



Dealer Agreement

THIS DEALER AGREEMENT is made this ____ day of _____, 20__ (“Effective Date”) by and between American Guardian Warranty Services, Inc., and Illinois corporation, American Guardian Warranty Services of Florida, Inc., a Florida corporation, American Guardian Warranty Services of Wisconsin, Inc., an Illinois corporation (hereinafter individually or collectively “AGWS”) and the undersigned entity outlined below and on the Dealer Information Sheet attached hereto (“Dealer”). AGWS and Dealer shall be collectively referred to herein as the “Parties”.

WHEREAS, AGWS provides aftermarket products primarily used in the automotive, marine, heavy duty truck and bus and recreational vehicle industries that include, without limitation, vehicle service contracts, debt cancellation contracts, limited warranties and ancillary protection; and

WHEREAS, Each product is accompanied by a “Contract” which terms include, without limitation, the type and amount of protection that is provided, the term of protection, the limitations of protection, and the manner in which a claim must be made; and

WHEREAS, AGWS has developed proprietary programs which enable automotive, marine, heavy duty truck and bus and recreational vehicle dealers to provide such Contracts for sale to its “Customers”(“Program(s)”);

WHEREAS, the Dealer desires to offer one or more of the Programs to its Customers;

NOW, THEREFORE, in consideration of the mutual promises and other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the Parties agree to the following facts, terms and conditions.

1. Obligations of AGWS

- a. AGWS shall administer and investigate claims for each Contract sold by the Dealer and for which the Dealer has properly reported and paid AGWS.
- b. AGWS shall obtain and maintain any underwriting agreements including relevant insurer agreements related to the Programs.
- c. AGWS shall provide to the Dealer the Contracts, as well as any other forms, supplies and reasonable marketing materials deemed necessary by the AGWS to market the Programs.
- d. At the written request of Dealer, AGWS shall provide the Dealer with system access to AGWS’ electronic rating menu and contract look up feature.

2. Obligations of Dealer

- a. Dealer agrees to use its best efforts to market and sell the Programs in accordance with the terms, policies and manuals associated with the Programs. Dealer shall only offer a Customer a Program on the most current Contract approved by AGWS. Each Program shall only be marketed in accordance with and subject to the AGWS policies, manuals, rules, regulations and fees in effect at the time such Contract is sold. AGWS may at any time revise its policies, manuals, rules, regulations and fees. Dealer’s failure to follow any AGWS policy, manual, rule, regulation or fee schedule shall relieve AGWS of any obligation created under this Agreement. Dealer has no authority to alter or change any AGWS policy, manual, rule, regulation or fee.
- b. Dealer acknowledges that the Programs including, without limitation, all trade names, promotional materials, Contracts, forms and procedures associated therewith, have been developed at a great effort and expense by AGWS and constitute the proprietary property of AGWS. Dealer agrees that it shall use the Programs and all materials associated therewith only during the time this Dealer Agreement is in effect and only for the purposes of the Programs. In the event of termination of this Agreement, Dealer shall return all unused Program materials to AGWS.
- c. The Dealer shall, following the sale by Dealer of each Program and/or Contract, retain as its fee the purchase price of the Contract less the “Net Dealer Cost” as set forth in the rate manuals provided to Dealer by AGWS, and shall remit to AGWS the full amount of the Net Dealer Cost. The Net Dealer Cost and Contract shall be submitted to AGWS no later than the 15th day of the calendar month for business written and/or sold during the previous calendar month. AGWS and the insurers of its Programs shall have no obligation or liability for any Contract not timely remitted to it with the appropriate Net Dealer Cost. Dealer’s failure to remit AGWS Contracts in a timely manner may, at the sole discretion of AGWS, result in the application of late fees or rejection of the Contract.
- d. Until the Net Dealer Cost is submitted to AGWS, the Dealer shall hold the proceeds of each Contract sale in a fiduciary capacity as trustee for AGWS and the Program insurer and under conditions satisfactory to AGWS and the insurer.

