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PROPOSED COUNSEL FOR DEBTORS
AND DEBTORS-IN-POSSESSION

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

In re:	§	Chapter 11
	§	
WILLIAMS FINANCIAL GROUP, INC., <i>et al.</i> ¹	§	Case No. 17-33578-HDH
	§	
Debtors.	§	(Jointly Administered)
	§	

DEBTORS' MOTION TO ABANDON INTEREST IN VEHICLE LEASE

NO HEARING WILL BE CONDUCTED HEREON UNLESS A WRITTEN RESPONSE IS FILED WITH THE CLERK OF THE UNITED STATES BANKRUPTCY COURT AT EARLE CABELL FEDERAL BUILDING, 1100 COMMERCE ST., ROOM 1254, DALLAS, TX 75242-1496 BEFORE CLOSE OF BUSINESS ON BEFORE DECEMBER 1, 2017 WHICH IS AT LEAST 24 DAYS FROM THE DATE OF SERVICE HEREOF.

¹ The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Williams Financial Group, Inc. (8972); WFG Management Services, Inc. (7450); WFG Investments, Inc. (7860) and WFG Advisors, LP (9863). The address for all the Debtors is 2711 N. Haskell Ave., Suite 2900, Dallas, TX 75204.

ANY RESPONSE SHALL BE IN WRITING AND FILED WITH THE CLERK AND A COPY SHALL BE SERVED UPON COUNSEL FOR THE MOVING PARTY PRIOR TO THE DATE AND TIME SET FORTH HEREIN. IF A RESPONSE IS FILED A HEARING MAY BE HELD WITH NOTICE ONLY TO THE OBJECTING PARTY.

IF NO HEARING ON SUCH NOTICE OR MOTION IS TIMELY REQUESTED, THE RELIEF REQUESTED SHALL BE DEEMED TO BE UNOPPOSED, AND THE COURT MAY ENTER AN ORDER GRANTING THE RELIEF SOUGHT OR THE NOTICED ACTION MAY BE TAKEN.

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Williams Financial Group, Inc. ("WFG") and the affiliated debtors and debtors-in-possession listed above (the "Debtors") in the above-captioned Chapter 11 cases (the "Cases"), by and through their undersigned counsel, hereby move the Court (the "Motion") for entry of an order in the form attached hereto as Exhibit A pursuant to section 554 of the Bankruptcy Code² and Federal Rules of Bankruptcy Procedure 6007, authorizing the Debtors to abandon their leasehold interest in a 2016 Hyundai Genesis (the "Genesis") that WFG and Wilson Williams ("W. Williams") currently lease jointly, and in support thereof state as follows:

I. JURISDICTION

1. The United States Bankruptcy Court for the Northern District of Texas (the "Court") has jurisdiction over the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue in the Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

II. BACKGROUND

2. On September 24, 2017, (the "Petition Date"), the Debtors filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code. The Debtors continue to operate their businesses and manage their property as debtors and debtors-in-possession pursuant to

² 11 U.S.C. §§ 101 *et seq.*

sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors are in the process of winding down their operations and formulating a chapter 11 plan to make distributions of property of the estate to their creditors.

3. Williams Financial Group, Inc. ("WFG"), a Texas corporation, is a holding company, and is the direct or indirect parent of each of the other Debtors.

4. WFG Management Services, Inc. ("Management") provided management services to the Debtors.

5. WFG Advisors, LP, ("WFGA"), is an SEC Registered Investment Advisor that previously provided fee-based wealth advisory and retirement services that included: wrap accounts, advisor directed or third party-managed accounts, asset allocation and portfolio reporting, tax trust and estate and financial planning services. WFGA was not a custodian and never held any client assets. WFGA started winding up its affairs in August of 2017 and its current sole source of revenue is pre-petition earned advisory fees.

6. WFG Investments, Inc., ("WFGI") is a broker-dealer that previously engaged in the business of facilitating transactions in securities, but has ceased operations and is currently engaged in the windup and liquidation of its business. WFGI operated primarily on an independent registered representative model. Prior to commencing the windup of its operations, the Debtor had approximately 225 registered representatives, all of whom were independent contractors who owned and ran their own businesses, while being licensed through and supervised by the Debtor.

7. On May 21, 2016, WFG and W. Williams (the "Lessees") entered into that certain Closed End Motor Vehicle Lease with Absolute Hyundai (the "Genesis Lease"), a true and correct copy of which is attached hereto as **Exhibit B**. The Genesis Lease provides that, at any

time during the lease term, either of the Lessees may purchase the Genesis at a certain purchase price determined according to the terms of the Genesis Lease (the "Purchase Option"). W. Williams now seeks to exercise the Purchase Option (the "Transaction").

8. The Purchase Option grants the Lessees the option to buy the Genesis for a price determined according to the terms of the Genesis Lease. As of the date of this Motion, the cost to the Lessees to exercise the Purchase Option is \$39,582.17.

9. The Genesis is in very good to excellent condition with 12,469 miles registered on its odometer. The Debtors estimate that the Genesis is worth between \$28,000 and \$35,000 if sold to an individual, and somewhat less if sold or traded into a dealership, according to the Kelly Blue Book website.

