

DEALER/LENDER ADMINISTRATION AGREEMENT GUARANTEED AUTOMOBILE PROTECTION PROGRAM

This Dealer-Lender Administration Agreement (this "Agreement") is made by and between Phoenix American, 6303 Blue Lagoon Dr. • Suite 225, Miami, Florida 33126

("Administrator"), and ("Dealer/Lender").

NOW THEREFORE, in consideration of the mutual promises and other good and valuable consideration, the receipt and the sufficiency of which are hereby acknowledged, the parties agree as follows:

- Administrator administers and provides the Phoenix American Guaranteed Auto Protection (GAP) program (the "GAP Program") whereby a Dealer/Lender's Debtor/ Lessee ("Customer") in the event of a Total Loss is the beneficiary of the difference between Customer's outstanding balance owed to the Dealer/Lender and the Actual Cash Value of the Covered Vehicle, with such difference reduced by the sum of certain charges listed in the outstanding balance section of the definitions listed in the GAP Waiver Addendum (the "GAP Waiver Addendum") and subject to the terms, limitations and conditions of the GAP Waiver Addendum issuable by the Administrator in connection with the GAP Program. All capitalized terms used in this Agreement and not otherwise defined herein have the meanings given to the term in the GAP Waiver Addendum.
- In the event of a Total Loss on a Covered Vehicle, Administrator shall, pursuant to the GAP Waiver Addendum and subject to the terms and conditions thereof, pay the GAP Amount to the Lienholder/Lessor or its permitted assigns.
- Dealer/Lender hereby appoints Administrator as Dealer/Lender's administrator, to administer the GAP Program on behalf of the Dealer/Lender, and further agrees to: In the event that Administrator declines to accept a GAP Waiver Addendum, either correct the error, if any, which caused the declination and to resubmit the GAP Waiver Addendum to Administrator or, if the GAP Waiver Addendum cannot be corrected in accordance with the Administrator's requirements, to refund to the Debtor any money tendered with respect to such GAP Waiver Addendum.
 - Abide by the terms and conditions of this Agreement and follow instructions and procedures set out in Administrator's most recent GAP Program materials.
 - Issue a GAP Waiver Addendum only on vehicles meeting the GAP Program eligibility criteria and that are sold and financed or leased by Dealer/Lender and submit such GAP Waiver Addendum with the requisite premium charge to Administrator in a timely manner. The effective date of the GAP Waiver Addendum must be the same as the date Covered Vehicle is sold and financed/leased by Dealer/Lender.

 - Use only those forms, marketing materials and prices supplied by Administrator.

 Not alter, modify, waive or discharge any terms or conditions of the GAP Program and/or the GAP Waiver Addendum, nor incur any liability on behalf of Administrator, nor make any representations not contained in or inconsistent with the materials provided. E.
 - Indemnify and hold harmless Administrator and its parent company, subsidiaries, affiliates or partners, and their employees, agents and representatives from any and all claims, suits, damages, costs, judgments or awards rising from (i) Dealer/Lender's failure to timely remit the GAP Waiver Addendum and corresponding premium, (ii) misrepresentations made by Dealer/Lendor or its representatives, (iii) any act or failure to act by Dealer/Lender (including its agents, contractors and employees), or (iv) Dealer/Lendor's failure to comply with any and all applicable laws, rules, regulations and ordinances respecting the sale of the GAP Waiver Addendum
 - Report to Administrator twice monthly no later that the fifteenth and the last day of the month following the issuance of GAP Waiver Addendum, all GAP Waiver Addendum so issued after the last reporting period, along with the premium for same. Checks for remittance of premium must be made payable to Administrator, and mailed postpaid to the same at the address indicated above.

 Be liable for payments due under any GAP Waiver Addendum that Dealer/Lender has failed to timely submit to Administrator.

