



Date: 1/7/2015

Lessee: Andrew Johnson

Structure: 26 Months

Equipment Description: **2005 Freightliner Classic XL**

Payment: \$ 1000.00 + Applicable Fees

End of Lease Option: FMV (Fair Market Value) NOT TO EXCEED 10%

Personal Guaranty: ALL OWNERS AND SIGNER

Payments Collected: BY T-CHECK, COM-CHECK, OR DEBIT ONLY WEEKLY

1 <sup>st</sup> Payment and a Half	1500.00	
Administration Fee (Nonrefundable)	979.00	
GPS Fee (Nonrefundable)	400.00	
Minus Deposit to Hold Truck*	-750.00	*Certified Check or Money Order Due with Signed Documents
Minus App Fee	-29.00	
<b>Total to Start Lease</b>	<b>\$2,100.00</b>	<b>Due at Time of Pickup</b>

Due in Certified Funds to North South Leasing with Original Documents

### ITEMS NEEDED BEFORE WE CAN FUND

1.  Year to date pay stub
2.  Three months bank statements
3.  Hauling contract with phone number to verify employment
4.  Copy front and back of driver's license
5.  Signed original documents with thumb print
6.  Certified funds for advance payments (*Cashiers Check, Money Order...*)
7.  Proof of Business (*DBA, LLC, Schedule C...*)
8.  Verify six personal references not related to you (*with docs*)
9.  Copy of latest two years personal and business taxes
10.  Proof of residency (*copy of utility bill in applicants name*)
11.  Copy of last month's cell phone bill (*all pages*)
12.  Completed ACH form with original voided check from business checking account

\*We will need to verify and approve all items in order to fund your lease. All deposits are nonrefundable. At time of pickup we will also need a **copy of insurance** for full value of equipment with NORTH SOUTH LEASING as ADDITIONALLY INSURED and LOSS PAYEE.

THE ABOVE PARTIES HAVE READ THE TERMS AND CONDITIONS OF THIS LEASE APPROVAL. BY SIGNING BELOW I AGREE TO THE TERMS SET FORTH.

Signature: \_\_\_\_\_

DATE: \_\_\_\_\_

**Equipment Lease** *Non-Cancelable, Non-Refundable* Lease No. L-20130723-4

**Lessor:** NORTH SOUTH LEASING

**Vendor :** None Truck in Inventory

**35064 Harper  
Clinton Twp, MI. 48035  
586-439-0018**

LESSEE:  
**Andrew Johnson  
501 N Arcade St  
Gladwin, MI 48624**

DELIVERY DATE: **TBD**  
**First Payment DATE: 30 days after delivery**

EQUIPMENT LOCATION: SAME AS ABOVE

**EQUIPMENT INFORMATION**

**2005 Freightliner Classic XL # TBD on Inspection**

**GUARANTY**

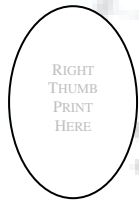
In the Guaranty, **you** means each person making the Guaranty, and **we, us** and **our**, mean the Lessor. In consideration for us entering into the Lease, you, the guarantor, guaranty that the Lessee will make all payments, pay all other charges under this Lease when due, and will perform all other obligations promptly. **You also agree to be subject to all provisions of this Lease, including, but not limited to, the consent to Michigan law, jurisdiction and the venue of Michigan courts and the waiver of a trial by jury.** You also agree that we may make other arrangements with the Lessee or other guarantor, with or without notice to you, and you will still be responsible for making payments and other obligations. Each of you individually agrees to be fully responsible whether or not we initiate or exhaust any remedy or proceeding against the Lessee, the Equipment, or any other guarantor. We do not have to notify you if the Lease is in default. If it is, you agree to pay any amounts due under the Lease immediately upon request. You will reimburse us for all expenses we incur enforcing the Lease against the Lessee or the guaranty against you, including our reasonable attorney's fees. This is a continuing guaranty and shall not be discharged or affected by the death of the undersigned, shall bind the heirs, administrators, representative, successors and assigns of the undersigned and may be enforced by any assignee of the Lessor.

**INDIVIDUALLY:** Andrew Johnson

X \_\_\_\_\_  
No Title Date

RES. ADDRESS

PHONE:

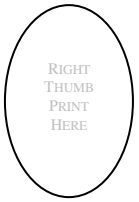


**INDIVIDUALLY:**

X \_\_\_\_\_  
No Title Date

RES. ADDRESS

PHONE



**CERTIFICATE OF ACKNOWLEDGMENT AND ACCEPTANCE OF LEASED EQUIPMENT**

Lessee hereby acknowledges receipt of the Equipment (the "Equipment") described in this Lease with Lessor and accepts the Equipment after full inspection thereof as satisfactory for all purposes of the Lease.

