

NOTICE

~~“ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF A TIME SHARE OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.”; OR~~

~~(2) ACCEPT, AS FULL OR PARTIAL PAYMENT FOR SUCH SALE, THE PROCEEDS OF ANY PURCHASE MONEY LOAN, UNLESS ANY CONSUMER CREDIT CONTRACT MADE IN CONNECTION WITH SUCH PURCHASE MONEY LOAN CONTAINS THE FOLLOWING PROVISION IN AT LEAST TEN POINT, BOLDFACE, TYPE:~~

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~~[(e)] (D) The provisions of this section do not apply where the seller:~~

~~(1) Does not require a consumer credit contract which is a negotiable instrument or which contains any provision pursuant to which the consumer agrees to limit or waive claims or defenses which he may have against the seller as to any holder of the consumer credit contract; and~~

~~(2) Does not transfer, sell, pledge or assign a consumer credit contract except under conditions where any transferee is subject to all claims and defenses which the consumer has against the seller to the same extent as provided in this section.~~

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To the extent that a holder is a holder in due course he takes the instrument free from

(1) All claims to it on the part of any person; and

(2) All defenses of any party to the instrument with whom the holder has not dealt except

(a) Infancy, to the extent that it is a defense to a simple contract; and

(b) Such other incapacity, or duress, or illegality of the transaction, as renders the obligation of the party a nullity; and

(c) Such misrepresentation as has induced the party to sign the instrument with neither knowledge nor reasonable opportunity to obtain knowledge of its character or its essential terms; and