

**Varo Personal Loan Note  
(FIXED RATE)**

Lender:	Borrower:
Lender's Address:	Borrower's Address:
Loan Number:	
Date:	

**BORROWER'S PROMISE TO PAY.** Under this promissory note (the "Note"), "Lender," "Note Holder," "you," and "your" refer to the Lender identified above, as well as anyone who takes this Note by transfer and who is entitled to receive payments under this Note. "I" and "me" means each person who signs this Note as a Borrower or Co-Borrower.

In return for a loan that I have received from the Lender, I promise to pay U.S. \$ \_\_\_\_\_ (this amount is called "principal"), plus interest and any other fees or charges that may become due under this Note, to the order of the Note Holder.

**Truth in Lending Disclosure Statement**

<b>ANNUAL PERCENTAGE RATE</b>	<b>FINANCE CHARGE</b>	Amount Financed	Total of Payments
The cost of my credit as a yearly rate.	The dollar amount the credit will cost me.	The amount of credit provided to me or on my behalf.	The amount I will have paid after I have made all payments as scheduled. <sup>1</sup>
%	\$ e	\$	\$ e
<b>Payment Schedule<sup>1</sup>:</b>			
No. of Payments	Amount of Payments	When Payments are Due	
<p><b>Late Charge:</b> If a payment is more than 7 days late, I will pay a late charge of 5% of the late payment amount.</p> <p><b>Prepayment:</b> I may prepay all or any portion of my debt under this Note at any time without penalty.</p> <p>I may see the rest of this document for any additional information about nonpayment, default, any required repayment in full before the scheduled due date, and prepayment refunds and penalties.</p> <p>"e" means estimate.</p>			

<sup>1</sup> My last payment amount may vary depending upon the number and timing of payments made by me.

**ITEMIZATION OF AMOUNT FINANCED**

- |  |          |
|--|----------|
| 1. Amount paid directly to me:           | \$ _____ |
| 2. Amount credit to my account with you: | \$ _____ |
| 3. Amount Financed (1 + 2):              | \$ _____ |

**INTEREST.** Interest will be charged daily on a simple interest basis on unpaid principal until the full amount of principal has been paid. I promise to pay interest at a daily rate equal to a yearly rate of \_\_\_% (the "Interest Rate").

The Interest Rate is the rate I will pay both before and after the Maturity Date or any default described in this Note. The amount of the Finance Charge, Total of Payments and Payment Schedule shown in the Truth in Lending Disclosure Statement assumes that I will make all payments in the scheduled amounts and on the scheduled dates. Because I will pay interest on my actual balance each day, the interest I will pay will be higher if my payments are made later than scheduled, and lower if my payments are made earlier than scheduled. I agree to pay the actual amount of interest that accrues on my loan. Such amount may be more than or less than the Finance Charge shown in the Truth in Lending Disclosure Statement.

**PAYMENTS.** I will make \_\_\_\_\_ monthly payments of \$ \_\_\_\_\_ beginning on \_\_\_\_\_. I will make these payments on the same day of each consecutive month. Unless otherwise required by law, the Note Holder will apply my payments to outstanding fees due under this Note, accrued and unpaid interest, and then principal. On the date of my last scheduled payment (the "Maturity Date"), the Note Holder, at the Note Holder's option, may demand that I pay in full all remaining amounts owing hereunder or permit me to continue to make monthly payments in the then scheduled amount until all indebtedness hereunder has been paid in full.

I will make my monthly payments via electronic funds transfer (e.g. through an electronic bill pay service, ACH, etc.) or if by mail at P.O. Box 683, Sandy, Utah 94091, or at a different place if required by the Note Holder. The Note Holder may accept late payments, partial payments or items marked "paid in full" or the like without losing any of its rights under this Note.

**BORROWER'S RIGHT TO PREPAY.** I have the right to make payments of principal in any amount at any time before they are due. I may make a full prepayment or partial prepayments without paying any prepayment charge. If I make a partial prepayment it may reduce the number of payments I must make or the amount of my final payment, but I must continue to make a full payment each month until I have paid all amounts due.

**LOAN CHARGES.** The Note Holder intends only to charge interest, fees and charges permitted by law. If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the principal I owe under this Note or by making a direct payment to me. If a refund reduces principal, the reduction will be treated as a partial prepayment.

**LATE FEES AND RETURNED PAYMENT FEES.** If I do not pay the full amount of each monthly payment within 7 days after the date on which it is due, I promise to pay a late fee of 5% of the outstanding payment. I will pay this late fee promptly, but only once on each late payment. If any check,

draft, negotiable order or withdrawal or like instrument I give you is returned unpaid for any reason, I will pay a \$25 charge, provided such a charge is not prohibited by law. I agree you may collect these fees separately, or add them to the next scheduled monthly payment.

