



Office use only: Dealer Number

DEALER & ADMINISTRATOR AGREEMENT

THIS DEALER & ADMINISTRATOR AGREEMENT is made this date ____/____/____ by and between AMERICAN GUARDIAN WARRANTY SERVICES, INC., an Illinois corporation with its principal place of business at 800 Roosevelt Road, E-300, Glen Ellyn, IL 60137 (hereinafter "AGWS"), 2020 Processing, LLC., an Arizona limited liability company with its principal place of business at 16845 North 29th Avenue, Suite 544, Phoenix, AZ 85053-5522 (hereinafter "Administrator"),

and _____ a(n) _____
(Dealer Name) (Domiciliary State & Type of Entity)

with its principal place of business at _____, _____, _____, _____, _____
(Business Address) (City) (State) (Zip) (Phone)

(hereinafter "Dealer") Federal Tax I.D # _____ or S.S.# _____,
(Corp/LLC/LLP) (Sole Prop/Indiv.)

AGWS, Administrator and Dealer are sometimes referred to herein as a "Party" and sometimes collectively referred to herein as the "Parties."

RECITALS

- I. Dealer desires to offer to its new and used vehicle purchasers service contracts ("Contracts"), and the repairs thereof, according to the terms and provisions of the Contracts; and
- II. AGWS has developed a proprietary program which enables Dealer to provide such Contracts to the purchasers and owners of new and used motor vehicles (hereinafter "Program"); and
- III. Administrator is in the business of administering, among other things, Contracts; and
- IV. It is the desire of AGWS to utilize, and the desire of Administrator to act as the Administrator on the Program; and
- V. It is the desire of Dealer to utilize, and the desire of AGWS to provide to Dealer, the Program.

NOW, THEREFORE, AGWS AND DEALER AGREE AS FOLLOWS:

AGREEMENT

IV. OBLIGATIONS OF DEALER

- 1. **Marketing of Program.** Dealer agrees to use its best efforts to market and sell Contracts in accordance with the terms of the Program. Dealer shall offer to its customers Contracts only on a form approved by AGWS. Each approved Contract shall be sold only with respect to a qualifying vehicle, and only in accordance with and subject to the Program policies, manuals, rules, regulations, and fees in effect at the time such Contract is sold. AGWS may at any time revise the Program, policies, manuals, rules, regulations and fees. In the event, Dealer does not follow AGWS policies, manuals, rules, regulations, fees or use AGWS forms, AGWS shall not be obligated to perform administrative services and Dealer shall be required to indemnify and hold AGWS harmless from any and all claims against AGWS, its agents or representatives. The Dealer shall have no authority to alter, modify, waive, or discharge any terms or conditions of the Contract or the Program.
- 2. **Proprietary Program.** Dealer acknowledges that the Program, including but not limited to, all trade names, promotional materials, contracts, forms and procedures associated therewith, has been developed at great effort and expense by AGWS, and constitutes proprietary property of AGWS. Dealer agrees that it shall use the Program and all materials associated therewith only during the time this Dealer Agreement is in effect, and only for the purposes set forth herein. At the termination of the Dealer Agreement, Dealer shall return all program materials to AGWS or Administrator, and shall not engage in any Contract business using the proprietary Program or its trade names, procedures and materials developed by AGWS in connection therewith.
- 3. **Relationship of Dealer to AGWS.** Nothing in this agreement shall be construed to constitute a relationship between any of the Parties as the partner, employee or agent of one another, it being intended that all Parties are independent contractors responsible only for their own actions. The Dealer shall in no manner obligate AGWS or Administrator, or incur any expense or liability on behalf of AGWS or Administrator without prior written consent. In no event shall Administrator or AGWS be responsible for any negligent or wrongful actions of the Dealer or its employees, including but not limited to, misrepresentations concerning the terms or conditions of the Contract.
- 4. **Net Dealer Cost.** The Dealer shall, following the sale by Dealer of each Contract, retain as its fee the purchase price of the Contract less the "Net Dealer Cost" as set forth in the rate charge cards provided to the Dealer by Administrator or AGWS, and shall remit to the Administrator the full amount of the "Net Dealer Cost" for such

Contracts by the 15th day of the month for Contracts sold the preceding month. Neither Administrator, AGWS nor the Insurance Company shall have any obligation to Dealer with respect to any Contract until Dealer has remitted to the Administrator the full amount of the "Net Dealer Cost" as provided in this paragraph, and unless the contract is approved by Administrator or AGWS in accordance with the terms of the Program and this Agreement.