10. The Debtors have a leasehold interest in the Genesis Lease but the value of that interest is *de minimis* and more than offset by the financial burdens on the Lessees in the Genesis Lease. The Debtors seek this relief because other terms and requirements of the Genesis Lease, such as the monthly payments, the termination penalties, and other contingent costs could lead to additional claims against the estate if the Transaction is not approved. The Debtors have performed an analysis of the market value of the Genesis and have determined that the cost to exercise the Purchase Option is greater than the value of the vehicle. The Debtors anticipate that any effort to market or sell the Genesis would include transaction costs that would increase the loss from the Debtors' exercise of the Purchase Option, if the Transaction is not approved. As such, the Debtors, exercising their business judgment, have determined that it is in the best interests of the Debtors' estates to abandon their interest in the Genesis Lease.

III. RELIEF REQUESTED

11. The Debtors seek entry of an order, substantially in the form of the proposed order attached hereto as **Exhibit A**, approving and authorizing the Debtors to abandon their interest in the Genesis Lease and to permit W. Williams to exercise the Purchase Option. The Debtors seek Court authorization pursuant to Section 554 of the Bankruptcy Code to abandon their interest in the Genesis Lease.

IV. LEGAL BASIS FOR RELIEF

12. Section 554 of the Bankruptcy Code provides, in relevant part, that a debtor-in-possession, after notice and a hearing, "may abandon any property of the estate that is burdensome to the estate or that is of inconsequential value and benefit to the estate." Federal Rule of Bankruptcy Procedure 6007 provides that the debtor in possession shall give notice of a proposed abandonment or disposition of property to various parties in interest and that the Court need only hold a hearing on same if an objection is filed. The Debtors submit that service and notice of this Motion is sufficient according to Bankruptcy Rule 6007, Local Rule 9007-1, and this Court's *Order Granting Complex Chapter 11 Bankruptcy Case Treatment* (ECF No. 61).

13. The Debtors propose to abandon their interest in the Genesis Lease, which is burdensome to the estate, and to permit W. Williams to exercise the Purchase Option because, as explained above, if W. Williams does not exercise the Purchase Option, the Debtors' estates will be negatively impacted. Accordingly, based on the foregoing, the Debtors respectfully submit that the Transaction, including the Debtors' abandonment of their interest in the Genesis Lease and W. Williams' exercise of the Purchase Option, is fair, reasonable, and in the best interests of the Debtors' bankruptcy estates, and therefore constitutes good business judgment.

WHEREFORE, Williams Financial Group, Inc., *et al.*, as debtors and debtors-in-possession, respectfully request the Court enter an Order in substantially the form attached hereto as **Exhibit A**, (i) authorizing the Debtors to abandon their interest in the Genesis Lease; (ii) authorizing W. Williams to exercise the Purchase Option described in the Genesis Lease attached hereto as **Exhibit B**; and (iii) granting such other and further relief as the Court deems just and proper.

Dated: November 7, 2017

Respectfully submitted,

AKERMAN LLP

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IN THE UNITED STATES BANKRUPTCY COURT
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In re:	§	Chapter 11
	§	
WILLIAMS FINANCIAL	§	Case No. 17-33578-HDH
GROUP, INC., <i>et al.</i> ¹	§	
	§	(Jointly Administered)
Debtors.	§	

ORDER GRANTING
DEBTORS' MOTION TO ABANDON INTEREST IN VEHICLE LEASE

Upon the Motion (the "Motion")² of Williams Financial Group, Inc. *et al.* (the "Debtors"), debtors and debtors-in-possession in the above-captioned chapter 11 cases (the "Cases"), for entry of an order authorizing the Debtors to abandon their leasehold interest in a vehicle pursuant to 11 U.S.C. § 554 and to permit Wilson Williams to purchase the vehicle subject to the lease; and the Court having jurisdiction over this matter pursuant to 28 U.S.C. §§

¹ The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Williams Financial Group, Inc. (8972); WFG Management Services, Inc. (7450); WFG Investments, Inc. (7860) and WFG Advisors, LP (9863). The address for all the Debtors is 2711 N. Haskell Ave., Suite 2900, Dallas, TX 75204.

² Defined terms from the Motion are incorporated by reference herein.

157 & 1334; and the Court having found that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Court having found that the Court may enter a final order consistent with Article III of the United States Constitution; and the Court having found that venue of this proceeding and the Motion in the Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties-in-interest; and the Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and the Court having reviewed and considered the Motion; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and the Court having resolved all responses and objections, if any, by the terms stated herein; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED that:

1. The Motion is GRANTED as described herein.
2. The Debtors are authorized to abandon their interest in the Closed End Motor Vehicle Lease (the "Genesis Lease") attached to the Motion as Exhibit A.
3. Wilson Williams is authorized to exercise the purchase option under the Genesis Lease.
4. The Court retains jurisdiction with respect to all matters arising from or related to the interpretation or implementation of this Order.
5. All relief not expressly granted in this Order is denied.

END OF ORDER

PREPARED AND SUBMITTED BY

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PROPOSED COUNSEL FOR
DEBTORS AND DEBTORS-IN-POSSESSION

HCA-LAW-200-eps-14 9/15

007851

CONSUMER PAPER

CLOSED END MOTOR VEHICLE LEASE

69859

Lease Date: **05/21/2016**

Dealer: **TX131**

Business, Commercial, or Agricultural Purpose Lease.