- e. Dealer acknowledges and agrees that certain Contracts may be cancellable by the Contract purchaser, AGWS or the lienholder. Dealer shall follow the AGWS Program policies, manuals, rules, and regulations related to any such cancellation.
 - f. Dealer agrees that it shall maintain accurate books and records related to transactions under the Programs including, without limitation, records of Contracts written or sold, payments received and remitted by Dealers, and claims made. Dealer agrees that it shall make available to AGWS, during regular business hours and with reasonable notice, for the purpose of inspection and copying, any books, records or other documents relating to a Program.
 - g. Dealer shall provide repair services (where Dealer has a capable repair facility or servicer) on vehicles covered by Contracts. All such repairs shall be conducted in accordance with the AGWS claims manuals and policies. Dealer shall monitor its Contract and claims submissions to ensure that no fraudulent Contracts or claims are submitted to AGWS. Dealer further agrees that if the incurred loss ratio calculated by AGWS for Contracts sold by Dealer exceeds 100% for any calendar year, AGWS has the right to limit reimbursement amounts to factory flat rates manual for labor and manufacturer's suggested retail price less twenty percent (20%) for parts reimbursement.
 - h. Dealer agrees to indemnify, defend and hold harmless AGWS, its administrators, insurers, representatives, employees, attorneys, shareholders and directors from and against any and all claims, suits, damages, costs, judgements, settlements, or awards arising from acts or omissions of the Dealer or its employees or agents including, without limitation, negligent acts, intentionally wrongful acts, claims of misrepresentation, fraud, breach of this Agreement, violations of any AGWS policy or manual, or those made pursuant to any consumer protection statute and any other statute, regulation, rule or law related to the sale of the Programs to consumers.
 - i. Dealer agrees to collect and remit all applicable taxes to the appropriate governmental agency. It is agreed that AGWS is not responsible for collecting, remitting, or filing taxes associated with the sale of Contracts.
 - j. Dealer agrees not to solicit a Program in those states where the sale of such Program is prohibited by AGWS or operation of law.
3. Dealer and AGWS Mutual Obligations
- a. This Agreement may be terminated at any time by either party upon thirty (30) days prior written notice, or immediately for cause upon written notice. Unless terminated as provided herein, this Agreement shall remain in full force and effect. The termination of this Agreement by either party shall not relieve either party of their responsibilities and obligations with regard to Contracts issued prior to the effective date of termination; however, Dealer shall not sell or solicit any AGWS Program after the effective date of termination.
 - b. In the event of the cancellation of a Contract, the refund shall be made in compliance with the AGWS policies, manuals, rules or by operation of law. Except as outlined in the AGWS cancellation policies, manuals, and the Contract, all applicable fees received by AGWS and Dealer in connection with a Contract shall be refunded pro rata, as determined by AGWS, to the Contract holder. Dealer agrees to hold any refund monies in trust and fiduciary capacity for the benefit of AGWS and the Contract holder.
 - c. This Agreement shall in all respects be deemed to be made, interpreted, enforced and governed by the laws of the state of Illinois, without reference to its conflicts of law principles. All suits in law or equity with respect of this Agreement, including without limitation its formation, shall be litigated exclusively in the state court located in DuPage County, Illinois. The aforementioned choice of venue it intended by the Parties to be mandatory and not permissive, thereby precluding the possibility of any litigation between the Parties with respect to this Agreement in any jurisdiction other than Illinois. Each party waives any right it may have to assert the doctrine of *forum non conveniens* or similar doctrines or to object to venue with respect to any proceeding brought in accordance with or to enforce this paragraph. Each party stipulates that the State of Illinois shall have *in personam jurisdiction* over it for the purpose of litigating any dispute.
 - d. The prevailing party in any litigation in connection with this Agreement shall be entitled to recover from the non-prevailing party all costs and expenses, including, without limitation, reasonable attorney's and paralegal fees and costs incurred by such party in connection with any such litigation.
 - e. Nothing in this Agreement shall be construed to constitute AGWS as the partner, employee or agent of the Dealer, or the Dealer as partner, employee, or agent of AGWS, it being intended that AGWS is an independent contractor responsible only for its own actions. The Dealer shall in no manner obligate AGWS, or incur any expense or liability on behalf of AGWS without AGWS's consent.

- f. This Agreement shall be binding upon the Parties hereto, and their respective successors, heirs and assigns. Dealer shall not assign any of its rights or obligations under this Agreement without the prior written consent of AGWS. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. This Agreement is the entire Agreement between the Parties, and supersedes any and all previous agreements, negotiation or understandings, written or oral between the Parties. This Agreement may only be modified, amended or supplemented by a writing executed by all Parties. Dealer and the individual signing this Agreement warrant that the signer is authorized to bind Dealer under this Agreement.
- g. No term or provision of this Agreement shall be deemed waived, and no breach or default shall be deemed excused, unless such waiver, consent or excuse is in writing and signed by the Parties hereto. All notices required to be given hereunder shall be deemed to have been duly given by mailing the notice, with proof of delivery, to the principal place of business of AGWS or Dealer.
- h. If any provision of this Agreement shall be held by a court of competent jurisdiction to be illegal, invalid or unenforceable, the remaining provisions shall remain in full force and effect.

- | | |
|--|---|
| <input type="checkbox"/> Reliable Protection | <input type="checkbox"/> Compass Protection |
| <input type="checkbox"/> Reliable Select | <input type="checkbox"/> Compass Limited Warranty |
| <input type="checkbox"/> Reliable Enhanced | <input type="checkbox"/> Compass GAP |
| <input type="checkbox"/> True Vehicle Protection (TVP) | <input type="checkbox"/> Other: _____ |

Disclaimer: I hereby acknowledge, agree and understand the AGWS policies, rules, regulations and manuals associated with all the Programs sold or offered by Dealer. IN WITNESS WHEREOF, the Parties have executed this Agreement effective as of the date set forth above.