SIGNATURE Andrew Johnson X \_\_\_\_\_

**SCHEDULE OF PAYMENTS** during Original Term of Lease

Number of Months 26 On behalf OF Andrew Johnson

Monthly Payments **\$1000.00** LESSEE (Full Legal Name)

Purchase Option: FMV not to exceed 10%

**LESSEE SIGNATURE** \_\_\_\_\_ Date \_\_\_\_\_  
TITLE:

## TERMS AND CONDITIONS

- LEASE, TERM, RENTAL:** We hereby lease to you, and you hereby rent from us, the equipment described above (hereinafter, with all replacement parts, repairs, additions and accessories incorporated therein and/or affixed thereto, referred to as the "Equipment"). The terms and conditions set forth above and below, for the term indicated above, commencing on the date ("Commencement Date") the Equipment is accepted by the you, and continuing thereafter until terminated as provided for herein. Unless otherwise provided herein, the monthly payments shall be payable on the corresponding day of each month thereafter, in the amount stated above, until the total rent and all other obligations have been paid in full. All payments of rent shall be made to the us at our address or at such other place as we may designate in writing. THIS IS A NON-CANCELABLE LEASE FOR THE TERM INDICATED ABOVE.
- PURCHASE AND ACCEPTANCE:** You request us to purchase the Equipment from the Vendor and arrange for delivery to you at your expense. We shall have no responsibility for delay or failure of Vendor to fill the order for the Equipment. YOU REPRESENTS THAT YOU HAVE SELECTED THE EQUIPMENT LEASED HEREUNDER PRIOR TO HAVING REQUESTED US TO PURCHASE THE SAME FOR LEASING TO YOU, AND THAT YOU HAVE REVIEWED AND APPROVED THE PURCHASE ORDER OR AGREEMENT WITH RESPECT TO THE EQUIPMENT. YOU AGREE THAT WE HAVE MADE AND MAKE NO REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE, DIRECTLY OR INDIRECTLY, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING THE SUITABILITY OF SUCH EQUIPMENT, ITS DURABILITY, ITS FITNESS FOR ANY PARTICULAR PURPOSE, ITS MERCHANTABILITY, ITS CONDITION, AND/OR ITS QUALITY. AS BETWEEN YOU AND US, AND OUR ASSIGNEE, YOU LEASE THE EQUIPMENT "AS IS", WE AND OUR ASSIGNEE SHALL NOT BE LIABLE TO YOU FOR ANY LOSS, DAMAGE OR EXPENSE OF ANY KIND OR NATURE CAUSED DIRECTLY OR INDIRECTLY BY ANY EQUIPMENT LEASED HEREUNDER OR THE USE OR MAINTENANCE THEREOF OR THE FAILURE OF OPERATION THEREOF, OR THE REPAIRS, SERVICE OR ADJUSTMENT THERETO, OR BY ANY DELAY OR FAILURE TO PROVIDE ANY THEREOF, OR BY ANY INTERRUPTION OF SERVICE OR LOSS OF USE THEREOF, OR THE USE THEREOF IN VIOLATION OF THE RIGHTS OF ANY PARTY WHOMSOEVER, OR FOR ANY LOSS OF BUSINESS OR DAMAGE WHATSOEVER AND HOWSOEVER CAUSED. NO REPRESENTATION OR WARRANTY AS TO THE EQUIPMENT OR ANY OTHER MATTER BY THE VENDOR SHALL BE BINDING ON US OR OUR ASSIGNS NOR SHALL THE BREACH OF SUCH RELIEVE YOU OF, OR IN ANY WAY AFFECT, ANY OF YOUR OBLIGATIONS TO US OR OUR ASSIGNS AS SET FORTH HEREIN. WE AND OUR ASSIGNS DISCLAIM AND SHALL NOT BE RESPONSIBLE FOR ANY LOSS, DAMAGE OR INJURY TO PERSONS OR PROPERTY CAUSED BY THE EQUIPMENT. WHETHER ARISING THROUGH THE NEGLIGENCE OF US OR IMPOSED BY LAW. Your lease payments will be due despite dissatisfaction with the Equipment for any reason. If the Equipment is not properly installed, does not operate as represented or warranted by the Vendor or is unsatisfactory for any reason, you shall make any claim on account thereof solely against the Vendor. You hereby waive and release any and all rights to assert any claim against us concerning the Equipment and shall nevertheless pay us all rent payable under this lease. We agree to assign to you, solely for the purpose of making and prosecuting any such claims, any rights we may have against the Vendor for breach of warranty or representations respecting the Equipment. Notwithstanding any fees that may be paid to Vendor or any agent of Vendor, you understand and agree that neither the Vendor nor any agent of the Vendor is an agent of ours and that neither the Vendor nor his agent is authorized to waive or alter any term or condition of this lease.
- NO WARRANTIES:** We are leasing the Equipment to you "AS-IS." WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE IN CONNECTION WITH THIS LEASE. If the equipment is not properly installed, does not operate as represented or warranted, or is unsatisfactory for any reason whatsoever; or if there is a problem with the Supplier, or the provision of maintenance, airtime, licensing rights or other service; notwithstanding the occurrence of any or all of the foregoing, you agree to continue making payments to us when due and make any claim relating to such problem only to the Supplier. You agree to waive any such claim against us. We transfer to you, for the Term, all equipment warranties, if any made to us related to the Equipment to exercise at your own expense. We are not liable to you for any default, modification or rescission of Supplier warranties or agreements.
- LESSOR TERMINATION BEFORE EQUIPMENT ACCEPTANCE.** If within sixty (60) days from the date we order the Equipment, same has not been delivered, installed and accepted by you (in form satisfactory to us), we may, on ten (10) days written notice to you, terminate this lease and its obligation to you.
- TITLE.** We own (have title to) the Equipment and may affix a label to indicate that at any reasonable time. Your obligations under the Lease are absolute and shall not be diminished on account of any software, license, airtime, and service portion or otherwise. To protect us from any finding that this is not a true lease, you grant us a security interest in the Equipment. You authorize us to file a UCC-1 financing statement or similar document, and appoint us as your attorney-in-fact to execute and deliver such instrument to show our interest in the Equipment.
