



DEALER AGREEMENT

This Dealer Agreement ("Agreement") is made and entered into on the _____ day of _____ 20____ between Dealer Loyalty Protection, Inc. ("DLP"), a Wyoming domiciled corporation, with its principal place of business at 317 North Route 17, Mahwah, New Jersey 07430 and _____, a/an _____ domiciled and located at _____, ("Dealer"). DLP and Dealer are also referred to herein individually as "Party" and collectively as "Parties." In consideration of the mutual covenants, conditions, & provisions contained herein, the parties agree as follows:

1. DEFINITIONS.

In addition to terms defined elsewhere in this Agreement, the terms below are defined as follows:

- 1.1. **"Affiliate"** means any entity that, directly or indirectly, majority owns or controls, is majority owned or controlled by, or is under common ownership or control.
- 1.2. **"Authorized Product(s)"** means any product(s) offered by DLP for which Dealer's authorization has not expired or been terminated.
- 1.3. **"Cardholder Data"** means a credit or debit card account number together with the cardholder's name, card expiration date, or card service code.
- 1.4. **"Customer"** means any existing or prospective customer of Dealer that is being offered Authorized Products pursuant to this Agreement, such that in the case of a service contract product, the existing or prospective contract holder would be the Customer.
- 1.5. **"Nonpublic Personal Information"** shall be defined with reference to the Privacy Laws and shall include any information: (i) that a Customer provides to Dealer to obtain a product or service; (ii) about a Customer derived from a transaction with Dealer; (iii) otherwise obtained about a Customer in connection with the provision of products or services to that Customer; and (iv) any list, description, or other grouping of Customers (including Publicly Available Information pertaining to those Customers) that is derived using any of the foregoing that is not Publicly Available Information.
- 1.6. **"Personally, Identifiable Information"** means Nonpublic Personal Information and, to the extent not included in such term, any information that can be associated with a natural person, which may include, without limitation, the person's first name or first initial and last name, address, telephone number, social security number, driver's license number or account number.
- 1.7. **"Publicly Available Information"** shall be defined with reference to any laws and shall mean any information that a Party has a reasonable basis to believe is lawfully made available to the general public from: (i) federal, state or local government records; (ii) widely distributed media; or (iii) disclosures to the general public that are required to be made by federal, state, or local law.
- 1.8. **"Contract"** means any Authorized Product(s) issued by DLP incident to the sale of an Authorized Product by the Dealer to a consumer.
- 1.9. **"Aggregate Loss Ratio"** means, as of the end of any monthly reporting period, the amount equal to (a) the inception-to-date total number of claims paid under Contracts as of the end of such calendar month divided by (b) the inception-to-date total amount of earned reserves for the Contracts as of the end of such monthly reporting period. Reserves for the Contracts shall be deemed to be earned in accordance with Schedule A hereto, and in each case calculated in accordance with GAAP.
- 1.10. **"Insurer" or "Insurers"** means Fortegra, Blue Ridge, Lyndon Southern Insurance DLP, Insurance DLP of the South, Lots Solutions, Auto Knight Motor Club, Inc. and/or any other current or future appropriately licensed insurance carrier in a State where Administrator or Dealer transacts business.
- 1.11. **"Contract Holder"** means any individual who has purchased a product and is entitled to receive a Contract associated with the purchase of such product.
- 1.12. **"Covered Repair(s)"** means repairs, labor, materials and any other services provided to the Contract Holder under the Contract.
- 1.13. **"Late Fee"** refers to a \$75.00 payment to be paid by Dealer to DLP if Dealer does not remit to DLP any Contract within ninety (90) days of the Contract inception.
- 1.14. **"Application"** refers to the specific document that the Customer is presented with by the Dealer that the Customers signs to procure the specific coverage set forth in the Contract.

2. AUTHORITY. Dealer shall have no authority other than that expressly provided for herein. Dealer shall, on a non-exclusive basis, be an authorized Agent of DLP for the limited purpose of selling and marketing the Authorized Products. Dealer's authority shall not exceed the coverage and underwriting limits contained in the terms and conditions of the Authorized Products at the time of sale. DLP may temporarily suspend or permanently revoke Dealer's authority to offer the Authorized Products immediately upon notice.