Lessor Name and Business Address ABSOLUTE HYUNDAI 16230 LBJ FREEWAY MESQUITE TX 75150 469/221-8000	Lessee(s) Name(s) and Residence Address(es) WILLIAMS FINANCIAL GROUP WILSON HENRY WILLIAMS 2711 N HASKELL AVE STE 2900 DALLAS TX 75204 County: DALLAS
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1. Parties and Agreement to Lease. In this Lease, "you" and "your" mean the lessee. "We," "us" and "our" mean the original lessor and the party to whom the original lessor intends to assign the Lease. These terms, conditions and disclosures govern your lease with us and after assignment, with the party to whom we have assigned the Lease (the "Assignee"). Disclosures in this Lease are made on behalf of the lessor, and after assignment, on behalf of the Assignee shown on page 2 of this Lease. Each of you who signs the Lease is individually liable to us for all Lease obligations. You are leasing the Vehicle described below (the "Vehicle") from us. You agree to pay all amounts due under the Lease and fulfill all your obligations under the Lease. You intend to use the Vehicle primarily for personal, family or household purposes unless the "Business, Commercial or Agricultural Purpose Lease" box above is checked. In this Lease, "e" means an estimate. The Consumer Leasing Act Disclosures shown below are also terms of this Lease.

2. Description of the Leased Property (The "Vehicle")						
New/Used	Year	Make	Model	Body Style	Vehicle ID #	Odometer
NEW	2016	HYUNDAI	GENESIS	SD	KMHGN4JE3GU137336	22

3. CONSUMER LEASING ACT DISCLOSURES			
Amount Due at Lease Signing or Delivery (Itemized below)* \$ 7500.00	Monthly Payments: Your first monthly payment of \$ 697.14 is due on May 21st , 2016 followed by 36 payments of \$ 697.14 due on the 21st of each month. The total of your monthly payments is \$ 21497.04	Other Charges (not part of your monthly payment) Disposition fee (if you do not purchase the Vehicle) \$ 400.00 N/A \$ N/A N/A \$ N/A Total \$ 400.00	Total of Payments (The amount you will have paid by the end of the Lease) \$ 28799.90

Itemization of Amount Due at Lease Signing or Delivery		How the Amount Due at Lease Signing or Delivery will be paid:	
Amount Due at Lease Signing or Delivery:	\$ 8770.31	Net trade-in allowance	\$ N/A
Capitalized cost reduction	\$ 697.14	Rebates and noncash credits	\$ 6500.00
First monthly payment	\$ N/A	Amount to be paid in cash	\$ 1000.00
Refundable security deposit	\$ N/A		
Refundable reconditioning reserve	\$ N/A		
Title fees	\$ 33.00		
Registration fees	\$ 99.55		
N/A	\$ N/A		
N/A	\$ N/A		
N/A	\$ N/A		
Total	\$ 7500.00	Total	\$ 7500.00

Your monthly payment is determined as shown below:

Gross capitalized cost. The agreed upon value of the Vehicle (\$ 51425.00) and any items you pay over the Lease term (such as service contracts, insurance, and any outstanding prior credit or lease balance).	\$ 56247.13
Capitalized cost reduction. The amount of any net trade-in allowance, rebate, noncash credit, or cash you pay that reduces the gross capitalized cost.	- \$ 6770.31
Adjusted capitalized cost. The amount used in calculating your base monthly payment.	= \$ 49476.82
Residual value. The value of the Vehicle at the end of the Lease used in calculating your base monthly payment.	- \$ 28456.40
Depreciation and any amortized amounts. The amount charged for the Vehicle's decline in value through normal use and for other items paid over the Lease term.	= \$ 21020.42
Rent charge. The amount charged in addition to the depreciation and any amortized amounts.	+ \$ 476.62
Total of base monthly payments. The depreciation and any amortized amounts plus the rent charge.	= \$ 21497.04
Lease payments. The number of payments in your Lease (This is also the number of months in your Lease).	+ 36
Base monthly payment.	= \$ 597.14
Monthly sales/use tax.	+ \$ N/A
N/A	+ \$ N/A
N/A	+ \$ N/A
Total monthly payment.	= \$ 597.14

Early Termination. You may have to pay a substantial charge if you end this Lease early. The charge may be up to several thousand dollars. The actual charge will depend on when the Lease is terminated. The earlier you end the Lease, the greater this charge is likely to be.

Excessive Wear and Use. You may be charged for excessive wear based on our standards for normal use and for mileage in excess of **12000** miles per year at the rate of **20** ¢ per mile.

Purchase Option at End of Lease Term. You have an option to purchase the Vehicle at the end of the Lease for a purchase price of **28456.40**.

Agreed upon value of the Vehicle:	\$ 51425.00
Other amounts included in the gross capitalized cost:	
Taxes	\$ 2924.13
Title and Registration fees	\$ N/A
Lease acquisition fee	\$ 595.00
Documentation fee	\$ 153.00
Prior credit or lease balance on trade-in vehicle	\$ N/A
	\$ N/A

Optional Products and Services:	
Mechanical Breakdown Protection	\$ N/A
Service Contract	\$ 550.00
Gap Contract or Coverage or Waiver	\$ N/A
ETHOS MAINT 36/45000	\$ 800.00
	\$ N/A
	\$ N/A
Total Gross Capitalized Cost:	\$ 56247.13

‡ No add permitted unless lessor has paid prior credit or lease balance.

IF YOU DO NOT MEET YOUR OBLIGATION UNDER THIS LEASE, WE MAY RETAKE THE VEHICLE.