- CARE AND USE OF EQUIPMENT.** You shall maintain the Equipment in good operating condition, repair and appearance, and protect the same from deterioration, other than normal wear and tear; shall use the Equipment in the regular course of business only, within its normal capacity, without abuse and in a manner contemplated by the Vendor, shall comply with the laws, ordinances, regulations, requirements and rules with respect to the use, maintenance and operation of the Equipment, shall not make any modification, alteration, or addition to the Equipment (other than normal operating accessories or controls which shall, when added to the Equipment, become the property of us) without the prior written consent of us, which shall not be unreasonably withheld, shall not so affix the Equipment to realty as to change its nature to real property or fixture, and agrees that the Equipment shall remain personal property at all times regardless of how attached or installed; shall keep the Equipment at the location shown above, and shall not remove the Equipment without the written consent of us, which shall not be unreasonably withheld. We shall have the right during normal hours, upon reasonable prior notice to you, and subject to applicable laws and regulations, to enter upon the premises where the Equipment is located in order to inspect, observe or remove the Equipment, or otherwise protect our interest.
- NET LEASE: TAXES.** You intend the rental payments hereunder to be net to us, and you shall pay all sales, use, excise, personal property, stamp, documentary, ad valorem and other taxes, license and registration fees, assessments, fines, penalties and other charges imposed on the ownership, possession or use of the Equipment during the term of this Lease; shall pay all taxes (except Federal end State net income taxes imposed on us) with respect to this Lease and the rental payments hereunder, and shall reimburse us upon demand for any taxes paid by or advanced by us. You shall file all returns required by law or us, and furnish copies to us.
- INDEMNITY.** You shall and do hereby agree to indemnify and save us, our agents, servants, successors, and assigns, harmless against and from any and all liability, damages, or loss, including reasonable counsel fees, arising out of the ownership, selection, possession, leasing, renting, operation (regardless of where, how and by whom operated) control, use, condition (including but not limited to latent and other defects, whether or not discoverable by you), maintenance, delivery and return of the Equipment. The indemnities and obligations herein provided shall continue in full force and effect notwithstanding termination of this lease.
- INSURANCE.** You shall keep the Equipment insured against all risks of loss or damage from every cause whatsoever, in amounts determined by us provided that in no event shall such insurance be less than the loss amount set forth in Section 9(b) herein below. The amount of such insurance shall be sufficient so that neither the you nor we will be considered a co-insurer. You also shall carry public liability insurance, personal injury and property damage, covering the Equipment. All such insurance shall provide that losses, if any, shall be payable to us, and all such liability insurance shall include us as named insured and require that the insurer give us at least ten (10) days written notice prior to cancellation thereof. All such policies shall provide that such insurance shall not be cancelled or modified, as against us, due to any act or neglect on the part of you. You shall pay the premiums for such insurance and deliver to us satisfactory evidence of the insurance coverage required hereunder. The proceeds of such insurance payable as a result of loss or damage to any item of the equipment shall be applied to satisfy your obligations as set forth in Paragraph 9 below. You hereby irrevocably appoint us as your attorney-in-fact to make claim for, receive payment of and execute and endorse all documents, checks or drafts received in payment for loss or damage under any such insurance policy.
- RISK OF LOSS.** You hereby assume the entire risk of loss, damage or destruction of the Equipment from any and every cause whatsoever during the term of this lease and thereafter until redelivery to us. In the event of loss, damage or destruction of any item of Equipment, you at your expense (except to the extent of any proceeds of insurance provided by you which shall have been received by us as a result of such loss, damage or destruction), and at our option, shall either (a) repair such item, returning it to its previous condition, unless damaged beyond repair, or (b) pay us all accrued and unpaid rental payments, late charges and interest, plus an amount (the "Loss Amount") equal to (i) the net present value of all rental payments to become due during the remaining term of this lease, using a discount rate of 6% per annum plus (ii) the amount of any purchase option or obligation with respect to the Equipment, or if there is no such option or obligation, the fair market value of the Equipment, as estimated by us in our sole reasonable discretion; (c) replace such item with a like item acceptable to us, in good condition and of equivalent value, which shall become property of us, included within the term "Equipment" as used herein, and leased from us herewith for the balance of the full term of this Lease.
- PERFORMANCE BY US OF YOUR OBLIGATION.** In the event you fail to comply with any provision of this Lease, we shall have the right, but shall not be obligated to effect such compliance on your behalf upon ten (10) days prior written notice to you. In such event, all moneys, expended by, and all of our expenses in effecting such compliance shall be deemed to be additional rental, and shall be paid by you at the time of the next monthly payment of rent.

