

MOTOR VEHICLE DEALER
AGREEMENT FOR ADMINISTRATIVE SERVICE

EFFECTIVE on the _____ day of _____, 20_____, _____
(Dealer Name)

(Street Address) _____ (City, State, Zip)

Hereinafter referred to as **DEALER** and **PHOENIX AMERICAN ADMINISTRATORS, INC.**, a Florida Corporation, hereinafter referred to as **ADMINISTRATOR**. NOW, THEREFORE, in consideration of the covenants herein contained, the parties hereto agree as follows:

ARTICLE I - DEFINITIONS

- 1. The term **VEHICLE** refers to a motor vehicle, motorcycle, ATV, or recreational vehicle.
- 2. The term **DEALER** refers to a franchised and/or licensed retailer/lessor of new and/or used **VEHICLES**.
- 3. The term **ADMINISTRATOR** refers to the organization whom the **DEALER** retains to provide administrative services for the **DEALER'S VEHICLE SERVICE CONTRACT** Program.
- 4. The term **SERVICE CONTRACT/CONTRACT(S)** refers to the **DEALER'S VEHICLE SERVICE CONTRACTS** administered by the **ADMINISTRATOR**.
- 5. The term **PROGRAM** refers to the current and future **VEHICLE SERVICE CONTRACT** programs designed for and on behalf of the **DEALER** and administered by **ADMINISTRATOR**.

ARTICLE II - ADMINISTRATOR'S OBLIGATIONS

- 1. To acquire and maintain, on behalf of **DEALER** an insurance policy which shall name the **DEALER** and/or **ADMINISTRATOR** (where appropriate) as the insured and provide coverage, subject to the insurer's underwriting rules, for reimbursement to or payment on behalf of the **DEALER** for valid and proper claims covered under the **DEALER'S VEHICLE SERVICE CONTRACT**.
- 2. To provide **DEALER** all necessary administrative application/contract forms and promotional material to enable **DEALER** to offer for sale this **VEHICLE SERVICE CONTRACT** program.
- 3. To maintain, as part of its administrative services, a nationwide toll-free telephone system, and a claims department with properly trained staff to accept, process and pay all valid and proper claims, on behalf of the **DEALER** and insurance company, covered under the **DEALER'S VEHICLE SERVICE CONTRACT** program, on contracts that have been reported to **ADMINISTRATOR** and for which proper fees and insurance premiums have been paid.
- 4. To, at its discretion, authorize the use of new factory parts in connection with covered repairs to a **VEHICLE** on which the **DEALER** has issued a New **VEHICLE - VEHICLE SERVICE CONTRACT**, provided the **VEHICLE** has not exceeded the Manufacturer's Basic Full Warranty plus 12 months or 12,000 miles, whichever comes first.
- 5. To, at its discretion, authorize the use of factory or outside vendors' rebuilt parts in connection with covered repairs to a **VEHICLE** on which the **DEALER** issued a Used **VEHICLE - VEHICLE SERVICE CONTRACT**, or in the case of a New **VEHICLE - VEHICLE SERVICE CONTRACT** where the **VEHICLE's** mileage exceeds the Manufacturer's Basic Full Warranty by more than 12 months or 12,000 miles, whichever comes first.
- 6. To authorize, at its discretion a 25% mark-up to the repair facility on any new or rebuilt parts arranged for or provided by the **ADMINISTRATOR**.
- 7. To refund to the **DEALER** and/or customer any unearned portion of its retained administration fee and to pass through to **DEALER** any unearned insurance premium received from the insurance company in the event of cancellation of an in-force **DEALER'S VEHICLE SERVICE CONTRACT**.

ARTICLE III - DEALER'S OBLIGATIONS

- 1. To use the services of the **ADMINISTRATOR** and its agents for the **DEALER'S VEHICLE SERVICE CONTRACT** program.
- 2. To follow the instructions and procedures as outlined by the **ADMINISTRATOR** and only to use the administrative application/contract forms and promotional material provided by the **ADMINISTRATOR** for the **DEALER'S VEHICLE SERVICE CONTRACT** program.
- 3. To promptly report to and pay the **ADMINISTRATOR** or its assigns all fees and insurance premiums due under this agreement and in accordance with the then-current Dealer's Cost Schedule. **VEHICLE SERVICE CONTRACTS** including fee and insurance premiums are due by the tenth (10th) of the month for all of the **DEALER'S VEHICLE SERVICE CONTRACTS** sold during the previous month. **All remittance checks must be made payable to Phoenix American Administrators, Inc.**
- 4. To charge a labor rate of \$_____ per hour, which may be increased only by the **DEALER** providig a written request, together with a copy of the factory approval to the **ADMINISTRATOR** thirty (30) days prior to such change taking place.
- 5. To require all shop personnel to notify the **ADMINISTRATOR** and receive authorization before making any repairs or replacements under the **DEALER'S VEHICLE SERVICE CONTRACT** program.
- 6. To collect any deductible amounts and any charges not covered under the **DEALER'S VEHICLE SERVICE CONTRACT** program solely from the Contract Holder.
- 7. To refund the purchaser and/or lienholder, as its interest may appear, any unearned portion of the purchaser's total **VEHICLE SERVICE CONTRACT** price in the event of cancellation of an in-force **SERVICE CONTRACT**.
- 8. To unconditionally guarantee the the services and parts provided by the **DEALER** in connection with a repair for a minimum period of ninety (90) days or 4,000 miles, whichever comes first, after the date of such repairs.

ARTICLE IV - GENERAL PROVISIONS

- 1. This Agreement shall be effective on the date written above and shall continue in force until terminated by either party giving to the other party not less than thirty (30) days' written notice of such termination. Additionally, this Agreement may, at the option of the **ADMINISTRATOR**, terminate immediately upon receipt of written notice upon the occurrence of any of the following events: the filing by **DEALER** of a voluntary petition in bankruptcy or the execution of **DEALER** of an assignment for the benefit of creditors; the filing of a petition to have **DEALER** declared bankrupt which is not vacated within thirty (30) days; the appointment of a receiver or a trustee for **DEALER**, provided such appointment is not vacated within thirty (30) days; or, upon the material breach of any provision contained within this agreement or **DEALER'S** acts of fraud, dishonesty or intentional misrepresentation directed to the **ADMINISTRATOR**, its agents or employees. Termination by either party shall not reduce nor modify the respective duties and obligations of the parties as to contracts issued prior to the date of such termination.
- 2. None of the obligations of the **DEALER**, as set forth herein, shall be construed as that of the **ADMINISTRATOR**, its agents or its assigns.
- 3. If any insurance premiums, fees or other amount are due **ADMINISTRATOR**, its agents or assigns from **DEALER** and are unpaid after thirty (30) days, such amounts shall be deducted from any insurance premium, fees or other amounts due **DEALER**.
- 4. **DEALER** shall have no authority other than that expressly granted in this Agreement. Failure of **ADMINISTRATOR** to require strict compliance with the terms of this Agreement shall not be construed as or constitute a waiver of any of the terms of this Agreement. **DEALER** is specifically not authorized to do any of the following acts on behalf of the **ADMINISTRATOR**: Make, alter waive or modify any of the terms, conditions, or limitations of **ADMINISTRATOR'S** programs; Obligate **ADMINISTRATOR** in any way to any agreement; Use or disseminate unauthorized promotional material relating to **ADMINISTRATOR'S PROGRAM**; Extend the time for payment of fees, insurance premiums or amounts due **ADMINISTRATOR**, its agents or assigns; Violate any insurance law, rule or regulation which is effective in the state and/or locale in which **DEALER** conducts business under this Agreement.
- 5. **DEALER** shall hold harmless, indemnify and defend **ADMINISTRATOR**, its employees its agents and assigns against all claims, demands and actions for loss, liability, damage, cost and expenses (including attorney fees) caused by the act or omission to act of **DEALER** or its employees, which arise from any contract which is not reported to **ADMINISTRATOR** as required under **ARTICLE III - DEALER'S OBLIGATIONS** of this Agreement.
- 6. The Dealer Procedure Manual is part of this Dealer Agreement.
- 7. This Agreement contains the entire terms, conditions, covenants and agreements between the parties and supersedes all previous agreements, either written or oral, between the parties. This Agreement shall be amended in writing only and acknowledged by both parties.
- 8. This Agreement shall be considered in accordance with, and governed by, the laws of the state of Florida. However, the parties wish to afford this Agreement maximum applicability to their relationship and agree to uphold its terms in any state where same may be legally enforced.

ARTICLE V - ARBITRATION

Any and all disputes, difference or controversies arising out of, under or in connection with this Agreement, or the breach thereof, shall be submitted to arbitration to be held in Miami, Florida.

IN WITNESS WHEREOF, the parties hereto have hereunder set their hands and seals this _____ day of _____, 20_____.

WITNESSED

Witness Signature

Witness Signature

(Print Name Of Person Signing for Dealer)

By: _____
Authorized Signature

Phoenix American Administrators, Inc./PAIG Insurance Marketing

By: _____
Authorized Signature