6. Official Fees and Taxes. The total amount you will pay for official and license fees, registration, title and taxes over the term of your Lease, whether included with your monthly payments or assessed otherwise: \$ 2924.13 (e) The actual total of fees and taxes may be higher or lower depending on the tax rates in effect or the value of the Vehicle at the time a fee or tax is assessed.

7. Warranties. The Vehicle is subject to the following express warranties: If the Vehicle is new, the Vehicle is subject to the manufacturer's standard new car warranty. If this box is checked, the Vehicle is subject to the following express warranty or guarantee:
N/A

If the Vehicle is not new, and no warranty is identified in the previous sentence, there is no express warranty on the Vehicle. Unless prohibited by law, the following three sentences apply: YOU ARE LEASING THE VEHICLE "AS IS". WE MAKE NO EXPRESS WARRANTIES ON THE VEHICLE. WE DISCLAIM ANY WARRANTIES IMPLIED BY LAW, INCLUDING THE IMPLIED WARRANTIES OF

MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE. If we make a written warranty covering the Vehicle or, within 90 days of the Lease Date we extend a service contract covering the Vehicle, this disclaimer will not affect any implied warranties during the term of the warranty or service contract.

8. Late Payments. No late charge will be assessed or collected when the only delinquency is late charges assessed on an earlier delinquency. The charge for late payments is: LESSER OF \$26 OR for any payment not received within 10 days of the date it is due; in Utah, the greater of \$20 or 5% of the amount of the payment that is not paid in full within 10 days after the scheduled due date.

9. Disposition Fee (See "Return of the Vehicle" on page 4 of this Lease):
 \$ 400.00

10. Early Termination Fee (See "Terms Concerning Your Early Termination Liability" on page 3 of this Lease): \$ 400.00

11. Optional Products and Services

You are not required to buy any of the following optional products and services to enter into the Lease. The term of any product or service will be the Lease term, unless a different term is shown below. If you decide you want to buy an optional product or service, review the terms of the contract which describes the product or service before you initial below. A completed copy of the contract will be given to you as soon as practicable. It is part of this Lease. By initialing below, you indicate that you want to purchase the optional products and services indicated. If the cost shown below is not shown as part of the Itemization of Amount Due at Lease Signing or Delivery on page 1 of this Lease, it has been added to the Gross Capitalized Cost (see above).

Optional Product or Service	Amount or Period	Price	Term	Name of Provider	Approval
Optional Mechanical Breakdown Protection or Service Contract	36	550.00	36	HPP PROTECTION PLUS	Lessee Initials <i>[Signature]</i>
Optional Gap Contract or Coverage or Gap Waiver	N/A	N/A	N/A	N/A	Lessee Initials <u>N/A</u>

12. NOTICES

NOTICE TO THE LESSEE: YOU HAVE NO OWNERSHIP RIGHTS IN THE VEHICLE UNLESS AND UNTIL YOU EXERCISE YOUR OPTION TO PURCHASE THE VEHICLE. DO NOT SIGN THIS LEASE BEFORE YOU READ EACH PAGE OF IT OR IF IT CONTAINS ANY BLANK SPACE TO BE FILLED IN. YOU ARE ENTITLED TO A COMPLETELY FILLED-IN COPY OF THIS LEASE WHEN YOU SIGN IT. BY SIGNING THE LEASE, YOU ACKNOWLEDGE THAT YOU HAVE RECEIVED AND READ A COMPLETED COPY OF THIS LEASE BEFORE SIGNING IT.

LESSEE SIGNATURES (check if other than individual) Corporation Partnership LLC or LLP Sole Proprietorship

Lessee Signature: *[Signature]* (CEO) Lessee Signature: *[Signature]*

Type/Print Lessee Name: **WILLIAMS FINANCIAL GROUP** Type/Print Lessee Name: **WILSON HENRY WILLIAMS**

LESSOR'S ACCEPTANCE AND ASSIGNMENT

The Lessor's authorized signature indicates the Lessor has accepted the terms, conditions and obligations of the Lease and that the Lessor agrees to the "Lessor's Assignment" provision on page 4 of this Lease.

Lessor Name: **ABSOLUTE HYUNDAI** By: *[Signature]*

Assignee Name: **HYUNDAI LEASE TITLING TRUST** Type/Print Name: **Brian Quinn**

Type/Print Title: **Branch Manager**

13. Default, Repossession and Other Remedies

You will be in default if: You fail to make a monthly payment when it is due; • You fail to pay any amount you owe under the Lease when it is due or when demand is made; • You provide any false or misleading information in any lease application; • You fail to maintain the required insurance; • You lose possession of the Vehicle by confiscation, forfeiture or other involuntary transfer regardless of whether the Vehicle is the subject of judicial or administrative proceedings; • You exceed the permitted mileage shown in Item 3; • You die and there is no surviving lessee; • The Vehicle is lost, stolen or damaged beyond repair; • You assign the Lease or transfer the Vehicle; • You fail to keep any other promise or obligation under the Lease or violate any other term of the Lease.