 Maintain accurate current records of all vehicles for which Dealer/Lender has submitted a GAP Waiver Addendum to Administrator. Said records shall be made

 - available to Administrator for examination during Dealer/Lender's regular business hours, at such times as Administrator deems reasonably necessary.
 - Provide such information and assistance to Administrator as may be necessary for the proper adjustment and settlement of any Total Loss to a Covered Vehicle for which a GAP Waiver Addendum and its requisite premium have been submitted to Administrator by Dealer/Lender.
 - In the event of cancellation of a GAP Waiver Addendum, refund to the Debtor or to any Lienholder/Lessor that has financed the purchase price of the GAP Waiver Addendum, the Dealer's retained portion of the GAP Waiver Addendum price on whichever refund earnings method applies in the given situation. If the Administrator pays Dealer an amount representing Administrator's portion of the Dealer Cost relating to a canceled GAP Waiver Addendum, Dealer shall be solely responsible for remitting the full amount of any cancellation refund to the Debtor or any other party entitled to receive such refund under the law.
- Administrator shall be Dealer/Lender's administrator for the GAP Program, and further agrees as follows:
 - To accept for administration each eligible GAP Waiver Addendum submitted by the Dealer/Lender for which the requisite premium has been timely paid by Dealer/Lender; To cause to be issued to Dealer/Lender a Certificate of Insurance naming Dealer/Lender as the insured party, and any assignee of Dealer/Lender under the Installment
 - Sale Contract/Loan/Lease Agreement shall be named as an additional insured under the GAP Program.
 - To make available to Dealer/Lender the appropriate forms and supplies necessary for Dealer/Lender to market the GAP Program; and To provide Dealer/Lender with timely confirmation of receipt of all GAP Waiver Addendum submitted by Dealer/Lender.
- Administrator and Dealer/Lender mutually agree as follows:
- A. This Agreement may be cancelled at any time by either party upon giving thirty (30) days written notice to the other party. Unless cancelled, this Agreement shall serve as a continuous Agreement between Administrator and Dealer/Lender;
- Upon cancellation, all obligations referenced in this Agreement shall cease; provided, however, that Administrator shall remain responsible for all valid GAP Waiver Addendum timely submitted by Dealer/Lender prior to cancellation, and for which the requisite premium has been remitted to Administrator; and In the event any refund becomes due and payable as a result of cancellation or early termination of a Debt Waiver Agreement, both parties shall return the correct
- portion of the sum received or retained by each party, regardless of whether said refund is requested prior or subsequent to the termination or cancellation date of this Agreement.
- Dealer/Lender is not an employee or agent of Administrator for any purpose whatsoever, but is an independent contractor. Dealer/Lender does not have nor shall it hold itself out as having any right, power or authority to create any contract or obligation, either express or implied, on behalf of, in the name of or binding upon Administrator unless Administrator consents thereto in writing.

 6. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and permitted assigns. Dealer/Lender shall not
- assign or delegate any right or obligation under this Agreement, either in whole or in part, without the prior written consent of Administrator. Any obligations to be performed, or rights that may be exercised by the Administrator hereunder, may be exercised or performed, whichever the case may be, by any corporate or business affiliate or partner of Administrator, subject to all the applicable legal and regulatory requirements: provided, however, Administrator shall remain responsible for the full performance of all of its obligations under this Agreement until such time as said obligations have been performed by it, its affiliates or its partners.
- This Agreement embodies the entire agreement between the parties hereto regarding the subject matter referenced herein. All prior or contemporaneous correspondence, memoranda, agreements, representations and conversations regarding said subject matter are merged into and superseded by this Agreement, and are without any effect or force whatsoever.
- This Agreement is solely between the parties hereto and is not intended by the parties to create any third party rights or third party beneficiaries hereunder. Failure by either party to enforce or exercise any right remedy hereunder shall not affect or limit such party's rights to later exercise any right or enforce said right or remedy. No waiver, modification or alteration of this Agreement, in whole or in part, shall be valid and enforceable unless same is in writing duly executed by both parties.
- 10. This Agreement shall in all respects be governed by, interpreted, constructed and pursuant to the laws of the State of California.

11. The GAP Program is insured for its liability under an insurance policy issued by either National Casualty Company or Scottsdale Insurance Company. IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their duly authorized representatives and to become effective on this __

	DEALER/LENDER
PROENIX AMERICAN	DEALER/LENDER
Ву:	Ву:
Name:	Name:
Title:	Title:
	Dealer/Lender's Address:
	Tel. #:
	Fax #:
	E-mail: