



PRODUCER-ADMINISTRATOR AGREEMENT

THIS AGREEMENT is made this _____ day of _____, 20____ by and between Old Republic Insured Automotive Services, Inc., whose principal place of business is 8282 South Memorial Drive, Suite 202, Tulsa, Oklahoma 74133 and/or Minnehoma Automobile Association, Inc., whose principal place of business is 8282 South Memorial Drive, Suite 202, Tulsa, Oklahoma 74133 (hereinafter collectively referred to as the “Administrator”), on one hand, and _____, whose principal place of business is _____ (hereinafter referred to as the “Producer”).

RECITALS

WHEREAS, the Producer desires to offer a program of vehicle service contracts (“VSCs”) and/or guaranteed asset protection contracts (“GAP Contracts”) to its retail vehicle/loan customers (the “Program”); and

WHEREAS, the Administrator provides such a Program and desires to provide, maintain, and administer its 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 VSCs and/or GAP Contracts under the Program to its retail vehicle/loan customers (“Purchasers”) on all eligible vehicles during the term of this Agreement.
 - b. Agrees to follow the underwriting guidelines issued by the Administrator from time to time on forms supplied by the Administrator. Such guidelines will determine which vehicles are eligible for coverage under the Program. Any VSCs and/or GAP Contracts issued in violation of such guidelines will be voidable or, if the VSCs and/or GAP Contracts cannot be voided, will result in the loss of claims reimbursement to the Producer with respect to such VSCs and/or GAP Contracts.
 - c. Agrees to remit the following within fifteen (15) days after the end of the month in which the business was written to the Administrator on forms supplied by the Administrator: transmittal forms, completed VSCs and/or GAP Contracts, waivers (if applicable) and appropriate monies which are due to the Administrator.
 - d. Agrees that the Administrator reserves the right to decline any VSCs and/or GAP Contracts submitted by the Producer that do not qualify under the Administrator’s guidelines, or are not submitted within forty-five (45) days from the date of purchase.
 - e. Agrees that eligible vehicles include only those vehicles that follow the Administrator’s guidelines. For VSCs, such eligible vehicles must be in sound mechanical condition at the time of sale and any pre-existing condition(s) are the sole responsibility of the Producer and shall not be covered under a VSC.
 - f. Agrees, in the event of a cancellation, to return to the lender that financed the purchase price of the VSC its retained portion of the total charge for the VSC in the amount calculated by the Administrator pursuant to the terms of the VSC. In the event the VSC was not financed, the Producer agrees to return to the Purchaser its retained portion of the total charge for the VSC in the amount calculated by the Administrator pursuant to the terms of the VSC.
 - g. Agrees, in the event of a cancellation, to refund the purchase price, on a pro rata basis, of a GAP Contract due to a default by the Purchaser in its repayment obligations to the Producer.

h. Agrees to return to the Purchaser his retained portion of the GAP Contract price in the event that the Administrator cancels or causes the Producer to cancel a GAP Contract, should any of the following occur:

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 that is not covered by the GAP Contract;
4. If the vehicle described on the GAP Contract is ineligible for coverage;
5. The Producer fails to properly remit the cost of the GAP Contract to the Administrator.

i. Agrees to permit the Administrator or its authorized representatives during normal business hours to enter the Producer's place of business to inspect and examine all records relative to the issuance of VSCs and/or GAP Contracts or the subject matter of this Agreement, during the term of this Agreement and for one (1) year following the expiration of all such VSCs and/or GAP Contracts, for the purpose of review and audit.

j. Agrees, to stop offering VSCs and/or GAP Contracts to Purchasers should this Agreement be terminated by either the Producer or the Administrator.

k. Agrees, where applicable, to be responsible for the collection and remittance of any state sales taxes which may be levied against VSCs and/or GAP Contracts sold by the Producer.

l. Agrees that if the Administrator declines to issue a VSC and/or GAP Contract to a Purchaser, that the Producer is responsible for refunding all monies due to the Purchaser for said VSC and/or GAP Contract and will notify the Purchaser that all such coverage is null and void.

m. For VSCs, agrees that the 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 the failure or malfunction, or any other cause, of a vehicle or any part thereof, nor for any other obligation not specifically provided for in the VSC; and the Producer agrees to hold the Administrator harmless from any and all such obligations, damage, and expense.

n. Agrees (if the Producer is located in Indiana), that it will not sell GAP Contracts where the amount financed, less the cost of the GAP, the cost of credit insurance and the cost of warranties, is less than 80% of the MSRP for a new vehicle or the NADA average retail value for a used vehicle, in accordance with standards set by the Indiana Department of Financial Institutions.

