

**WESTERN SERVICE CONTRACT CORP.
VEHICLE EXTENDED SERVICE CONTRACT PROGRAM**

DEALER AGREEMENT

THIS AGREEMENT, made and entered into by and between Western Service Contract Corporation, Menlo Park, California, hereinafter referred to as we, us, our, and

Name: _____
DBA: _____
Address: _____

hereinafter referred to as you and your.

WITNESSETH THAT:

Pursuant to request that our facilities be made available to you, the undersigned, grant you authority to issue service contracts for mechanical performance of motor vehicles including personal watercraft ("Vehicles"); and to solicit service protection applied for by various purchasers who purchase Vehicles from you.

IT IS HEREBY AGREED between us and you as follows:

1. You have the authority to issue Western Service Contract Corporation Service Contracts as we have authorized you to write as below outlined; and to collect payment for the cost thereof. Your commission shall be the difference between the Net Dealer Cost and the Retail Selling Price of the service contract.
2. You may effect the coverage on the service contract as of the date indicated in the service contract. You will collect the cost of the service contract and remit the net contract fees with the contracts with a complete register within five (5) days after the end of the month in which business was written. There will be a late fee assessed of \$25 per late contract the second month the remittance is late in a calendar year. In the event you do not remit business to us for any period consisting of at least ninety (90) consecutive days, this agreement is terminated. Acceptance of any late payments will not be deemed a waiver as to time of payments.

All money received by you will be held in trust for us until delivered to us. This trust relationship cannot be waived in any manner.

3. You agree to refund to the lender or the contract holder if no lender, the pro-rata portion of the dealer commission on the service contract charge in accordance with the cancellation agreement in the event of a repossession, unwind or cancellation of contract.
4. You agree to report directly to us all claims, using the 800 number provided.

In the event of a claim, you will contact us and receive a claim authorization number prior to proceeding with any repairs. Repairs made by you without obtaining a claim authorization

number from us will be considered unauthorized and a breach of this agreement and we will have no liability for said repairs.

You agree to charge a shop labor rate of \$ (Posted) per hour and will accept as full settlement the flat rate time in hours as stated in applicable national repair manual(s) and provide all parts at manufacturers suggested retail parts pricing or less.

You further agree to collect the amount deductible shown on the Declarations Page, plus any items not covered under the service contract. It is agreed that all claims not submitted to us within a 90-day period from the date of the performance of the services will not be honored by us and we shall have no liability for such claims.

5. Western Service Contract Corporation assumes no obligation for the workmanship, quality of repairs or replacement parts, nor for any bodily injury or property damage caused directly or indirectly by 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 Service Contract.
6. We will not be responsible for your expenses such as rentals, transportation facilities, local license fees, adjustments by you or any other of your expenses whatsoever unless specifically included in the service contract.
7. This Agreement supersedes all previous Agreements, either verbal or written, between us and you. This agreement will not be amended by any verbal statements by whosoever made, and no such statement shall be binding upon us unless the same shall have been reduced to writing and signed by an officer of ours.
8. Except under Number 2, this Agreement may be terminated by either party hereto by giving the other party thirty (30) days' written notice of such termination by United States mail, postage prepaid, addressed to the last known address of the other party.
9. In the event of our default in the performance of any of the terms, covenants or conditions of this Agreement, you will not later than five (5) days after knowledge of such default notify in writing the insurer with a statement of the facts showing such default.
10. We agree that, subject to reservation of rights, in the event you are sued by the holder of the service contract claiming erroneous denial of coverage under the terms of said contract, we will provide a legal defense to you in such action if the following conditions have been met:
 - a) The allegations in the complaint arise out of the alleged failure or refusal to honor a claim which should have been provided or paid pursuant to the terms of the service contract.
 - b) You will warrant and represent to us that you have made no misrepresentation to the service contract holder concerning the Vehicles or concerning the terms of the coverage under the service contract.
 - c) The claim was presented to us for acceptance or denial and we deny that the claim on the grounds that the claim was not within the terms of the service contract.

- d) You cooperate fully and fairly with our defense of the action, including but not limited to providing us or our legal counsel defending the action, with all pertinent documents, statements and records.

We will not provide a legal defense for any claim made by the contract holder or other party which does not arise out of the failure or refusal to honor a claim within the terms of the service contract, and with respect to such claims you agree to provide your own defense.

11. You shall hold harmless, indemnify, and defend us against all claims, liability, damage, costs, and expenses (including attorneys' fees) caused by you and/or your employee's act or omission to act which arises from any service contract which is not reported to us or which is the result of an act or omission to act of the Dealer or Dealer's employees or representatives.
12. This Agreement shall be controlled by and construed under the Laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have hereunder set their hands and seal this _____ day of _____, 19____.

WITNESS:

DEALER

By: _____

COMPANY

By: _____

/msummers/wsd/agr

WESTERN SERVICE CONTRACT PRODUCER INFORMATION

Producers Name: _____
 dba: _____
 Address: _____
 City/State/Zip: _____
 Telephone Number: _____
 Fax Number: _____

- Sole Proprietorship
- Partnership
- Corporation

Tax I.D. #: _____

Principals Name, Address & Phone Number (Home):

1. _____ _____ _____ (____) _____	2. _____ _____ _____ (____) _____
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Franchises:

1. _____ 2. _____ 3. _____	4. _____ 5. _____ 6. _____
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Return to: **WESTERN SERVICE CONTRACT**
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Menlo Park, CA 94025
(650) 780-4800
(800) 543-5225
Fax: (650) 780-4848