DEFAULT. You will be in default if: a) you do not pay any amount due within 10 days of when it first becomes due; or b) you break any of your promises or obligations in this Lease, or any other obligation with us, and do not cure the breach in 10 days from our giving you notice of it, or c) without our written consent or written direction, you turn over or attempt to turn over the Equipment to anybody else; or d) you give us reasonable cause to be insecure with your willingness or ability to pay. Some agreed upon examples of such reasonable causes are: you become insolvent, you stop paying your debts as they become due, you stop doing business as a going concern, you or a guarantor dies or becomes insolvent, you consolidate or merge without our written consent, you or any guarantor fail to reaffirm or assume this Lease within 60 days of filing Bankruptcy, or a legal proceeding is instituted to seize or detain the Equipment.

Lessee: \_\_\_\_\_

On behalf of **Andrew Johnson**

RIGHT  
THUMB  
PRINT  
HERE

**TERMS AND CONDITIONS continued**

12. REMEDIES. If you default, we may do any or all of the following: a) we may, without notice, accelerate all sums due or to become due (future amounts discounted to present value on the date of computation at 5% per year) as liquidated damages for breach of the Lease and not as a penalty ("Accelerated Payments"); b) we may demand that you return the Equipment to us or collect from you the estimated Lease end fair market value, agreed to be 25% of the original equipment cost ("E-FMV"), discounted to present value on the date of computation at 5% per year; c) if you do not return the Equipment, we may without any liability to you for damages caused by the entry or retaking or possession, and without releasing you from any payment or other obligation, immediately take possession of the Equipment without any court order or other process of law and for such purpose may enter upon any premises where the Equipment may be and take it; d) we have the right to exercise any remedy at law or equity, for which you and any guarantor(s) expressly waive any required notice; e) if we have to take possession of the Equipment, you agree to pay the repossession cost; f) we may sell or otherwise dispose of the Equipment with or without notice, at a public or private sale, and apply the net proceeds to the amount you owe us. You agree that you will remain responsible for any remaining amount due hereunder; g) if we refer this Lease to an attorney for legal action, you agree to pay our reasonable attorney's fees and actual costs, including our travel costs to any deposition or court appearance. You agree that a reasonable attorney fee is not less than the greater of \$300.00 or 25% of the total amount in collection as a liquidated damage and not a penalty; **h) as we both agree that all purchase options, if any, (whether separate, included or implied by law or otherwise) are contingent on your not defaulting (whether or not cured), we may, without notice, terminate all such options.**

13. COLLECTION EFFORTS. You agree that all payments are to be made in a timely fashion. At our discretion, a late payment fee in the amount of 20% of the monthly lease payment may be incurred. You understand and agree collection fees incurred by us on your behalf will be billed to you. You will be charged a fee of \$25.00 for each telephone call made in an effort to collect amounts owed. A fee of \$15.00 per occurrence will be incurred for each letter sent to you as collection efforts. Each check returned NSF or each ACH transaction not honored will be charged a fee of \$50.00. Any and all repossession fees incurred by us will be billed to you at the invoice amount plus a 25% management fee.

14. ASSIGNMENT: NOTICE OF INTENDED ASSIGNMENT. You may not sell, transfer, assign, or sublease the Equipment or this Lease. We may sell, assign, or transfer this Lease or any related documents or filings. You agree that if we do, our assignee will have the same rights and benefits that we have. You agree that the rights of any assignee or successor will not be subject to any claims, defenses, or setoffs that you may have against us.

15. RETURN OF PROPERTY. Upon the termination or expiration of this Lease, or any extension thereof, you shall deliver the Equipment to the us, freight prepaid, at an address designated by us, complete and in good order and condition, reasonable wear and tear alone excepted. You shall also pay to us such sum as may be necessary to cover replacement for all damaged, broken or missing parts of the Equipment. If upon such expiration or termination you do not immediately return the Equipment to us, the Equipment shall continue to be held and leased hereunder and this Lease shall be extended indefinitely as to the term at the same monthly rental, subject to the right of either you or us to terminate the lease upon thirty (30) days written notice, whereupon you shall forthwith deliver the Equipment to us as set forth in this Paragraph.

16. EFFECTIVE DATE. This Lease shall become valid when executed and accepted by us, you hereby waive notice of our acceptance of this Lease.

17. GOVERNING LAW, JURISDICTION, VENUE AND NON-JURY TRIAL. You agree that this Lease shall be deemed executed and performed in Michigan and Michigan law will apply to it. Any needed interpretations shall be construed under and/or filled in by the Uniform Commercial Code, Article 2 A. YOU ALSO CONSENT TO THE PERSONAL JURISDICTION OF THE STATE OF MICHIGAN and any state or federal court located there. YOU AGREE TO ACCEPT VENUE IN ANY FEDERAL OR STATE COURT IN MICHIGAN, AND WAIVE ANY RIGHT TO A TRIAL BY JURY SO THAT ANY TRIAL RELATED TO THIS LEASE SHALL BE BY AND ONLY TO THE COURT.

18. NO SUBROGATION. You, we and any guarantor agree that no guarantor shall have any right of subrogation to any right of us in the Equipment or this Lease or against you, and that any such right of subrogation that may exist, as well as any right of indemnity against you for any obligation which may be performed by guarantor with respect to this Lease, is hereby waived and released.

19. SUBORDINATION. All indebtedness, now existing or hereafter arising, between you and any guarantor is hereby subordinated to all present and future obligations of you or any guarantor to us, including, but not limited to, the Lease obligations. No payment shall be made or accepted on any such indebtedness due us or any guarantor until all such obligations to us are paid and satisfied in full.

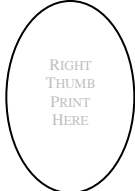
20. SURVIVAL OF GUARANTY OBLIGATIONS. All obligations of any guarantor shall remain enforceable notwithstanding that this Lease, or any obligations performed or to be performed hereunder, may be void or voidable as against you or any of you creditors, including but not limited to, a trustee in bankruptcy, by reason of any fact or circumstance.

