

## **Dealer Administrative Agreement**

THIS AGREEMENT is entered into by and between SEATTLE SPECIALTY INSURANCE SERVICES, INC., with general offices located at 332-A SW EVERETT MALL WAY EVERETT WA. 98204 herein after referred to as SSIS ,and \_\_\_\_\_ with offices located at \_\_\_\_\_ hereinafter collectively referred to as “Dealer” effective \_\_\_\_\_.

WHEREAS, Dealer desires to participate in Guarantee Asset Protection, hereinafter referred to as the “Program”; and WHEREAS SSIS is willing to authorize Dealer to Participate in the Program on the terms and conditions hereunder; NOW, THEREFORE, in consideration for the mutual covenants set forth herein, the parties hereby agree as follows:

### **A. SSIS**

1. SSIS hereby grants authority to Dealer, to receive and accept applications from dealer’s customers to purchase coverage under the Program.
2. SSIS agrees to furnish the Dealer with the necessary applications, forms and other supplies necessary for the Dealer to implement the Program, all of which shall remain the property of the SSIS and shall be returned to SSIS in the event of the termination of this Agreement.
3. SSIS has acquired insurance coverage, at SSIS’s sole expense, which shall insure that SSIS fulfills its obligations to Dealers customers where applicable.
4. SSIS agrees to maintain insurance coverage (when necessary) for the Program, throughout the term of this Agreement, with regard to the coverages set forth in the Program where applicable.
5. SSIS agrees to investigate, process and pay all valid claims presented under the Program, and arrange for the reimbursement to the customer for valid claims under the Program.
6. SSIS shall be under no obligation to investigate or arrange for the payment of any claim if the Dealer fails to remit the application and required fees to SSIS in accordance to this agreement.
7. SSIS shall not be liable for any costs or expenses incurred by the Dealer, nor for any bodily injury or property damage claims, nor for any other liabilities of any nature other than those expressly assumed herein. Dealer agrees to indemnify SSIS, hold SSIS harmless and to provide legal counsel to SSIS in the event of lawsuit arising from any vehicle sale or other transaction by dealer or his personnel unrelated to SSIS Program.

### **B. Indemnification**

Dealer agrees to indemnify and hold SSIS and SSIS’s insurer harmless from any and all claims, actions or demands from or by any federal, state or local government agency for the misrepresentations made to coverages available on the program.

### **C. Dealer**

1. Dealer agrees to follow the instructions and procedures as outlined by SSIS, including additions, deletions and amendments that SSIS may furnish from time to time. Dealer will have no authority to waive or modify any terms or conditions of the policy or application.
2. Dealer agrees to hold SSIS and the insurer harmless for any claim submitted for which the Dealer did not remit the required fees or application to SSIS.
3. The Dealer agrees that coverages and terms submitted by Dealer, not in accordance with SSIS’s Programs and procedures set forth in this agreement constitutes breach of this Agreement and any loss or expenses related to such breach, shall be assumed by the Dealer.
4. Dealer agrees to report to SSIS, on forms furnished by SSIS, all applications and required fees as set forth in the “Schedule A” of this Agreement. This remittance shall be received by SSIS no later than the 15<sup>th</sup> of the month for all applications written during the previous month (and in no case will business be received more than 45 days from effective date). In the event DEALER remits business later than the 15<sup>th</sup> of the following month written, SSIS may return business to dealer or SSIS will make the effective date of the application the received date by SSIS. Any claims which occur prior to this received date will be denied for no coverage.
5. Dealer shall direct customers to SSIS in the event of any and all questions or claims regarding the Program.
6. Upon receipt of a complete loss report, SSIS shall process the claim under the coverage obtained pursuant to Paragraph 3 of this Agreement. Dealer shall be responsible for processing any claim

- for a loss not reported as provided herein or under any Application, and/or waiver not reported to SSIS and/or for which SSIS has not received payment in accordance with Section C, number 4.
7. Dealer agrees to use diligence in performance of its duties hereunder and to abide by all rules, regulations, and procedures relating to the Program as provided by SSIS from time to time. Dealer shall not at any time be authorized to alter, supplement, modify, or waive any terms or conditions of the Program.
  8. Dealer agrees to use SSIS for its exclusive provider of programs listed in schedule "A" for the term of this agreement.

**D. Termination**

Either party may terminate this Agreement at any time by giving (60) days' written notice to the other party prior to the renewal period only. However, SSIS may terminate this Agreement immediately if either party violates any applicable laws or fails to fulfill any of its obligations hereunder. Termination shall not affect rights or duties of either party with respect to waivers/applications properly issued and paid to the effective date of such termination.

**E. Term**

Term for this agreement shall be for 1 year and automatically renewed unless cancelled by giving 60 days written notice to either party prior to expiration.

**F. General Provisions**

Dealer is an independent contractor, and no relationship of principal and agent, employer and employee, partnership, joint venture, or the like shall be created between SSIS and Dealer. Dealer shall be solely responsible for all expenses incurred in performing the terms of this agreement. Dealer is not an insurance agent on behalf of SSIS or the insurer and therefore shall not solicit coverage under the insurance policy obtained pursuant to Paragraph 3 above.

1. Finance agreements where less than 80% of MSRP for a new vehicle or NADA average retail value for a used vehicle are not eligible for participation in the GAP program.
2. Any notices or other communication required or permitted hereunder shall be in writing and mailed by registered or certified mail (return receipt requested and postage prepaid), sent by telegram (with messenger service specified), or sent by prepaid overnight courier service.
3. Except as otherwise provided herein, neither party hereto may assign or delegate any right, duty, or obligation under this agreement to any other person or entity without the prior written consent of the other party. This Agreement and all rights and liabilities hereunder shall inure to the benefit of the parties, their successors, and permitted assigns.
4. No waiver by either party hereto of any one or more defaults by the other party in the provisions of this Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or different nature. No failure or delay on the part of either party in exercising any right, power or remedy shall preclude any other or further exercise thereof or the exercise of any other right, power, or remedy.
5. This agreement constitutes the full and entire understanding and agreement between the parties hereto with regard to its subject matter and supersedes all prior written or oral agreements, understanding, representations, and warranties made with respect thereto.
6. This Agreement shall be governed by and construed in accordance with the Laws of the State of Washington without regard to any otherwise applicable principles or conflict of laws. The language in all parts of this Agreement is in all cases to be construed to its fair meaning and not strictly for or against any particular party. The words herein, hereof and hereunder shall be deemed to refer to this entire Agreement, except as the context otherwise requires. If any term, covenant, or condition of this Agreement or if the application of such term, covenant, or condition to any party or circumstance shall be found by a court competent jurisdiction to be, to any extent, invalid or unenforceable under any law, rule, or regulation, the remainder of the Agreement and the application of such term, covenant, or condition to parties or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term, covenant or condition shall be valid and enforced to the fullest extent permitted by law. Upon determination that any such term is invalid, illegal, or unenforceable, the parties hereto shall seek

in good faith to amend this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner.

***IN WITNESS WHEREOF, the parties have duly executed and made this Agreement effective as of this date\_\_\_\_\_.***

**DEALER TAX ID NUMBER:**

The dealer's TAX ID Number is required when signing this agreement.

**DEALER**

**SSIS**

BY: \_\_\_\_\_`

By: \_\_\_\_\_

Title: \_\_\_\_\_`

Title: \_\_\_\_\_

Date: \_\_\_\_\_`^^

Date: \_\_\_\_\_