED PARTY ARE NOT RECEIVED IN THAT SALE, YOU MAY HAVE TO PAY THE DIFFERENCE.**

**NOTICE TO CALIFORNIA RESIDENTS:** By signing this Plan, you specifically agree that we may access the records of the California Department of Motor Vehicles from time to time to obtain your current mailing address, and by so agreeing, you are specifically waiving your rights under sections 1808.21 and 1808.22 of the California Vehicle Code.

**NOTICE TO TEXAS BORROWERS- INSURANCE REQUIRED:** You are required to: (i) keep the collateral insured against damage in the amount of the loan or another amount if we so specify; (ii) purchase this insurance from an insurer that is authorized to do business in the state of Texas or an eligible surplus lines insurer; and (iii) name us as the person to be paid under the policy in the event of a loss. You must also provide us a copy of the policy and proof of the payment of premiums if we so request. If you fail to meet any of these requirements, we may obtain collateral protection insurance on your behalf at your expense.

**For Missouri Residents: 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 (creditor) 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.**

**For Vermont Residents: NOTICE TO CO-BORROWER: YOUR SIGNATURE ON THIS AGREEMENT MEANS THAT YOU ARE EQUALLY LIABLE FOR REPAYMENT OF THE PLAN. IF THE BORROWER DOES NOT PAY, WE HAVE A LEGAL RIGHT TO COLLECT FROM YOU.**

**OHIO RESIDENTS ONLY:** The Ohio laws against discrimination require that all creditors make credit equally available to all creditworthy customers, and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law.

**FOR WASHINGTON AND OREGON RESIDENTS ONLY:**

**WARNING: UNLESS YOU PROVIDE US WITH EVIDENCE OF THE INSURANCE COVERAGE AS REQUIRED BY YOUR AGREEMENT, WE MAY PURCHASE INSURANCE AT YOUR EXPENSE TO PROTECT OUR INTEREST. THIS INSURANCE MAY, BUT NEED NOT, ALSO PROTECT YOUR INTEREST. IF THE COLLATERAL BECOMES DAMAGED, THE COVERAGE WE PURCHASE MAY NOT PAY ANY CLAIM YOU MAKE OR ANY CLAIM MADE AGAINST YOU. YOU MAY LATER CANCEL THIS COVERAGE BY PROVIDING EVIDENCE THAT YOU HAVE OBTAINED PROPER COVERAGE ELSEWHERE. YOU ARE RESPONSIBLE FOR THE COST OF ANY INSURANCE PURCHASED BY US. THE COST OF THIS INSURANCE MAY BE ADDED TO YOUR LOAN BALANCE. IF THE COST IS ADDED TO THE LOAN BALANCE, THE INTEREST RATE ON THE UNDERLYING LOAN WILL APPLY TO THIS ADDED AMOUNT. THE EFFECTIVE DATE OF COVERAGE MAY BE THE DATE YOUR PRIOR COVERAGE LAPSED OR THE DATE YOU FAILED TO PROVIDE PROOF OF COVERAGE. THE COVERAGE WE PURCHASE MAY BE CONSIDERABLY MORE EXPENSIVE THAN INSURANCE YOU CAN OBTAIN ON YOUR OWN AND MAY NOT SATISFY WASHINGTON'S OR OREGON'S MANDATORY LIABILITY INSURANCE LAWS.**

**Negative Information Notice:** We may report information concerning your account(s) and credit to credit reporting agencies/bureaus or others. Late payments, missed payments, insufficient funds transactions or other defaults on your loan may be reflected in your credit report.

**IMPORTANT NOTICE ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT:** To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying information.

**THIS WRITTEN PLAN 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.**

ELECTRONICALLY FILED - 2009 SEP 15 10:35 AM - SPTN HANBURG PA COMB 05-01-09 003314126115

R 0038

**BILLING RIGHTS NOTICE****YOUR BILLING RIGHTS: KEEP THIS DOCUMENT FOR FUTURE USE***(applies to revolving subaccounts only):*

**This notice tells you about your rights and our responsibilities under the Fair Credit Billing Act.**

**What To Do If You Find A Mistake On Your Statement**

If you think there is an error on your statement, write to us at the address(es) listed on your statement.

In your letter, give us the following information:

1. Your name and account number.
2. The dollar amount of the suspected error.
3. If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us:

- Within 60 days after the error appeared on your statement.
- At least 3 business days before an automated payment is scheduled, if you want to stop payment on the amount you think is wrong.

You must notify us of any potential errors in writing. You may call us, but if you do, we are not required to investigate any potential errors and you may have to pay the amount in question.

**What Will Happen After We Receive Your Letter****When we receive your letter, we must do two things:**

1. Within 30 days of receiving your letter, we must tell you that we received your letter. We will also tell you if we have already corrected the error.
2. Within 90 days of receiving your letter, we must either correct the error or explain to you why we believe the bill is correct.

**While we investigate whether or not there has been an error:**

- We cannot try to collect the amount in question, or report you as delinquent on that amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount.
- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your credit limit.

**After we finish our investigation, one of two things will happen:**

- If we made a mistake: You will not have to pay the amount in question or any interest or other fees related to that amount.
- If we do not believe there was a mistake: You will have to pay the amount in question, along with applicable interest and fees. We will send you a statement of the amount you owe and the date payment is due. We may then report you as delinquent if you do not pay the amount we think you owe.

If you receive our explanation but still believe your bill is wrong, you must write to us within 10 days telling us that you still refuse to pay. If you do so, we cannot report you as delinquent without also reporting that you are questioning your bill. We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us.

If we do not follow all of the rules above, you do not have to pay the first \$50 of the amount you question even if your bill is correct.

**SECURITY AGREEMENT**

**Security Interest; Description of Collateral:** By signing the Consumer Lending Plan, or a document that specifically references this Security Agreement, or by signing any advance proceeds check, and/or by accessing, retaining, using, or otherwise accepting any funds, accounts or services under the Plan, you grant us a security interest in all goods, property, or other items purchased under this Plan (hereinafter referred to as "Collateral") either now or in the future, or in any other property given in connection with the Plan. Any required description of the Collateral shall appear on the Advance Receipt or similar document and you agree that the document containing the collateral description becomes a part of this Security Agreement. The Collateral shall secure your advances even though you did not sign anything at the time of the advance. The security interest includes all increases, substitutions and additions to the Collateral, proceeds from any insurance on the Collateral and all earnings received from the Collateral. The security interest also includes all accessions. Accessions are things which are attached to or installed in the property now or in the future. The security interest also includes any replacements for the property which you buy within 10 days of the Advance or any extensions, renewals or refinancing of the Advance. If the value of the Collateral declines, you promise to give us more security if asked to do so. You also agree to abide by the terms of the Security Agreement and any Advance Receipt or similar document.

**CONSENSUAL PLEDGE of FUNDS; Consensual Lien; Statutory Lien; Right to Set-off; Administrative Freeze:** By signing the Consumer Lending Plan, and/or by accessing, retaining, using, or otherwise accepting any funds, accounts or services, **you grant us, and we impress, a lien on your funds on deposit with the Credit Union.** We also have similar statutory lien rights in your funds on deposit under the Federal Credit Union Act and/or applicable state law, as well as the common law right to set-off and administrative freeze. "Savings," "savings accounts," "funds on deposit," and "funds on deposit accounts" means any and all funds, regardless of the source of those funds, in any joint or individual account held and whether your interest in the account(s) is direct, indirect, contingent or secondary and whether held now or in the future. Your pledge and our lien rights do not include any IRA, Keogh or other account which would lose special tax treatment if pledged, or any irrevocable trust or fiduciary account in which you do not have vested ownership interest. **IF YOU HAVE A CREDIT CARD WITH US, OUR RIGHTS ALSO APPLY TO THAT CREDIT CARD ACCOUNT.** If you default, we may apply the funds in your savings accounts and funds on deposit accounts to any obligations you owe us, without any legal process, court proceeding or any notice to any owner of the affected savings and funds on deposit accounts, unless applicable law so requires. **You specifically agree that we have the right to place an administrative freeze on any of your savings and funds on deposit accounts subject to applicable law, and such action shall not violate USC 362 or other applicable law.** These rights are multiple and we can exercise one or all of them.

**Savings- or Certificate-Secured Subaccounts:** If you have a Savings-Secured or Certificate-Secured subaccount, you must maintain an amount in the pledged account at least equal to your credit limit. If you fail to do so, you will be in default. Certificates must be renewed as long as a balance remains on a Certificate-Secured subaccount.