21. UCC2A. You and we agree and acknowledge that it is the intent of both parties that in the event Article 2A of the Uniform Commercial Code ("UCC") is deemed to be applicable to this Lease; this Lease shall qualify as a statutory finance lease under the UCC. In the event Article 2A of the UCC is deemed to be applicable to this Lease, you hereby agree to waive any and all rights and remedies given by Sections 2A-508 through 2A-522 of the UCC, including but not limited to the right to: reject the Lease and Equipment; cancel the Lease; revoke acceptance of the Equipment; "cover" by making any purchase or lease of Equipment in substitution for property due from us; grant a security interest in the Equipment in its possession and control for any reason; recover damages under such UCC-2A for any breach of warranty and/or seek remedies of specific performance, relieving or the like for any Equipment, in addition, to the extent permitted by applicable law.

22. INTERIM RENT. You will be charged rent from the date we fund this transaction to the end of that calendar month. The payment amount will be calculated using the lease payment divided by 30 days regardless of actual number of calendar days in that month. All payments will be due on the first of the month each month thereafter.

23. MISCELLANEOUS. THIS LEASE CONTAINS THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE ALTERED, AMENDED, MODIFIED, TERMINATED OR OTHERWISE CHANGED, INCLUDING BY PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS, EXCEPT BY A WRITING SIGNED BY AN EXECUTIVE OFFICER OF THE LESSOR. LESSEE CERTIFIES THAT NO SUCH ORAL AGREEMENTS EXIST. LESSOR AND LESSEE INTEND THIS TO BE A VALID AND SUBSISTING LEGAL DOCUMENT, AND AGREE THAT NO PROVISION OF THIS LEASE WHICH MAY BE DEEMED UNENFORCEABLE SHALL IN ANY WAY INVALIDATE ANY OTHER PROVISION OR PROVISIONS OF THIS LEASE, ALL OF WHICH SHALL REMAIN IN FULL FORCE AND EFFECT. ANY NOTICE INTENDED TO BE SERVED HEREUNDER SHALL BE DEEMED SUFFICIENTLY SENT IF SENT BY REGULAR MAIL, POSTAGE PREPAID, ADDRESSED TO THE PARTY AT THE ADDRESSES CONTAINED HEREON. THIS LEASE SHALL BE BINDING UPON THE PARTIES, THEIR SUCCESSORS, LEGAL REPRESENTATIVES AND ASSIGNS.

Lessee: \_\_\_\_\_  
On behalf of **Andrew Johnson**



**TWO FORMS OF ID\*\*\*\*\* USA Patriot ACT Requirement**  
Must be completed by all Signers

Lease # «LeaseNum»

Please include a copy of your driver's license front and back



---

The undersigned hereby certifies, represents and warrants that the undersigned Individual is the same individual whose name appears on the above driver's license. The undersigned acknowledges that the lessor has relied upon this Representation, along with other representations, in deciding to extend credit.

---

Signature of Drivers License Holder



**CUSTOMER INFORMATION NEEDED**

**PERSONAL REFERENCES**

1. NAME \_\_\_\_\_  
RELATIONSHIP \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
CITY, STATE, ZIP \_\_\_\_\_  
HOME PHONE \_\_\_\_\_  
CELL PHONE \_\_\_\_\_

2. NAME \_\_\_\_\_  
RELATIONSHIP \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
CITY, STATE, ZIP \_\_\_\_\_  
HOME PHONE \_\_\_\_\_  
CELL PHONE \_\_\_\_\_

3. NAME \_\_\_\_\_  
RELATIONSHIP \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
CITY, STATE, ZIP \_\_\_\_\_  
HOME PHONE \_\_\_\_\_  
CELL PHONE \_\_\_\_\_

**PERSONAL REFERENCES**

4. NAME \_\_\_\_\_  
RELATIONSHIP \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
CITY, STATE, ZIP \_\_\_\_\_  
HOME PHONE \_\_\_\_\_  
CELL PHONE \_\_\_\_\_

5. NAME \_\_\_\_\_  
RELATIONSHIP \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
CITY, STATE, ZIP \_\_\_\_\_  
HOME PHONE \_\_\_\_\_  
CELL PHONE \_\_\_\_\_

6. NAME \_\_\_\_\_  
RELATIONSHIP \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
CITY, STATE, ZIP \_\_\_\_\_  
HOME PHONE \_\_\_\_\_  
CELL PHONE \_\_\_\_\_



## COVERED COMPONENT BREAKDOWN AGREEMENT

### KEY TERMS

“**VEHICLE**” means the covered vehicle described in Section A of the Agreement.

“**YOU**” and “**YOUR**” means the customer as shown in Section A of the Agreement.

“**WE**”, “**US**” AND “**OUR**” means the Authorized Administrator shown on the Agreement.

“**BREAKDOWN**” OR “**MECHANICAL BREAKDOWN**” means the failure of any original or like replacement part covered by this Agreement to work as it was originally designed to work in normal service, providing that it has received customary maintenance as recommended by the manufacturer in the Owner’s Manual. It does not mean the gradual reduction in operating performance due to normal wear and use when the component is within manufacturer’s tolerance or specifications. A component will be deemed failed when wear exceeds manufacturer’s tolerances.

“**MILES**” OR “**ODOMETER MILES**” means the actual miles your vehicle has traveled as recoded by an unaltered odometer.