AGWS: _____	Dealership Name: _____
By: _____	By: _____
Printed Name: _____	Printed Name: _____
Its: _____	Its: _____

New Account Data Sheet



General Information

Dealership Legal Name _____

D/B/A (if applicable) _____

Type of Entity Corporation Limited Liability Company Sole Proprietorship Other _____

Principal Place of Business _____

Dealer Group Name (if applicable) _____

Franchise Yes No (If yes, please list) _____

Federal Tax ID or Social Security Number (sole proprietorship) _____

Phone Number _____ Fax _____

Dealer Principal Name _____ Email _____

General Manager Name _____ Email _____

F&I Manager Name _____ Email _____

Electronic Access What staff needs access to our Dealer Access Portal?

Title	Permission Options (check all that apply)	Contact	Phone	Email
_____	Backoffice Service F&I All F&I No Mark-Ups	_____	_____	_____
_____	Backoffice Service F&I All F&I No Mark-Ups	_____	_____	_____
_____	Backoffice Service F&I All F&I No Mark-Ups	_____	_____	_____
_____	Backoffice Service F&I All F&I No Mark-Ups	_____	_____	_____

DMS System Used: _____ Menu Software Used: _____

Service Department

Does dealer have a service facility? Yes No (If yes, please complete information below)

Hourly Labor Rate _____ Labor Tax% _____ Parts Tax% _____ Parts Mark Up% _____ Labor Reimbursement Manual: Motors Mitchell Alldata

Service Contact Name _____

Phone Number _____ Fax Number _____ Email _____

Does dealer offer appearance and/or ancillary coverage? Yes No

Preferred PDR Technician Name _____ Email _____

Address _____ Phone Number _____

Preferred Detail Provider Name _____ Email _____

Address _____ Phone Number _____

Preferred Wheel Appearance Provider Name _____ Email _____

Address _____ Phone Number _____

Representative Information

Dealer Signature _____ AGWS Representative/Company Name _____

Print Name _____ AGWS Representative Phone _____

Date _____ AGWS Representative Email _____



Electronic Funds Transfer (EFT) Authorization

American Guardian Warranty Services, Inc.
4450 Weaver Parkway, Warrenville, IL 60555

Is this a **New** or **Replacement** template? (Circle One)

Dealer Code or Payee Number: _____

Account Holder	
Name:	
Address:	
City:	State:
Zip	Phone:
Email:	

Financial Institution										
Name:										
ABA Routing Number (must be 9 digits)										
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Checking Account Number										
<input style="width: 20px; height: 20px;" type="text"/>	<input style="width: 20px; height: 20px;" type="text"/>	<input style="width: 20px; height: 20px;" type="text"/>	<input style="width: 20px; height: 20px;" type="text"/>	<input style="width: 20px; height: 20px;" type="text"/>	<input style="width: 20px; height: 20px;" type="text"/>	<input style="width: 20px; height: 20px;" type="text"/>	<input style="width: 20px; height: 20px;" type="text"/>	<input style="width: 20px; height: 20px;" type="text"/>	<input style="width: 20px; height: 20px;" type="text"/>	<input style="width: 20px; height: 20px;" type="text"/>

I authorize American Guardian Warranty Services, Inc. (AGWS) to initiate credit and debit entries to the bank account held at the financial institution listed above and to credit or debit funds to/from such account. I authorize AGWS to create and maintain an ACH template using the bank account details listed above.

It is understood that debit entries will only be initiated by AGWS upon receipt of written/email instructions from a representative of the account holder and that credit entries can be initiated without prior written instruction. This authority will remain in effect until AGWS has received a written request for cancellation from a representative of the account holder. AGWS will act on a cancellation request in a commercially reasonable time frame.

I am an authorized signer for the named account and authorized to act on behalf of the account holder.

Signed: _____ Dated: _____

Printed Name and Title: _____

Questions: Please contact Accounts Receivable at (800) 579-2233 Ext. 4192

Please include a voided check with your completed form and send them to:
Accounts Receivable by **FAX:** (630) 534-7192 or by **EMAIL:** AR@AGWSInc.com

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

▶ Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type. See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
2 Business name/disregarded entity name, if different from above
3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes. <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____ Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner. <input type="checkbox"/> Other (see instructions) ▶ _____
4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <small>(Applies to accounts maintained outside the U.S.)</small>
5 Address (number, street, and apt. or suite no.) See instructions.
6 City, state, and ZIP code
7 List account number(s) here (optional)
Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number										
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or										
Employer identification number										
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Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	Signature of U.S. person ▶	Date ▶
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

COMPASS WARRANTY PROGRAM ADDENDUM

This DEALER AGREEMENT ("Agreement") is entered into this ___ day of _____, 20___, by and between AMERICAN GUARDIAN WARRANTY SERVICES, INC., (hereinafter "AGWS") and the automobile dealership listed on the new account sign up sheet attached hereto as Exhibit A (hereinafter "Dealer"). AGWS and Dealer may be referred to herein as a Party or collectively as the Parties.