**CROSS-COLLATERALIZATION: Property and/or funds on deposit given as security under this Plan or for any other loan you have with us will secure any and all advances under this Plan as well as any account owner's joint or individual obligations to us, now or in the future, whether direct, indirect, contingent or secondary and arising from any loan or credit agreement, insufficient fund items; fees; cost, expenses, reasonable attorney's fees, or otherwise. However, property securing another debt will not secure advances under this Plan if such property is your primary residence or are household goods. IF YOU HAVE A CREDIT CARD WITH US, THIS CROSS-COLLATERALIZATION CLAUSE ALSO APPLIES TO THAT CREDIT CARD.**

**Release of Lien:** We will not release any lien on any collateral if you are delinquent on, or in default on, any subaccount under this Plan. For example, if you are in default of your line of credit subaccount, we will not release our lien on a vehicle loan, even if the vehicle loan is current or paid in full.

**No Liability for Dishonor:** We shall not have any liability relating to the dishonor or other return of any check or other item occurring as a result of us exercising our lien rights or good-faith freezing of your accounts.

BORROWER NAME <b>Kyle Anthony Tracy</b>	ACCOUNT NUMBER [REDACTED]
--	------------------------------

**SECURITY AGREEMENT**

**Ownership of the Collateral:** If you are granting a security interest in property you already own, you promise that the property is free of all security interests except that given to us or disclosed prior to the advance. You promise that you have informed us of any and all co-owners of the Collateral and/or any other person with an interest in or claim against the property. If you are using the advance proceeds to buy the property that shall be used as Collateral, you shall use those advance proceeds for the sole purpose of buying that Collateral. You shall not sell or lease the Collateral or use it as security for a loan with another creditor until the advance is repaid. You shall not allow another security interest or lien to attach to the Collateral either by your actions or by operation of law.

**Protecting the Security Interest:** You shall take any steps necessary for us to perfect our security interest in the Collateral. If asked to do so, you shall sign a financing statement or similar instrument to perfect our security interest and/or to protect our security interest from the claims of others.

**Use and Maintenance of Collateral:** Until the advance has been paid in full, you agree to (1) use the Collateral carefully and for the purpose it was intended and keep it in good repair; (2) Obtain our written permission before making material changes to the Collateral or changing the address where the Collateral is kept; (3) allow us to inspect the Collateral; (4) Promptly notify us if the Collateral is damaged, stolen or abused; (5) Not use the Collateral for any unlawful purpose; (6) pay all taxes, assessments and liens regarding the Collateral.

**Notices:** We may meet all requirements for sending you notice of any kind if we send it to you via United States mail, at your last given address. We may also meet this requirement by delivering these notices to you electronically if you have agreed to receive notices by electronic means.

**Additional Advances:** Any additional advances made by us for the payment of taxes or assessments or liens of any kind, or premiums on insurance and the interest owing thereon or any other advance necessary to perfect or protect our security interest shall also be secured by this agreement. Such amounts shall be added to your loan balance and your minimum payment due shall be increased or your loan term extended accordingly.

**Disposition of Collateral:** If a default under the Plan occurs, we may repossess and sell the Collateral in a lawful manner. In such case, you will at our request assemble the Collateral and make it available to us at a place of our choosing, or we may enter the premises where the Collateral is kept and take possession, subject to applicable law. We may also render the Collateral unusable. If we decide to sell the Collateral at a public sale, private sale, or otherwise dispose of the Collateral, we will provide reasonable notice if required by law and will otherwise comply with applicable state law. If we sell or otherwise dispose of the Collateral we may collect from you reasonable expenses incurred in the retaking, holding and preparing the Collateral for and arranging the sale of the Collateral, as well as any deficiency balance as allowed under applicable law. We may also collect reasonable attorney's fees and legal expenses, permitted by applicable law, incurred in connection with disposition of the Collateral. We have certain rights and legal remedies available under the Uniform Commercial Code and other applicable laws, and we may use these rights to enforce payment if you default.

**Attorney-in-Fact:** You hereby appoint us as your Attorney-in-Fact to perform any acts which we feel are necessary to protect the Collateral and our security interest. You specifically authorize us to endorse on your behalf any check made payable to both you and us.

**Survival of Obligations:** This security agreement not only binds you, but your executors, administrators, heirs and assigns.

*Applies to Louisiana residents only:*

**Louisiana law permits repossession of motor vehicles upon default without further notice or judicial process.**

If the secured collateral is a motor vehicle and you are in default, we may seize and sell the motor vehicle without demand for payment or advance notice to you. Collateral other than motor vehicles may be repossessed without judicial process only as allowed by applicable Louisiana law.

For purposes of foreclosure under Louisiana executory process, **you hereby confess judgment in our favor for all amounts secured by the Plan**, including, but not limited to, principal, interest, late charges, costs of collection, costs of preservation of the collateral, reasonable attorney's fees, and all other amounts advanced under the Plan. We may appoint a keeper of the property in the event of foreclosure. To the extent allowed under Louisiana law, you hereby waive the following rights and procedures under Louisiana

law: (a) all rights and benefit of appraisal; (b) notice of seizure; (c) the 30 day delay afforded under Articles 2331 and 2722; and (d) all other provisions under Articles 2331, 2722 and 2723 and all other Articles not specifically mentioned herein. You further agree that any declaration of fact made by authentic act by a person declaring that such facts are within his or her knowledge shall constitute authentic evidence of facts for the purpose of foreclosure under applicable Louisiana law and for the purposes of LSA-R.S. 9:3504(D)(6) and LSA-R.S. 10:9-508, to the extent applicable.

**PROPERTY INSURANCE; LENDER-PLACED INSURANCE - PLEASE READ CAREFULLY**

(a) Your requirement to maintain property insurance. You are required to carry insurance to protect your interest and our interest in the collateral securing this loan. The insurance:

- Must protect against any loss by fire or theft, and collision and comprehensive coverage on motor vehicles and other property pledged as security on this Plan.
- Must (i) be in an amount and type sufficient to repair the collateral to its existing condition prior to the loss, and/or to replace the collateral with comparable or like property, minus depreciation, if it is damaged or lost; or (ii) be in an amount and type as we might otherwise inform you that we require.
- Must have a maximum deductible as set forth by us.
- Must be maintained in force for as long as the loan is outstanding.
- Must name us as loss payee. We must receive the loss payee endorsement within 30 days of your loan date.

These requirements are solely in our discretion and we may change any of these requirements at any time for any reason. The insurance may be obtained by any insurer of your choice that is acceptable to us.

(b) Lender-placed property insurance. Please read carefully:

- **If you fail to maintain insurance satisfying the requirements set forth above, or if you fail to provide us proof of such coverage, we may, but do not have to, obtain insurance to protect our interest (not yours) in the property.**
- **The total cost of lender-placed insurance may be added to the loan balance.** The total cost of this insurance includes, but is not limited to the premium, any administrative costs we incur, any commissions that may be earned, and other reasonable expenses related to your failure to maintain insurance. This cost will be paid by you either on demand, or by increasing your periodic payment, or by extending the loan term.
- Whether we obtain insurance, and the amount and types of coverage that we may obtain, is solely in our discretion. We may obtain the insurance from anyone we want, including an affiliate of ours, and such affiliate may earn a commission on the coverage.
- **The insurance placed by us is without benefit to you personally** and is primarily for our protection. It may not adequately protect your interest in the collateral or any personal property contained in the collateral, and will not satisfy any mandatory liability or financial responsibility requirements under state law.
- **Coverage obtained by us may be considerably more expensive than coverage you could obtain on your own** and may be different than previous policies you may have had or policies that you may prefer.
- Any insurance placed by us will be effective as of the date your policy lapsed or, if you never obtained insurance, the date of the loan.
- Nothing in this agreement is intended to confer third-party beneficiary rights or status to you with respect to any agreements between us and our insurer or its agent.

(c) How to remove lender-placed property insurance. **You may have the lender-placed coverage cancelled at any time by providing evidence to us that you have purchased insurance coverage satisfying the requirements set forth above.**

(d) Other. You assign us the right to receive and endorse any insurance proceeds check, to apply those proceeds to the sums you owe, and you direct any insurer to pay those proceeds directly to us. You further authorize us or our representative to obtain the necessary information for verification of adequate coverage. We, or our affiliates, may receive compensation or reimbursement of expenses related to any insurance premiums added by us.

(e) Default. If you fail to maintain insurance as set forth in this provision, you will be in default of your loan. We may either place our own insurance on the collateral as explained above, or we can declare you in default and take all remedies set forth in your loan agreement or available to us under applicable law, including calling the loan immediately due.