If the Lease is in default, we may at our election, and subject to any waiting periods imposed by law, take any one or more of the following actions: We may take any action, such as buying insurance on your behalf, we believe to be required to protect our interest in the Vehicle. Our action will not cure your default. Amounts we spend taking such action will be added to your Lease obligations and will incur rent charges. If we terminate this Lease upon a default, you authorize us to cancel any optional products and services you bought in connection with this Lease. You direct any provider of such products and services to pay us any refund or credit due on early cancellation. We will apply any refund to your Lease obligations. We may peacefully repossess the Vehicle wherever we may find it. We will give all notices of repossession required by law. You authorize us to enter any property where the Vehicle may be to take possession of it and remove it. We may use the license plates on the Vehicle in moving it to a storage place. After repossession, we will hold the Vehicle free of any rights you may have under this Lease, subject to any right you may have under applicable law to cure the default or recover the Vehicle. Unless you tell us within two business days of any personal property you claim was in the Vehicle when it was repossessed, we will not be responsible for that property.

14. Terms Concerning Your Early Termination Liability

- A. LESSEE'S RIGHT TO TERMINATE EARLY.** You have the right to terminate this Lease early (before the end of the Lease term), by returning the Vehicle to us or other person we designate, and paying the applicable Early Termination Liability set forth in Item 14(C) below.
- B. LESSOR'S RIGHT TO TERMINATE EARLY.** We may terminate this Lease early if you are in default (see Item 13 of this Lease, above). If we terminate this Lease early, you will owe us the applicable Early Termination Liability set forth in Item 14(C) below.
- C. EARLY TERMINATION LIABILITY.** If this Lease is terminated early pursuant to Item 14(A) or 14(B) of this Lease, you agree to pay us the sum of items (1) through (5) as follows: (1) any unpaid Monthly Payments accrued up to the termination date, plus (2) a disposition fee equal to the Early Termination Fee, disclosed in Item 10 of this Lease or, if we repossess the Vehicle, instead of the disposition fee, the actual expenses we incur in connection with repossessing, obtaining, storing, preparing for sale and selling the Vehicle, including transportation and reconditioning, plus (3) official fees and taxes in connection with the termination, plus (4) all other amounts due and owing under this Lease, except excess wear and mileage, plus (5) an early termination charge calculated as per below:
- (i) Lessee's Early Termination:
- (a) if you terminate this Lease more than 120 days before the end of the Lease term, the early termination charge you owe (provided the Vehicle is not a total loss) will be equal to the lesser of the Standard Formula and the Remaining Payments Formula defined below. If the Vehicle is a total loss, the Standard Formula will apply.
- (x) Standard Formula: The difference, if any, between the Adjusted Lease Balance and the Vehicle's Realized Value.
- (y) Remaining Payments Formula: The sum of: (1) all scheduled monthly Lease payments from the termination date through the end of the Lease term, plus (2) as permitted by applicable law, any excess mileage, plus (3) as permitted by applicable law, any excess wear and use (See "Standards for Wear and Use", below).
- (b) if you terminate this Lease 120 days or less before the end of the Lease term, the early termination charge you owe will be the amount equal to the Remaining Payments Formula; provided the Vehicle is not a total loss. If the Vehicle is a total loss, the Standard Formula will apply.
- (ii) Lessor's Early Termination: the early termination charge if we terminate this Lease early will be the amount equal to the Standard Formula.
- D. ADJUSTED LEASE BALANCE.** Your Adjusted Lease Balance is the Adjusted Capitalized Cost disclosed on page 1 of this Lease, less all depreciation and other amortized amounts accrued up to the termination date, calculated according to the Constant Yield Method. "Constant Yield Method" means the method of determining the rent charge portion of each base monthly payment, under which the rent charge for each month is earned in advance by multiplying the constant rate implicit in the Lease times the balance subject to rent charge as it declines during the scheduled Lease term. At any time during the scheduled Lease term, the balance subject to rent charge is the difference between the Adjusted Capitalized Cost and the sum of (1) all depreciation and other amortized amounts accrued during the preceding months and (2) the first base monthly payment.
- E. REALIZED VALUE.** If you obtain an independent appraisal (see below), the Realized Value is the appraised amount. If the Vehicle is a total loss, the Realized Value is the amount of any insurance proceeds we receive under your insurance plus any amount received from any other party in payment of the loss; if there is no payment, the Realized Value is zero. In all other cases, the Vehicle's Realized Value will be, at our option: (1) the gross wholesale sales price we receive for the Vehicle at disposition; (2) the fair wholesale market value of the Vehicle at termination according to a recognized used vehicle guide customarily used by motor vehicle dealers selected by us, including, but not limited to, Black Book, or other commercially reasonable valuation methodology, taking into consideration the Vehicle's mileage and physical condition; or (3) any amount you and we agree to in writing after termination.
- F. INDEPENDENT APPRAISAL.** You may obtain, at your expense, a professional appraisal by an independent third party, agreed to by you and us, of the value that could be realized at sale of the Vehicle at wholesale. The appraisal amount shall be final and binding.

15. Other Terms and Conditions

Insurance. You agree to maintain in your name the following types and amounts of primary insurance for the Lease term and until you return the Vehicle: Liability/bodily injury/per person: \$100,000; per accident: \$300,000; liability/combined single limit minimum: \$300,000 (\$500,000 for Florida residents); liability/property damage insurance minimum: \$50,000; collision, fire, theft and comprehensive coverage with a maximum deductible of \$1,000.00. You may obtain insurance from anyone reasonably acceptable to us. Hyundai Lease Tilling Trust must be shown as additional insured and loss payee. We may endorse your name on any check we receive in payment of a claim. Your policy must state that we will be given at least 10 days' notice of any cancellation, reduction or other material coverage change. If your insurer does not pay a claim for any reason, it will mean that you have not maintained the required insurance. You will pay for any loss that may result because you do not maintain required insurance or because the insurer does not pay a claim.