WHEREAS, Dealer is engaged in the sale and/or lease of motor vehicles and desires to offer a Limited Warranty (Warranty) to its customers; and WHEREAS, AGWS is the administrator of the Compass Limited Warranty Program (hereinafter "Program");

NOW THEREFORE, for good and valuable consideration, including the mutual promises contained herein, the parties agree as follows:

1. AGWS OBLIGATIONS

A. AGWS will assist Dealer with: (i) promotional materials, marketing materials, sale materials and other support materials associated with its Program in order to assist Dealer in selling vehicles with a Warranty; and (ii) Warranty contracts, rate cards, administrative forms and manuals necessary to administer and operate the Program;

B. AGWS shall have the sole and exclusive right to adjudicate the Claims of Customers and its Claims determinations shall be final. AGWS will adjust, on a timely basis, all claims made by Customers, Dealer on behalf of Customer, or by an authorized repair facility, under Warranty contracts. AGWS shall reimburse the Customer, Repair Facility, or Dealer, as the case may be, for all valid claims as provided in the Warranty contracts, this Agreement and, provided that such claims are properly authorized, presented and processed by the Customer, Dealer or Repair Facility.

C. AGWS shall: (i) investigate, administer, and approve payment of all claims under Warranty contracts issued by the Dealer in accordance with the terms of the Program, provided that such claims are properly presented; (ii) make available a toll-free number so that the Dealer's customers may contact AGWS directly in connection with claims under the approved Warranty contracts; and (iii) AGWS shall administer payment for the cost of valid repairs, replacements or other covered expenses arising under the Warranty contracts issued by Dealer in accordance with this Agreement, subject to all terms, conditions, limitations and exclusions of the Warranty contracts.

D. AGWS agrees to comply with all laws and regulations in carrying out this Agreement and will not make any statements, representations or promises of coverage concerning any Service Contract or Warranty which are misleading, inaccurate or inconsistent with the terms of this Agreement or any Service Contract or any state regulations regarding mechanical repair service agreements.

2. DEALER OBLIGATIONS

A. Dealer acknowledges that the Program, including but not limited to, all trade names, promotional materials, contracts, forms and procedures associated therewith, has been developed at great effort and expense by AGWS, and constitutes the proprietary property of AGWS. Dealer agrees that it shall use the Program and all materials associated therewith only during the time this Dealer Agreement is in effect, and only for the purposes of this Program. At the termination of this Agreement, Dealer shall return all Program materials to AGWS, and shall not engage in any Warranty business using the proprietary Program or its trade names, procedures and materials developed by AGWS in connection therewith.

B. Dealer agrees to include the Warranty on all vehicles retailed from Dealer so long as the vehicle qualifies under the Program. In the event Dealer does not follow AGWS policies, manuals, rules, regulations, fees or use AGWS forms, AGWS shall not be obligated to perform administrative services and Dealer shall be required to indemnify and hold AGWS harmless from any and all claims against AGWS, its agents or representatives. The Dealer shall have no authority to alter, modify, waive, or discharge any terms or conditions of the Warranty or the Program. Dealer agrees to pay AGWS the full net marketer cost on all Warranties issued.

C. Dealer hereby represents and warranties to sell only AGWS vehicle service agreements in conjunction with the Program.

D. Dealer agrees as follows: (i) to provide an express and implied warranty that all covered components of the vehicles are in good working condition; (ii) to having no authority, express or implied, to make, alter, modify, waive, any terms or conditions of the Warranty, nor to incur any liability on behalf of AGWS; (iii) to deliver the Registration Page and Warranty Contract to the vehicle purchaser and to explain the terms, conditions and responsibilities under the Warranty including, but not limited to, the requirement to follow the vehicle manufacturer's maintenance schedule; (iv) to secure from AGWS prior written approval of all material in any form including (advertising, literature, letterhead, business cards posters, etc.) wherein there is any reference to AGWS. No such material shall be used until Dealer has received prior written approval from AGWS; and (v) to immediately notify AGWS if any legal action is commenced against Dealer or AGWS by any Warranty holder or any other entity involving the Warranty.

E. Dealer shall keep accurate books and records pertaining to the Program in accordance with applicable legal and industry standards. Dealer agrees to permit AGWS, during normal business hours, to enter Dealer's place of business and/or place where books and records are kept and will provide AGWS access to, and the right to copy, all books and records relevant to this Agreement. This provision shall continue for a period of four (4) years following the expiration of all Warranty contracts issued under the Program.

F. Dealer agrees to indemnify and hold AGWS harmless from any and all claims, demands, expenses, causes of action, losses or damages of whatsoever kind or nature, including attorney's fees, court costs and punitive or exemplary damages, arising from acts or omissions of the Dealer or its employees or agents including, but not limited to, negligent acts, intentionally wrongful acts, and claims of misrepresentation, fraud, or made pursuant to a consumer protection statute.

G. AGWS assumes no obligation for the workmanship or quality of repairs or replacement parts which are performed or installed pursuant to a Warranty; nor for any bodily injury or property damage caused directly or indirectly by failure or malfunction, or any other cause for a vehicle or any part thereof; nor any other obligation not provided in the Warranty contract.

H. If applicable, the Dealer shall provide repair services on vehicles covered by Warranty contracts administered by AGWS. Prior to commencing repairs, the Dealer shall diagnose the nature and cause of the mechanical breakdown or failure to determine if it is covered by the Warranty contract, and furnish AGWS with an accurate estimate of the cost of parts and labor to repair the failed parts. Dealer shall contact AGWS to receive authorization prior to proceeding with any repairs. Repairs made without such authority, as evidenced by an authorization number from AGWS, shall be considered uncovered and unauthorized, and Dealer shall not be reimbursed for such repairs. All repairs shall be made in a good and workmanlike manner. The Dealer agrees to unconditionally guarantee any repair provided under the Warranty contract against defects in workmanship and materials for a period of at least ninety (90) days after the date of such services when the repairs are provided by the Dealer.