ELECTRONICALLY FILED - 2024 OCT 15 3:51 PM SPARTANBURG - CONIGON PLANS CASE #2023CP120221



**Founders Federal Credit Union**  
 737 Plantation Road  
 Lancaster, SC 29720  
 1-800-845-1614

**EXHIBIT B**

**SECURITY AGREEMENT AND  
 ADVANCE RECEIPT**

ELECTRONICALLY FILED - 2024 Oct 15 3:51 PM - SPARTANBURG - COMMON PLEAS - CASE# 22-02205-2022216

BORROWER'S/OWNER'S NAME <b>Kyle Anthony Tracy</b>		DATE <b>11/05/2021</b>
CO-BORROWER'S/OWNER'S NAME		ACCOUNT NUMBER [REDACTED] - 3000
NON-BORROWER OWNER'S NAME		

**SECURITY INFORMATION**

THE FOLLOWING PROPERTY IS GIVEN AS COLLATERAL TO SECURE THE DEBT DESCRIBED HEREIN. THE ADVANCE IS ALSO SECURED BY BORROWER'S SAVINGS, ALL PROPERTY SECURING OTHER PLAN ADVANCES AND LOANS RECEIVED IN THE PAST OR IN THE FUTURE:

SAVINGS PLEDGED:	ACCOUNT NUMBER	AMOUNT	ACCOUNT NUMBER	AMOUNT

MOTOR VEHICLES:	YEAR	MAKE	MODEL	BODY TYPE	SERIAL NUMBER OR VIN
	2011	BMW	5 Series	Sedan 4D 535i 3.0L I6 Tu	WBAFR7C57BC605969
	VALUE <b>\$11,850.00</b>			AMOUNT OF LIEN (TOTAL OF PAYMENTS) <b>\$18,198.25</b>	

OTHER COLLATERAL:	YEAR	MAKE	MODEL	BODY TYPE	SERIAL NUMBER OR VIN
	VALUE			AMOUNT OF LIEN (TOTAL OF PAYMENTS)	

**CREDIT INFORMATION**

<b>ANNUAL PERCENTAGE RATE:</b> The cost of your credit as a yearly rate. <b>13.500%</b>	<b>FINANCE CHARGE:</b> The dollar amount the credit will cost you. <b>\$4,395.25</b>	Amount Financed: The amount of credit provided to you or on your behalf. <b>\$13,803.00</b>	Total of Payments: The amount you will have paid after you have made all payments as scheduled. <b>\$18,198.25</b>
---	---	--	---

**\*Savings/Certificate Secured:** If checked, this is a savings or certificate secured loan and the Annual Percentage Rate for savings/certificate secured advances will be the dividend rate being paid on savings/certificate(s) offered as security (Index) plus a margin of \_\_\_\_\_. If there is an existing balance on the date of the new advance, the existing balance will be added to the new advance and the entire balance will be at the new APR. The APR shall be subject to an increase or decrease at the time the dividend rate on your pledged savings/certificate(s) changes. Savings dividend rate changes shall be at the sole discretion of Founders Federal Credit Union. The certificate must be renewed until the advance is completely paid. Any increase will take the form of higher payment amounts. EXAMPLE: If your loan was \$10,000 at 6% for 120 months and the rate increased to 6.50% after 3 years, your monthly payment would increase by \$1.83.

**\*Prime Rate:** If checked, the Annual Percentage Rate disclosed above may increase or decrease during the term of this transaction if the highest rate of interest identified as the 'Prime Rate' in the 'Money Rates' column of the Wall Street Journal increases or decreases. The Annual Percentage Rate will be equal to the Prime Rate plus a margin of \_\_\_\_\_. Rates can change annually on the anniversary of the loan date following a change in the Prime Rate. Any increase will take the form of higher payment amounts. EXAMPLE: If your loan was \$10,000 at 6% for 120 months and the rate increased to 6.25% after 3 years, your monthly payment would increase by \$0.91.

Your payment schedule will be:

NUMBER OF PAYMENTS	AMOUNT OF PAYMENTS	WHEN PAYMENTS ARE DUE	
50	\$358.00	Monthly	12/05/2021
1 Final Payment	\$298.25		02/05/2026

**Security:** You are giving a security interest in your funds on deposit with the Credit Union, as well as the collateral described above. Collateral for other loans with us will also secure this loan, except for your home and household goods.

**Late Charges:** If a payment is received more than 15 days after the due date, you will be charged 5% of the scheduled payment amount on each said installment subject to a minimum of \$5.00 and a maximum of \$25.00

**Filing Fees:**

**Property Insurance:** You may obtain property insurance from anyone you want that is acceptable to us. If you do not obtain property insurance we will obtain it at your cost.

**Required Deposit Balance:** The Annual Percentage Rate does not take into account your required deposit balance.

**Prepayment:** If you pay off early, you will not have to pay a penalty.

See your contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled date, and prepayment refunds and penalties.

<b>ITEMIZATION OF AMOUNT FINANCED OF</b>	<b>\$13,803.00</b>	Amount Paid to Others on Your Behalf				
AMOUNT GIVEN TO YOU DIRECTLY	<b>\$10,500.00</b>	<b>GAP To:</b> Allied (a portion will be retained by us)	<b>Title Fees To:</b> DMV	<b>Title Fees To:</b> DDI	<b>Repair Agreement To:</b> APCO (a portion will be retained by us)	<b>Carfax</b>
AMOUNT PAID ON YOUR ACCOUNT	<b>\$0.00</b>	<b>\$495.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$2,798.00</b>	<b>FedEx</b>
PREPAID FINANCE CHARGE					<b>\$10.00</b>	

BORROWER'S NAME <b>Kyle Anthony Tracy</b>	ACCOUNT NUMBER [REDACTED] - 3000
--	-------------------------------------

**Debt Protection:** Thank you for purchasing optional debt protection on your Consumer Lending Plan. The Total Estimated Fee for this loan is **\$0.00**, and is included in the payment schedule disclosed on page 1 of this document. We will retain a portion of this amount.

**Products/Services Offered By Third Parties/Affiliates:** Any Guaranteed Asset Protection insurance or extended warranty services ("products") which are provided by third parties or any affiliates are not products of the Credit Union. If the purchase of same is facilitated by or through Credit Union financing; such is a convenience to the borrower(s) and in no way creates any contractual or other relationship between the borrower(s) and the Credit Union with regard to any such products. Any rights, obligations or claims with regard to such products shall be solely and exclusively by and between the party providing such products as may be set forth in any applicable contracts, agreements or otherwise, and the Credit Union shall have no obligations, responsibilities, duties, or liabilities whatsoever regarding same. This does not apply to our Debt Protection product, which is governed by the Loan Addendum between the Credit Union and the member.

**Authentication and Signature (Loans and Obligations to the Credit Union).** All borrowers and owners of collateral hereby authorize the Credit Union or its agents to file, execute, sign, authenticate and take all other actions it deems necessary or proper in said parties' name(s) and stand with regard to the said parties' obligations to sign, file or obtain any lien, evidence of lien, financing statement, certificate of title or other security instrument it deems necessary to the attachment or perfection of your lien rights in any Collateral pledged to secure the borrower's obligations to the Credit Union, as well as any additional collateral it may require under the terms of the Agreement and any alternate collateral it agrees to accept; or sale of such collateral in the event of default, which authority includes any modification, amendment, continuation or refinancing.

By signing below, **Borrower** agrees to abide by the terms of the Credit Agreement and all owners **GRANT TO THE CREDIT UNION A SECURITY INTEREST IN THE PROPERTY DESCRIBED ABOVE** and agree to abide by the terms of the Security Agreement. This pledge of security is governed by the Security Agreement contained herein. Property given as security for this loan or for any other loan will secure all amounts you owe the Credit Union now and in the future. This includes a security interest in all your funds on deposit with the Credit Union. However, for purposes of this advance, the Credit Union specifically waives any security interest it may have in your dwelling as explained in the Security Agreement. Non-purchase money household goods will not secure future advances. By signing below, Non-Borrower Owner agrees to abide by the terms of the Security Agreement and grants to the Credit Union a security interest in the property described above.

**NOTICE TO CONSUMER: THIS IS A CONSUMER CREDIT TRANSACTION. (A) DO NOT SIGN ANYTHING BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACES. (B) YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN. (C) YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS AGREEMENT. THIS WRITTEN 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.**

**CAUTION- IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.**

<input checked="" type="checkbox"/> BORROWER/OWNER	<input type="checkbox"/> NON-BORROWER/OWNER	DATE
<i>X</i> <i>Kyle Tracy</i>		11/05/2021
<input checked="" type="checkbox"/> BORROWER/OWNER	<input type="checkbox"/> NON-BORROWER/OWNER	DATE
<i>X</i>		

<input type="checkbox"/> BORROWER/OWNER	<input checked="" type="checkbox"/> NON-BORROWER/OWNER	DATE
<i>X</i>		
SECURED PARTY SIGNATURE (IF REQUIRED)	DATE	
<i>X</i> <i>Sayani Lopez</i>	SAYANI PONCE LOPEZ 11/08/2021	

CONSUMER'S CLAIMS AND DEFENSES NOTICE - IF CHECKED, SEE NOTICE BELOW

**NOTICE: ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.**

**IMPORTANT DISCLOSURES FOR ACTIVE MEMBERS OF THE MILITARY AND THEIR DEPENDENTS:**

The following applies if at the time this loan is made you are an active member of the military or a dependent (as those terms are defined in the Military Lending Act (MLA), 10 U.S.C. 987 and its implementing regulations ("MLA")), and (a) your loan is unsecured or secured by personal property or a vehicle that you did not purchase with the proceeds of the loan; or (b) it is otherwise determined by law that the MLA applies to your loan. If this loan is a revolving line of credit or credit card, the MLA ceases to apply at any time during which you are not a member of the military or a dependent (as defined in the MLA).