“**COSTS**” means the usual and fair charges for parts and labor necessary to repair or replace the parts covered. These charges shall not exceed the manufacturer’s suggested retail (list) price for parts and labor allowances derived from nationally recognized labor time at a maximum of \$80 per hour (subject to regional adjustment). Replacement parts will be of the same quality as the covered parts and may include new, remanufactured or used parts at our discretion.

“**DEDUCTIBLE**” means the amount that you must pay for covered repairs per component as described in Section E of the General Provisions.

“**WARRANTY**” means any warranty of the manufacturer, state required dealer warranty or repairer’s guarantee.

“**AGREEMENT DATE**” means the date you purchased your vehicle and this Agreement.

“**REPAIRER**” means a franchised dealer or repair facility with ASE or manufacturer’s recognized certification that provides a written parts and labor guarantee for repairs to covered components of not less than 180 days or 6,000 miles. Any repairs must receive authorization in advance from OWNER OPERATORS WARRANTY COMPANY, prior to beginning repairs.

“**NORMAL WEAR**” means the gradual diminishing performance of a component due to normal usage when the component is within the manufacturer’s tolerance or specifications.

“**AGREEMENT**” OR “**CONTRACT**” means the Owner Operators Warranty Company Warranty Agreement that you have purchased to protect your vehicle. **WE** will pay the **REPAIRER** for reasonable **costs** to repair any **breakdown** of the components as listed in Schedule C of Covered Components, less **your deductible** and in accordance with the provisions contained within this **Agreement**. **WE** reserve the right to inspect **your vehicle** to evaluate covered repairs.

Continued on next page

### **SCHEDULE OF COVERED COMPONENTS:**

**ENGINE:** Internally lubricated hard parts limited to pistons, piston rings, wrist pins, connecting rods, connecting rod bearings, crankshaft, main bearings, camshaft and cam bearings, cam followers, rocker arms shafts, pushrods, hydraulic lifters, intake and exhaust valves, valve springs, valve guides, oil pump and pick up screen, timing chain and gears, timing chain tensioner(s). The engine block, cylinder head(s), timing case cover, oil pan, valve covers and intake manifold are covered only if damaged by the failure of a covered component. Damage resulting from failures by related components but not limited to: Seals and Gaskets, radiators, coolers and cooler lines, water pump, thermostat, motor mounts, fuel pump, fuel injectors, fuel injection pump and nozzles or electronic control devices are not covered.

**TRANSMISSION:** Internally lubricated hard parts of the Manual or Automatic transmission including shaft(s), gear sets, shift forks, synchronizers, blockers, bearings, bushings, oil pump, valve body, torque converter, governor, bands, drums, gear sets. The transmission case is covered only if damaged by a covered component. Required Seals and Gaskets to complete covered repairs. Damage resulting from the failures of related components but not limited to: Seals and Gaskets, electronic controls, shift levers, linkage, radiators, mounts, external oil coolers and lines, manual transmission clutch-disc, pressure plate, throwout bearing, pilot bearing, hydraulic clutch master and slave cylinder(s) are not covered.

**DIFFERENTIAL:** Internally lubricated hard parts including carrier case, gear sets, bearings, bushings, axle shafts, limited slip clutchpack, axle shafts. Required Seals and Gaskets to complete covered repairs. The differential housing is covered if damaged by a covered component. Damage resulting from the failures of related components but not limited to: Seals and Gaskets, electronic controls, shift levers, linkage, radiators, mounts, external oil coolers and lines are not covered.

**TAXES AND FLUIDS:** State and Local taxes where applicable and fluids that are required to complete covered repairs.

**THE COMPONENTS LISTED ABOVE ARE THE ONLY PARTS THAT ARE PROTECTED BY THIS WARRANTY.**

**EXCLUDED COMPONENTS:** Fuel Injectors, Turbochargers and Engine Brakes are not engine block internally lubricated components and therefore are not covered.

**YOU ARE REQUIRED TO OBTAIN REPAIR AUTHORIZATION FROM US PRIOR TO BEGINNING ANY REPAIRS COVERED BY THIS AGREEMENT.**

---

---

## GENERAL PROVISIONS

### A. AGREEMENT PERIOD

The term of this **Agreement** varies based upon the time and mileage for which it is issued in Section B-Available Terms. The term expires when its time or mileage is reached, **whichever occurs first**. This **Agreement** will terminate when **you sell your vehicle** or **your lease** is assigned to another person unless it is **voided or cancelled** previously as described in Section H in these General Provisions.

### B. LIMITS OF LIABILITY

**Truck Class 3-4 Vehicles** – Per covered **vehicle: our** limit of liability shall in no event exceed \$5,000 per Engine(s) (Aggregate), \$3,000 per Transmission(s) (Aggregate), \$3,000 per Differential(s) (Aggregate) with a TOTAL AGGREGATE Limit of Liability per **VEHICLE** of \$7,500 or the Actual Cash Value (ACV) of **your vehicle** at time of repair.\*

**Truck Class 5,6, & 7 Vehicles** – Per covered **vehicle: our** limit of liability shall in no event exceed \$10,000 per Engine(s) (Aggregate), \$6,000 per Transmission(s) (Aggregate), \$6,000 per Differential(s) (Aggregate) with a TOTAL AGGREGATE Limit of Liability per **VEHICLE** of \$15,000 or the Actual Cash Value (ACV) of **your vehicle** at time of repair.\*

**Truck Class 8 Vehicles** – Per covered **vehicle: our** limit of liability shall in no event exceed \$15,000 per Engine(s) (Aggregate), \$7,500 per Transmission(s) (Aggregate), \$7,500 per Differential(s) (Aggregate) with a TOTAL AGGREGATE Limit of Liability per **VEHICLE** of \$20,000 or the Actual Cash Value (ACV) of **your vehicle** at time of repair.\*

\*The Actual Cash Value (ACV) will be determined via use of the Black Book Official Used Truck Guide or NADA Official Used Truck guide, at the discretion and option of Owner Operators Warranty Company.