3. MISCELLANEOUS PROVISIONS

A. This Agreement shall in all respects be deemed to be made, interpreted, enforced and governed by the laws of the State of Illinois, without reference to its conflicts of laws. In the event of any dispute concerning this Agreement, Dealer hereby consents and submits to personal jurisdiction of any state court having its situs in DuPage County, Illinois.

B. All notices required to be given hereunder shall be deemed to have been duly given by: (i) personally delivering such notice in writing; (ii) mailing the notice by certified mail, return receipt requested, with postage prepaid; or (iii) federal express, ups, or other similarly recognized courier with proof of delivery. Notice is deemed to be served and effective when sent to the address designated on the Dealer Agreement.

C. All terms of the AGWS Dealer Agreement between Dealer and AGWS dated _____ are incorporated herein as if restated in its entirety. In the event of any conflict between the Dealer Agreement and this Addendum, the terms of this Addendum will govern.

D. This Agreement is effective as of the day and date set forth above, provided that this Agreement has been duly executed by the designated officer of AGWS.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date set forth above.

_____(DEALER)

By: _____

Printed Name: _____

Title: _____

American Guardian Warranty Services, Inc. (AGWS)

By: _____

Printed Name: Rogers P. Freedlund, Jr.

Title: President



DEALER CONSIGNMENT AGREEMENT

This Agreement made this ____ day of _____, by and between AMERICAN GUARDIAN WARRANTY SERVICES, INC. ("Consignor") and the undersigned company ("Dealer").

RECITALS

Consignor desires to increase the public's purchase and use of the EcoProProducts ("Products"); and Dealer desires to secure the right to market Products;

AGREEMENT

NOW THEREFORE, the parties hereby agree as follows:

1. General Terms.

1.1. **Appointment and Acceptance.** Consignor hereby appoints Dealer as a non-exclusive consignee for the sale of Products as set forth in this Agreement. Dealer accepts such appointment and agrees to act in such a capacity as described in this Agreement and to be bound by all terms herein. Dealer further agrees to use its best efforts to encourage sales of Products on behalf of Consignor. Dealer shall market the products in accordance with Consignor's policies, manuals, rules, regulations and pricing lists. Consignor may at any time revise its policies, manuals, and pricing lists with sixty (60) days prior written notice to Dealer. Dealer shall not make any representations, promises or warranties concerning any Products except as specifically authorized by Consignor.

1.2. **Application by Dealer for Consignment.** Dealer shall apply to Consignor for a consigned stock of Products from time to time in accordance with Consignor's written policies and procedures. Consignor may place such a consigned stock with Dealer on the terms and conditions set forth in this Agreement. Consignor shall comply with such request and ship Product within a timely manner.

1.3. **Location and Identification of Products.** Products shall be kept by Dealer at the address of Dealer. Products will not be transferred from such a location without Dealer notifying Consignor.

1.4. **Title Retained by Consignor.** When Dealer delivers Products to persons purchasing from it ("Purchasers"), title to Products shall pass from Consignor to Dealer and immediately thereafter from Dealer to Purchasers. Dealer shall have no power and shall not deal with the Products in any way inconsistent with the retained ownership by Consignor prior to delivery.

1.5. **Consignor Given Security Interest.** Consignor is hereby given, and shall be deemed to have, a security interest in all Products whether possession is retained by Consignor, or delivered to Dealer or any other person, and in all proceeds from sales made thereof, including accounts receivable and cash receipts, until the purchase price herein specified has been paid in full. Dealer also authorizes Consignor to file any document, including a financial statement, necessary for Consignor to record or perfect its security interest under this Agreement.

1.6. **Right to Name and Good Will.** Dealer is entitled to use the words and trademarks as applied to Products and the good will attached thereto only in the manner designed by Consignor. Upon termination or expiration of this Agreement, Dealer will discontinue the use of such words or trademarks, and thereafter will not use, either directly or indirectly, in connection with its business, such words, or any other name, title or expression so nearly resembling the same as would be likely to lead to confusion or uncertainty or to deceive the public.

2. Products and Services.

2.1. Products shall refer to the goods consigned by Consignor to Dealer pursuant to this Agreement.

2.2. Consignor reserves the right to change the design of any Products and to add, delete or modify the Product at any time without notice to Dealer. If any such change is made, there will be no obligation on Consignor to make such change upon any Products previously shipped or to be shipped in accordance with the application of Dealer given to Consignor prior to the date of the change, or to install or furnish any other or different parts than were thereon when shipment was made.