- NOTICE:** 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 or debt protection fees; 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 fee charged (other than certain participation fees for a credit card account). To receive this notice verbally, please call 1-800-845-1614 during our normal business hours.
- This loan will not be secured by a consensual lien on funds on deposit in any of your accounts unless you agree to establish an account in connection with this loan ("Secured Account"). Only funds deposited into the Secured Account after the loan is made will secure this loan. Any cross-collateralization provision contained in your loan or account documents will not apply to the Secured Account or your other funds on deposit accounts for any loan subject to the Military Lending Act. However, we reserve our statutory lien rights and rights to set-off or administrative freeze under federal or state law, which gives us the right to apply the sums in the Secured Account or any other account(s) you have with us to satisfy your obligations under this loan.
- Any reference in this consumer credit contract to the following are hereby inapplicable to your loan: (a) Mandatory arbitration; (b) Any requirement(s) to waive your rights to legal recourse under any applicable state or federal law; (c) Any demands or requirements construed as unreasonable notice from you in order to exercise your legal rights; or (d) Prepayment penalties.
- Any provisions in your consumer credit contract, loan, security, or account agreements that are determined to be inconsistent with or contradictory to these disclosures or the MLA (as they may be revised or amended from time to time) are inapplicable with regard to this loan. However, all other terms and conditions of the consumer credit contract shall remain in full force and effect.

"YOU" OR "YOURS" MEANS EACH PERSON WHO SIGNED THIS SECURITY AGREEMENT ABOVE. "WE" OR "OURS" MEAN THE CREDIT UNION NAMED ON PAGE 1 OF THIS SECURITY AGREEMENT. "BORROWER" MEANS ALL BORROWER(S) NAMED ON PAGE 1 OF THIS SECURITY AGREEMENT.

**SECURITY AGREEMENT**

**Security Interest; Description of Collateral** By signing this Security Agreement, and/or by accessing, using, or otherwise accepting any funds, accounts or services under Borrower's Consumer Lending Plan, you grant us a security interest in all goods, property, or other items purchased under this Plan (hereinafter referred to as "Collateral") either now or in the future, or in any other property given in connection with the Plan. Any required description of the Collateral shall appear on the Advance Receipt or similar document and is hereby incorporated by reference. The security interest includes all increases, substitutions and additions to the Collateral, proceeds from any insurance on the Collateral and all earnings received from the Collateral. The security interest also includes all accessions. Accessions are things which are attached to or installed in the property now or in the future. The security interest also includes any replacements for the property which you buy within 10 days of the Advance or any extensions, renewals or refinancing of the Advance. If the value of the Collateral declines, you promise to give us more security if asked to do so. You also agree to abide by the terms of the Security Agreement and any Advance Receipt or similar document.

"Savings," "savings accounts," "funds on deposit," and "funds on deposit accounts" means any and all funds, regardless of the source of those funds, in any joint or individual account held and whether your interest in the account(s) is direct, indirect, contingent or secondary and whether held now or in the future. Your pledge and our lien rights do not include any IRA, Keogh or other account which would lose special tax treatment if pledged, or any irrevocable trust or fiduciary account in which you do not have vested ownership interest. IF YOU HAVE A CREDIT CARD WITH US, OUR RIGHTS ALSO APPLY TO THAT CREDIT CARD ACCOUNT. If you default, we may apply the funds in your savings accounts and funds on deposit accounts to any obligations you owe us, without any legal process, court proceeding or any notice to any owner of the affected savings and funds on deposit accounts, unless applicable law so requires. **You specifically agree that we have the right to place an administrative freeze on any of your funds on deposit accounts** subject to applicable law, and such action shall not violate 11 USC 362 or other applicable law. These rights are multiple and we can exercise one or all of them.

**CONSENSUAL PLEDGE of FUNDS; Consensual Lien; Statutory Lien; Right to Set-off; Administrative Freeze:** By signing this Security Agreement, and/or by accessing, retaining, using, or otherwise accepting any funds, accounts or services, you grant us, and we impress, a lien on your funds on deposit with the Credit Union. We also have similar statutory lien rights in your funds on deposit under the Federal Credit Union Act and/or applicable state law, as well as the common law right to set-off and administrative freeze.

**CROSS-COLLATERALIZATION:** Property and/or funds on deposit given as security under this Agreement or for any other loan you have with us will secure any and all advances under this Agreement as well as any account owner's joint or individual obligations to us, now or in the future, whether direct, indirect, contingent or secondary and arising from any loan or credit agreement, insufficient fund items; fees; cost, expenses, reasonable attorney's fees, or otherwise. However, property securing another debt will not secure advances under this Agreement if such property is your primary residence, or are non-purchase money household goods.

R 000

ELECTRONICALLY FILED - COMMON PLEAS - CASE # 2003CR01209216 - SPARTANBURG

BORROWER'S NAME <b>Kyle Anthony Tracy</b>	ACCOUNT NUMBER [REDACTED] - <b>3000</b>
--	--

"YOU" OR "YOURS" MEANS EACH PERSON WHO SIGNED THIS SECURITY AGREEMENT ON PAGE 2. "WE" OR "OURS" MEAN THE CREDIT UNION NAMED ON PAGE 1 OF THIS SECURITY AGREEMENT. "BORROWER" MEANS ALL BORROWER(S) NAMED ON PAGE 1 OF THIS SECURITY AGREEMENT.

**Release of Lien:** We will not release any lien on any collateral if Borrower is delinquent on, or in default on, any subaccount under the Consumer Lending Plan. For example, if you are in default of your line of credit subaccount, we will not release our lien on a vehicle loan, even if the vehicle loan is current or paid in full.

**No Liability for Dishonor:** We shall not have any liability relating to the dishonor or other return of any check or other item occurring as a result of us exercising our lien rights or good-faith freezing of your accounts.

**Ownership of the Collateral:** If you are granting a security interest in property you already own, you promise that the property is free of all security interests except that given to us or disclosed prior to the advance. You promise that you have informed us of any and all co-owners of the Collateral and/or any other person with an interest in or claim against the property. If you are using the advance proceeds to buy the property that shall be used as Collateral, you shall use those advance proceeds for the sole purpose of buying that Collateral. You shall not sell or lease the Collateral or use it as security for a loan with another creditor until the advance is repaid. You shall not allow another security interest or lien to attach to the Collateral either by your actions or by operation of law.

**Protecting the Security Interest:** You shall take any steps necessary for us to perfect our security interest in the Collateral. If asked to do so, you shall sign a financing statement or similar instrument to perfect our security interest and/or to protect our security interest from the claims of others.

**Use and Maintenance of Collateral:** Until the advance has been paid in full, you agree to (1) use the Collateral carefully and for the purpose it was intended and keep it in good repair; (2) Obtain our written permission before making material changes to the Collateral or changing the address where the Collateral is kept; (3) allow us to inspect the Collateral; (4) Promptly notify us if the Collateral is damaged, stolen or abused; (5) Not use the Collateral for any unlawful purpose; (6) pay all taxes, assessments and liens regarding the Collateral.

**Notices:** We may meet all requirements for sending you notice of any kind if we send it to you via United States mail, at your last given address. We may also meet this requirement by delivering these notices to you electronically if you have agreed to receive notices by electronic means.

**Additional Advances:** Any additional advances made by us for the payment of taxes or assessments or liens of any kind, or premiums on insurance and the interest owing thereon or any other advance necessary to perfect or protect our security interest shall also be secured by this agreement. Such amounts shall be added to your loan balance and the minimum payment due shall be increased or your loan term extended accordingly.