### C. MAINTENANCE REQUIREMENTS

**UNLESS REQUIRED MAINTENANCE IS PERFORMED ACCORDING TO THESE REQUIREMENTS, WE HAVE THE RIGHT TO DENY COVERAGE. DOCUMENTED AND VERIFIABLE PROOF THAT MAINTENANCE REUQUIREMENTS WERE PERFORED WILL BE REQUESTED PRIOR TO ANY AUTHORIZATION FOR REPAIRS.**

Assure that **your vehicle** has fluids and filters serviced according to the required maintenance as follows:

- **Class 3 through 7** requires the engine oil and filter to be replaced by a **licensed service facility** every six (6) months or ten (10) thousand miles, whichever occurs first, unless the manufacturer requires more frequent intervals. Transmission and differential assemblies must be serviced according to manufacturer recommended service intervals with a ten (10) day and 2,500 mile tolerance.
- **Class 8** requires the engine oil and filter to be replaced by a **licensed service facility** every six (6) months or 15,000 miles, with a ten (10) day and 2,500 mile tolerance, unless the manufacturer requires more frequent intervals. Transmission and differential assemblies must be serviced according to manufacturer recommended service intervals with a ten (10) day and 2,500 mile tolerance.

**You** must keep receipts and work orders that verify the services performed.

**Your Vehicle** identification number, the mileage and date of service **MUST** appear on these receipts.

### D. IF YOU HAVE OTHER COVERAGE

If the manufacturer or **repairer** agrees to cover all or part of the **costs** of a **breakdown**, we are responsible only for any additional **costs**.

If **you** have the right to recover against another party for anything **we** have paid under this Agreement, **your** rights shall become **our** rights.

**We** shall recover only the excess after **you** are fully compensated for **your** loss by the other party.

### E. THE STANDARD DEDUCTIBLE PER COVERED CLAIM

0-5 Model Years Old	15%
6-8 Model Years Old	20%
9+ Model Years Old	30%

## F. YOUR ASSISTANCE AND COOPERATION

If we request, you agree to assist us to enforce your right against any manufacturer or **repairer** who may be responsible to you for the **costs** of repairs we provided.

## G. ARBITRATION AND EXCLUSIVE FORUM FOR DISPUTE RESOLUTION

In the event of any kind of disagreement between you and us concerning your coverage under this agreement or concerning the **costs** of repairs, you must make a written demand to us for arbitration. You agree that **Arbitration is the sole method of dispute resolution between us**. Your written demand for **arbitration** must be done and received by us within sixty (60) days of the day you filed your claim. Each party will select one certified arbitrator. The two arbitrators will select a third arbitrator. Each of the parties will pay equally the total of the three (3) arbitrators selected. The in-person arbitration hearing will take place **only and exclusively** in Macomb County, Michigan unless both you and we agree in writing to a different hearing location. The rules utilized by the American Arbitration Association will apply. A **majority decision** from the three (3) arbitrators will be binding between you and us.

## H. HOW THIS IS CANCELLED – INCLUDING REFUNDS AND CHARGES OR VOID

- We may cancel this **Agreement** for: non-payment of any charge when due, misrepresentations in obtaining this **agreement** or for submission of a fraudulent claim.
- We may void this **Agreement** for failure to strictly conform to all Terms and Conditions as outlined herein. Failure to act as and required will render this warranty null and void as of the date any requirement was due and not performed. Once voided, all rights and privileges afforded by the warranty are forfeited including the validation of any claim and the right to a refund.
- The lienholder may cancel this **Agreement** for non-payment or as a result of documented and verifiable repossession or total loss of the vehicle within sixty (60) days of the event that caused written request for cancellation. In case of cancellation by the lienholder, the lienholder will be named on the refund check. An odometer statement showing the **Odometer Miles** at the date of request will be required. We will refund a pro rata portion of the **Agreement** charge we received reflecting the greater of the days in force or miles driven based on the term of the plan selected and the date coverage began, less a \$75.00 administration fee or less 10% of the **Agreement** charge, whichever is greater.
- A **refund is not available if any claim is pending or has been paid.**

## YOUR RESPONSIBILITIES IF YOU HAVE A BREAKDOWN:

- a. Use all means to protect your vehicle from further damage.
- b. IF you experience a **breakdown** please call 586-439-0018 between 9:30am and 4:30pm (EST), Monday through Friday.
- c. Furnish Owner Operators Warranty Company with such information as we may reasonably require, and, if requested, provide proof of your **vehicle's** regular maintenance as required in this **Warranty Agreement**.
- d. Allow Owner Operators Warranty Company to examine **your vehicle** if we ask to do so.
- e. A claim must be filed within ten (10) days of component failure with Owner Operators Warranty Company at 586-493-0754.
- f. Authorize the **repairer** to perform necessary diagnostic work. You will be required to pay the costs of diagnostics if the **mechanical breakdown** is not covered by this warranty.
- g. **Obtain authorization from Owner Operators Warranty Company prior to beginning any covered repairs.**
- h. Claims are to be paid directly to the **REPAIRER ONLY**.
- i. Customer service hours are **9:30 am to 4:30 pm (Eastern Time) Monday through Friday** and they can be reached at 586-493-0754.