NOTICE: PHYSICAL DAMAGE OR LIABILITY INSURANCE COVERAGE FOR BODILY INJURY AND PROPERTY DAMAGE TO OTHERS IS NOT INCLUDED IN THIS LEASE.

Your Gap Liability and Gap Waiver. You are liable for the "gap amount." The "gap amount" is the difference between the amount you would owe (or which you would owe in the absence of gap protection) under this Lease in the event of a total loss of the Vehicle before the end of the Lease term occasioned by its loss, theft or physical damage, and the actual cash value we receive from your insurance company. For a fee, we may waive our right to collect the gap amount from you. If we do, the price of such waiver appears in Item 11. Our waiver of our right to collect the gap amount from you is conditioned on our receipt of: (a) all amounts due under the Lease as of the date of our receipt of the insurance proceeds, or, if applicable law or the gap protection contract provides, as of the date of the Vehicle's total loss; (b) an amount from you equal to your deductible and any other subtractions from the actual cash value of the Vehicle under your policy; and (c) insurance proceeds from the insurance policy required under this Lease. Gap protection may also be available from a third party. If so, and you elect such third-party gap protection, the name of the provider of the protection and the price of the protection will appear in Item 11 and the terms and conditions of such protection will be in a contract provided by the third party.

Standards for Wear and Use. You agree not to drive the Vehicle more than the mileage set forth in Item 3. You may be charged for excess wear and use at the end of the scheduled Lease term. The following standards apply for determining unreasonable or excess wear and use: • You will not paint or letter the Vehicle or modify the VIN number of the Vehicle; • You will not add, remove or modify any accessories, equipment or parts without our prior written permission; • The Vehicle will not have road damage, other than a flat tire, or damage to the exterior or interior surfaces of the Vehicle; • You will not use the Vehicle for any purpose other than personal, non-commercial use.

Option to Purchase Vehicle upon Early Termination. You have an option to buy the Vehicle prior to the end of the term of this Lease. You will pay the adjusted lease balance (see "Terms Concerning Your Early Termination Liability", on page 3 of this Lease) plus any other charges due and unpaid under this Lease. You must also pay any taxes or official fees (for taxes, tags, licenses and registration) imposed on our sale of the Vehicle to you.

Return of the Vehicle. You will return the Vehicle in clean condition. If you do not buy the Vehicle from us under your purchase option, you agree to return the Vehicle to us at a place we designate. When you return the Vehicle, you must give us a completed, signed odometer disclosure statement. You agree to pay us any amounts you owe under the Lease and have not paid. We may apply all or part of your security deposit to what you owe us. If you keep the Vehicle after the date you are supposed to return it, you will pay us a monthly amount equal to the monthly Lease payment and other amounts that may come due. Your payment does not permit you to keep the Vehicle unless you get our permission in advance. You will pay us upon return of the Vehicle a disposition fee as shown in "Disposition Fee" on page 2 of this Lease.

Maintenance. You will maintain the Vehicle in good working order and repair. You will pay all operating costs, such as gasoline, oil, and replacement tires. You will, at your expense, service the Vehicle according to the owner's manual maintenance schedule. If the Vehicle is recalled, you will have the recall repairs or service performed. We have no obligation to provide you with a replacement Vehicle for any reason.

Registration, Parking Tickets and Taxes. You must keep the Vehicle currently registered. You must pay all parking tickets and traffic fines relating to the Vehicle. If you do not pay such tickets and fines, we have the right to do so for you, and you will pay us upon demand. We may add the amount to what you owe us if you do not pay us when we make demand. You must pay when due or reimburse us if we pay for you all government charges, fees and taxes whether assessed on you, us, or the Vehicle. You will not have to pay our income taxes. If you do not pay the charges, fees and taxes and interest or penalties are assessed (unless the interest or penalties are a result of our negligence), you must pay the interest or penalties when due or reimburse us if we pay them. You must pay personal property taxes assessed on the Vehicle, whether you are billed for them by the government or whether we pay them and bill you for them or include the amount of such taxes as part of your monthly payment.

Use of the Vehicle. You will keep the Vehicle free from any liens or claims. You have the risk of loss, and are responsible for the Vehicle's damage or destruction. You will not allow unlicensed drivers to drive the Vehicle. You will not use the Vehicle for more than 30 days outside the state where the Vehicle was first titled without our prior written permission.

Acknowledgment. You acknowledge you have examined the Vehicle. You acknowledge that the Vehicle is equipped as you want, and that it is in good condition. You accept the Vehicle for all purposes of the Lease.

Indemnification. You agree to indemnify us and hold us and our assignees, agents, and insurers harmless from all damages, injuries, claims, demands, and expenses, including reasonable attorney's fees to the extent permitted by law, arising out of the condition, maintenance, use or operation of the Vehicle, including a claim under the strict liability doctrine.

Assignment of Returned Premiums and Other Amounts. You assign to us any unearned returned premiums or charges or other amounts relating to insurance or any optional product or service sold in connection with this Lease and returned or paid to us. You will earn no interest, increase or profit with respect to such property.