**Disposition of Collateral:** If a default under the Plan occurs, we may repossess and sell the Collateral in a lawful manner. In such case, you will at our request assemble the Collateral and make it available to us at a place of our choosing, or we may enter the premises where the Collateral is kept and take possession, subject to applicable law. We may also render the Collateral unusable. If we decide to sell the Collateral at a public sale, private sale, or otherwise dispose of the Collateral, we will provide reasonable notice if required by law and will otherwise comply with applicable state law. If we sell or otherwise dispose of the Collateral we may collect from you reasonable expenses incurred in the retaking, holding and preparing the Collateral for and arranging the sale of the Collateral, as well as any deficiency balance as allowed under applicable law. We may also collect reasonable attorney's fees and legal expenses, permitted by applicable law, incurred in connection with disposition of the Collateral. We have certain rights and legal remedies available under the Uniform Commercial Code and other applicable laws, and we may use these rights to enforce payment if you default.

**Attorney-in-Fact:** You hereby appoint us as your Attorney-in-Fact to perform any acts which we feel are necessary to protect the Collateral and our security interest. You specifically authorize us to endorse on your behalf any check made payable to both you and us.

**Survival of Obligations:** This security agreement not only binds you, but your executors, administrators, heirs and assigns.

*Applies to Louisiana residents only:*

**Louisiana law permits repossession of motor vehicles upon default without further notice or judicial process.**

If the secured collateral is a motor vehicle and you are in default, we may seize and sell the motor vehicle without demand for payment or advance notice to you. Collateral other than motor vehicles may be repossessed without judicial process only as allowed by applicable Louisiana law.

For purposes of foreclosure under Louisiana executory process, **you hereby confess judgment in our favor for all amounts secured by the Plan**, including, but not limited to, principal, interest, late charges, costs of collection, costs of preservation of the collateral, reasonable attorney's fees, and all other amounts advanced under the Plan. We may appoint a keeper of the property in the event of foreclosure. To the extent allowed under Louisiana law, you hereby waive the following rights and procedures under Louisiana law: (a) all rights and benefit of appraisal; (b) notice of seizure; (c) the 3-day delay afforded under Articles 2331 and 2722; and (d) all other provisions under Articles 2331, 2722 and 2723 and all other Articles not specifically mentioned herein. You further agree that any declaration of fact made by authentic act by a person declaring that such facts are within his or her knowledge shall constitute authentic evidence of facts for the purposes of foreclosure under applicable Louisiana law and for the purposes of LSA-R.S. 9:3504(D)(6) and LSA-R.S. 10:9-508, to the extent applicable.

**NOTICE FOR ARIZONA OWNERS OF PROPERTY:** It is unlawful for you to fail to return a motor vehicle that is subject to a security interest within thirty days after you have received notice of default. The notice will be mailed to the address provided on this document unless you have given us a new address. It is your responsibility to notify us if your address changes. The maximum penalty for unlawful failure to return a motor vehicle is one year in prison and/or a fine of \$150,000.

**NORTH DAKOTA NOTICE TO BORROWERS PURCHASING A MOTOR VEHICLE -** MOTOR VEHICLE IN THIS TRANSACTION MAY BE SUBJECT TO REPOSSESSION. IF IT IS REPOSSESSED AND SOLD TO SOMEONE ELSE, AND ALL AMOUNTS DUE TO THE SECURED PARTY ARE NOT RECEIVED IN THAT SALE, YOU MAY HAVE TO PAY THE DIFFERENCE.

**PROPERTY INSURANCE; LENDER-PLACED INSURANCE - PLEASE READ CAREFULLY**

- (a) Your requirement to maintain property insurance. You are required to carry insurance to protect your interest and our interest in the collateral securing this loan. The insurance:
- Must protect against any loss by fire or theft, and collision and comprehensive coverage on motor vehicles and other property pledged as security on this Plan.
  - Must (i) be in an amount and type sufficient to repair the collateral to its existing condition prior to the loss, and/or to replace the collateral with comparable or like property, minus depreciation, if it is damaged or lost; or (ii) be in an amount and type as we might otherwise inform you that we require.
  - Must have a maximum deductible as set forth by us.
  - Must be maintained in force for as long as the loan is outstanding.
  - Must name us as loss payee. We must receive the loss payee endorsement within 30 days of your loan date.

These requirements are solely in our discretion and we may change any of these requirements at any time for any reason. The insurance may be obtained by any insurer of your choice that is acceptable to us.

- (b) Lender-placed property insurance. Please read carefully:
- **If you fail to maintain insurance satisfying the requirements set forth above, or you fail to provide us proof of such coverage, we may, but do not have to, obtain insurance to protect our interest (not yours) in the property.**
  - **The total cost of lender-placed insurance may be added to the loan balance.** The total cost of this insurance includes, but is not limited to, the premium, and administrative costs we incur, any commissions that may be earned, and other reasonable expenses related to your failure to maintain insurance. This cost will be paid by you either on demand, or by increasing your periodic payment, or by extending the loan term.
  - Whether we obtain insurance, and the amount and types of coverage that we may obtain, is solely in our discretion. We may obtain this insurance from anyone we want, including an affiliate of ours, and such affiliate may earn a commission on the coverage.
  - **The insurance placed by us is without benefit to you personally**, and is primarily for our protection. It may not adequately protect your interest in the collateral or any personal property contained in the collateral, and will not satisfy any mandatory liability or financial responsibility requirements under state law.
  - **Coverage obtained by us may be considerably more expensive than coverage you could obtain on your own** and may be different than previous policies you may have had or policies that you may prefer.
  - Any insurance placed by us will be effective as of the date your policy lapsed or, if you never obtained insurance, the date of the loan.
  - Nothing in this agreement is intended to confer third-party beneficiary rights or status to you with respect to any agreements between us and our insurer or its agent.

(c) How to remove lender-placed property insurance. **You may have the lender-placed coverage cancelled at any time by providing evidence to us that you have purchased insurance coverage satisfying the requirements set forth above.**

(d) Other. You assign us the right to receive and endorse any insurance proceeds check, to apply those proceeds to the sums you owe, and you direct any insurer to pay those proceeds directly to us. You further authorize us or our representative to obtain the necessary information for verification of adequate coverage. We, or our affiliates, may receive compensation or reimbursement of expenses related to any insurance premiums added by us.

(e) Default. If you fail to maintain insurance as set forth in this provision, you will be in default of your loan. We may either place our own insurance on the collateral as explained above, or we can declare you in default and take all remedies set forth in your loan agreement or available to us under applicable law, including calling the loan immediately due.

ELECTRONICALLY FILED IN 2024 OCT 15 3:51 PM - SPARTANBURG COMMON PLEAS - CASE #2028CP420216



# Electronic Title Copy

Vehicle ID Number WBAFR7C57BC605969	Year 2011	Make BMW	Model 535	Body Style SD	Lic Plate	Reg Exp
Weight 4090	New/Used Used	Title Number 0960414816913	Odometer 136650	State SC	Date Issued 12-02-2021	
Vehicle Color						
Full Name of Owner(s) KYLE ANTHONY TRACY 590 CHERRY HILL RD SPARTANBURG, SC 293073428				Liens(s) FOUNDERS FEDERAL CREDIT UNION 737 PLANTATION RD LANCASTER, SC 297205808		
				Lien Date: 11-05-2021 [REDACTED]		

\* Information has been supplied by the lienholder, not the state titling agency.

Document ID: YDD7TK0BN9

**THIS IS NOT A TITLE**  
This is an official Premier eTitleLien® Report  
generated by a customer of DDI Technology.



**DDI Technology**

**R 0044**



737 Plantation Rd  
Lancaster, SC 29720

**EXHIBIT C**

**Right to Cure  
Final Notice of Repossession**

01/04/22

Kyle Anthony Tracy  
590 Cherry Hill Rd  
Spartanburg, SC 29307-3428

Re: Account Number [REDACTED] 34-3000

Description of Collateral: 2011 BMW 5 Series WBAFR7C57BC605969

**AMOUNT NOW DUE:** \$358.00

**PAY BY DATE:** 01/24/2022

**TO STOP REPOSSESSION/JUDGEMENT**

You are delinquent in making your loan payments on your loan. Please send the amount now due by the date listed above, or contact your loan officer to assist you in resolving your past due account. If your account continues in a past due status, we may exercise our rights under law. These rights include the right to repossess any property held as collateral for this transaction, and the right, in many instances to hold you personally responsible for any deficiency balance remaining as a result of the sale of the collateral. If you are delinquent again in making your payments, we may exercise our rights without sending you another notice. If you have any questions, please write or call Founders Federal Credit Union promptly. Your attention to this matter is appreciated.

Founders Federal Credit Union may report information about your account(s) to credit reporting agencies/bureaus. Late payments, missed payments, insufficient funds transactions or other defaults on your loan and share/share draft account(s) may be reflected in your credit report.

This letter is an attempt to collect a debt and information we receive from you in response to this letter may be used in legal action to collect this debt if such action is necessary.

Please contact your local credit union office with payment arrangements.

