

ARBITRATION AND WAIVER OF JURY TRIAL. PLEASE READ THIS PROVISION OF THE AGREEMENT CAREFULLY. UNLESS YOU EXERCISE YOUR RIGHT TO OPT-OUT OF ARBITRATION IN THE MANNER DESCRIBED BELOW, YOU AGREE THAT ANY DISPUTE WILL BE RESOLVED BY BINDING ARBITRATION. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, INCLUDING THE RIGHT TO HAVE A JURY TRIAL, TO ENGAGE IN DISCOVERY (EXCEPT AS MAY BE PROVIDED FOR IN THE ARBITRATION RULES), AND TO PARTICIPATE AS A REPRESENTATIVE OR MEMBER OF ANY CLASS OF CLAIMANTS OR IN ANY CONSOLIDATED ARBITRATION PROCEEDING OR AS A PRIVATE ATTORNEY GENERAL. OTHER RIGHTS THAT YOU WOULD HAVE IF YOU WENT TO COURT MAY ALSO BE UNAVAILABLE IN ARBITRATION.

Agreement to Arbitrate. You and we (defined below) agree that any Dispute (defined below) will be resolved by Arbitration. This agreement to arbitrate is governed by the Federal Arbitration Act, 9 U.S.C. § 1 *et seq.*, and the substantive law of the State of where you live (without applying its choice-of-law rules). Nothing in this arbitration agreement is intended to prevent either of us from filing a lawsuit in an appropriate small claims court for an amount that does not exceed the court's jurisdictional limits. If counterclaims or other motions would cause the lawsuit to be removed from small claims court to another court, the dispute must be resolved by arbitration.

What Arbitration Is. "Arbitration" is a means of having an independent third party resolve a Dispute. A "Dispute" is any claim or controversy of any kind between you and us. The term Dispute is to be given its broadest possible meaning and includes, without limitation, all claims or demands (whether past, present, or future, including events that occurred prior to origination of your Rental-Purchase Agreement (" Agreement")) and whether or not an Agreement is provided to you, based on any legal or equitable theory (contract, tort, or otherwise) and regardless of the type of relief sought (*i.e.*, money, injunctive relief, or declaratory relief). A Dispute includes, by way of example and without limitation, any claim based upon a federal or state constitution, statute, ordinance, regulation, or common law, and any issue concerning the validity, enforceability, or scope of this arbitration agreement.

For purposes of this arbitration agreement, the terms "you" and "your" include any co-signer, co-obligor, or guarantor and also your heirs, guardian, personal representative, or trustee in bankruptcy. The terms "we," "our," and "us" mean Lessor and include Lessor's employees, officers, directors, members, managers, attorneys, affiliated companies, predecessors, and assigns, as well as Lessor's marketing, servicing, and collection representatives and agents.

How Arbitration Works. If a Dispute arises, the party asserting the claim or demand must initiate arbitration, provided you or we may first try to resolve the matter informally or through customary business methods, including collection activity. The party filing an arbitration must choose either of the following arbitration firms for initiating and pursuing an arbitration: the American Arbitration Association ("AAA") or JAMS, The Resolution Experts ("JAMS"). If the parties mutually agree, a private party, such as a retired judge, may serve as the arbitrator. If you claim you have a Dispute with us, but do not initiate an arbitration or select an arbitrator, we may do so. You may obtain copies of the current rules of each of the arbitration firms and forms and instructions for initiating an arbitration by contacting them as follows:

American Arbitration Association
120 Broadway, 21st Floor
New York, NY 10271
Web site: www.adr.org
Telephone (800) 778-7879

JAMS, The Resolution Experts
18881 Von Karman Ave., Suite 350
Irvine, CA 92612
Web site: www.jamsadr.com
Telephone (949) 224-1810 or
(800) 352-5267