2.3. **CONSIGNOR WARRANTS THAT PRODUCTS DELIVERED BY IT TO DEALER SHALL BE AS DESCRIBED IN THE APPLICATION ACCEPTED BY CONSIGNOR AND THAT ALL PRODUCTS DELIVERED BY IT TO DEALER SHALL BE FREE FROM DEFECTS IN WORKMANSHIP OR MATERIALS, BUT THERE ARE NO WARRANTIES WHICH EXTEND BEYOND SUCH DESCRIPTION. CONSIGNOR HEREBY EXCLUDES ANY WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR ANY PARTICULAR PURPOSE AND ANY WARRANTY WHICH MIGHT OTHERWISE ARISE FROM THE COURSE OF DEALING BETWEEN THE PARTIES THERETO OR FROM ANY USAGE OF TRADE. PRODUCTS ARE NOT CONSIGNED BY SAMPLE UNLESS THAT FACT IS SPECIFICALLY STATED.**

2.4. Upon delivery of Products to Dealer, the clean bill of lading, express receipt or similar delivery document shall serve as conclusive evidence of the quality, condition and quantity of Products.

2.5. Dealer agrees to provide and maintain at its own expense an efficient installation process for all Products in accordance with instructions issued by Consignor from time to time. Dealer also agrees to use every reasonable effort to maintain a standard of service consistent with Consignor's policy. Consignor shall have the right to stipulate the quantity of Products to be carried in stock by Dealer. Consignor shall have the right during Dealer's business hours to inspect and check Dealer's stock of Product.

3. Price, Payment and Discount or Commission

3.1. **Dealer Cost.** Dealer shall be liable for payment of the amount specified in the Consignor's current price list ("dealer cost"), which may be amended from time to time by Consignor by providing written notice of such amendment to Dealer, for any Products delivered pursuant to this Agreement only after such Products have been sold to a Purchaser. Following such sale, Dealer shall pay to Consignor the dealer cost due by the tenth (10th) day of each month for Products sold during the previous month. Dealer shall retain the difference between the retail cost to the purchaser and the dealer cost as its commission for the sale. Dealer guarantees payment to Consignor on the date determined above for such sales and shall remit to Consignor upon such due date, the full amount of monies due to Consignor, regardless of whether or not Dealer has received payment from Purchaser. Consignor reserves the right to change its current price list from time to time with ninety (90) days prior written notice to Dealer.

3.2. **Allotment of Expenses.** Dealer shall be responsible for its own expenses including, but not limited to, expenses such as salaries, wages, commissions, rentals, transportation, office facilities, clerical help, attorney fees, postage, advertising, local license fees, municipal or county taxes, occupational taxes, inventory and distribution costs, storage and warehousing or any other expenses of whatever kind or description, unless otherwise mutually agreed to by the Parties and incorporated and made part of this Agreement by way of written instrument. Dealer shall be liable for and agrees to pay all excise and sales taxes on transactions between Purchaser and Dealer.

4. Obligations of Dealer.

4.1. **Maintaining, Inspecting and Furnishing Records.** Dealer agrees to furnish, at such intervals as required by Consignor, a report of all its sales of Products. Dealer also agrees to keep accurate records of all Product sales and accounts covered by this Agreement, and to permit examination of such by Consignor or its agents at any time during Dealer's business hours. The right of Consignor to examine such accounts and contracts shall cease two years after termination of this Agreement.

4.2. **Secrecy.** Dealer agrees that it shall keep secret and shall not divulge to any person, firm or corporation other than Consignor any information acquired by it directly or indirectly in the course of business with Consignor. This article shall survive the duration of this Agreement, and shall not be affected by the termination of this Agreement.

5. Returns, Claims and Disputes

5.1. **Return of Products.** Dealer agrees that it will follow and be governed by any rules and regulations of Consignor then in force when returning any Products.

5.2. **Dealer's Damages.** In the event of a breach of this Agreement by Consignor, Dealer's exclusive remedy and Consignor's limit of liability shall be for Dealer's actual damages which shall in no event exceed the price of the Products with respect to which the damages occurred. Consignor shall in no event be liable to Dealer on account of any such breach unless Dealer shall have demanded litigation of such breach within one year after the cause of action accrued; or for Dealer's injury to good will, or other incidental or consequential damages.

5.3. **Dealer's Liability for Disappearance and Damage.** In order to assure a high standard of care on the part of the Dealer, Dealer agrees to be fully responsible for all Products consigned to it by Consignor hereunder, and will pay for any Products which should be in the consigned stock, at any particular time, but which for any reason whatsoever have disappeared therefrom. It is recognized that Products may be subject to damage or depreciation while in the custody of Dealer, and Dealer accepts as its liability and responsibility all such damage and/or depreciation.

6. Duration and Termination

6.1. **Duration of Agreement.** This Agreement shall begin on the date hereof and continue in force and govern all transactions and relations between the parties hereto until the passing of one (1) year from the effective date. This Agreement shall automatically renew for subsequent one (1) year terms unless either party provides sixty (60) days prior written notice of its intent not to renew.

6.2. Termination.

6.2.1. Consignor shall have at its option the right to cancel this Agreement immediately with written notice, if any of the following events shall occur: (a) if Dealer fails to perform any provision of this Agreement; (b) if Dealer shall become unable to pay its debts generally as they become due for any reason.

