



PRIME, INC.
\$1,000,000



Recovered Collateral Protection Bond

12/1/2004

KNOW ALL MEN BY THESE PRESENTS, That effective at 12:01 a.m. on _____ and henceforward that Prime, Inc. (hereafter "Company"), does by this instrument issue a Bond up to a total maximum of \$1,000,000 to indemnify the customers of the Prime, Inc. membership against those acts of Prime, Inc. members, their agents, servants or employees as set forth hereinbelow and upon the terms and conditions of this instrument.

1. WHO IS COVERED. Those persons who are entitled to be indemnified under this Bond are collectively referred to as Customers. "Customer" is defined as a credit grantor who has assigned to a Prime, Inc. member a delinquent account for repossession of certain collateral property against which said customer holds a secured interest the payment of which said account is in default. The Customer shall be indemnified under this Bond for loss sustained by such acts of the Prime, Inc. member as hereinafter set forth.

2. WHAT ACTIONS ARE COVERED. The following actions, causing loss to the Customer, are covered: (1) Loss of Money, Securities or other Property sustained by the Customer, up to the amount of this Bond, resulting directly from one or more fraudulent or dishonest acts committed by any member of Prime, Inc. or an employee of said member, resulting from the sale of repossessed collateral. Dishonest or fraudulent acts are defined to mean such acts committed by a Prime, Inc. member or any employee of said member, with the manifest intent to cause the Customer to sustain such loss and to obtain financial benefit to or for the member of his employee other than the salary, bonus commission or other benefits or emoluments earned in the normal course of employment and whether acting alone or in collusion with others, which are punishable as Theft or Larceny under the current code of the state in which the act is committed and for which a conviction has been obtained. (2) Loss due to acceptance by a Customer of a Prime, Inc. member's check which is dishonored upon presentation, said check being in payment of funds collected in behalf of said customer by the Prime, Inc. member.

3. CONDITIONS, LIMITATIONS AND EXCLUSIONS

(1) Loss is covered only if reported within thirty (30) days of occurrence, or within thirty (30) days of discovery if discovery occurs more than thirty (30) days after occurrence but in no event shall loss be covered if reported more than ninety (90) days after occurrence.

(2) No suit for recovery under the terms of this Bond shall be filed for a period of six (6) months from the date of reporting loss, unless formal notice of rejection of claim be sent to claimant prior to the expiration of such period. Thereafter, suit shall be filed within one (1) year from the date of reporting loss or six (6) months from the date of rejection of claim, whichever is shorter.

(3) This Bond shall apply only to loss sustained within any state of the U.S.A. or the District of Columbia.

(4) This Bond shall not apply to loss sustained due to war, whether or not declared, civil war, insurrection, rebellion or revolution or to any act or condition incident thereto.

(5) This Bond shall not apply to loss due to accounting or arithmetical error or omission or to loss or destruction of books of accounts or records.

(6) This Bond shall not apply to loss due to surrender of Money, Securities or other Property as a result of a threat to do bodily harm to any person or to cause damage to the premises of any Prime, Inc. member.

(7) This Bond shall not apply to a loss, in whole or in part of which, either as to its factual existence or as to its amount, is dependent upon an inventory computation or a profit and loss computation.

(8) This Bond shall not apply to any claim for loss of potential income, including but not limited to interest and dividends not realized by the Customer because of loss covered in the Bond, nor for any damages other than direct compensatory damages arising from a loss covered under the Bond, nor for the costs, fees, or other expenses incurred by the Customer in establishing the amount or existence of costs.

(9) This Bond shall not apply to loss due to nuclear reaction, nuclear radiation or radioactive contamination or to any act or incident or condition relative to the foregoing.

(10) The following definitions shall apply: (a) Money is defined as currency, coins, bank notes and bullion, travelers checks and money orders. (b) Securities is defined as all negotiable and non-negotiable instruments or contracts representing neither money nor property.

(11) In no event shall the Bond be liable as respects Securities for more than the actual cash value thereof on the close of business on the business day next preceding the day on which the loss was discovered, nor as respects other property, for more than the actual cash value thereof at the time of loss; provided, however, the actual cash value of such other property held by the Customer as pledge, or as collateral for an advance or loan shall be deemed not to exceed the value of the property as determined and recorded by the Customer when making the advance or loan, nor, in the absence of such record, the unpaid portion of the advance or loan plus accrued interest thereon at legal rates. In no event shall Company's liability under this section exceed the Loan Value of the vehicle as contained in the National Automobile Dealers Association (NADA) Official Used Car Guide, both for the month and region of repossession in which loss occurred or reported if date of occurrence cannot be determined.

(12) In the event of any payment under this bond the Company shall be subrogated to all the Customer's rights of recovery therefore against any person or organization and the Customer shall execute and deliver instruments and papers and do whatsoever else is necessary to secure such rights. The Customer shall do nothing after loss to prejudice such rights.

(13) Coverage under this Bond is not available until the Customer has exhausted all other bond or similar protection that is available to them.

(14) The coverage afforded by this Bond shall not inure directly or indirectly to the benefit of any carrier of other bailee for hire.

4. NON-ACCUMULATION OF LIABILITY: Regardless of the number of years this obligation remains in effect, the liability of the Company under this bond will not be cumulative in amounts from year to year. In no event will the Company's cumulative liability to Customer or customers exceed the amount of One Million Dollars (\$1,000,000) whether by reason of fraudulent or dishonest acts, interest fees, expenses or any other reason whatsoever.

IN WITNESS WHEREOF Prime, Inc. has caused this Bond to be executed as of the date first above written.

PRIME, INC. MEMBER # 013

Goines Recovery
P.O. Box 1172
Jacksonville, NC 28540

PRIME, INC.

By [Signature]
President

Attest [Signature]
Secretary