3. TERM. Any Party may terminate this Agreement, for any reason or for no reason at all, by giving the other Party 30 days' prior written notice; however, DLP may terminate this Agreement immediately without notice if Dealer: a) becomes insolvent, bankrupt, or suffers some other financial impairment that may affect Dealer's performance under this Agreement; b) commits a breach of this Agreement or commits any act that results in harm to DLP or its Contract Holders. Upon termination, Dealer shall promptly pay to DLP all sums that are due or become due hereunder as of the termination date. In the event of termination of this Agreement, all obligations incurred under this Agreement and the attached schedules shall continue until the expiration of all Authorized Products issued prior to the effective date of termination. It is expressly agreed that termination of this Agreement does not release Dealer from continuing liability for refunds and/or cancellations. Upon termination, Dealer shall not use the Authorized Products' and/or DLP's Confidential Information (as defined in Paragraph 12). Dealer shall return all marketing materials, including but not limited to, all brochures and pre-prepared form customer contracts to DLP. Dealer shall also remit to DLP within 30 days of the termination of this Agreement all pending and outstanding Contracts or Authorized Products sold to its customers.

4. DUTIES OF DLP.

- 4.1. DLP shall: i) promptly and accurately process all business, including enrollments and cancellations of Authorized Products; ii) adjust, settle, pay and/or deny benefits requests and claims in accordance with applicable law and the terms and conditions of the Authorized Products; and iii) perform such other administrative activities as agreed by the Parties; iv) offer and issue or arrange for the offering and issuance of Authorized Products by qualified entities, pursuant to the terms hereof and any applicable Authorized Product terms and conditions; v) provide any necessary forms in the quantities needed by Dealer, including applications, transmittal forms, product guidelines, and rate cards; and vi) and provide Dealer with instructions on sales and claims procedures.
- 4.2. DLP may, at its sole discretion and without any notice to Dealer, sub-contract with another entity to perform and/or assume some or all of its rights, duties and/or obligations arising under this Agreement. DLP may also at any time revise, in its sole discretion, the Authorized Products' policies, manuals, rules, regulations, rates, and fees.

4.3. If either the Late Fee, the Premium for the contract and/ or any other monies due DLP under the sale of a customer coverage contract sold by Dealer is not paid to DLP within ninety (90) days, DLP has the unilateral right in its discretion to decline coverage and/or ultimately reject that Contract.

4.4. DLP has all rights as set forth in the Contracts.

4.5. DLP shall provide a CLIP to the Dealer upon request from either the Dealer or the Agent. The CLIP will be sent to the Dealer from the insurance carrier directly.

4.6. If DLP and Fortegra or current insurance CLIP provider terminate their relationship for any reason, DLP shall within seventy-two (72) hours upon learning of the termination notify the Dealer of such termination.

4.7. Comply with all terms and conditions set forth in the Contracts.

5. DUTIES OF DEALER. Dealer shall

5.1. a) Solicit for sale and sell Authorized Products in strict accordance with the terms, conditions, guidelines, measures and forms provided to Dealer by DLP, but such solicitation shall not be by telephone; b) conduct business only with Customers who provide state-issued identification or a passport; c) market and sell the Authorized Products and Contracts to those consumers who are eligible; d) market, offer or sell Authorized Products or issue such Contracts in an approved Territory in which DLP has received i) the approval of the applicable Governmental authority of the form and rates charged for such Contract, if any and ii) any necessary Vehicle Protection Product provider license or Producer license, if applicable.

5.2. For each sale of an Authorized Product, remit the Dealer Cost and/or any other amounts due and payable to DLP no later than the seventeenth (17th) calendar day of the following month on which the Authorized Product is sold;

5.3. Disclose to Customers all terms for each Authorized Product offered, including, but not limited to, administration fees, deductibles, coverage periods, and exclusions, as well as any other material terms;

5.4. Inform Customers that the purchase of any Authorized Product is voluntary and that such purchase is not a condition to the sale of any other product, service, or any extension of credit or interest rate available, if applicable;

5.5. Transmit all completed application data electronically (unless otherwise agreed upon) at the time the application is taken and follow any and all written instructions provided by DLP

5.6. Be responsible for any resulting liability or claims arising out of or relating to denial of coverage for failing to timely and/or properly remit sales to DLP, including, but not limited to, the obligation to refund any amounts collected by Dealer, including any coverage denied under Section 4.3;

5.7. Hold and preserve as property of DLP during the term of this Agreement and for a period of seven (7) years following the termination or cancellation of this Agreement: (a) records of all Dealer locations selling Authorized Products; (b) all persons selling Authorized Products; (c) the dates on which each employee and/or agent begins selling Authorized Products; (d) all documents reflecting sales of Authorized Products, including any refunds; (e) all Accept/Decline documents related to the sales of Authorized Products; (f) all books of account, bank statements, documents, receipts, vouchers, files, literature, applications, correspondence and records of any kind, which at any time come into Dealer's possession or under its control relating to transactions involving the Authorized Products; and (g) Dealer shall provide to DLP any other commercially reasonable records that DLP may request in writing within a reasonable time period;

5.8. a) Comply with all federal and state laws and regulations at its own expense, including but not limited to i) all licensing requirements, ii) all laws relating to service contract, consumer protection, and record retention laws and regulations and iii) shall be responsible for the remittance of all Federal, State, and Local taxes charged to the consumer **and b)** Notify DLP if Dealer becomes aware of any felony conviction or criminal charges related to the sale of motor vehicles filed against one of its officers, directors, employees and/or agents and c) Cooperate in good faith with DLP and/or any Insured in any federal, state, or local regulatory investigation, complaint, inquiry or proceeding to the extent that they are related to the Authorized Products, Contracts, or this Agreement.

