

DEALER AGREEMENT – GUARANTEED ASSET PROTECTION (GAP)

This Agreement is made this _____ day of _____, _____ by and between Veritas Global Protection Services, INC, a Corporation organized under the laws of the State of Arizona, whose principle place of business is 3550 N Central Avenue, Suite 800, Phoenix, AZ 85012, herein referred to as "the Company", its administrator, Advanced Protection Products International, INC, herein referred to as "the **Administrator**" and _____, a _____ (entity type), organized under the laws of _____, herein after referred to as "the **Producer**".

WHEREAS, the Producer desires to provide a Guaranteed Asset Protection Program to its new and pre-owned retail vehicle customers;

WHEREAS, the Company and the Administrator desires to install, maintain, and administer the Old Republic Guaranteed Asset Protection Program for the benefit of the Producer and its customers;

NOW THEREFORE, in consideration of the promises and mutual covenants herein contained, the parties agree as follows:

1. The Producer:

- A. Agrees to offer Guaranteed Asset Protection Contracts or Certificates of Insurance (hereinafter called "GAP") to its new and pre-owned retail vehicle customers (hereinafter called "Purchasers") on all eligible vehicles during the term of this Agreement.
- B. Agrees to follow the underwriting guidelines issued by the Company and its Administrator from time to time on forms supplied by the Company and its Administrator. Such guidelines will determine which vehicles are eligible for use in the Company and its Administrator's GAP Program.
- C. Agrees to remit, within 15 days after the end of the month in which the business was written to the Company appropriate monies which are due to the Company and its Administrator. Payment should be made payable to "Veritas Global Protection Services, INC" and remitted to the Company's address, or to the Company via electronic payment. Failure to submit to the Company the above within 45 days of the application's inception date may result in denial of services or coverage.
- D. Agrees to refund to any Lender which has financed the purchase price of a GAP the Producer's retained portion of the charge financed by the lender, on a pro rata basis, in the event of a cancellation of a GAP at the Lender's request due to a default by the GAP holder in repayment obligations to the Lender. In the event the GAP was not financed, the Producer further agrees to return to the Purchaser his retained portion of the total charge for the GAP in the amount calculated by the Administrator pursuant to the terms of the GAP.

In addition, the Administrator may cancel or cause Producer to cancel a GAP, and the Producer agrees to return to the Purchaser his retained portion of the GAP price, in the event of the following:

1. Purchaser requests cancellation;
2. If there have been any material facts withheld or misrepresented or in the event of fraud;

3. If the Purchaser's vehicle is used in a manner not covered by the GAP;
 4. If the vehicle described on the application is ineligible for coverage;
 5. The Dealer fails to properly remit the cost of the GAP to the Administrator.
- E. Agrees to permit the Company and its Administrator or its authorized representatives during normal business hours to enter Producer's place of business to inspect and examine all records relative to the issuance of GAP contracts or the subject matter of this Agreement until one (1) year following the expiration of such GAP contracts for the purpose of review and audit;
- F. Agrees to stop offering GAP contracts to Purchasers should this Agreement be cancelled by either the Producer or the Company and/or its Administrator;
- G. Agrees, where applicable, to collect and remit to the State Department of Revenue any state sales taxes which may be levied against GAP contracts sold by the Producer.
2. The Administrator:
- A. Agrees to install, maintain, and administer a GAP Program and further agrees that reimbursement for all valid GAP claims will be provided by the Insurer or the Administrator, as appropriate;
 - B. Agrees to supply to the Producer, GAP forms, GAP transmittals, underwriting guidelines, rate charts, advertising materials and other such forms as the Administrator may hereafter supply for use in the Program in the quantities needed from time to time by the Producer;
 - C. Agrees to assist the Purchaser in receiving benefits provided under the terms of the GAP, in accordance with the Administrator's current claim guidelines;
 - D. Agrees to notify Purchaser in the event Purchaser's GAP Application is ineligible as written or has been rejected for coverage.
3. Mutual Indemnification:
- Each party hereto shall indemnify and hold the other harmless for any errors and omissions, claims and/or costs arising solely out of their own acts and omissions incidental to the services performed in accordance with this Agreement. Any claims that arise from the joint acts of the Producer and the Company and/or its Administrator, and any resultant cost, expense, fee, damage, or deficiency shall be borne in proportion to the percentage of fault attributable to each respective party.
4. Assignments and Notices:
- A. This Agreement shall be binding upon and inure to the benefit of, and be enforceable by the successor, assigns, and/or personal representatives for the respective parties hereto and may not be assigned by either party without written consent of the other party;
 - B. All notices, demands, or communications regarding this Agreement shall be in writing, signed by the party serving the same, and deposited, postage prepaid, in the United States Postal Service as Certified or Registered Mail to the Producer or the Administrator at their respective addresses as shown on page one of this Agreement.
5. Cancellation:
- A. This Agreement may be cancelled at any time by either party upon giving thirty (30) days written notice to the other party. The Company and/or its Administrator may initiate immediate cancellation of this Agreement in the event of (including but not limited to) fraud, insolvency, misrepresentation, or misappropriation of funds by the Producer. In the event of cancellation, the Producer agrees to stop offering GAP Contracts to Purchasers. Unless so cancelled, this Agreement shall be a continuing agreement;
 - B. All supplies furnished to the Producer by the Administrator shall be returned to the Company upon termination of this Agreement;

C. Upon termination, all obligations hereunder, by either party shall cease; however, the Producer and the Company and its Administrator shall remain responsible in accordance with the provisions of this Agreement for all GAP Contracts issued and paid prior to date of termination.

6. Right to Offset:

The parties hereto agree the Company and its Administrator may offset any debts, due or owing at any time by the Producer to the Company and its Administrator, against any monies payable by the Company and its Administrator under this or any other Agreement with the Producer.

7. Venue:

Any and all disputes arising out of this Agreement shall be governed by the laws of the State of Arizona and the United States of America. Any and all disputes arising out of this agreements shall be settled in a court of competent jurisdiction located in the State of Arizona, County of Maricopa, and City of Phoenix.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

Signed,

“The Company” (and on behalf of its Administrator)

Veritas Global Protection Services, INC

By: _____

Position: _____

Date: _____

“The Producer”

By: _____

Title: _____

Date: _____

GAP DEALER PROFILE

DATE: _____

DEALERSHIP: _____

DEALER PRINCIPLE: _____

ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

PHONE: _____ FAX: _____

OFFICE FAX: _____ F&I FAX: _____

GM: _____

GSM: _____

F&I DIRECTOR: _____

F&I MANAGER (S): _____

OFFICE MANAGER: _____

REMITTANCE: _____

SALES MANAGER: _____

SERVICE MANAGER: _____

GET READY: _____

SALES INFO: _____

*WHO ORDERS SUPPLIES? _____

*WHO ISSUES PURCHASE ORDERS? _____

*WHO SHOULD BE CONTACTED TO RECEIVE CLAIMS? _____

AVERAGE MONTHLY SALES: _____

NEW: _____ USED: _____

GAP POLICIES SOLD & PENETRATION LEVEL: _____

AUTOMOTIVE GAP:

1 - 60 Months \$ _____

61 - 72 Months \$ _____

73 - 84 Months \$ _____

POWERSPORTS GAP:

1 - 36 Months \$ _____

37 - 60 Months \$ _____

61 - 72 Months \$ _____

Dealer Pack/Override (if applicable) \$ Agent / Agency Rep: _____

Comments: _____