



DEALER AGREEMENT

THIS DEALER AGREEMENT ("Agreement") effective this _____ day of _____ 20____ ("Effective Date") by and between Axiom Product Administration Inc., a Missouri corporation with its principal place of business at 1 Progress Point Parkway, Suite 101, O'Fallon, MO 63368 ("**Axiom**") and _____ **dba** _____ with its principal place of business located at _____ ("**Dealer**").

WHEREAS, Axiom provides or administers after-market products primarily used in the automotive industry including, but not limited to, Theft Protection, Prepaid Maintenance, Road Hazard Protection, Excess Wear and Tear Protection, Paint and Fabric and other ancillary products (jointly, the "Products" and each individually, a "Product");

WHEREAS, each Product is subject to terms and conditions including, but not limited to, the identity of the entity obligated to provide benefits to the customer (the "Obligor"), the type and amount of protection that is warranted upon purchase of the respective Product, the time period of such protection, the limitations of such protection and the manner in which a claim must be made (each a "Product Agreement");

WHEREAS, the Dealer desires to offer one or more of the Products to its customers who purchase vehicles from the Dealer ("Customer") at a price to be determined by the Dealer; and

WHEREAS, the Dealer agrees to remit to Axiom, upon the sale of each Product to a Customer, an amount to be determined by Axiom ("Dealer Cost") which will be set forth in an addendum to this Agreement ("Product Line Addendum").

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:

1. Axiom Obligations. Axiom hereby agrees to:

- a. Register, maintain, and administer each Product Agreement for each Product sold by the Dealer and for which the Dealer has properly reported, and paid Axiom as specified below;
- b. Provide to Dealer's Customers who have purchased a Product those documents, decals, membership cards or any other items not provided for in Dealer's inventory but required by the respective Product Agreement;
- c. Obtain, negotiate, and maintain any underwriting agreements and contractual liability insurance policies ("CLIPs") related to Product claims necessary to ensure regulatory compliance. The CLIPs will list Axiom or an affiliated entity as the named insured except for products deemed to be Dealer Obligor products, in which case Dealer shall be the named insured;
- d. Make available to the Dealer the Product Agreements, as well as any other forms and supplies deemed necessary by Axiom to market the Products; and
- e. Provide the Dealer with confirmation of the registration of a Customer and the respective Product purchased by the Customer.

2. Dealer Obligations. Dealer hereby agrees to comply with the following obligations:

- a. *Product Line Addendums.*
 - i. Dealer shall receive a Product Line Addendum for all available Products and the terms of such Product Line Addendums are hereby incorporated into this Agreement by this reference (Exhibit A). Dealer hereby acknowledges and agrees that any sale of a Product described within a Product Line Addendum will be interpreted as acknowledgment and acceptance of all terms and conditions contained within such Product Line Addendum. Dealer shall comply with all Product eligibility, guidelines, and restrictions set forth in the applicable Product Line Addendum. Axiom may unilaterally amend the terms of such Product Line Addendum upon notice to Dealer. If Dealer objects to such amendments, Dealer shall notify Axiom within thirty (30) days of receipt of such amendment. If Dealer does not provide notice of objection to Axiom within such thirty (30) day timeframe, such amendments shall be deemed accepted by Dealer.
- b. *Product Agreements.*
 - i. Dealer shall only offer and issue Product Agreements on qualified vehicles in accordance with and subject to Axiom's program materials including but not limited to the Product Line Addendums.
 - ii. Dealer will not state or imply that a customer must purchase a Product in order to purchase or finance a vehicle.
 - iii. Before issuing a Product Agreement to a Customer, Dealer will inspect the vehicle and correct any damage or condition that would result in payment of a claim under the Product Agreement. If during the claims process, Axiom determines that a condition existed prior to issuance of a Product Agreement, Dealer is solely responsible for the claim and shall indemnify, defend and hold Axiom harmless for all costs, losses and damages associated therewith.
 - iv. Dealer shall issue a Product Agreement for each Axiom Product sold by the Dealer. Dealer must use the most current version of the Product Agreement, as may be updated from time to time by Axiom. Dealer shall not make, alter, modify, waive, or discharge any terms or conditions in the Product Agreement or make any representations inconsistent with the Product Agreement. In the event Dealer violates the foregoing restriction and nevertheless modifies a Product Agreement or makes a representation inconsistent with the Product Agreement, Dealer shall be responsible for any claims that arise from such modification or representation. If Axiom provides coverage for a claim that the Dealer is otherwise responsible for pursuant to this Section 2(a)(iv) or any other provision stated herein, Dealer shall promptly reimburse Axiom the amount of such claim within ten (10) days of Axiom's invoice date.
 - v. Dealer shall ensure that for each sale of a Product, the Product Agreement effective date is the same date that the vehicle was sold to the Customer by the Dealer.



