

Branded Title/Lemon Law Addendum

This Addendum to the Dealer Agreement (the "**Agreement**") is entered into as of this ____ day of _____, _____ (the "**Effective Date**"), by and between Veritas Global Protection Services, INC, herein also referred to "the **Company**" and/or, "the **Administrator**", and _____, a _____ (entity type), organized under the laws of _____, herein after referred to as the "**Dealer**". The text of this amendment shall fully be incorporated into the Dealer Agreement.

WHEREAS the **Company** is engaged in the administration of certain service contract programs (the "**Programs**") for eligible vehicles sold by certain automobile dealers ("**Dealers**");

WHEREAS the Company and the Dealer have entered into a Dealer Agreement;

WHEREAS the Dealer wishes to sell cars that have branded and/or salvaged titles, and/or are "lemon law buybacks", which are typically outside the underwriting guidelines of RED Auto Administration, INC and the Company's insurer;

WHEREAS the Company will allow the Dealer to amend the Dealer Agreement to sell Service Contracts on these Vehicles under enumerated circumstances;

NOW THEREFORE, in consideration of the mutual covenants and promises contained in this Agreement, and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. DEFINITIONS:

- A. The following terms that shall be used throughout this contract shall be defined herein as follows:
- B. The term "Branded Title" shall include, but not be limited to, any vehicle that has a title that is:
 - (1) Salvaged;
 - (2) A Lemon Law Buyback;
 - (3) Branded;
 - (4) Rebuilt;
 - (5) Any other remark on the title of the Vehicle that is not normal;

2. AGREEMENT:

- A. The Company shall agree to permit the Dealer to sell its Programs and Contracts on Vehicles that have Branded Titles, as defined above, based on the following enumerated conditions:
 - (1) The Dealer shall thoroughly inspect every vehicle that has a Branded Title;
 - (2) The Dealer shall repair or ensure that any issue that caused the title to be a Branded Title is cured, remedied, fixed, and fully repaired back to manufacturer specifications.
 - (3) The Dealer shall totally repair, any and all mechanical defects not pertaining to the occurrence that caused the title to be branded.

- (4) The Dealer shall be fully liable for any and all repairs arising out of issues caused by the issue that caused the Branded Title that were not fixed directly, indirectly, or proximately by the issue that caused the Branded Title.
 - (5) The Dealer shall be liable for paying the cost for any and all claims, covered or not covered under the Vehicle Service Contract, that arise within the first ninety (90) days of sale of the Vehicle.
 - (6) Upon each sale of one of the Company's Contracts and/or Programs on a vehicle with a Branded Title, the Dealer shall send an electronic message (e-mail) with the following information to titleintake@veritasglobal.com or send it in writing to the below address:
 - (a) A copy of the branded title
 - (b) A copy of the new title (if applicable)
 - (c) A copy of a document showing the details of why the title was branded
 - (d) Proof that the issue causing the title to be branded was cured, rectified, and fixed;
 - (e) A copy of an inspection report for the Vehicle showing that there are no issues with it;
 - (f) The correspondence above may also be sent to the following address:
 - i. Veritas Global Services, Inc.
ATTN: Branded Title Intake
3550 N. Central Avenue, Suite 800
Phoenix, AZ 85012
- B. The Dealer shall not, under any circumstances sell one of the Company's Programs or Service Contracts on vehicles with Branded Titles that have been in any of the following conditions, circumstances, or suffered any of the following failures:
- (1) Vehicles that have been subject to any natural disaster, including, but not limited to:
 - (a) Major Floods (minor flood damage that has not caused catastrophic damage to the vehicle will be eligible for coverage);
 - (b) Tornados;
 - (c) Hurricanes;
 - (d) Lightning;
 - (e) Catastrophic Hail Damage;
 - (2) Vehicles that have been declared a total loss by a property and casualty insurance company due to a catastrophic collision;
 - (3) Vehicles that have been subject to excessive water, fire, or heat damage;
 - (4) Any other condition, circumstance, or failure as deemed appropriate by the Company;
- C. The Dealer shall not, under any circumstance, sell one of the Company's Programs or Service Contracts on vehicles with an excess of 100,000 miles on the Vehicle's Odometer.
- D. The Dealer shall not, under any circumstance, sell one of the Company's Programs or Service Contracts on vehicles that have a selling price of over \$50,000.00.
- E. The Company shall reserve the right to reject any Vehicle with a Branded Title for any reason within 30 days from receiving the e-mail or written correspondence. In the event this is rejected the Company shall owe the Dealer and Customer a full refund;
- F. In the event the Dealer does not notify the Company when a Vehicle with a Branded Title is sold, the Company shall reserve the right to cancel the Contract or Program at any time and issue a full refund;

3. TERMINATION:

Either party shall reserve the right to terminate this Amendment at any time for any reason, without advance notice to the Dealer. In the event the Company terminates this Amendment, the Company

shall mail a written notice to the address of the Dealer that the Company has on record.

4. ASSIGNMENT:

Dealer may not assign this Agreement, any interest herein, or any benefits occurring hereunder (an "Assignment"), without prior written consent of the Company. Such consent shall not be unreasonably withheld. Failure to provide to Dealer consent or denial to an Assignment within thirty (30) days of receipt of notice of such Assignment shall be deemed acceptance by the Company. The Company may assign this Agreement, any interest herein, or any benefits occurring hereunder at any time, without the prior written consent of Dealer. The Company shall provide notice to Dealer of such an assignment. This Agreement shall be binding upon the parties, their heirs, successors, legal representatives, executors, administrators, personal representatives, or permitted assigns.

5. GOVERNING LAW; VENUE:

This Agreement shall be interpreted in accordance with the laws of the State of Arizona. The parties agree that any dispute between them arising out of, concerning, or in any way relating to this Agreement shall be submitted to a court of competent jurisdiction in Arizona or Maricopa County, Arizona. Both parties expressly agree that they are subject to the personal jurisdiction of the courts of the State of Arizona and will not contest same.

6. ENTIRE AGREEMENT; MODIFICATION:

This Agreement constitutes the entire and complete Agreement between the parties and supersedes all previous written or oral agreements between the parties and their predecessors or assignors. This Agreement may not be changed or amended, nor may any of the rights hereunder be waived, except in writing signed by both parties.

7. SEVERABILITY:

The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

8. WAIVER:

The failure of any party to require strict compliance with any of the terms or conditions of this Agreement or to exercise a right of termination of this Agreement shall not constitute a waiver of such rights.

9. EXECUTION IN COUNTERPARTS:

This Agreement may be executed in counterparts, each of which shall be deemed an original, but both of which together shall constitute one and the same document. The parties hereto agree that for the purposes of this Agreement, facsimile or electronic transmission of any parties' signature on said Agreement shall be accepted as the original thereof and shall be binding.



DEALER PARTNER PROGRAM

(888) 585-1530 | veritasglobal.com

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

"The Company"

Veritas Global Protection Services, INC

By: _____

Title: _____

Date: _____

"The Dealer"

By: _____

Title: _____

Date: _____