

Tebo Financial Services™

FAIR LENDING POLICY

To assure that our employees have a clear and unequivocal statement of our commitment to a nondiscriminatory method of doing business, The Board of Directors and senior management have formulated the following statement of company fair lending policy. The Fair Lending Committee will be responsible for compliance with Executive Law Section 296-a. This policy also addresses the requirements of the New York State Fair Lending Statute, Executive Law 296-a. Employees must be thoroughly familiar with this policy and follow it both in spirit and in practice.

The fair lending compliance committee will monitor the implementation of and adherence to the Fair Lending Plans policies and procedures. They will monitor on an ongoing basis the company's consumer application and underwriting process as well as the companies pricing policies. We will ensure that employees understand their duties and responsibilities under the Plan and that such duties are being carried out.

The companies training program will provide training to new hires and current employees, including management and other key personnel with semiannual updates on fair lending issues. Compliance personnel will administer and conduct the training program and participants will certify that they understand and commit to upholding the principles of Executive Law Section 296-a and the policies and procedures contained in the Plan. The principles of the plan extend to the servicing, refinancing and repossessions policies.

There will be an automatic and timely review by a higher level supervisor of all applications that have been rejected or withdrawn.

Given that the company only purchases subprime retail installment contracts from automobile dealerships we do not have a prime product to offer consumers nor do we have an affiliated lender in which we could refer consumers.

The company will have written agreements from all third party loan originators (Automobile Dealerships) for which we have relationships in New York certifying that they acknowledge their responsibility to comply with Executive Law Section 296-a and the policies and procedures contained in the Plan to the extent such policies and procedures are applicable to them.

All complaints from applicants relating to alleged violations of Executive Law section 296-a should be forwarded to the operations manager for efficient resolution.

Given that the company only purchases retail installment sales contracts from automobile dealerships, the company does not utilize any marketing strategies directed to any protected class applicants or minority communities.

This Fair Lending Policy shall be periodically reviewed by the Compliance Officer and senior management to ensure that it remains current.

In addition, It is against this company's policy to discriminate against a loan applicant or borrower on the prohibited basis of race, color, religion, national origin, sexual orientation, handicap, marital status, age, the fact that all or part of an applicant's income comes from any public assistance program or because the applicant has exercised any right under the Consumer Credit Protection Act or any similar state law.

We do not discriminate against any applicant or discourage anyone on a prohibited basis from making an application.

We do not fail to provide information or services or provide different information or services, including credit availability, application procedures, or lending standards on a prohibited basis.

We do not selectively encourage applicants and we take no action that would, on a prohibited basis, discourage a reasonable person from applying for a consumer loan.

We do not, orally or in writing, express a preference based on a prohibited factor or indicate that we will treat applicants differently on a prohibited basis.

We do not, on a prohibited basis, refuse to make a loan, vary the terms offered including the amount, interest rate, period or type of loan, or use different standards to evaluate collateral or decide whether to extend credit.

We do not, on a prohibited basis, treat similarly situated applicants differently, including the amount of assistance, encouragement or information we give the applicant during the application process.

We do not, on a prohibited basis, discriminate because of the characteristics of a person associated with the applicant including a joint applicant, spouse, business partner.

We do not require an applicant who is individually creditworthy to provide a co-signer, even if we apply this requirement without regard to sex, marital status or any other prohibited basis.

We avoid practices or policies that have a discriminatory effect. This rule applies to all phases of our lending business. It applies even though we do not intend the policy or practice to be discriminatory and even if the policy or practice appears to be neutral.

We have adopted nondiscriminatory loan underwriting standards that avoid subjective, unwritten rules that can have a discriminatory effect.

If we use a credit scoring system, we make sure that it is empirically derived and statistically sound and uses no prohibited basis other than age as a predictive factor.

A management committee reviews both loans about to be rejected and exceptions underwriters have made to underwriting standards to find and eliminate patterns of exceptions that might have a discriminatory effect.

We train our loan personnel in the principles of fair processing and underwriting.

We are committed to nondiscriminatory marketing. We affirmatively market and make credit available in low and moderate-income areas. Our marketing practices and business relationships with dealers do not improperly restrict our clientele and exclude disadvantaged segments of the community.

To assure that dealers with whom we do business are aware that we are committed to fair lending principles, the loan officer or other employees dealing with the dealer for the first time on our behalf supplies him or her with a copy of our fair lending policy statement.

We do not, on a prohibited basis, treat a borrower differently in servicing a loan or invoking default remedies.

The Compliance Officer or other designated person reviews our marketing and advertising practices to determine whether we make our lending services available without discrimination to the community we serve and reports to management.

Before we implement a major new policy or practice we review it to determine whether it could have the effect of discriminating against applicants or borrowers.

At least annually, the Compliance Officer reviews both our loan underwriting standards and the business practices by which we implement them to determine whether they ensure equal lending opportunity and reports to management.

Seen and agreed effective as of the date set forth below:

Dealer: _____

Signed: _____

Title: _____ Date: _____