- vi. Dealer shall retain an original of each executed Product Agreement sold by Dealer for a period equal to the term of the applicable Contract and any additional period required by applicable state law.
- c. *Remittance.*
- i. Dealer shall submit documentation no later than the 15th of each calendar month of all Remittance Registers and corresponding AXIOM Product Agreements executed during the previous calendar month, along with a remittance check that equals the total Dealer Cost for said Product Agreements.
 - ii. Axiom and the insurers of its Products shall have no obligation or liability for any Products that are not timely remitted with the appropriate Dealer Cost. Dealer's failure to remit a Product Agreement in a timely manner may result in the application of late fees or rejection of the Product Agreement. In the event Axiom rejects a Product Agreement, Dealer shall be responsible for any claims submitted or refunds requested thereunder.
 - iii. Remittance checks must be made payable to Axiom Product Administration Inc.
 - iv. Checks, remittance forms, and registrations must be mailed to Axiom's principal place of business located at 1 Progress Point Parkway, Ste 101 O'Fallon, MO 63368 as directed by its underwriters, per the terms of any policy in place.
 - v. Dealer shall collect and remit all applicable taxes to the appropriate governmental agency. Dealer acknowledges and agrees that Axiom is not responsible for collecting, remitting, or filing any taxes associated with the sale of the Products.
 - vi. Axiom reserves the right to offset any amounts due to Dealer under this Agreement against any amounts due from Dealer under this or any other agreement(s) Dealer may have from time-to-time with Axiom or any of its subsidiaries or affiliates.
- d. *Claims Administration.*
- i. If a Customer returns to Dealer for repairs under a Product Agreement, then Dealer will contact Axiom for authorization prior to beginning any repairs. If Dealer becomes aware that a Customer intends to have anyone other than Dealer complete a repair under a Product Agreement, then Dealer will advise the Customer to contact Axiom for authorization prior to beginning any repairs. Axiom will have no obligation to Dealer with respect to repairs performed which are not authorized by Axiom in advance.
- e. *Mechanical Breakdown Repairs.* If Dealer maintains a service department and performs covered repairs, Axiom shall reimburse Dealer for the cost of such repair services at the amounts and in the manner prescribed by Axiom. Prior to commencing repairs, Dealer shall diagnose the nature and cause of mechanical breakdown and prepare an estimate of the cost of the required repairs. In preparing its estimated cost of repairs, Dealer shall utilize the agreed upon labor rate for the repair time required as specified in the recognized labor manual used by Dealer and approved by Axiom (e.g., Alldata), and the agreed upon price for required parts. In no event will Dealer increase its labor rates during the term of this Agreement unless mutually agreed upon by the parties in writing. Prior to requesting Axiom's written approval for a labor rate increase, Dealer is required to have (i) a loss ratio at or below 80% and (ii) production of at least \$250,000 worth of premium. Dealer shall obtain Axiom's prior approval before commencing any repair work for which reimbursement is sought from Axiom. In order to obtain reimbursement for repair services:
- i. Dealer must submit to Axiom a completed repair invoice not more than thirty (30) days after the date the repair is completed; and
 - ii. Dealer must warranty all workmanship and parts in connection with a covered repair Dealer performs for a period of 12 months and 12,000 miles after the date the repair is completed.
- f. *General.*
- i. Dealer shall not disclose, during the term of this Agreement or any time thereafter, any confidential, business, financial or proprietary information provided by or concerning Axiom, its affiliates, or subsidiaries, except to the extent permitted herein.
 - ii. Dealer shall comply with all applicable federal, state and local laws, regulations, rules and orders, including without limitation, consumer protection laws and any other statute, regulation, rule, or law related to the sale of such Products to consumers.
 - iii. Dealer shall (i) perform all work diligently and in a good and workmanlike manner; (ii) furnish all necessary labor, supervision, machinery, equipment, materials, and supplies, and (iii) at its sole expense, obtain and maintain all permits and licenses required by applicable law.
 - iv. If a labor rate increase for after-market Products is specifically required by law, Dealer shall provide reasonable prior written notice to Axiom before implementing the legally required labor rate increase. Dealer agrees that it may not increase its labor rates for any other reason during the term of this Agreement, unless otherwise agreed to in writing by both parties.
 - v. Dealer shall monitor its contract and claims submissions to ensure that no fraudulent contracts or claims are submitted to Axiom. Dealer acknowledges that Axiom will investigate and prosecute any and all fraud, of which Axiom becomes aware.
 - vi. Dealer shall indemnify, defend, and hold harmless Axiom, its administrators, insurers, representatives, employees, attorneys, shareholders, and directors from and against any and all claim, suits, damages, costs, judgments, settlements, and/or awards arising from Dealer's actions or inactions, including without limitation: (a) Dealer's use of any materials, products, or chemicals not provided by Axiom or its representatives; (b) Dealer's improper application or use of any materials, products or chemicals provided by Axiom or its representatives; (c) Dealer's failure to properly



and timely report to Axiom the sale of any Product; (c) any violation by Dealer, its employees, agents or representatives of any applicable statutes, regulations, rules or laws; (d) Dealer's failure to use the then-current version of a Product Agreement; (e) Dealer's negligence, willful misconduct, or fraudulent acts; and (f) any breach of this Agreement or the Product Agreement by Dealer, its employees, agents or representatives.

- vii. If Dealer elects to utilize and offer Axiom's Connected Owner Vehicle Intelligence (COVI) application to its customers, Dealer hereby agrees that it will comply with the following [Terms of Service](#), as may be updated from time to time.
- viii. Dealer shall maintain accurate records of all transactions under this Agreement and shall provide Axiom with access to such records upon request.

3. Term and Termination. The term of this Agreement shall commence on the Effective Date and shall continue in full force and effect until terminated in accordance with this Section. This Agreement may be terminated by Axiom without cause upon thirty (30) days written notice. Axiom may terminate this Agreement immediately for cause with or without notice in the event of Dealer's fraud or misconduct, failure to maintain appropriate licenses, filing of a petition in bankruptcy by or against the Dealer, assignment for the benefit of creditors, the sale of stocks or assets which constitute the Dealer's business, or merger or transfer of Dealer's business to a successor person or entity. Furthermore, the parties specifically agree that if Dealer fails to submit, on average, ten (10) Customer-executed Product Agreements per month in the first twelve (12) months of this Agreement, and each twelve (12) month period thereafter, this Agreement shall immediately terminate upon written notice by Axiom. In the event of termination of this Agreement for any reason, Dealer hereby acknowledges and agrees that any Dealer funds in Axiom's possession may be held by Axiom in an amount reasonably calculated in Axiom's sole and exclusive judgment to cover potential refund liability pursuant to this Agreement or any other agreement between Axiom and Dealer.

4. Effect of Termination. Notwithstanding any other statement to the contrary in this Agreement, the following obligations shall survive any termination of this Agreement:

- a. Axiom's obligation to register, maintain, and administer all valid sales of Products that have been timely reported by Dealer to Axiom and for which Axiom has received payment from Dealer prior to the effective date of termination;
- b. Dealer's indemnification obligations described herein; and
- c. Dealer's obligation to pay Axiom for each Product sold to a Customer prior to the effective date of any termination and to pay each Customer for each cancellation of a Product Agreement.

5. Product Agreement Cancellation.

- a. In the event of a cancellation of a Product Agreement by a Customer pursuant to its terms, in compliance with state requirements or by operation of law, Axiom agrees to refund the Dealer the unearned portion of the Dealer Cost less any applicable cancellation fees. Dealer agrees to refund Customer (or lienholder, if applicable), the unearned portion of the amount paid to Dealer by Customer less any applicable cancellation fees. Subject to any applicable statutory cancellation provision, the refund amount will be determined by the cancellation terms set forth in the Customer's Product Agreement. Refunds must be paid by Dealer within thirty (30) days of the refund request or sooner if mandated by applicable law. **If the refund is not paid in a timely manner by Dealer, Dealer is responsible for all penalties and costs due under the Product Agreement and applicable law.**
- b. Dealer's obligations to provide refunds pursuant to Holders will survive the termination of this Agreement until all Product Contracts sold by Dealer have expired or been cancelled.
- c. If after reasonable efforts, Axiom is unable to determine in its sole and exclusive opinion, that Dealer will process a Customer's refund in a timely manner, Axiom may remit payment of the refund amount determined to be due directly to such Customer (or lienholder, if applicable). In the event Axiom pays the entire amount due to the Customer (or lienholder, as applicable), Dealer will promptly reimburse Axiom the Dealer's portion of the refund within thirty (30) days. If Dealer ceases operations, Dealer shall cooperate with Axiom in establishing a reserve to cover cancellation refund requests. If Dealer ceases operations or assigns its obligations under this Agreement without Axiom's prior written consent, Dealer hereby acknowledges and agrees that:
 - i. Any Dealer funds in Axiom's possession may be held by Axiom in an amount reasonably calculated in Axiom's sole and exclusive judgment to cover potential refund liability; and
 - ii. Any successor in interest or assignee shall be responsible for Dealer's refund obligations hereunder.
- d. Dealer acknowledges and agrees that, to the fullest extent permitted by applicable law, Axiom shall have a general right of set-off for amounts owed by Dealer to Axiom under this Agreement or any other agreement against amounts owed by Axiom to or for the credit or the account of Dealer.

6. Cancellation Requirements. All cancellation requests must comply with the following:

- a. **Cancellation Form.** All cancellation requests must be submitted using an Axiom cancellation form along with any documentation necessary to process the cancellation. Dealer is required to utilize Axiom's most current cancellation form, available via the Dealer Log In on <https://axiomadmin.com>.
 - i. The cancellation form must be completed and signed by either the Customer listed on the Product Agreement, an authorized Dealer associate or both. If a cancellation form is received without a signature, the cancellation request will be denied until a signed cancellation form has been provided.
 - ii. If a Customer requests to cancel a Product, the completed and signed cancellation form, along with any documentation necessary to process the cancellation, must be received within thirty (30) days of the cancellation date listed on the cancellation form. Unless proof of prior submission is provided, any cancellation forms that are received after the thirty (30) day grace period will be processed using the date Axiom received the completed and signed cancellation form.
- b. **Additional Requirements.**



parties shall not constitute a partnership, joint venture or agency. Neither party shall have the authority to make any statements, representations or commitments of any kind, or to take any action, which shall be binding on the other party, without the prior consent of such other party.

- 12. **Dispute Resolution.** The parties agree to attempt in good faith to promptly negotiate and resolve any issue, dispute, or controversy (collectively "Dispute") arising from or relating to this Agreement. If a Dispute is not settled by negotiation, at Axiom's election, the Dispute may be resolved by arbitration in accordance with the Commercial Rules of the American Arbitration Association currently in effect before a single arbitrator. The demand for arbitration will be filed in writing with the other party and with the American Arbitration Association. The arbitrator will apply the substantive law of Missouri without regard to any conflict of laws provision. The arbitration will be governed by the United States Arbitration Act, 9 U.S.C. § 1 et. seq. The arbitration will be held in St. Louis, Missouri at a location determined by the arbitrator. A demand for arbitration must be made within forty-five (45) days following conclusion of the Negotiation Procedures. Arbitration may involve, by consolidation or joinder, any third party whose presence is necessary to provide full relief to any party, including a subcontractor, even though not a party to this Agreement. The award rendered by the arbitrator will be final and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction. Each party will pay its own costs and attorney's fees of the arbitration. The Parties agree that the following Disputes are not subject to the above provisions concerning informal negotiations and binding arbitration: (a) any Disputes seeking to enforce or protect, or concerning the validity of, any of the intellectual property rights of a Party; and (b) any claim for injunctive relief.
- 13. **Governing Law.** This Agreement shall be governed by, interpreted under and construed and enforced in accordance with the laws of the State of Missouri, without regard to its conflict of law principles. Each Party hereby consents and subjects itself to the jurisdiction of the U.S. District Court for the Eastern District of Missouri or the Saint Louis County Circuit Court of the Missouri State Courts with respect to any claim or cause of action arising out of this Agreement.
- 14. **Prevailing Party.** In the event of any legal proceeding to enforce or defend any rights under this Agreement, the prevailing party shall be entitled to receive from the non-prevailing party all reasonable, expenses and attorney's fees actually incurred by the prevailing party in connection therewith.
- 15. **Waiver; Interpretation.** Except as otherwise set forth in this Agreement, no failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights and remedies provided by this Agreement shall be cumulative with and in addition to any other rights and remedies which Axiom may have at law or in equity. 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. Each party recognizes that this Agreement is a legally binding contract and acknowledges that such party has had the opportunity to consult with legal counsel of choice. In any construction of the terms of this Agreement, the same shall not be construed against either party on the basis of that party being the drafter of such terms.
- 16. **Execution in Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but both of which together shall constitute one and the same document. The parties hereto agree that for the purposes of this Agreement, facsimile or electronic transmission of any parties' signature on said Agreement shall be accepted as the original thereof and shall be binding.
- 17. **Entire Agreement.** No change or addition to this Agreement shall be binding upon either party unless agreed to in writing and signed by both parties hereto. This Agreement (and any addendums attached hereto) constitutes the entire agreement between Dealer and Axiom as to the subject matter hereof and supersedes all previous understandings, agreements, and communications, both oral or written. Dealer may not assign or delegate its rights or obligations pursuant to this Agreement without the prior written approval of Axiom. Notwithstanding the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns and any reference to a party shall also be a reference to the successors and assigns thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

AXIOM PRODUCT ADMINISTRATION INC.

Signature: _____

Printed Name: Courtney Krus

Title: Vice President National Sales – Dealer Channel

Date: _____

DEALER: _____

Signature: _____

Printed Name: _____

Title: _____

Date: _____