

Interstate



Dealer Agreement

This Agreement entered into this _____ day of _____, 20____, by and between **INTERSTATE NATIONAL DEALER SERVICES** ("Administrator") and _____

_____ ("Dealer"); with respect to the following:

WHEREAS, Administrator has established and administers Interstate Service Contract Program(s)/Certified Warranty Program(s) ("Program") pursuant to which certain Service Contracts/Warranties ("Contracts") are to be sold or provided by Dealer on behalf of and as an agent for Administrator.

WHEREAS, Dealer agrees to perform the requirements set forth herein in furtherance of Program and the requirements of Contracts. **NOW THEREFORE**, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Administrator grants Dealer authority to issue Contracts pursuant to Program and Dealer agrees to the terms set forth herein.
2. In consideration of the services rendered by Dealer, Administrator agrees to pay Dealer a commission equal to the amount of the retail price of Contract less Contract Cost as set forth in the Dealer Net Price Schedule. Dealer may retain its commissions from each sale before remitting Contract Cost to Administrator. Commissions shall be payable only one time per Contract.
3. **DEALER:**
 - A. Agrees to offer Contracts to its new and used vehicle/craft retail customers ("Purchasers") on all eligible vehicles/craft during the term of this Agreement.
 - B. Agrees to follow the underwriting and claims guidelines issued by Administrator from time to time on forms supplied by Administrator. Such guidelines will determine which vehicle/craft are eligible for use in Administrator's Program(s). Dealer additionally agrees, should an Application be returned to Dealer, to either correct the error which caused the declination and resubmit Application to Administrator or, if Application cannot be corrected in accordance with Administrator's requirements, to refund to Applicant any monies tendered with respect to such Application.
 - C. Agrees to transmit, no less often than monthly, to Administrator on forms supplied by Administrator: Transmittal forms, completed Applications and appropriate monies which are due Administrator for Contracts. Failure to submit the above to Administrator within (30) days of Application's inception date may result in denial of services or coverage.
 - D. Agrees that eligible vehicle/craft include only those vehicle/craft that qualify per Administrator's guidelines and are in sound mechanical condition at time of sale. Dealer agrees to change engine oil and oil filter and replenish all fluid levels prior to delivering a covered used vehicle/craft to a Contract Holder. Any misrepresentation or concealment of a material fact by Dealer for the purpose of securing a Contract validation, shall eliminate Administrator's responsibility regarding that Contract.
 - E. Agrees to refund to any Lender which has financed the purchase price of any Contract, Dealer's commission as indicated in 2. above, on a pro-rata basis, in the event of a cancellation of a Contract at the Lender's request due to a total loss, repossession of the vehicle/craft covered under Contract or default by Contract Holder in repayment obligations to the Lender. In the event Contract was not financed, Dealer further agrees to return to the Purchaser its commission for Contract in the amount calculated by Administrator pursuant to the terms of Contract.
 - F. Agrees to permit Administrator or its authorized representatives, during normal business hours, to enter Dealer's place of business to inspect and examine all records relative to the issuance of Contracts on the subject matter of this Dealer Agreement until one (1) year following the expiration of such Contracts for the purpose of review and audit.
 - G. Agrees to contact Administrator for prior approval before initiating repairs of all covered mechanical failures under any Contract of Administrator's Program.
 - H. Agrees, in its capacity as a qualified repair facility, to repair or replace any covered part(s) due to mechanical failure; or arrange to provide for covered repairs in accordance with any Contract issued.
 - I. Agrees to inform Administrator before initiating any covered repair or replacement of all circumstances or conditions including, but not limited to, Purchaser's neglect, abuse, failure to perform required services, alteration of vehicle/craft, etc., that might exclude coverage under the terms of Contract.
 - J. To submit to Administrator all claims for reimbursement within thirty (30) days after completion of repairs. No such claim will be submitted for an amount greater than that authorized by Administrator. Dealer further agrees not to submit to Administrator for reimbursement, any claims for: (i) repairs or expenses not covered by Contract, (ii) repairs or expenses resulting from Dealer's failure to perform repairs in a good and workmanlike manner, (iii) repairs to correct conditions existing, or which may reasonably be assumed to have existed, at the time the covered vehicle/craft was sold, and (iv) repairs or expenses which are also covered by Manufacturer's Warranty or recall, a dealer's or repair facility's guarantee, or other similar coverage not administered by Administrator. Dealer agrees that any improper claim submission may be rejected by Administrator, and such claim will be solely the responsibility of Dealer.
 - K. Agrees to unconditionally guarantee all services and materials as supplied by Dealer against faulty workmanship and/or defective materials under normal use for a minimum of ninety (90) days or four thousand (4,000) miles, whichever shall occur first, as applicable, from the date repairs are completed and vehicle/craft returned to Purchaser.
 - L. Agrees to hold harmless, indemnify and defend Administrator against all claims, liability, damage, costs and expenses (including attorney fees) caused by any act or omission of Dealer and/or Dealer's agents, employees or representatives related to any Contract which is not reported to Administrator per 3.C. above, or which are the result of any negligent, fraudulent or intentional act or failure to act of Dealer or Dealer's agents, employees or representatives including, but not limited to, failure to follow Administrator's underwriting and procedural guidelines.
 - M. Agrees to abide by the following if the Certified box below is initialed by Dealer and accepted by Administrator:
 - i. Agrees to provide **all retail buyers** of qualified used vehicle/craft a prescribed Certified Warranty covering listed component(s)/part(s) at no additional charge to the buyer. The Dealer shall provide the Certified Warranty only on forms approved by the Administrator.
 - ii. Agrees to report to the Administrator, no less often than monthly, all Certified Warranties issued along with the Dealer Net Price for each Warranty Registration and copy of Certification Form.