Your Odometer Obligations. You will maintain the odometer of the Vehicle so that it always reflects the Vehicle's actual mileage. If the odometer is at any time inoperative, you will provide us with reasonable evidence of the Vehicle's actual mileage. If you are unable to do so, you will pay us our reasonable estimate of any reduction of the Vehicle's fair market value caused by the inability to determine the Vehicle's actual mileage. You will provide us with an odometer certification at any time we request one. We may request more than one certification during the term of this Lease.

Assignment and Transfer of the Vehicle. You may not assign the Lease or transfer the Vehicle without our prior written permission. We may assign all of our rights under this Lease. Any person to whom this Lease is assigned may reassign it.

Waiver. We do not waive our rights or remedies under this Lease by failing to exercise them at any time.

Giving Notice. Notices may be given personally or sent by first class mail. Notice mailed to us must be sent to the address shown in this Lease or as we otherwise direct from time to time. Notices shall be deemed given to us when they are personally given or actually received at our address. Notices shall be deemed given to you when they are personally given or when placed in the mail, addressed to you at your address then shown on our records, even though you might not actually receive our mailed notice. You agree that 10 days' notice is a reasonable notice period, unless state law requires a longer period, in which case you agree that the state required period is reasonable.

Monitoring, Recording, and Collection Calls. You agree that we may monitor and record telephone calls regarding your account to assure the quality of our service or for other reasons. You also expressly consent to our using prerecorded/artificial voice messages, text messages and/or automatic dialing equipment while servicing or collecting your account, as the law allows. In doing so, you agree we may use any telephone number you provide us or that we get from another source, even if the number is for a mobile telephone and/or our using the number results in charges to you.

General. If any part of the Lease is invalid, unenforceable or illegal in any jurisdiction, the part that is invalid, unenforceable or illegal will not be effective as to that jurisdiction. The rest of the Lease will be enforceable. This Lease is our entire agreement. We have made no promises to you not contained in this Lease. Any change to this Lease must be written and signed by you and us. If any part of this Lease is found by a court or other dispute resolution body to be void or unenforceable, this Lease is to be read as if that part were never contained in this Lease.

Lessor's Assignment. Pursuant to the terms of that certain agreement between Lessor and the assignee named on page 2 of this Lease ("Assignee") for the assignment of leases by Lessor to Assignee from time to time, Lessor hereby assigns all right, title and interest in the Lease and the Vehicle and rights the Lessor may have under any guaranty executed in connection with the Lease, with full powers to Assignee to collect and discharge all obligations, any guaranty and this assignment.

Dealer Name: Absolute Hyundai

Dealer Phone #: 469-221-8000
Dealer Fax #: 469-221-8088

PLEASE PRINT - INCOMPLETE APPLICATIONS WILL NOT BE PROCESSED.

B. CO-APPLICANT INFORMATION

Last Name WILLIAMS	First Name WILSON	Middle Initial H	Social Security Number 442-42-8282	Birth Date 12-18-1943	Relationship
Address 4515 CATHEDRAL		Apt # / Suite #	P.O. Box	Rural Route	City DALLAS
				State TX	Zip 75214
Home Phone (214) 340-0102	Cell Phone	Residential Status <input checked="" type="checkbox"/> Homeowner <input type="checkbox"/> Rent <input type="checkbox"/> Family <input type="checkbox"/> Other	Time at Address 6 Yrs. 0 Mos.		Rent/Mtg. Pmt. \$ 0.00
E-Mail Address		Driver's License No.		Driver's License State	Time at Previous Address Yrs. Mos.
Previous Full Address (if less than 2 years)		Apt # / Suite #	P.O. Box	Rural Route	City State Zip
Employer Name WILLIAMS FINANCIAL GROUP		Employment Type <input checked="" type="checkbox"/> Employed <input type="checkbox"/> Unemployed <input type="checkbox"/> Self-employed <input type="checkbox"/> Military <input type="checkbox"/> Retired <input type="checkbox"/> Student <input type="checkbox"/> Other			
Salary 40,000.00	Salary Type <input type="checkbox"/> Weekly <input type="checkbox"/> Bi-Weekly <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Annually	Occupation OWNER		Length of Employment 25 Yrs. 10 Mos.	Work Phone Number (972) 881-8700
Previous Employer Name		Previous Employment Type <input type="checkbox"/> Employed <input type="checkbox"/> Unemployed <input type="checkbox"/> Self-employed <input type="checkbox"/> Military <input type="checkbox"/> Retired <input type="checkbox"/> Student <input type="checkbox"/> Other			
Previous Occupation		Length of Employment Yrs. Mos.		Previous Work Phone Number	
Allergy, child support, or separate maintenance income need not be revealed if you do not expect to have it considered as a basis for repaying this obligation.					
Other Income (Monthly)	Source of Other Income		By Signing, you agree that the income entered on this Credit Application is accurate. X <i>William Williams</i>		

