

SELLER'S ASSIGNMENT AND WARRANTY

This ASSIGNMENT is attached to and expressly made a part of that certain Retail Installment Sales Contract ("Contract") pertaining to the sale of a motor vehicle more particularly described below:

<u>Date of Contract</u>	<u>Seller/Dealer</u>	<u>Buyer</u>
<u>Vehicle Description and Identification Number</u>		<u>Co-Buyer</u>

FOR VALUE RECEIVED, the Seller named in the foregoing Retail Installment Sales Contract and Arbitration Agreement (if applicable) ("Contract") hereby sells, assigns, and transfers to Friendly Finance Corporation ("Friendly"), 6340 Security Blvd., Suite 200, Baltimore, MD 21207, all of Seller's rights, title and interest in and to the Contract, the property described therein ("Property") and Seller's security interest in the Property and authorizes Friendly to do every act and thing necessary to enforce Buyer's obligations arising out of or incident to the Contract and this Assignment. In order to induce Friendly to accept this assignment of the Contract, Seller warrants that (a) the Contract is genuine, legally valid and enforceable and arose from the sale of the Property; (b) the Property is as represented to the Buyer named in the Contract ("Buyer") who was quoted both a total sale price and lesser cash price; (c) the Contract is complete in all respects and Seller has complied with all applicable Federal and State laws and regulations applicable to the Contract and the transaction from which it arose (including, but not limited to the Federal Truth in Lending Act and all regulations promulgated thereunder, the Equal Credit Opportunity Act and the Federal Fair Credit Reporting Act) and has made all disclosures required by applicable laws and regulations, prior to the execution thereof by Buyer; (d) if the Contract includes a mechanical repair contract, the Contract complies with applicable state law; (e) Buyer is not a minor, has the capacity to contract and has paid the down payment stated in the Contract with the Buyer's own funds; (f) all signatures on the Contract and all other documents executed in connection therewith are true and genuine; (g) all statements made by or on behalf of Buyer and furnished to Friendly by Seller are true to the best of Seller's knowledge and belief and Seller has no knowledge of any fact that would impair the validity or value of the Contract; (h) there are no claims or defenses which Buyer may assert against Seller or against Friendly as an assignee of Seller; (i) title to the Property is vested in Seller free of all liens and security interests and Seller has the right to assign the Contract and Seller's security interest in the Property; (j) Seller has not acted and will not in the future act in any manner that will diminish the value of the Property or the security interest herein assigned to Friendly; (k) on or before 30 days after the Buyer receives possession of the Property, or sooner if state law so mandates, Seller shall perfect and deliver a first purchase money security interest in favor of Friendly on the Property; (l) the cash price shown on the face of the Contract is the price that Seller would charge for the Property in a sale for cash rather than in a credit sale, and has not been increased to reflect any discount or processing fee charged by Friendly in connection with the purchase of the Contract; and (m) Seller has not represented to Buyer that the purchase of Optional GAP (Debt Cancellation) Coverage, or Optional Mechanical Repair Contract or Credit Insurance is required to obtain credit or that the purchase of any one or more of such items will influence whether credit is granted or the terms of any credit granted. Each of these warranties is material to Friendly's acceptance of the Contract. If there is any breach of any of the foregoing warranties, without regard to Seller's knowledge or lack thereof or Friendly's reliance thereon, or in the event Buyer or any other person makes a claim against Friendly alleging facts which, if true, would constitute a breach of any of the foregoing warranties, or if Buyer claims that any act or default of Seller or the manufacturer of the Property entitles Buyer to a complete or partial defense, off-set or counterclaim to Buyer's obligations under the Contract, Seller will indemnify and save Friendly harmless from and against all losses, costs, expenses, damages and attorney's fees incurred by Friendly in connection with such breaches or claims. In addition, in the event of a breach of any of the foregoing warranties, Seller will, upon demand, repurchase the Contract, and will pay, to Friendly, the full amount then remaining unpaid under the Contract, together with all lawful charges due thereunder, plus any amounts previously paid by Buyer to Friendly which Buyer has recovered or is entitled to recover from Friendly, whether or not Buyer shall then be in default. Additionally, Seller agrees to repay Friendly, in full, for any Participation (Seller Markup) if the Contract is paid in full, charged off, included in bankruptcy, repossessed, sold as a result of repossession or is subject to any legal action prior to three full payments having been received by Friendly. Seller's liability shall not be affected by any extension, renewal or other change in the terms of the Contract, or any change in the manner, place or terms of payment thereof, or the release, settlement or compromise of or with any party liable for payment thereof or the release of any security interest. Friendly shall not be bound to exhaust its recourse against Buyer or any other person or any security interest Friendly may at any time have before being entitled to payment from Seller hereunder. In the event that Friendly institutes any legal action against Seller to enforce its rights hereunder or under the contract, Seller shall pay all costs, expenses and attorney's fees incurred by Friendly in connection with such litigation. Seller waives notice of the acceptance of this Assignment and notices of non-payment and non-performance of the Contract and any notices required by law and waives all rights to set-off or counterclaim. This Assignment shall become effective upon delivery of the within Contract to Friendly and Friendly's payment of the purchase price therefore. In the event that there is dealer participation, participation is paid on a 70/30 split and subject to full repayment by Seller/Dealer if contract is paid in full, charged off, included in bankruptcy, repossessed or assigned out of repossession or subject to other legal action before 3 full payments are received from the Buyer.

This Assignment shall be without recourse to Seller as to Buyer's obligations under the contract, except that upon the breach of any warranty, covenant, or promise by Seller, in this Seller's Assignment and Warranty or in the Contract, Seller shall retain all of it's obligations and Friendly shall have the right to exercise all of it's rights and remedies against Seller and Buyer set forth herein and in the Contract.

 Seller/Dealer (Print Name)

By:

 Seller/Dealer Signature

 Date

Title: _____