- iii. Understands that the Certified Warranty Program may not cover all of a Dealer's liability with regard to state law "implied warranties" or "lemon laws".
- iv. Understands that the Dealer, under state law, may be responsible for repairing or having repaired at Dealer's expense problems that were not apparent when Dealer sold the vehicle/craft and may not be covered by the Certified Warranty program.

I wish to participate in the Certified program and agree to Paragraph 3.M

Administrator Initials: _____

Dealer Initials: _____

4. ADMINISTRATOR:

- A. Agrees to install, maintain and administer Program.
 - B. Agrees to supply to Dealer: Contract Applications, forms, transmittals, underwriting guidelines, rate charts, advertising materials and other such forms as Administrator may hereafter supply for use in Program in the quantities needed from time to time by Dealer.
 - C. Agrees to assist Contract Holders in receiving benefits provided under the terms of Contract, in accordance with Administrator's then current Service Department Guidelines. This includes handling of cancellations; and claims and claims adjustment expenses, including but not limited to, inspection and/or legal fees relating to the VSC or for cancellation of any VSC.
 - D. Recommends a suggested retail price of 185% of Dealer cost.
 - E. Agrees to compute payment to Dealer at Dealer's customary retail labor rate, except as provided for in Paragraph 6.C. of this Agreement for the time required for repairs according to the Chilton repair manual for automotive contracts, Spader repair manual for Recreational Vehicles, other recognized national manuals for these and other programs and published suggested list price on parts. Sublet work will be reimbursed at Dealer's actual cost plus 10%, except complete or total sublet repairs, which will be reimbursed at Dealer's cost.
5. Dealer acknowledges that Administrator assumes no obligation for the workmanship, quality of repairs or replacement of parts; nor for any bodily injury or property damage caused directly or indirectly by mechanical failure or malfunction, or any other cause, of a vehicle/craft or any part thereof.

6. TERMINATION

- A. This Agreement may be terminated at any time by either party upon giving thirty (30) days written notice to the other party. This Agreement will be terminated automatically without notice should Dealer fail to submit Contract(s) for three (3) consecutive months. Unless so terminated, the Dealer Agreement shall be a continuing Agreement.
- B. Upon termination, all obligations hereunder by either party shall cease provided, however, that Dealer and Administrator shall remain responsible in accordance with the provisions of the Agreement for all Contracts issued and paid prior to date of termination.
- C. Upon termination by Dealer or Administrator, all claims submitted subsequent to termination shall be paid at the retail labor rate at the time of such cancellation.

7. MISCELLANEOUS

- A. This Agreement shall have no force or effect unless and until such time as it is accepted by Administrator in the State of New York.
- B. This Agreement is not assignable by Dealer without the prior written consent of Administrator and shall not be construed to make Dealer an employee of Administrator.
- C. If any provision of this Agreement is held invalid under the law or regulations of any state where used, such provision shall be deemed not to be part of this Agreement in such state, but shall not invalidate any other provision hereof.
- D. Administrator reserves the right to an offset of any losses/expenses relating and connected to Dealer's Contract business against any funds due to Dealer.

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

DEALER:

 iuiu
 Dealer Name
 ljhlh
 Address
 BEAUMONT , 77703, TX
 City, State, ZIP

ADMINISTRATOR:

INTERSTATE NATIONAL DEALER SERVICES, INC
 333 Earle Ovingtom Blvd
 Uniondale, NY 11553

By: _____

By: _____

Title: _____

Title: _____

Dealer Data

Agency Name: 039

Agency Code #: 039

Dealer

Dealer Code #: 9797

License #:

Programs Selected: CA-RpmOnePMA-M50

Dealer: iuiu	Franchise Held: 1.
Address: ljhlh	2.
City/State/ Zip: BEAUMONT , 77703, TX	3.
Phone:	4.
Fax:	5.
E-mail:	Primary Lenders: 1.
Fed. ID#:	2.

PERSONNEL

Owner/ Dealer:	General Manager:
Key Person:	Service Manager:
F&I Manager:	Office Manager:

RETAIL UNITS PER MONTH

# OF VEHICLES/CRAFT	NEW:	USED:	TOTAL:
# OF INDS SERVICE CONTRACTS	NEW:	USED:	TOTAL:

CLAIMS INFORMATION

LABOR AT \$	PER HOUR	TAX	PARTS %	LABOR %
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OPTIONS - SIGNED PAPERWORK ENCLOSED

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SPECIAL INSTRUCTIONS

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