Loss Control Department  
Founders Federal Credit Union  
(866) 463-1053 or (803) 289-5960

**Carolina Pro Recovery Llc Car Condition Report**

**p o box 161264 Boiling Springs,SC 29316**

**Phone: (864) 278-0298 Fax:(864) 578-3073**

**Client:** FOUNDERS FEDERAL CREDIT UNION

**Case #:** 2103490222 / 7728

**Recovery Date:** 2022-03-01

**Account #:** [REDACTED] **ATTN:** Andrew Mitchem

**Recovery Time:** 01:35 PM

**Borrower:** KYLE TRACY

**Police Agency:** SPARTANBURG COUNTY POLICE DEPARTMENT

**Legal Owner:** FOUNDERS FEDERAL CREDIT UNION

**Order Type:** Repossess

**Order To:** Involuntary Repossession

**Recovery Location:** 590 Cherry Hill Rd Spartanburg SC 29307

**Personals:** Yes

PERSONAL PAPERS, PHONE CORDS, SHOES, BASKET BALL X2, LIGHTER, INSULIN, HAT, CAR CLEANING SUPPLIES, CLEANING RAGS, STORAGE BOWLS, TRASH

**Collateral** (Stored At: Main Storage Lot 2149 CHESNEE HWY. Spartanburg SC 29303 864-278-0298)

**Year:** 2011

**Make:** BMW

**Model:** 5 SERIES

**Color:** BLACK

**VIN #:** WBAFR7C57BC605969

**Mileage:** 147521

**License/St:** /

**Expires:**

**General**

**General Condition**

Average

**Mechanical Condition**

Average

**Interior Condition**

Dirty

**Notes:** SCRATCHES FRONT BUMPER. SMALL DENT DRIVERS FRONT DOOR AND DRIVERS REAR DOOR WITH SCRATCHES AND SCUFFS. ABS LIGHT ON. BRAKE LIGHT ON. CHECK ENGINE LIGHT ON. TIRE LIGHT FLASHING. TRACTION CONTROL LIGHT ON. SCRATCHES AND DINGS ON VEHICLE. INSIDE AND DIRTY AND SMELLS.

**Keys**

**Ignition Keys** Yes

**Secondary Keys** No

**Battery** Good

**Options**

**Type Of Vehicle**

4dr Car

**Roof**

Sun-roof

**Transmission**

Automatic

**Stereo**

Am/fm

Power Windows

Power Locks

Tilt Wheel

A/C

Power Seats

Power Steering

Cruise Control

Diesel

Leather Seats

Alloy Wheels

Rear A/C

**Details:**

**Condition**

**Body**

Average

**Paint**

Scatched

**Able To Drive**

Yes

**Driver's Side**

**Front Quarter Panel**

Scatched And Dinged

**Front Door**

Small Dent

**Rear Door**

Small Dent

**Rear Quarter Panel**

Scatched And Dinged

**Passenger's Side**

**Front Quarter Panel**

Scatched And Dinged

**Front Door**

Scatched And Dinged

**Rear Door**

Scatched And Dinged

**Rear Quarter Panel**

Scatched And Dinged

**Top**

**Hood**

Scatched And Dinged

**Roof**

Scatched And Dinged

**Trunk**

Scatched And Dinged

**Hatchback**

**Bumper**

**Front**

Scatched And Dinged

**Rear**

Scatched And Dinged

**Glass**

Front Chipped

**Tires Lft Frt**

Poor

**Left Rear**

Poor

**Right Front**

Poor

**Right Rear**

Poor

**Spare**

None

**Wheel Covers**

4

**Completed By:** TIFFANY

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

**Date:** 03/01/2022

Received On: \_\_\_\_\_

**R 0046**

ELECTRONICALLY FILED - 2024 Oct 15 3:51 PM - SPARTANBURG - COMMON PLEAS - CASE#2023CP4202216

# Picture Report

Carolina Pro Recovery Llc  
p o box 161264  
Boiling Springs, SC 29316  
Phone: 8642780298 Fax: 8645783073

03/01/2022  
Case #: 2103490222  
Reference #: 7728  
Acct #: [REDACTED]

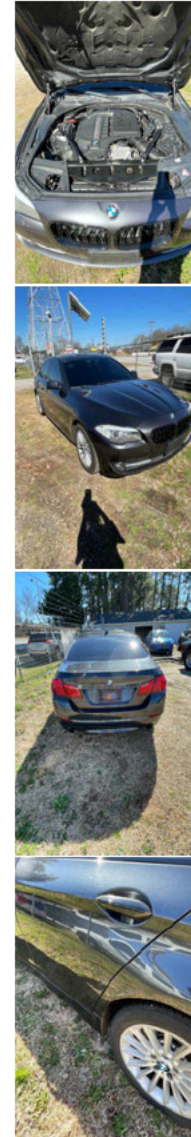
**Client**  
FOUNDERS FEDERAL CREDIT UNION  
737 PLANTATION RD  
LANCASTER, SC 29720  
Phone: (803) 289-5811 Fax: (803)289-5925

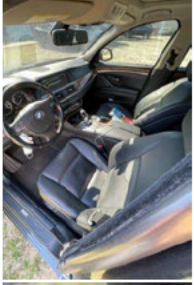
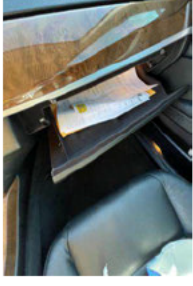
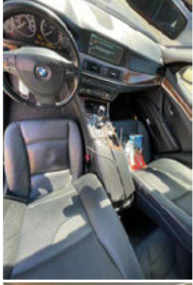
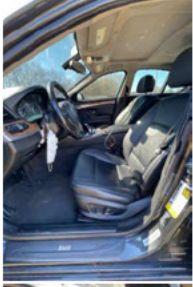
**Lien Holder**  
FOUNDERS FEDERAL CREDIT UNION

**Debtor**  
KYLE TRACY

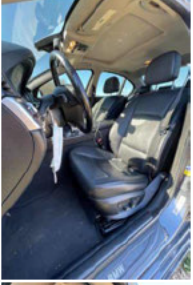
**Vehicle**  
2011 BMW 5 SERIES  
VIN: WBAFR7C57BC605969

The following pictures were taken of the above listed vehicle and are hereby provided in this report. The pictures below are representations of the state of the vehicle at the time of repossession. It will be assumed by the client, and for all legal purposes, that any damages depicted herein are the result of mistreatment by the borrower. Carolina Pro Recovery Llc accepts no responsibility for the overall condition of this vehicle as shown and client agrees to hold Carolina Pro Recovery Llc harmless from any and all claims related to vehicle's condition.





R 0048







11/02/2022

Kyle Anthony Tracy  
590 Cherry Hill Rd  
Spartanburg, SC 29307-3428

**RE: DEMAND FOR PAYMENT OF DEFICIENCY BALANCE**

Collateral: 2011 BMW 5 Series  
Account: ##[REDACTED]34-3000

Dear Kyle Anthony Tracy:

The collateral securing the referenced loan was sold pursuant to the notice previously provided. We received the sum of \$5,325.00 from the sale. The following provides an accounting of your remaining balance:

Principal balance as of	03/01/2022	\$ 13,803.00
Accrued finance charges		\$ 1,469.69
Accrued late charges		
Proceeds from sale (Sold at County Auto Auction For \$ 5,500.00 - \$175.00 in fees)		(\$ 5,325.00)
<b>Total:</b>		<b>\$ 9,947.69</b>
Repossession expense		\$ 375.00
Repair expense		\$ 1,191.43
Auction Transportation expense		\$ 300.00
Towing expense		
CPI Insurance added		
Payment Protection (Life, Disability, Unemployment)		
Attorney Fees/Court Costs		
Other Charges if applicable		
<b>Total:</b>		<b>\$ 1,866.43</b>
MRC Warranty refund		
CPI refund		(\$ 1,480.62)
CPI claim refund		
Misc. refund (Payment)		(\$ 2,474.56)
<b>Total:</b>		<b>(\$ 3,955.18)</b>
<b>TOTAL DEFICIENCY AMOUNT DUE</b>		<b>\$ 7,858.94</b>

The remaining deficiency balance you owe is \$7,858.94, plus daily accruing interest of \$2.36. If you pay your outstanding balance or make satisfactory arrangements within ten (10) days from the date of this letter, no further action will be taken against you.

Please contact us immediately.

Thank you,

Loss Control Department  
(866) 463-1053 or (803) 289-5960

STATE OF SOUTH CAROLINA

COUNTY OF SPARTANBURG

Founders Federal Credit Union,

Plaintiff,

vs.

Kyle Anthony Tracy,

Defendant.

IN THE CIRCUIT COURT

Case No. 2023-CP-42-02216

**SUPPLEMENTAL AFFIDAVIT OF  
ATTORNEY'S FEES AND COSTS**

PERSONALLY APPEARED before me Suzanne Taylor Graham Grigg, who first being duly sworn, states as follows:

1. She is an attorney with the law firm of Maynard Nexsen PC ("Maynard Nexsen"), attorneys for the Plaintiff Founders Federal Credit Union (the "Plaintiff"), in the above entitled action;
2. She has examined the billing records of Maynard Nexsen for this matter;
3. Prior to the hearing on Plaintiff's Motion for Judgment on the Pleadings, he filed on Plaintiff's behalf that certain Affidavit of Attorney's Fees and Costs on August 31, 2023, wherein Plaintiff requested estimated attorneys' fees in the amount of \$2,250.00, and \$255.32 in costs in this action;
4. In total, Maynard Nexsen has billed Plaintiff the sum of \$4,372.99 in attorneys' fees and costs in connection with this matter;
5. She anticipates Maynard Nexsen will bill Plaintiff additional fees in the amount of \$1,000.00 to complete this case;
6. She is informed and believes that the Plaintiff is entitled to an award of reasonable attorneys' fees and costs in connection with this matter in the combined amount of \$5,372.99; and

7. The loan documents and disclosures that the Defendant is bound by for the indebtedness due and owing to the Plaintiff on the installment loan, which is the subject of this collection action, provide that the Defendant shall pay to the Plaintiff reasonable attorneys' fees and costs incurred in the collection of the amount due and owing by the Defendant to the Plaintiff upon default.

8. She believes attorneys' fees and costs in the combined amount of \$5,372.99 are reasonable given the six factors laid out by the South Carolina Supreme Court in *Glasscock v. Glasscock*, 304 S.C. 158, 161, 403 S.E.2d 313, 315 (1991).

FURTHER THE AFFIANT SAYETH NOT.



Suzanne Taylor Graham Grigg (Bar # 7681)  
MAYNARD NEXSEN PC  
1230 Main Street, Suite 700 (29201)  
Post Office Drawer 2426  
Columbia, South Carolina 29202  
Phone: (803) 540-2114  
Fax: (803) 727-1447  
Email: sgrigg@maynardnexsen.com  
*Attorneys for Founders Federal Credit Union*

SWORN and subscribed to before me  
this 15 day of October 2024

Marymiles Regus (L.S.)

Notary Public for South Carolina  
My Commission Expires: 2-11-2030

1 STATE OF SOUTH CAROLINA \* COURT OF COMMON PLEAS

2 COUNTY OF SPARTANBURG \* TRANSCRIPT OF RECORD

3 -----X

4 FOUNDERS FEDERAL CREDIT UNION, \*

5 \*  
6 Plaintiff, \*

7 \*  
8 vs. \* Case No. 2023-CP-42-02216

9 \*  
10 KYLE ANTHONY TRACY, \*

11 \*  
12 Defendant. \*

13 -----X

14

15

16

17

18

19

20

21

22

23

24

25

October 22, 2024

B E F O R E:

The Honorable J. Derham Cole, Presiding Judge

A P P E A R A N C E S:

Suzanne Grigg, Esq.

Attorney for the Plaintiff

Recorded by: TEC Courtroom

Transcribed by: Bobbi Fisher, RPR  
SC Official Court Reporter III

## I N D E X

DESCRIPTION	PAGE
Proceedings	3

## E X H I B I T S

(None.)

## COURT REPORTER LEGEND

Dash (--)	Indicates an interruption in speech
Ellipses (...)	Indicates trailing off in speech
(ph)	Indicates phonetic word
[Verbatim]	Indicates the word is said as written
(Indiscernible)[Transcription]	Indicates word(s) is not known due to audio recording quality

## P R O C E E D I N G S

1  
2 THE COURT: The next matter is Founders Federal Credit  
3 Union versus Kyle Anthony Tracy.

4 MS. GRIGG: Good morning, Your Honor.

5 THE COURT: Good morning. This is Civil Action  
6 No. 2023-CP-42-02216, Founders Federal Credit Union versus  
7 Kyle Anthony Tracy.

8 Who is here on behalf of the plaintiff?

9 MS. GRIGG: Suzanne Grigg on behalf of Founders Federal  
10 Credit Union, Your Honor.

11 THE COURT: And Kyle Anthony Tracy present?

12 Will you call Kyle Anthony Tracy's name, please, sir.

13 (Pause in the proceedings.)

14 THE DEPUTY: No response, Your Honor.

15 THE COURT: All right. Thank you.

16 Ms. Grigg, your motion for summary judgment?

17 MS. GRIGG: Yes, it is, Your Honor.

18 THE COURT: All right.

19 MS. GRIGG: Thank you very much. Again, Suzanne Grigg on  
20 behalf of Founders Federal Credit Union.

21 Your Honor, this case relates to a loan that was made to  
22 Mr. -- to the defendant in November of 2021. It was a car  
23 loan secured by a 2011 BMW. The defendant never made one loan  
24 payment on the car.

25 In January of '22, a right to cure note was sent. It was

1 repossessed in approximately March of '22. Unfortunately, in  
2 February of '22, there was some type of accident or there was  
3 some type of damage sustained to the car. Travelers Insurance  
4 opened a claim with the respect to the damage to the car, that  
5 there was some -- some delay in the Travelers' adjuster closed  
6 the claim because the car had been repossessed, then he was  
7 out of the office, then he then reopened the claim.

8 Ultimately, the car was sold, and there is a deficiency  
9 balance that remains due and owing by the defendant, and  
10 Founders is asking for the Court to enter a judgment against  
11 the defendant in the amount of \$14,920.18, Your Honor.

12 We have filed an affidavit from Joseph McCain with  
13 respect to the facts and circumstances and in support of the  
14 motion for summary judgment, and we have also filed a  
15 supplemental affidavit of attorney's fees and cost.

16 This is the second hearing we have had in this case.  
17 Earlier in the case, there was a motion for judgment on the  
18 pleadings; I believe Your Honor heard that. The defendant  
19 made certain arguments, and he appeared and made certain  
20 arguments at that point in time. You denied the motion for  
21 judgment on the pleadings. We then filed our motion for  
22 summary judgment and filed the supporting affidavits, Your  
23 Honor

24 THE COURT: All right. The motion is granted. Give me  
25 an order, please, ma'am.

1 MS. GRIGG: I'll be happy to. Thank you, Your Honor.

2 THE COURT: Thank you.

3 (The above hearing concluded.)

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

CERTIFICATE OF TRANSCRIBER

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

CASE NAME/NUMBER: Founders FCU v. Kyle Tracy  
2023-CP-42-02216  
DATE OF HEARING: 10/22/24  
COURT REPORTER/MONITOR: TEC Courtroom

\*\*\*\*\*

I, Bobbi Fisher, do hereby certify that the foregoing transcript is a true and correct record of the recorded proceedings; that said proceedings were transcribed to the best of my ability from the audio recording and supporting information, and that I am neither counsel for, related to, nor employed by any of the parties to this case, and I have no interest, financial or otherwise, in its outcome.

*Bobbi Fisher*

/s/ Bobbi Fisher\_\_\_\_\_

Bobbi Fisher, RPR and Certified Transcriber  
Date Prepared: 1/31/25

NOTE: PURSUANT TO RULE 607(h)(1)(B), SCACR, "A COURT REPORTER SHALL RECEIVE THE FEE OF \$1.00 PER PAGE FOR FURNISHING A COPY OF A PREVIOUSLY PREPARED TRANSCRIPT." ALL REQUESTS FOR COPIES OF THE ATTACHED TRANSCRIPT (FORM 800) FROM OPPOSING PARTY OR NON-PARTIES MUST BE SENT TO THIS REPORTER AT BFISHER@SCCOURTS.ORG.

STATE OF SOUTH CAROLINA

COUNTY OF SPARTANBURG

Founders Federal Credit Union,

Plaintiff,

vs.

Kyle Anthony Tracy,

Defendant.

IN THE CIRCUIT COURT

Case No. 2023-CP-42-02216

**ORDER GRANTING SUMMARY  
JUDGMENT**

THIS MATTER COMES BEFORE THE COURT upon the *Motion for Summary Judgment* (the “Motion”) filed by Plaintiff Founders Federal Credit Union (the “Plaintiff” or “Founders”) on August 22, 2024. The Court conducted a hearing on the Motion on October 22, 2024. Present at the hearing was Suzanne Taylor Graham Grigg, Esq., attorney for the Plaintiff. Defendant Kyle Anthony Tracy (“Defendant Tracy”) did not attend the hearing despite receiving due and proper notice.