2. The Administrator:

a. Agrees to provide, maintain, and administer the Program and further agrees that reimbursement for all valid VSCs and GAP Contract claims will be provided by the insurer or the Administrator, as appropriate.

b. Agrees to supply to the Producer all VSC and/or GAP Contract forms, transmittals, underwriting guidelines, rate charts, product brochures and other such forms as the Administrator may hereafter supply for use in the Program in the quantities reasonably needed from time to time by the Producer.

c. Agrees to service and provide claim benefits in accordance with the Administrator's current claim guidelines for those VSCs and GAP Contracts that have been received and accepted by the Administrator, and paid for by the Purchaser.

d. Agrees to notify the Purchaser in the event that the Purchaser's GAP Contract is ineligible as written or has been rejected for coverage.

e. Agrees to adhere to the confidentiality and privacy guidelines listed herein.

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 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. This Section 3 shall survive the termination of this Agreement.

4. Confidentiality and Privacy of Purchaser Information.

a. The parties hereto acknowledge that each party may collect non-public personal and financial information about Purchasers of VSCs and/or GAP Contracts from information each receives on such VSCs and

GAP Contracts and other forms from the Purchasers. The parties hereto acknowledge that the Administrator may also collect information regarding Purchasers' transactions with the Administrator and its affiliates, information received from certain databases, and information received from a public or consumer reporting agency. The foregoing types of information received by the parties shall collectively be called "Confidential Information". Each party agrees not to disclose (nor permit unauthorized access to) any Confidential Information about Purchasers or former Purchasers to anyone, except as permitted by law. However, the Administrator may make disclosures to any affiliated or non-affiliated third parties without prior authorization from financial institution, but only as permitted by law. The parties understand that the release of Confidential Information may be necessary to carry out the services and obligations required pursuant to a VSC and/or GAP Contract, or pursuant to this Agreement, and that such release shall not be considered a breach of this confidentiality provision, provided that the disclosure is made in accordance with applicable federal and state law. Each party agrees to restrict access to Confidential Information about Purchasers only to those employees or entities who need to know that information to provide service to Purchasers under this Agreement. Each party agrees to maintain physical, electronic, and procedural safeguards that comply with applicable federal and state law to guard Purchasers' Confidential Information.

b. Each party further agrees that it will not use or transfer the Confidential Information other than to carry out the purposes set forth herein. All information disclosed by a party in connection with this Agreement shall be deemed that party's Confidential Information. Each party agrees to promptly destroy or return to the other party, upon request or upon termination of the relationship between the parties, all of the other party's Confidential Information.

c. The Producer and the Administrator agree to adhere to all applicable privacy laws, including, but not limited to the PCI Data Security Standards, as it may be amended from time to time, and if the Financial Institution is a Credit Union, the National Credit Union Administration (NCUA) Privacy Rules in 12 CFR Part 716.11(c) (the "privacy laws"). The Administrator will indemnify the Producer for the Administrator's violation of privacy laws. The Producer will indemnify the Administrator for the Producer's violation of privacy laws. Confidential Information will not be duplicated or created, in whole or in part, by either party, without the express written consent of the disclosing party, or only as permitted under this Agreement. The Administrator and the Producer each agree not to use such Confidential Information to their own commercial advantage or in any other manner except in the performance of this Agreement.

d. Each party will provide immediate written notification to the other party of any occurrence involving (i) the unauthorized disclosure of any Confidential Information and (ii) any security breaches of the computer systems on which such Confidential Information is stored. The party sending notification to the other party shall take any necessary and reasonable action to prevent further disclosure.

This Section 4 shall survive the termination of this Agreement.

5. 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.

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. The Administrator may initiate immediate termination 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 such termination, the Producer agrees to stop offering VSCs and/or GAP Contracts to Purchasers. Unless so terminated, this Agreement shall be a continuing agreement.

b. All supplies furnished to the Producer by the Administrator shall be returned to the Administrator upon termination of this Agreement.

c. Upon termination, all obligations hereunder by either party shall cease provided, however, that the Producer and the Administrator shall remain responsible in accordance with the provisions of this Agreement for all VSCs and/or GAP Contracts issued and paid for prior to date of termination.

7. Right to Offset.

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

8. General Provisions.

a. This Agreement supersedes any and all previously written and/or verbal Producer-Administrator Agreements between the parties.

b. Both the Producer and the Administrator agree to abide by the terms, conditions, rules, etc. of the current operations manual and other materials issued by the Administrator from time to time. Such material is hereby incorporated by reference and made a part of this contract.

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

Producer:

By: _____

Name: _____

Title: _____

Date: _____

Administrator:

Old Republic Insured Automotive Services, Inc.

By: _____

Name: _____

Title: _____

Date: _____

Minnehoma Automobile Association, Inc.

By: _____

Name: _____

Title: _____

Date: _____