6.2.2. Either Party may terminate this Agreement, with or without cause, upon ninety (90) days prior written notice.

6.2.3. To be an effective termination or suspension of performance under this article, whether by Consignor or Dealer, written notice with proof of receipt must be sent to the other party and shall be effective the date such notice is received.

6.2.4. **Consignor's Right to Possession When Agreement Terminates or Expires.** In case of the termination or expiration of this Agreement, Consignor may at its option retake from Dealer, within a reasonable time after such termination or expiration, any or all Products on hand in Dealer's place of business or in the possession of Dealer. Upon demand by Consignor, Dealer shall be obligated and hereby agrees to deliver such Products to Consignor at Dealer's expense. Consignor, however, reserves the right to reject any Products not in first class condition. Any Products sold by Dealer previous to the termination or expiration of this Agreement, but not yet delivered or installed, may be delivered or installed by Consignor, and all expenses thereof may be charged to Dealer's account and deducted at the time of final settlement.

7. Miscellaneous Provisions

7.1. **Agreement Non-Assignable; Binding Effect.** No party shall assign any of its rights or obligations under this Agreement, whether by operation of law or otherwise, without obtaining the prior consent of the other parties to this Agreement. Subject to the foregoing, all of the provisions of this Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the parties to this Agreement and their respective heirs, legal representatives, successors and assigns.

7.2. **Amendment; Waiver.** This Agreement may be amended, modified or superseded only by a written instrument signed by all of the parties to this Agreement. No party shall be deemed to have waived

compliance by another party of any provision of this Agreement unless such waiver is contained in a written instrument signed by the waiving party and no waiver that may be given by a party will be applicable except in the specific instance for which it is given. The failure of any party to enforce at any time any of the provisions of this Agreement or to exercise any right or option contained in this Agreement or to require at any time performance of any of the provisions of this Agreement by any of the other parties shall not be construed to be a waiver of such provisions and shall not affect the validity of this Agreement or any of its provisions or the right of such party thereafter to enforce each provision of this Agreement. No course of dealing shall operate as a waiver or modification of any provision of this Agreement or otherwise prejudice such party's rights, powers and remedies.

7.3. Confidentiality of Agreement. Unless otherwise required by law, no party shall disclose either the terms or existence of this Agreement to any person other than a party's counsel and its other representatives or such other third parties with whom it must communicate to consummate the transactions described in this Agreement.

7.4. Confidentiality of Certain Information. The parties and their respective agents and employees shall hold and keep confidential all information which is proprietary in nature and non-public or confidential, in whole or in part ("Confidential Information") which any of them may receive from any other party concerning such other party. Failure to mark any of the Confidential Information as non-public, proprietary or confidential shall not affect its status as Confidential Information under the terms of this Agreement. Confidential Information shall not include any information in the possession of the receiving party (a) that is developed by such party without reference to and independent of any Confidential Information, (b) is learned from a third party not under any duty of confidence to the disclosing party, or (c) becomes part of the public domain through no fault of the receiving party. None of the parties nor their respective agents or employees shall, without the prior consent of the disclosing party, disclose or use any such Confidential Information, in whole or in part, except in connection with the performance of the transactions described in this Agreement. Unless otherwise required by law, none of the parties shall disclose any Confidential Information acquired as a result of this Agreement to any person or entity, other than its respective counsel and other representatives, and such other third parties (such as bankers and lessors) with whom it must communicate to consummate the transactions described by this Agreement, all of whom must agree to keep the Confidential Information confidential.

7.5. Consent to Jurisdiction and Governing Law. Each of the parties consents and voluntarily submits to personal jurisdiction in the state of Illinois and in the state courts in such state located in DuPage County in any proceeding arising out of or relating to this Agreement, and agrees that all claims raised in such proceeding may be heard and determined in such court. Each of the parties further consents and agrees that such party may be served with process in the same manner as a notice may be given under this Agreement. This Agreement shall be governed in accordance with the laws of the state of Illinois, without regard to its conflicts of law principles.

7.6. Construction and Interpretation of Agreement. The following provisions shall apply to the construction and interpretation of this Agreement: (a) section titles or captions in this Agreement are included for purposes of convenience only and shall not be considered a part of this Agreement in construing or interpreting any of its provisions. All references in this Agreement to Sections shall refer to Sections of this Agreement unless the context clearly otherwise requires; (b) when used in this Agreement, the word "including" shall have its normal common meaning and any list of items that may follow such word shall not be deemed to represent a complete list; (c) the parties have participated jointly in the negotiation and drafting of this Agreement. If any ambiguity or question of intent or interpretation arises, no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement; (d) unless the context otherwise requires, when used in this Agreement, the singular shall include the plural, the plural shall include the singular, and all nouns, pronouns and any variations thereof shall be deemed to refer to the masculine, feminine or neuter, as the identity of the person or persons may require; (e) the parties do not intend that this Agreement shall confer on any third party any right, remedy or benefit or that any third party shall have any right to enforce any provision of this Agreement.

7.7. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original copy of this Agreement and all of which, when taken together, shall be deemed to constitute one and the same agreement.