5.9. In the event that DLP files for bankruptcy, dissolves, winds up, or ceases doing business, pay directly to the applicable Insurer all amounts collected by Dealer for Authorized Products upon written notice from Insurer.

5.10. In the event an Application is returned to Dealer, Dealer shall either correct the error which caused the rejection and resubmit the Application to DLP or if Application cannot be corrected in accordance with DLP's requirements, to refund to Applicant any monies tendered with respect to such Application.

5.11. If the Dealer is sold pending the term of any Contract, all payments and monies due DLP from the Dealer as to each Contract, including any Late Fees, shall be remitted to DLP on or before the Dealer closes on any transaction conveying/transferring any of the Dealer's assets to a third-party.

5.12. Comply with all terms and conditions set forth in the Contracts.

6. REPRESENTATIONS AND WARRANTIES. Dealer hereby represents and warrants that: (a) it and the signatory on its behalf has the requisite authority and has secured all necessary approvals to enter into this Agreement and that by doing so, it is not in violation of any agreement prohibiting it from entering into and performing its duties and obligations or exercising its rights under this Agreement and shall be bound by this Agreement; b) to its knowledge, its employees, officers and directors have not been convicted of any criminal violation involving dishonesty or breach of trust; and c) it acknowledges that the Authorized Products has been developed by DLP and that the Dealer has been licensed to only use the Authorized Products' and DLP's Confidential Information associated therewith only during the term of this Agreement, and only in a manner approved in writing by DLP.

7. ASSIGNMENT. Neither this Agreement nor any rights or interests arising therefrom may be transferred or assigned by either Party without the prior written consent of the other Party.

8. DLP INDEMNIFICATION. Except as otherwise specifically stated in this Agreement, Dealer agrees unconditionally to indemnify, defend and hold harmless DLP, DLP's Affiliates and DLP's owners, employees, agents, shareholders, officers, directors and members ("DLP Indemnified Parties") from and against any and all liabilities, obligations, claims, causes of action, regulatory proceedings, investigations, debts, demands, damages (including, without limitation, punitive, special, incidental, indirect or consequential damages), losses, penalties, fines, costs and expenses (including attorneys' fees, court costs, settlement costs, and costs of investigation collectively, "Damages"), whether absolute or contingent, known or unknown, that DLP may incur, directly or indirectly, to the extent arising from, or based upon, any actual or alleged intentional or negligent misconduct or omission by Dealer or one of its employees or agents, or any breach of this Agreement, or any other unauthorized act or omission under this Agreement by Dealer or one of its employees or agents. Further, Dealer acknowledges that DLP assumes no obligation for the workmanship, quality of repairs or replacement parts, nor for any bodily injury or property damage caused directly or indirectly by mechanical failure or malfunction of a vehicle or any part thereof sold and/or made by Dealer or any other authorized repair facility. This Section shall survive termination of this Agreement.

9. DEALER INDEMNIFICATION. Except as otherwise specifically stated in this Agreement, DLP agrees unconditionally to indemnify, defend and hold harmless Dealer, Dealer's Affiliates and Dealer's owners, employees, agents, shareholders, officers, directors and members ("Dealer Indemnified Parties") from and against any and all Damages (defined in Paragraph 8), whether absolute or contingent, known or unknown, that Dealer may incur, directly or indirectly, to the extent arising from, or based upon, any actual or alleged intentional or negligent misconduct or omission by DLP or one of its employees or agents, or any breach of this Agreement, or any other unauthorized act or omission under this Agreement by DLP or one of its employees or agents. However, the indemnification provision of this Paragraph 9 shall only be valid if Dealer has remitted all premiums and other amounts due DLP under this Agreement. This Section shall survive termination of this Agreement.