**DEFAULT.** This Note will be in default if I (1) do not pay the full amount of each monthly payment on the date it is due, (2) fail to keep all other promises in this Note or in any other obligation I owe to the Note Holder, (3) have failed to be truthful or failed to include material information in the application process for this loan, (4) become subject to a bankruptcy or an insolvency proceeding, or (5) am the last remaining obligor on this Note and I die. If this Note is in default, the Note Holder may exercise all of its rights under this Note and applicable law, including the right to demand immediate payment of all amounts due under this Note (following any applicable notice and waiting period as required by law).

**NO WAIVER BY NOTE HOLDER.** Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

**ATTORNEYS' FEES.** If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. If the Note Holder refers this Note to an attorney who is not the Note Holder's salaried employee for collection, I agree to pay the reasonable attorney's fees incurred by the Note Holder to the extent allowed by applicable law, whether or not suit is brought or foreclosure actually commenced, including any attorney's fees relating to any insolvency, liquidation, receivership or bankruptcy proceedings.

**GIVING OF NOTICES.** Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the address stated on the first page of this Note or at a different address if I give the Note Holder at least 20 days' notice of my new address.

Any notice that must be given to the Note Holder under this Note will be given by mailing it by first class mail to the Note Holder at the address stated on the first page of this Note or at a different address if I am given at least 20 days' notice of that new address.

**OBLIGATIONS OF PERSONS UNDER THIS NOTE.** If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

**WAIVERS.** If I am a "Covered Borrower," as that term is defined by 32 C.F.R. § 232.3(g), the terms of this paragraph do not apply to me. I and any other person who has obligations under this Note waive the rights of presentment and notice of dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid. We each also waive impairment of collateral and recourse. "Impairment of collateral and recourse" means some act or omission by the Note Holder which reduces the value of the collateral securing this Note or which reduces the right of an obligor to contribution or indemnity from another person.

**FORBEARANCE.** From time to time the Note Holder may agree to extend the time for payment or to modify the amortization of the sum due hereunder. No forbearance in exercising any right or remedy, even without notice to an obligor hereunder, shall release any obligor in whole or part.

**NOTICE TO ACTIVE DUTY SERVICEMEMBERS AND DEPENDENTS:** Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer

credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36 percent. This rate must include, as applicable to the credit transaction or account: The costs associated with credit insurance premiums; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for specified credit transactions or accounts); and any participation fee charged (other than certain participation fees for a credit card account).

I can call you toll free at 1-800-827-6526 for a disclosure of (i) a statement of the Military Annual Percentage Rate, and (ii) my payment obligations (payment schedule) applicable to this extension of credit.

**COVERED BORROWER SAVINGS CLAUSE:** The provisions of this Paragraph apply only to a “Covered Borrower” as that term is defined by 32 C.F.R. § 232.3(g). If any contract provision not identified herein is contrary to the rights and protections afforded to me by Federal law pursuant to 10 U.S.C. § 987 and its implementing regulations, including, but not limited to 32 C.F.R. § 232.8, then the conflicting provisions or proscribed terms are inoperative, and shall have no force and effect. However, all remaining contract terms and provisions not proscribed or prohibited shall remain in full force and effect.

**ASSIGNMENT.** I understand and agree you may assign this Note or your rights under this Note without providing notice to me. I agree that your assignee will have all of your rights and remedies under this Note. I may not assign any of my rights or obligations under this Note without the Note Holder’s prior written consent.

**APPLICABLE LAW.** This Note is governed by the laws of the state of Arizona, except that the Jury Trial Waiver and Arbitration Clause is governed by the Federal Arbitration Act (“FAA”), as amended. I understand this Note is the final agreement between you and I, and the terms of this Note may not be modified without your prior written approval.

**JURY TRIAL WAIVER AND ARBITRATION CLAUSE.**

**PURSUANT TO 10 U.S.C § 987 AND ITS IMPLEMENTING REGULATIONS, IT IS UNLAWFUL FOR A CREDITOR TO REQUIRE A “COVERED BORROWER” AS THAT TERM IS DEFINED BY 32 C.F.R. § 232.3(G) TO SUBMIT DISPUTES TO ARBITRATION OR TO WAIVE HIS/HER RIGHT TO LEGAL RECOURSE UNDER STATE OR FEDERAL LAW. ACCORDINGLY, THE TERMS OF THIS JURY TRIAL WAIVER AND ARBITRATION CLAUSE DO NOT APPLY TO COVERED BORROWERS.**

For all persons other than “Covered Borrowers,” by signing this Note, I agree to this Jury Trial Waiver and Arbitration Clause (“Clause”):

<b>What is arbitration?</b>	<b>An alternative to court.</b>	<i>In arbitration, a third party (“Arbiter”) solves Disputes in a hearing (“hearing”). You, related third parties, and we, waive the right to go to court. Such “parties” waive jury trials.</i>
<b>Is it different from court and jury trials?</b>	<b>Yes.</b>	<i>The hearing is private and less formal than court. Arbiters may limit pre-hearing fact finding, called “discovery.” The decision is final. Courts rarely overturn Arbiters.</i>
<b>Who does the Clause cover?</b>	<b>You, Us, and Others.</b>	<i>This Clause governs the parties, their heirs, successors, assigns, and third parties related to any Dispute.</i>
<b>Which Disputes are covered?</b>	<b>All Disputes.</b>	<i>In this Clause, the word “Disputes” has the broadest possible meaning. This Clause governs all “Disputes” involving the parties. This includes all claims even indirectly related to your application and agreements with us. This includes claims related to information you previously gave us. It includes all past agreements. It includes extensions, renewals, refinancings, or payment plans. It includes claims related to collections, privacy, and customer information. It includes claims related to setting aside this Clause. It includes claims about the Clause’s validity and scope. It includes claims about whether to arbitrate.</i>

<b>Are you waiving rights?</b>	<b>Yes.</b>	<b>You waive your rights to:</b> <ol style="list-style-type: none"> <li><b>1. Have juries solve Disputes.</b></li> <li><b>2. Have courts, other than small-claims courts, solve Disputes.</b></li> <li><b>3. Serve as a private attorney general or in a representative capacity.</b></li> <li><b>4. Be in a class action.</b></li> </ol>
<b>Are you waiving class action rights?</b>	<b>Yes.</b>	<b>COURTS AND ARBITERS WON'T ALLOW CLASS ACTIONS. You waive your rights to be in a <u>class action</u>, as a representative and a member. Only individual arbitration, or small-claims courts, will solve Disputes. You waive your right to have representative claims.</b>
<b>What law applies?</b>	<b>The Federal Arbitration Act ("FAA").</b>	<i>This transaction involves interstate commerce, so the FAA governs. If a court finds the FAA doesn't apply, and the finding can't be appealed, then your state's law governs. The Arbitrator must apply substantive law consistent with the FAA. The Arbitrator must follow statutes of limitation and privilege claims.</i>
<b>Can the parties try to solve Disputes first?</b>	<b>Yes.</b>	<i>We can try to solve Disputes if you call us at 1-800-VARO or 1-800-827-6526. If this doesn't solve the Dispute, mail us notice, within 10 days of the Dispute date. In your notice, tell us the details and how you want to solve it. We will try to solve the Dispute. If we make a written offer ("Settlement Offer"), you can reject it and arbitrate. If we don't solve the Dispute, either party may start arbitration. To start arbitration, contact an Arbitrator or arbitration group listed below. No party will disclose settlement proposals to the Arbitrator during arbitration.</i>
<b>How should you contact us?</b>	<b>By mail.</b>	<i>Send mail to: <a href="mailto:help@varomoney.com">help@varomoney.com</a>. You can call us or use certified mail to confirm receipt.</i>
<b>Can small-claims court solve <u>some</u> Disputes?</b>	<b>Yes.</b>	<i>Each party has the right to arbitrate, or to go to small-claims court if the small-claims court has the power to hear the Dispute; provided that the small-claims court hears the Dispute as an individual action, and not as a class action. Arbitration will solve all Disputes that the small-claims court does not have the power to hear. If there is an appeal from small-claims court, or if a Dispute changes so that the small-claims court loses the power to hear it, then the Dispute will only be heard by an Arbitrator.</i>
<b>What remedies are available?</b>	<b>Same as in court.</b>	<i>The Arbitrator may award any remedies available in a court of law. For example, both parties may seek remedies which don't claim money damages. This includes pre-judgment seizure, injunctions, or equitable relief.</i>
<b>Will this Clause continue to govern?</b>	<b>Yes, unless otherwise agreed.</b>	<i>The Clause stays effective, unless the parties sign an agreement stating it doesn't. The Clause governs if you rescind the transaction. It governs if you default, renew, prepay, or pay in full. It governs if your contract is discharged through bankruptcy. The Clause remains effective, despite a transaction's termination, amendment, expiration, or performance.</i>

**Process**

<b>How does arbitration start?</b>	<b>Mailing a notice.</b>	<i>Either party may mail the other a request to arbitrate, even if a lawsuit has been filed. The notice should describe the Dispute and relief sought. The receiving party must mail a response within 20 days. If you mail the demand, you may choose the arbitration group. Or, your demand may state that you want the parties to choose a local Arbitrator. If related third parties or we mail the demand, you must respond in 20 days. Your response must choose an arbitration group or propose a local Arbitrator. If it doesn't, we may choose the group.</i>
<b>Who arbitrates?</b>	<b>AAA, JAMS, or an agreed Arbitrator.</b>	<i>You may select the American Arbitration Association ("AAA") (1-800-778-7879) <a href="http://www.adr.org">http://www.adr.org</a> or JAMS (1-800-352-5267) <a href="http://www.jamsadr.com">http://www.jamsadr.com</a>. The parties may also agree in writing to a local attorney, retired judge, or Arbitrator in good standing with an arbitration group. The Arbitrator must arbitrate under AAA or JAMS consumer rules. You may get a copy of these rules from such group. Any rules that conflict with any of our agreements with you, don't apply. If these options aren't available, and the parties can't agree on another, a court may choose the Arbitrator. Such Arbitrator must</i>

		enforce your agreements with us, as they are written.
<b>Will the hearing be held nearby?</b>	<b>Yes.</b>	Not all arbitrations require an in-person hearing. If an in-person hearing is required, the Arbiter will order the hearing to be held within 30 miles of your home.
<b>What about appeals?</b>	<b>Appeals are limited.</b>	The Arbiter's decision will be final. A party may file the Arbiter's award with the proper court. Arbitration will solve appeals of a small-claims court judgment. A party may appeal under the FAA. If the amount in controversy exceeds \$ 10,000, a party may appeal the Arbiter's finding. Such appeal will be to a three-Arbiter panel from the same arbitration group. The appeal will be <i>de novo</i> , and solved by majority vote. The appealing party bears appeal costs, despite the outcome.

#### **Arbitration Fees and Awards**

<b>Will we advance Arbitration Fees?</b>	<b>Yes, but you pay your other costs.</b>	We will advance your "Arbitration Fees" if you ask us to. This includes filing, administrative, hearing, and Arbiter's fees. You pay your attorney fees and other expenses.
<b>Are damages and attorney fees possible?</b>	<b>Yes, if allowed by law.</b>	The Arbiter may award the same damages as a court. Arbiters may award reasonable attorney fees, and expenses, if allowed by law.
<b>Will you have to pay Arbitration Fees if you win?</b>	<b>No.</b>	If the Arbiter awards you funds, you don't reimburse us the Arbitration Fees.
<b>Will you ever have to pay Arbitration Fees?</b>	<b>Yes.</b>	If the Arbiter doesn't award you funds, then you must repay the Arbitration Fees. If you must pay Arbitration Fees, the amount you pay won't exceed state court costs. We will pay the balance.
<b>What happens if you win?</b>	<b>You could get more than the Arbiter awarded.</b>	If an Arbiter's award to you exceeds our last Settlement Offer, we will pay 3 amounts. We will pay the award, plus 10% of such amount ("bonus payment"). We will pay your attorney the attorney fees conferred, plus 10% of such amount ("attorney premium"). If the Arbiter orders, we will pay reasonable expert witness costs and other costs you incurred ("cost premium"). If we never made a Settlement Offer, we will pay the bonus payment, attorney premium, and any cost premium. If a law allows you more, this Clause won't prevent such award. We won't seek attorney fees and expenses.
<b>Can an award be explained?</b>	<b>Yes.</b>	A party may request details from the Arbiter, within 14 days of the ruling. Upon such request, the Arbiter will explain the ruling in writing.

#### **Options Other Than Arbitration**

<b>If you don't want to arbitrate, can you still get a transaction?</b>	<b>Yes. This Clause gives you some options. You also can refuse this Clause and still obtain our services.</b>	Consider these choices: <ol style="list-style-type: none"> <li>1. <b>Informal Dispute Resolution.</b> Contact us, and attempt to settle any Disputes.</li> <li>2. <b>Small-claims Court.</b> Seek to solve Disputes in small-claims court, within state law limits.</li> <li>3. <b>Opt-Out of Arbitration.</b> You may opt-out of this Clause as explained below.</li> </ol>
<b>Can you opt-out of the Clause?</b>	<b>Yes. Within 60 days.</b>	Write us within 60 calendar days of signing your agreement to opt-out of the Clause for this transaction. List your name, address, account number and date. List that you "opt out." If you opt out, it will only apply to this transaction.

By clicking the Accept button, I am agreeing to the terms of this Note, including the "Jury Trial Waiver and Arbitration Clause," and will be bound to the same extent as if I signed the Note as a paper contract, and I acknowledge receipt of a completed copy of this Note.

For purposes of the following notice, “you” refers to the Borrower.

Notice: You may request that the initial disclosures prescribed in the truth in lending act (15 United States Code sections 1601 through 1666j) be provided in Spanish before signing any loan documents.

Aviso: Usted puede solicitar que las divulgaciones iniciales prescritas en la ley de veracidad en los préstamos (código 15 de Estados Unidos §§ 1601 a 1666j) le sean suministradas en español, antes de firmar cualquier documento del préstamo.