Comments

AGREEMENT

You understand and agree that you are applying for credit by providing the information to complete and submit this credit application. We may keep this application and any other application submitted to us and information about you whether or not the application is approved. You certify that the information on the application and in any other application submitted to us, is true and complete. You understand that false statements may subject you to criminal penalties. The words "you," "your" and "yours" mean each person submitting this application. The words "we," "us," "our" and "ours" as used below refer to us, the dealer, and to the financial institution(s) selected to receive your application. You authorize us to submit this application and any other application submitted in connection with the proposed transaction to the financial institutions disclosed to you by us the dealers. This application will be reviewed by such financial institutions on behalf of themselves and us the dealer. In addition, in accordance with the Fair Credit Reporting Act, you authorize that such financial institutions may submit your applications to other financial institutions for the purpose of fulfilling your request to apply for credit. You agree that we may obtain a consumer credit report periodically from one or more consumer reporting agencies (credit bureaus) in connection with the proposed transaction and any update, renewal, refinancing, modification or extension of that transaction. You also agree that we or any affiliate of ours may obtain one or more consumer credit reports on you at any time whatsoever. If you ask, you will be told whether a credit report was requested, and if so, the name and address of any credit bureau from which we or our affiliate obtained your credit report. You agree that we may verify your employment, pay, assets and debts, and that anyone receiving a copy of this is authorized to provide us with such information. You further authorize us to gather whatever credit and employment history we consider necessary and appropriate in evaluating this application and any other applications submitted in connection with the proposed transaction. You understand that we will rely on the information in this credit application in making our decision. We may monitor and record telephone calls regarding your account for quality assurance, compliance, training, or similar purposes.

By providing your cell phone number on this application, you are consenting to receive servicing and collection calls on your cell phone using an auto dialer or a prerecorded message. This consent applies to the dealer, who is the originating creditor in this transaction, as well as any assignee who may purchase your credit contract from the dealer.

I consent to receive automated, pre-recorded and artificial voice telemarketing and sales calls and text messages from or on behalf of dealer (or any financing source to which dealer assigns my contract) at the telephone number(s) provided in this credit application, including any cell phone numbers. I understand that this consent is not a condition of purchase or credit.

Initial to consent here _____

This application may be submitted to the following financial institutions (Name(s) and Address(es)) _____

BY SIGNING BELOW, YOU CERTIFY THAT YOU HAVE READ AND AGREE TO THE TERMS AND DISCLOSURES ON THE PAGES OF THIS APPLICATION.

X *William Williams* **5-21-16**
CO-APPLICANT'S SIGNATURE DATE

Dealer Name: Absolute Hyundai

Dealer Phone #: 469-221-8000
Dealer Fax #: 469-221-8066

PLEASE PRINT - INCOMPLETE APPLICATIONS WILL NOT BE PROCESSED.

INSTRUCTIONS:

You may apply for credit in your name alone, whether or not you are married.

- (1) Please indicate whether you are applying for Individual Credit Joint Credit Community Property State Business Application
- (2) If you are applying for individual credit in your name and relying on your own income or assets and not the income or assets of another person as the basis of repayment of the credit requested, complete only Section A.
- (3) If you are applying for joint credit with another person, complete sections A and B. We intend to apply for joint credit.

Williams Financial Group Applicant
William Williams, CEO
 Co-Applicant
William Williams

* If you are married and live in a community property state, please complete Section A about yourself and Section B about your spouse. You must sign this application. Your spouse must sign this application only if s/he wishes to be a Co-Applicant.

A BUSINESS CREDIT INFORMATION

Legal Business Name WILLIAMS FINANCIAL GROUP			Tax ID 75-2778972		Business Phone (872) 861-8700	
Address 2711 N HASKELL		Apt # / Suite # 2800	P.O. Box	Rural Route	City DALLAS	State TX
Zip 75214						
Date Business Established (MM/DD/YYYY) --	State of Incorporation	# of Employees 0	Years in Business 0+	Most Recent Financial Statement		
Bank Name	Checking Account #	Contact Name at Bank		Contact Phone #		

Additional Comments

AGREEMENT

You understand and agree that you are applying for credit by providing the information to complete and submit this credit application. We may keep this application and any other application submitted to us and information about you whether or not the application is approved. You certify that the information on the application and in any other application submitted to us, is true and complete. You understand that false statements may subject you to criminal penalties. The words "you," "your" and "yours" mean each person submitting this application. The words "we," "us," "our" and "ours" as used below refer to us, the dealer, and to the financial institution(s) selected to receive your application. You authorize us to submit this application and any other application submitted in connection with the proposed transaction to the financial institutions disclosed to you by us the dealers. This application will be reviewed by such financial institutions on behalf of themselves and us the dealer. In addition, in accordance with the Fair Credit Reporting Act, you authorize that such financial institutions may submit your applications to other financial institutions for the purpose of fulfilling your request to apply for credit. You agree that we may obtain a consumer credit report periodically from one or more consumer reporting agencies (credit bureaus) in connection with the proposed transaction and any updates, renewal, refinancing, modification or extension of that transaction. You also agree that we or any affiliate of ours may obtain one or more consumer credit reports on you at any time whatsoever. If you ask, you will be told whether a credit report was requested, and if so, the name and address of any credit bureau from which we or our affiliate obtained your credit report. You agree that we may verify your employment, pay, assets and debts, and that anyone receiving a copy of this is authorized to provide us with such information. You further authorize us to gather whatever credit and employment history we consider necessary and appropriate in evaluating this application and any other applications submitted in connection with the proposed transaction. You understand that we will rely on the information in this credit application in making our decision. We may monitor and record telephone calls regarding your account for quality assurance, compliance, training, or similar purposes.

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BY SIGNING BELOW, YOU CERTIFY THAT YOU HAVE READ AND AGREE TO THE TERMS AND DISCLOSURES ON THE PAGES OF THIS APPLICATION.

Williams Financial Group
William Williams, CEO
 S-21-16
 APPLICANT'S SIGNATURE DATE