Based on the Motion, Affidavit in support of the Motion, pleadings filed in this case and arguments presented at the hearing, the Court finds and orders as follows:

**FINDINGS OF FACT**

1. On or about November 5, 2021, Defendant Tracy submitted that certain Consumer Lending Plan (the “Lending Plan”) executed by Defendant Tracy in favor of the Plaintiff. As provided in the Lending Plan, Defendant Tracy agreed to pay all collection costs incurred by the Plaintiff in collecting any amounts owed to it by Defendant Tracy, including reasonable attorneys’ fees and litigation costs. The Lending Plan enabled Defendant Tracy to incur the debt set forth herein below.

2. On or about November 5, 2021, Plaintiff made a loan to Defendant Tracy

referenced as Loan No. XXXX34-3000 (the “BMW Loan”), as evidenced by that certain Security Agreement and Advance Receipt (the “BMW Note”) executed by Defendant Tracy in favor of Plaintiff. The BMW Loan was secured by a 2011 BMW 5 Series automobile VIN # WBAFR7C57BC605969 (the “BMW”) owned by Defendant Tracy. Plaintiff perfected its security interest in the BMW by recording its lien on the face of the Certificate of Title (the “Title”) for the BMW.

3. Defendant Tracy defaulted on the BMW Loan, and after proper notice to Defendant Tracy, Plaintiff exercised its state law rights and obtained possession of the BMW. After further notice to Defendant Tracy regarding the right of redemption of the BMW, the BMW was sold in a commercially reasonable manner to the person or entity making the highest offer for the BMW, and Plaintiff applied the net proceeds from the sale to reduce the amount of the indebtedness due and owing by Defendant Tracy to Plaintiff under the BMW Note.

4. On June 21, 2023, Plaintiff filed this action alleging a debt collection cause of action against Defendant Tracy for balance owed on the BMW Note.

5. On August 2, 2023, Defendant Tracy filed his Answer in this case.

6. On August 22, 2024, Plaintiff filed the Motion asserting there is no genuine issue of material fact, and Plaintiff is entitled to summary judgment. In support of the Motion, Plaintiff also filed the Affidavit of Joseph McCain, evidencing the amount owed to Plaintiff on the BMW Note.

7. As a result of Defendant Tracy’s breach of the terms and conditions of the BMW Note, there is now due and owing to Plaintiff, as of October 22, 2024, the sum amount of Nine Thousand Five Hundred Fifty-Six and 64/100 Dollars (\$9,556.64) of principal, accrued interest and late fees.

8. In order to pursue these causes of action, Plaintiff retained the law firm of Maynard Nexsen PC. During the prosecution of the case, Plaintiff has incurred attorneys' fees and costs in the amount of Five Thousand Three Hundred Seventy-Two and 99/100 Dollars (\$5,372.99). Counsel for Plaintiff filed the Supplemental Affidavit of Attorneys' Fees and Costs on October 15, 2024. The contract documents for the BMW Loan provide that Defendant Tracy shall reimburse Founders for its reasonable attorneys' fees and costs incurred as a result of Defendant Tracy's default.

### **CONCLUSIONS OF LAW**

1. Pursuant to Rule 56, SCRPC, no genuine issue of material fact exists, and Plaintiff is entitled to summary judgment in this debt collection action.

2. Plaintiff is entitled to a monetary judgment against Defendant Tracy for his breach of the terms and conditions of the BMW Note in the amount of Nine Thousand Five Hundred Fifty-Six and 64/100 Dollars (\$9,556.64), as of October 22, 2024, plus post-judgment interest that will accrue at the contract rate until the judgment is paid in full.

3. Plaintiff is also entitled to a monetary judgment against Defendant Tracy for attorneys' fees and costs in the combined amount of Five Thousand Three Hundred Seventy-Two and 99/100 Dollars (\$5,372.99).

4. The total combined amount in which Plaintiff is entitled to a monetary judgment against Defendant Tracy for his breach of the terms and conditions of the BMW Note plus attorneys' fees and costs is Fourteen Thousand Nine Hundred Twenty-Nine and 63/100 Dollars (\$14,929.63), as of October 22, 2024.

THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED that the Plaintiff is granted summary judgment in this case;

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Plaintiff is hereby awarded a monetary judgment against Defendant Tracy in the total combined amount of \$14,929.63, as of October 22, 2024. Post-judgment interest will continue to accrue on this judgment at the contract rate until the judgment is paid in full;

AND IT IS SO ORDERED.

**[JUDGE'S SIGNATURE TO FOLLOW]**

**FORM 4**

**STATE OF SOUTH CAROLINA  
COUNTY OF SPARTANBURG  
IN THE COURT OF COMMON PLEAS**

**JUDGMENT IN A CIVIL CASE**

**CASE NO. 2023-CP-42-02216**

Founders Federal Credit Union

Kyle Anthony Tracy

PLAINTIFF(S)

DEFENDANT(S)

<p><b>Submitted by:</b> Suzanne Taylor Graham Grigg, Esquire Maynard Nexsen PC P.O. Box 2426 Columbia, SC 29202</p>	<p><b>Attorney for :</b> <input checked="" type="checkbox"/> Plaintiff      <input type="checkbox"/> Defendant or <input type="checkbox"/> Self-Represented Litigant</p>
---	--

**DISPOSITION TYPE (CHECK ONE)**

- JURY VERDICT.** This action came before the court for a trial by jury. The issues have been tried and a verdict rendered.
- DECISION BY THE COURT.** This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.  See Page 2 for additional information.
- ACTION DISMISSED (CHECK REASON):**  Rule 12(b), SCRPC;  Rule 41(a), SCRPC (Vol. Nonsuit);  Rule 43(k), SCRPC (Settled);  Other
- ACTION STRICKEN (CHECK REASON):**  Rule 40(j), SCRPC;  Bankruptcy;  Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award;  Other
- STAYED DUE TO BANKRUPTCY**
- DISPOSITION OF APPEAL TO THE CIRCUIT COURT (CHECK APPLICABLE BOX):**  
 Affirmed;  Reversed;  Remanded;  Other

NOTE: ATTORNEYS ARE RESPONSIBLE FOR NOTIFYING LOWER COURT, TRIBUNAL, OR ADMINISTRATIVE AGENCY OF THE CIRCUIT COURT RULING IN THIS APPEAL.

**IT IS ORDERED AND ADJUDGED:**  See attached order (formal order to follow)  Statement of Judgment by the Court:

**ORDER INFORMATION**

This order  ends  does not end the case.

Additional Information for the Clerk : This is an Order for Summary Judgment in this case.

<b>INFORMATION FOR THE JUDGMENT INDEX</b>		
Complete this section below when the judgment affects title to real or personal property or if any amount should be enrolled. If there is no judgment information, indicate "N/A" in one of the boxes below.		
Judgment in Favor of (List name(s) below)	Judgment Against (List name(s) below)	Judgment Amount To be Enrolled (List amount(s) below)
Founders Federal Credit Union	Kyle Anthony Tracy	\$14,929.63
		\$

		\$
If applicable, describe the property, including tax map information and address, referenced in the order:		

The judgment information above has been provided by the submitting party. Disputes concerning the amounts contained in this form may be addressed by way of motion pursuant to the SC Rules of Civil Procedure. Amounts to be computed such as interest or additional taxable costs not available at the time the form and final order are submitted to the judge may be provided to the clerk. **Note: Title abstractors and researchers should refer to the official court order for judgment details.**  
**E-Filing Note: In E-Filing counties, the Court will electronically sign this form using a separate electronic signature page.**

\_\_\_\_\_  
Circuit Court Judge

\_\_\_\_\_  
Judge Code

\_\_\_\_\_  
Date

**For Clerk of Court Office Use Only**

This judgment was entered on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ and a copy mailed first class or placed in the appropriate attorney's box on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ to attorneys of record or to parties (when appearing pro se) as follows:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
ATTORNEY(S) FOR THE PLAINTIFF(S)

\_\_\_\_\_  
ATTORNEY(S) FOR THE DEFENDANT(S)

\_\_\_\_\_  
CLERK OF COURT

**Court Reporter:**

**E-Filing Note: In E-Filing counties, the date of Entry of Judgment is the same date as reflected on the Electronic File Stamp and the clerk's entering of the date of judgment above is not required in those counties. The clerk will mail a copy of the judgement to parties who are not E-Fileers or who are appearing pro se. See Rule 77(d), SCRPC.**

**ADDITIONAL INFORMATION REGARDING DECISION BY THE COURT AS REFERENCED ON PAGE 1.**

This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



Spartanburg Common Pleas

**Case Caption:** Founders Federal Credit Union VS Kyle Anthony Tracy

**Case Number:** 2023CP4202216

**Type:** Order/Summary Judgment

IT IS SO ORDERED!

s/J. Derham Cole 2053

Electronically signed on 2024-11-13 14:23:17 page 7 of 7