This **Agreement** applies only to breakdowns occurring within the United States of America.

## WHAT THIS AGREEMENT DOES NOT COVER:

### THIS AGREEMENT DOES NOT PROVIDE COVERAGE FOR:

- a. **Your Vehicle** if it has a salvage title.
- b. **Costs** covered by any warranty of the manufacturer; state required dealer warranty, or a repairer's guarantee regardless of whether they honor such warranty of guarantee.
- c. **Costs** incurred to improve operating performance as a result of **normal wear** and when the component is within manufacturer's tolerance or specification. This exclusion includes valve and ring repairs designed to improve engine compression, reduce oil consumption and diminished performance, or to remove sludge or carbon deposits.
- d. Any failure regardless of cause if Preventive Maintenance for the failed component was not performed as outlined in Section C, Maintenance Requirements.

- e. Any failure of **Excluded Components** as listed on Page 2. The following list of components are covered **only** if damaged by the failure of a covered component: head gaskets, other seals and gaskets, block, housing(s) or cylinder head(s), oil leaks, harmonic balancer, engine tune-up, spark plugs, glow plugs, filters, lubricants, injectors, injector sleeves/cups, turbocharger, fluids, coolers, water pump, coolant, refrigerant, fasteners, flywheel/flexplate.
- f. Any repair or replacement of a covered component if a **breakdown** has not occurred. Wear and tear, excessive oil consumption, loss of compression and the gradual reduction in operating performance is not covered unless and until manufacturer's tolerances are exceeded.
- g. A **breakdown** caused by or contributed to by operating the **vehicle** without proper levels or specification (type) fluids, lubricants, coolants or using improper or contaminated fluids.
- h. A **breakdown** caused by the failure of a non-covered part, corrosion, rust, dirt or dust. Any loss or breakdown resulting from racing or other competitive driving, operator error, collision, fire, theft, vandalism, riot, war, lightning, earthquake, windstorm, hail, water, freezing, flood, salt, environmental damage, or Acts of God.
- i. Incidental or consequential loss or damage, loss of time, use, inconvenience, profits, wages, towing expense, lodging, meals, and storage resulting from a breakdown.
- j. Any liability or property damage, injury or death of any person, punitive or exemplary damage and/or attorney fees, arising out of the operation or use of your vehicle.
- k. **Your Vehicle** if the odometer or ECM has been stopped, altered, or misrepresents **your vehicle's** actual mileage. Factory ECM's/ECU's (Electronic Control Modules/Units) parameters, codes, warning systems and alarms cannot be altered and must be in working order at all times while this **Agreement** is in effect.
- l. A pre-existing **breakdown** or failure or an improper prior repair whether performed subsequent to purchase or prior to the sale date. These conditions may not have been known to the parties at time of **vehicle** sale. A breakdown caused by or involving modifications or alterations made to **your vehicle** that were not performed by the manufacturer or selling dealer. Examples include but are not limited to: emission control, exhaust system and engine modifications.
- m. A **breakdown** caused by abuse, misuse, negligence, towing, overloading, or hauling that exceeds the manufacturers recommendations for **your vehicle**.
- n. **Your vehicle** if used for rental, limousine service, law enforcement, emergency service, security service or snow plowing (without the authorization from the Authorized Administrator).
- o. A **breakdown** or the increased damage caused by the continued operation of an impaired vehicle. If initial damage can be determined to be covered component an estimate of damages will be determined by the Authorized Administrator and any coverage, if provided, will be limited to those repairs.
  
- p. A non-U.S. or Canada specification vehicle.
- q. **For any claim that was not authorized in advance by Owner Operators Warranty Company.**
- o. Shop materials or hazardous waste disposal charges.

**WARRANTY OF MERCHANTABILITY OR WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE IS EXPRESSLY EXCLUDED**

**THIS AGREEMENT IS A LIMITED WARRANTY AND IS NOT INSURANCE.**

**IT IS NOT SUBJECT TO STATE INSURANCE LAWS BUT IS SUBJECT TO STATE LAWS CONCERNING WARRANTIES.**

**THE BACK ON THE ROAD 5000 PROGRAMS WERE ESTABLISHED IN 2007**

**Addendum to Lease Agreement**

**Lessor:** NORTH SOUTH LEASING  
**35064 Harper**  
**Clinton Twp, MI. 48035**  
**586-439-0018**

LESSEE:  
**Andrew Johnson**  
**501 N Arcade St**  
**Gladwin, MI 48624**

LEASE AGREEMENT DATED 1/7/2015 BETWEEN North South Leasing AND  
Andrew Johnson.

The lease agreement executed by the parties above shall have the following additions and the parties agree to the following:

- If all weekly payments are made on time, there is a \$1.00 buyout option to transfer the title from the lessor to the lessee.
- In the event of a late payment, the buyout will be the lesser of 10% or \$2000.00 and will be applied to the final purchase price before the title is transferred from the lessor to the lessee.

Lessee: \_\_\_\_\_  
On behalf of **Andrew Johnson**