



Key Auto Protection
850 E. Cliff Road • Suite 102
Burnsville, MN 55337

SELLER AGREEMENT

Seller ID # _____
(Will be Issued by Key Auto Protection)

This Seller Agreement (herein referred to as the "Agreement") is executed this _____ day of _____, 20____, by and between the Company; Key Auto Protection, 850 East Cliff Road, Suite 102, Burnsville, MN 55337 and the Seller.

Business Name _____ Dealer License# _____

Address _____

City _____ State _____ Zip _____

Phone# (____) _____ Fax# (____) _____

E-Mail _____

Contact Person _____ Phone# (____) _____

WHEREAS, Key Auto Protection (herein referred to as the "Company") offers an engine and transmission product warranty program to automobile purchasers which is marketed through various retail sellers; and

WHEREAS, the above designated Seller desires to market Company Program(s) in conjunction with retail vehicle sales; and

WHEREAS, the Seller has reviewed and approved the Company Program(s) and desires the services of the Company; and

WHEREAS, the Company desires to assist the Seller in the marketing, installation, maintenance, and administration of Company Program(s).

NOW THEREFORE, in consideration of the promises and covenants contained herein, the parties agree as follows:

I. DEFINITIONS

The following words and phrases shall have special meanings when used in this Agreement: 1. "Program" means Company designed products and services, including the Company's system of marketing and administration of Product Warranties; 2. "Warranty" means an engine and/or transmission Product Warranty sold by Seller under this agreement; All Warranties are between the Company and the Warranty Holder; 3. "Warranty Holder" means the customer to whom the Seller sells a Product Warranty, covering the product sold by the Seller, or any authorized assignee of such customer; 4. "Product Warranty Remittance" means the fee specified in the Seller Cost Guide in force on the effective date of each Product Warranty. The fees which constitute the Product Warranty Remittance are subject to revision at any time at the sole option of the Company; 5. "The Company" is the provider of the product and the administrator of the Product Warranties, and claims thereunder. 6. "The Seller" is the retail seller of the Product Warranty to the customer.

II. TERM OF AGREEMENT

1. This Agreement shall be effective on the date stated at the beginning of this Agreement and shall continue in force until terminated on the occurrence of any of the following conditions:

- A. The mutual agreement of the Company and the Seller;
- B. Either party giving the other party not less than thirty (30) days advance written notice of intent to terminate this Agreement;
- C. The material violation of this Agreement by the Seller, in which case, at the option of the Company, termination shall be effective immediately. Material violations include but are not limited to, fraud or misconduct on the part of the Seller, filing of a petition in bankruptcy by or against the Seller, assignment of Seller's assets for the benefit of creditors, the sale of stock or assets which constitute a controlling interest in the Seller's business, or merger or transfer of Seller's business to a successor person or entity;

- D. Whenever any regulatory agency requires the termination of this Agreement, in which case termination shall be effective immediately.
- 2. In the event of termination of this Agreement, all obligations of the Seller and the Company shall continue with respect to Product Warranties issued prior to the termination date, provided that properly completed registrations and Product Warranty Remittances have been approved and received by the Company.

III. RESPONSIBILITIES OF COMPANY

- 1. The Company will prepare and supply to the Seller all reasonably required quantities of Key Auto Protection product, Product Warranty registrations, promotional materials, and other necessary materials and forms required to implement the Program(s).
- 2. Company shall make available a telephone number to enable Warranty Holders to contact the administrator which shall investigate and arrange for any necessary repair of a Warranty Holder's vehicle to the extent that it is covered under the applicable Warranty.
- 3. The Seller understands that:
 - A. The Company shall obtain an insurance policy which insures that the Warranty obligations under the Company's Programs are fulfilled; and
 - B. Insurance coverage is subject to receipt by the Company of the proper Product Warranty Registration and Product Warranty Remittance from the Seller.
- 4. The Company shall provide reasonable assistance requested by Seller for marketing of the Company Program(s) selected by the Seller.
- 5. The Company shall be under no obligation to accept a Product Warranty registration or investigate or arrange for payment of repairs of any vehicle if:
 - A. The vehicle did not qualify under the then current eligibility guidelines of the Company; or
 - B. The repairs result from any of the exceptions as defined in the Warranty registration.
 - C. The Seller prepared the Warranty Registration in error or contrary to instructions; or

D. Within thirty (30) days of the date of the Registration, the Seller failed to report the sale of the Product Warranty and remit the Product Warranty Remittance to the Company.

IV. RESPONSIBILITIES OF SELLER

- 1. Seller has read and understands the Warranty Registration and Seller Cost Guide and will follow the instructions and procedures of the Company as set forth therein, including any and all additions, deletions, amendments or alternations as Company may specify from time to time.
- 2. Product Warranty Remittance
 - A. For each Product Warranty sold under the Program(s), Seller will pay the proper Product Warranty remittance and report to Company on the fifteenth (15th) and the thirtieth (30th) of each month, on forms furnished by the Company.
 - B. All Product Warranty remittances by Seller shall be made exclusively with checks payable to as set forth on the remittance form.
- 3. Seller will offer Company Programs to every retail customer who purchases a qualifying vehicle. For each Product Warranty sold, Seller agrees to remit the charges set out in the Seller Cost Guide in force on the registration date of the Product Warranty.
- 4. The Seller shall notify the administrator and request authorization before making any repairs or replacements under the Program(s).
- 5. Seller agrees to allow Company or its agents to enter Seller's place of business during normal business hours to examine all records pertaining to this Agreement, and to make such audits as Company deems necessary.
- 6. Seller understands that Company alone will determine whether a claim is approved or denied under the applicable Product Warranty.
- 7. Seller agrees to use Registrations and other Program materials in such form as is supplied by the Company and understands that Seller has no authority to make, alter, modify, waive, or discharge any terms or conditions of the Product Warranty, or such materials, or to make any representation inconsistent with the Product Warranty or such materials, nor to incur any liabilities on behalf of the Company, or its Insurer.
- 8. Seller agrees that, except as otherwise provided, Seller has no authority to use the Company's, or its Insurer's names, trade names, or logos without prior written approval from the Company.
- 9. Seller shall not violate any law, rule, or regulation pertaining to Company Program(s) in the state and/or location where Seller does business under this Agreement.

V. GENERAL PROVISIONS

- 1. In servicing, maintaining, or repairing vehicles under the Program,

Seller agrees to warrant its workmanship and quality of repairs to the Warranty Holder. Should a Warranty Holder make a subsequent claim arising out of faulty service or repairs performed by the Seller, such claim shall not be covered under the warranty, and, as among Seller and Company, the Seller shall be solely liable for the cost of such service or repairs.

- 2. This Agreement shall be deemed to have been made in and shall be governed by and construed in accordance with the laws of the State of Minnesota. Any litigation or dispute concerning this Agreement or the business or transactions contemplated under this Agreement shall be resolved in a court of competent jurisdiction with venue in the State of Minnesota, County of Dakota.
 - 3. All written notices required under this Agreement shall be deemed to be sufficiently given and effective if a copy thereof has been mailed by United States registered mail, return receipt requested, in an envelope properly stamped and addressed. Notice to the parties, directed to the attention of the signing representative, shall be sent to the respective Company or Seller addresses named in this Agreement, or such other addresses either party may theretofore have furnished by written notice to the other party.
 - 4. The Seller is authorized to offer and/or sell the following Program(s) under the terms of the Seller Agreement: Engine and Transmission Product Warranty.
 - 5. If any provision of this Agreement, or the application thereof to any entity or circumstance, shall to any extent be held invalid or unenforceable by a court of competent jurisdiction, such invalidity shall not affect any other provision of this Agreement, or the application thereof, which can be given effect without the invalid provision, or application thereof, and to this end the parties hereto agree that the provisions of this Agreement are and shall be severable.
 - 6. This Agreement constitutes the entire agreement between the parties with respect to the matters contained herein, and no prior agreement or understanding pertaining to any such matter shall be effective for any purpose.
 - 7. No provision of this Agreement may be amended or added to except by an agreement in writing signed by the parties hereto.
 - 8. This Agreement shall not be assigned by the Seller without the prior written consent of the Company.
- IN WITNESS WHEREOF, the parties have executed this Seller Agreement on the date first stated at the beginning of the Agreement.

Authorized Seller Signature _____

Print Name _____

Title _____ Dated: _____

Authorized Key Auto Protection Signature(s):

Key Auto Protection Signature Dated

Northland Representative Signature & No. Dated