10. CONFIDENTIAL INFORMATION. From time to time during the term of this Agreement, the Parties may disclose or make available to the other Party information about its business affairs, business models and strategies, clients, customers, financial condition, products/services (including Authorized Products), marketing and advertising materials, forms of contracts, computer programs and software, confidential intellectual property, trade secrets, trademarks, copy rights, patents, rate cards, compensation calculations, pricing for the Authorized Products, third-party confidential information (including any information as to any Customer), Cardholder Data, Personally Identifiable Information and other sensitive or proprietary information, whether orally or in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential" (collectively, "Confidential Information"). The receiving Party of Confidential Information shall not disclose any such Confidential Information to any person or entity, except a) to the receiving Party's representatives who need to know the Confidential Information to assist the receiving Party, or act on its behalf, to exercise its rights or perform its obligations under the Agreement; b) to enforce the terms of this Agreement but only under a protective order from a Court and c) to comply with a lawfully served subpoena in which the Party receiving such subpoena for Confidential Information shall forward to the Party whose Confidential Information is sought within 48 hours to provide the Party opportunity to file an application to quash the subpoena. On the expiration or termination of the Agreement or upon the disclosing Party's written request, the receiving Party and its representatives shall promptly return to the disclosing Party all copies, whether in written, electronic or other form or media, of the disclosing Party's Confidential Information, or destroy all such copies and certify in writing to the disclosing Party that such Confidential Information has been destroyed.. This Section shall survive the termination of this Agreement.

10. NOTICES. Unless otherwise stated herein, all notices, demands, consents or requests sent by a Party hereto must be sent via electronic mail to the respective e-mail address, as identified on the signature page of this Agreement, with the phrase "Contract Notification" in the subject line with this Agreement attached.

11. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey without giving effect to any conflict of law rule or provision thereof that would result in the application of laws of any other jurisdiction. Each Party hereby submits to the exclusive jurisdiction of the courts of the federal and state courts located in New Jersey and waives any objection to venue with respect to actions brought in such courts. The parties agree that venue in New Jersey is not inconvenient.

12. ENTIRE AGREEMENT. This Agreement, inclusive of all schedules and exhibits (as amended from time-to-time), constitutes the entire understanding and agreement between the Parties with respect to the subject matter hereto, and terminates and supersedes all previous agreements, promises, proposals, representations, understandings and negotiations, whether written or oral, between the Parties respecting the subject matter of this Agreement.

13. AMENDMENTS/MODIFICATIONS. No modification, amendment, or supplement to this Agreement shall be binding upon the Parties unless made in writing and signed by an authorized agent of each Party.

14. JOINT DRAFTING. Both Parties participated in the drafting and preparation of this Agreement. As a result, no provision shall be interpreted against either Party on the basis that the Party was the drafter of the Agreement. The Parties represent that they have had the opportunity to consult with their respective attorneys, have read this Agreement and understand the terms of this Agreement.

15. SEVERABILITY. If any provision of this Agreement or the application thereof is held invalid, the invalidity shall not affect other provisions or applications of the Agreement which can be given effect without the invalid provisions or application and to this end the provisions of this Agreement are declared to be severable.

16. WAIVER. No waiver of any provision of this Agreement or any rights or obligations of DLP hereunder shall be effective, except pursuant to a written instrument expressly waiving compliance, signed by DLP. Any such waiver shall be effective only in the specific instance and for the specific purpose stated in the written instrument. Failure of DLP to enforce or insist upon the provisions of this Agreement in any instance(s) shall not be construed as waiver of its right to enforce such provision(s) either currently or in the future.

17. CONTRACT CANCELLATION. In the event a Customer permissibly cancels a Contract resulting in any monies becoming due to either Party, each Party hereby agrees to return the full or pro-rata portion of such amount received by that Party whether prior to or subsequent to the termination of this Agreement and any Party shall be due any amounts due that Party pursuant to the Contract.

18. REMEDIES FOR BREACH OF THIS AGREEMENT. The parties agree that any breach of any obligations under this Agreement shall cause (i) immediate and irreparable harm to the nonbreaching party, thereby entitling the non-breaching party to a Court Order of injunctive relief, which is hereby consented to by the parties to this Agreement; (ii) cause the breaching party to be liable for all reasonable attorney's fees and costs incurred by the non-breaching party associated with bringing any action to enforce the non-breaching party's respective rights under this Agreement; and (iii) the breaching party to be liable for any actual damage incurred by the non-breaching party as a result of the breach.

19. UNCONDITIONAL GUARANTEE. In the event that the Dealer a) sells all of its assets to any affiliate or third-party or b) files for bankruptcy or any insolvency proceeding, the individual executing this Agreement on behalf of Dealer ("Dealer Representative") shall be personally and individually liable solely for the purposes to remit and pay to DLP all premiums collected by the Dealer from the Customer to activate any coverage under any Contract.

20. AGENT RECOGNITION. Dealer shall assign: _____ as its Independent Agent. Independent Agent shall represent Dealer unless and until DLP approves, in its sole discretion, in writing a change of the Independent Agent.

Dealer or Authorized Signer on behalf of the Dealer

Dealer Loyalty Protection, Inc.

By: _____

By: _____

Print: _____

Print: Rich Benevento

Title: _____ and Individually

Title: Vice President

Email: _____

Email: rich@dealerloyaltyprotection.com