5. **Fiduciary.** Until the Net Dealer Cost is delivered to AGWS, the Dealer shall hold the proceeds of each Contract sale in a fiduciary capacity as trustee for AGWS and the Insurance Company and under conditions satisfactory to AGWS and the Insurance Company. Any violation of this provision may be considered a breach of a fiduciary duty by any officer, director, manager or owner of Dealer.
6. **Extension of Credit.** An extension of credit by the Dealer for the payment of any Contract sold by the Dealer shall be at the risk of the Dealer, and shall not relieve the Dealer from remitting to AGWS the applicable Net Dealer Cost and Contract when due.
7. **Accounting.** The Dealer agrees to account to AGWS and Administrator for all Contracts, documents, and property received from Administrator or AGWS and to return them to Administrator or AGWS upon request, and to provide all assistance necessary to enable Administrator and/or AGWS to prepare accurate books and records of account for transactions under the Program, including but not limited to, records of Contracts sold, payments received and remitted by Dealer, and claims made. Dealer agrees to maintain accurate books and records documenting transactions under the Program.
8. **Repairs.**
 - a) If Dealer has a repair facility and customer chooses to bring the vehicle back to Dealer for repairs, Dealer shall provide repair services on vehicles covered by Contracts whether or not such Contracts are sold by the Dealer. Prior to commencing repairs, the Dealer shall diagnose the nature and cause of the mechanical breakdown or failure to determine if it is covered by the Contract, and furnish AGWS with an accurate estimate of the cost of parts and labor to repair the failed parts. Dealer shall contact Administrator to receive authorization prior to proceeding with any repairs. Repairs made without such authority, as evidenced by an authorization number from AGWS, shall be considered uncovered and unauthorized, and Dealer shall not be reimbursed for such repairs.
 - b) All repairs shall be made in a good and workmanlike manner. The Dealer agrees to unconditionally guarantee any repair provided under the Contract against defects in workmanship and materials for a period of at least 90 days after the date of such services.
9. **Claims.** The Dealer shall submit to Administrator previously approved claims for payment within 60 days after the completion of the repairs. Failure to timely remit claims shall result in denial of the claim. No such claim shall be submitted for an amount greater than that approved by AGWS or Administrator. The Dealer further agrees not to submit to AGWS for payment any claims for: (a) repairs or expenses of components or parts not covered by the Contract; (b) repairs or expenses resulting from the failure of the Dealer to perform repairs in a good and workmanlike manner; (c) repairs or expenses for replacements of parts or components to correct conditions which the Dealer knew existed, or reasonably should have known existed, at the time the covered vehicle was sold; and (d) repairs or expenses which are covered by a manufacturer's warranty or a dealer's or repairer's warranty or guarantee. The Dealer agrees that any improper submission of claims may be rejected by AGWS or Administrator, and will result in denial of the claim. Dealer further agrees that if the incurred loss ratio calculated by Administrator or AGWS for Contracts sold exceeds 100% for any calendar year, AGWS or Administrator have the right to limit reimbursement amounts to manual factory flat rate for labor and manufacturer's suggested retail price less 20% for parts reimbursement.
10. **Inspection of Books and Records.** Dealer agrees that it shall make available to AGWS or Administrator, upon reasonable written request, for purposes of inspection and copying, any books, records or other documents relating to the Program.
11. **Indemnification.** Dealer agrees to indemnify and hold AGWS and Administrator harmless from any and all claims, demands, expenses, causes of actions, losses or damages of whatsoever kind or nature, including attorney's fees, court costs and punitive or exemplary damages, arising from acts or omissions of the Dealer or its employees or agents including but not limited to, negligent acts, intentionally wrongful acts, and claims of misrepresentation, fraud, or made pursuant to a consumer protection statute.
12. **Internet and Direct Mail Sales.** Dealer agrees not to solicit any Contracts in a manner inconsistent with or which violates any applicable federal, state or local laws or regulations.

V. **OBLIGATIONS OF AGWS**

1. **Insurance Company.** For the Contracts, AGWS shall secure on behalf of AGWS, a policy of insurance issued by a state approved insurance company (the "Insurance Company") indemnifying AGWS, according to the terms and provisions of said insurance policy, against all sums which AGWS shall become obligated to pay for repairs according to the terms of the Contract sold by Dealer.
2. **Promotional Materials.** Administrator or AGWS shall provide Dealer with promotional materials, marketing materials, sale materials, and other support materials associated with its Program in order to assist Dealer in selling Contracts. Administrator or AGWS shall further supply Dealer with Contract forms, rate cards, administrative forms and manuals necessary to administer and operate the Program.

VI. **ADMINISTRATOR CLAIMS ADMINISTRATION.**

1. Administrator and/or AGWS shall investigate, administer, and approve payment of all claims under Contracts sold by the Dealer in accordance with the terms of the Program, provided that such claims are properly presented.

2. AGWS and/or Administrator shall establish with the Dealer a claims payment and control system. AGWS shall establish a reimbursement payment schedule to be adhered to by Dealer for repairs covered by Contracts sold by Dealer based on the retail labor rates identified in the Contracts and Dealer's retail cost of replacement parts of like kind and quality. The basis for computing such reimbursement schedule may be changed by AGWS on not less than 30 days prior written notice to the Dealer, provided no such change shall apply to any work commenced or completed under the terms of this Agreement prior to the effective date of such change.
3. AGWS and/or Administrator shall file for, and administer, reimbursement to Dealer (or the repairing facility if other than the Dealer) for the cost of valid repairs or replacements, rental car expense, towing expense, and other covered expenses arising under Contracts sold by Dealer in accordance with this Agreement, subject to all terms, conditions, limitations and exclusions of the Contract to which such reimbursement relates.
4. AGWS and/or Administrator shall make available a telephone number so that the Dealer's customers may contact AGWS and/or Administrator directly in connection with claims under approved Contracts.
5. In the event Dealer is no longer in business or becomes insolvent, AGWS and/or Administrator shall administer any claim properly presented by the purchaser under a Contract sold by the Dealer in accordance with this Agreement. However, AGWS shall retain all rights to dispute its responsibility to administer said claims based upon the provisions of this agreement.

VII. **Reports.** Administrator shall prepare and submit to dealer a report of all Contracts sold by the Dealer and reported to Administrator during the preceding month.

VIII. **Cancellation.** In the event of cancellation of a Contract, all applicable fees received by AGWS, Administrator and Dealer in connection with such Contract shall be refunded pro rata, as determined by AGWS, to the purchaser of the Contract. Dealer agrees that it will add any refund of the Net Dealer Cost received from AGWS and/or Administrator to the pro rata refund of the Dealer's fee, and refund the total amount to Purchaser. Dealer agrees to hold any such refunds from AGWS and/or Administrator in trust and in fiduciary capacity, and to use said refunds only for the purpose set forth herein. In no instance shall Dealer be relieved of its liability for refunds of the unearned portion of its profit under the Contracts.

IX. **TERMINATION**

Administrator, Dealer or AGWS may terminate this agreement:

- a) With or without cause, upon 30 days prior written notice of termination;
- b) At any time by mutual agreement;
- c) Immediately, where either party has ceased doing business, declared insolvency, filed for bankruptcy, or made an assignment for the benefit of creditors; or
- d) Immediately, for fraud or any breach of this Agreement.

Termination of this agreement shall not relieve either party of their responsibilities and obligations with regard to the Contracts issued prior to the effective date of termination.

X. **MISCELLANEOUS PROVISIONS**

1. **Governing Law and Jurisdiction.** This Agreement shall in all respects be deemed to be made, interpreted, enforced and governed by the laws of the State of Illinois, without reference to its conflict of laws. In the event of any dispute concerning this Agreement. Dealer hereby consents and submits to personal jurisdiction of any state court having its situs in DuPage County.
2. **Notices.** All notices required to be given hereunder shall be deemed to have been duly given by: (i) personally delivering such notice in writing; (ii) by mailing the notice by certified mail, return receipt requested, with postage prepaid; or (iii) by delivery via UPS or similar overnight courier with proof of delivery. Notice is deemed to be served and effective when received. Any party may change the address to which notices and other communications hereunder are to be sent to such party by giving the other party written notice thereof in accordance with this provision. Notices shall be given as follows:

If to Dealer: _____

If to AGWS: American Guardian Warranty Services, Inc.
 800 Roosevelt Road, E-300
 Glen Ellyn, IL 60137

If to Administrator: 2020 Processing, LLC
 16845 North 29th Avenue, Suite 544
 Phoenix, AZ 85053-5522

3. **Binding Effect.** This Agreement shall be binding upon the parties hereto, and their respective successors, heirs and assigns. Neither party may assign any of its rights or obligations under this Agreement without prior written consent of the other.
4. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument.
5. **Entire Agreement.** This Agreement is the entire Agreement between the Parties, and supersedes any and all previous agreements, negotiations or understandings, written or oral, between the parties.
6. **Modification.** This Agreement may only be modified, amended or supplemented by a writing executed by all parties.
7. **No Waiver.** No terms or provision of this Agreement shall be deemed waived, and no breach or default shall be deemed excused, unless such waiver, consent or excuse is in writing, and signed by the parties hereto. A waiver by a

party hereto of any breach or default by the other party to this Agreement shall not constitute a continuing waiver, or a waiver of any subsequent breach or default hereunder by the other party.

8. **Headings.** The headings and captions herein are inserted for convenience of reference only, and shall not serve to limit, expand or interpret the paragraphs to which they apply, and shall not be deemed part of this Agreement.
9. **Attorney's Fees.** In the event a dispute arises between AGWS, Administrator or Dealer related to the enforcement of or in connection with this Agreement, the non-prevailing party agrees to be responsible for any loss, cost, expense or liability, including reasonable attorneys' fees, incurred by the prevailing Party or Parties.
10. **Severability.** In case any one or more of the provisions in this Agreement should be declared by a Court, arbitrator(s) or governmental agency or department to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
11. **Effective Date.** This Agreement is effective as of the day and date set forth above, provided that this Agreement has been duly executed by the designated officer of AGWS and Administrator.

DEFINITION OF PROGRAM COSTS

Reliable Protection Base Cost	\$
Reliable Protection Plus Base Cost	\$

Agency Representative: _____ Agency #: _____

IN WITNESS WHEREOF, the Dealer and AGWS have executed this Agreement as of the day and date set forth above.

DEALER

By: _____

Its: _____

American Guardian Warranty Services, Inc.

By: _____

Its: _____

2020 Processing, LLC

By: _____

Its: _____

American Guardian Warranty Services, Inc.



New Account Data Sheet

Dealer Start Date _____ / _____ / _____

Dealership Name _____

Address _____

City, State, Zip _____

Phone Number _____ Fax Number _____

Owner _____ Email: _____ @ _____

General Mgr _____ Email: _____ @ _____

F&I Mgr _____ Email: _____ @ _____

Dealer Group Name _____

Franchise: **YES** **No** _____
Other dealer names submitting business under this account (attach separate Dealer Info sheets if necessary)

AGWS Rate Card Installed: _____

DMS System Used: _____ Menu Software Used: _____

DEALER REBATE: Yes No **TOTAL AMOUNT:** \$ _____

Recipient #1 _____ SS# _____ Amount per Contract: \$ _____

Address _____

Recipient #2 _____ SS# _____ Amount per Contract: \$ _____

Address _____

Recipient #3 _____ SS# _____ Amount per Contract: \$ _____

Address _____

Special Arrangements or Requests _____

Service Department Reimbursement Manual Motors Mitchell Alldata Chilton/Motors

Hourly Labor Rate _____ Tax % _____ Service Contact/ Phone Number _____ / _____

Repair Facility owned by the Dealer **YES** **No** If not please provide the name: _____

Dealer Signature(Corporate Officer or Owner) _____ Date _____ / _____ / _____

Print Dealer Name _____

AGWS Representative/Company Name _____ / _____

AGWS Representative Email / Phone _____ @ _____ / _____

RETURN NEW ACCOUNT DATA SHEET & DEALER AGREEMENT TO:

2020 PROCESSING, LLC
16845 NORTH 23RD AVE #544
PHOENIX, AZ 85053
FAX: (877) 538-5857



COMMERCIAL LINE INSURANCE POLICY APPLICATION

APPLICANT (Full Name and Other Named Insured): _____

MAILING ADDRESS: _____

PHYSICAL ADDRESS: _____

CONTACT: _____ EMAIL: _____ TELEPHONE: _____

FAX: _____ TAX ID: _____ PROPOSED EFFECTIVE DATE: ____ \ ____ \ ____

CUSTOMER TYPE (Check one): Bank _____ Credit Union _____ Financial Lender _____ Franchise Auto Dealer _____

If Franchise Auto Dealer what lines: _____

BUSINESS TYPE: (Check One): Corporation: _____ Individual: _____ Partnership: _____ Other: _____

VEHICLE TYPES: Auto: Y _____ N _____ Truck: Y _____ N _____ Other: Y _____ N _____

ANNUAL NUMBER OF CARS SOLD MONTHLY: New _____ Used _____

LENDERS USED (Check all that apply): FMCC _____ TMCC _____ OTHERS _____

Any in House Funding: Y _____ N _____ if yes, GAP is not available on these loans.

PROGRAM OPTIONS:

Rates for 150% GAP: 0-60 mo.: _____ 61-72 mo.: _____ 73-84 mo.: _____

If APR is above 24%: (0-60 add \$24) (61-72 add \$31) (73-84 add \$46)

The undersigned represent that to the best of his/her knowledge the statements set forth herein are true. The undersigned further represents that if the information supplied on this application changes between the date of this application and the time when the policy is issued, the applicant will immediately notify the company.

Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

Signing of this application does not bind the company to complete the insurance, but it is agreed that this form shall be the basis of the contract should a policy be issued. I have read and fully understand this Agreement and agree to all terms within. I am an officer of the Company and have the requisite authority to execute this Agreement on the Company's behalf.

I appoint _____ as my Broker of record.

Applicant's name: _____ Title: _____

Applicant's Signature: _____ Date: _____

Agent's Signature: _____