7.8. Cumulative Remedies; Specific Performance. No right or remedy conferred upon or reserved to any of the parties under the terms of this Agreement is intended to be, nor shall it be deemed, exclusive of any other right or remedy provided in this Agreement or by law or equity, but each shall be cumulative of every other right or remedy. The parties understand and acknowledge that a party would be damaged irreparably by reason of a failure of another party to perform any obligation under this Agreement. Accordingly, if any party attempts to enforce the provisions of this Agreement by specific performance (including preliminary or permanent injunctive relief), the party against whom such action or proceeding is brought waives the claim or defense that the other party has an adequate remedy at law.

7.9. Consequential Damages Excluded. Notwithstanding anything to the contrary elsewhere in this Agreement or at law, no party shall, in any event, be liable to the other party for any indirect or consequential damages, including without limitation, loss of revenue, cost of capital, loss of business reputation or opportunity and costs arising under or in connection with this Agreement.

7.10. Entire Agreement. This Agreement embodies the entire agreement and understanding of the parties related to its subject matter and supersedes all prior proposals, understandings, agreements, correspondence, arrangements and contemporaneous oral agreements relating to the subject matter of this Agreement. No representation, promise, inducement or statement of intention has been made by any party which has not been embodied in this Agreement. This Agreement may be modified only by a written instrument signed by the parties hereto.

7.11. Exhibits and Schedules. All Exhibits and Schedules to this Agreement, if any, shall constitute part of this Agreement and shall be deemed to be incorporated in this Agreement by reference and made a part of this Agreement as if set out in full. If any inconsistency exists between the statements in the body of this Agreement and those in the Schedules, the statements in the body of this Agreement shall control.

7.12. Expenses. Except as otherwise expressly provided for in this Agreement, each party shall bear its own expenses incurred in connection with the preparation, execution and performance of its obligations under this Agreement, including all fees and expenses of agents, representatives, counsel and accountants.

7.13. Force Majeure. No party shall be responsible for any loss or damage to any of the other parties if that party is unable to fulfill any part of its obligations (other than the payment of money) under this Agreement, or is prevented or delayed from fulfilling such obligation, due to flood, earthquake or other act of God, war or hostilities, invasion, rebellion, insurrection, riot, strike, lockout, or any other cause beyond the control of the party ("Force Majeure"). If a Force Majeure occurs, the party affected shall notify the other parties immediately. The rights and obligations of a party shall be suspended only for the duration and extent of the Force Majeure and once the Force Majeure ceases to exist, the rights and obligations of the parties shall continue in full force and effect.

7.14. Further Assurances. Each party shall execute and deliver such additional documents or take such additional actions as may be requested by another party to this Agreement if such requested document or action is reasonably necessary to effect the transactions described in this Agreement.

7.15. Prevailing Parties. In the event of any litigation concerning any controversy, claim or dispute between the parties to this Agreement which arises out of or relates to this Agreement of the breach or interpretation of this Agreement, the prevailing party will be entitled to recover from the losing party reasonable expenses, attorney's fees and costs incurred in the litigation or in the enforcement or collection of any judgment or award rendered in the litigation. The term "prevailing party" means the party determined by the court to have most nearly prevailed, even if such party did not prevail in all matters, and not necessarily the party in whose favor a judgment is rendered. If any party defaults under this Agreement, such defaulting party will pay all expenses, attorney's fees and costs incurred by the other party in connection with such default, whether or not any litigation is commenced.

7.16. Independent Contractor Relationship. Regarding all matters relating to this Agreement, this Agreement creates an independent contractor relationship among the parties. Nothing contained in this Agreement shall be construed to (a) give any party the power to direct and control the day-to-day activities of the other, (b) constitute the parties as partners, joint venturers, co-owners or otherwise as participants in a joint or common undertaking, or (c) constitute any party, its agents or employees as employees of any other party or grant any of them the power or authority to act for, bind or otherwise create or assume any obligation on behalf of any of the other parties for any purpose whatsoever.

7.17. Severability of Provision. If any provision of this Agreement, or its application in any circumstance, shall be held invalid or unenforceable by a court of competent jurisdiction, then the invalid or unenforceable portion will be severed from this Agreement, and the remainder of this Agreement shall remain valid and enforceable.

7.18. Notice. All notices, requests, consents, approvals, waivers, demands and other communications required or permitted to be given or made under this Agreement shall be in writing and shall be deemed delivered to the parties on the date of delivery with a written receipt to the address identified below for American Guardian and at the address on the account data sheet for Dealer.

7.19. Time of Essence. Time is of the essence to the performance of the obligations set forth in this Agreement.

In Witness Whereof, the parties have entered into this Agreement as of the date first written above.

DEALER

By: _____
Printed Name: _____
Its: _____

AMERICAN GUARDIAN

By: _____
Printed Name: Rogers P. Freedlund, Jr.
Its: President

THIS AGREEMENT AND ACCOUNT DATA SHEET MUST BE SUBMITTED TO AMERICAN GUARDIAN VIA THE FOLLOWING:

AMERICAN GUARDIAN WARRANTY SERVICES, INC.

4450 Weaver Parkway Suite 200

Warrenville, Illinois 60555

Email: _____
Facsimile: _____