



Zero Plan Retailer Group Agreement

This Zero Plan Retailer Group Agreement ("Agreement") by and between Universal Lenders, LLC an Illinois Limited Liability Company ("Universal") and the Parties named below ("Retailer") is effective as of _____.

WHEREAS, Universal is a premium payment plan provider in the business of purchasing Note & Contract ("Note") from Retailers who sell service agreements and other protection products ("PP"); and

WHEREAS, Universal is offering a program called The ZERO Plan® to provide an installment payment option for the purchase of PPs sold to consumers by Retailers; and

WHEREAS, Retailer wishes to offer its customers the ability to make installment payments for the purchase of PPs using Universal's ZERO Plan® under the terms and conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency are hereby acknowledged, Retailer and Universal agree as follows:

A. **Retailer Representations**

1. Each Note offered to Universal for purchase arose from the purchase of a PP by a customer of Retailer.
2. The down payment disclosed on each Note was paid in cash or its equivalent and no part of it was loaned or financed, directly or indirectly, by Retailer to or for the customer.
3. At the time of purchase, the customer had the capacity to contract.
4. The signatures on each Note are genuine.
5. All contracts executed by customers shall comply with any State or federal laws applicable to the customer or customers.
6. If the original documents were delivered to Universal in a digital format without a signature then the original executed documents will be retained by Retailer on behalf of Universal for a minimum of four years from the contract date found on the documents and Note. Verbal contracts secured by Retailer over the telephone will require the Retailer to keep a recorded record of the customer acceptance for four years from the date found on the Note.

B. **Mutual Representations**

1. Retailer is not obligated to offer Notes for sale to Universal.
2. Universal is not obligated to purchase such Notes for PPs from Retailer.
3. Universal makes no representation or warranty as to the interpretation, enforceability or validity of the Note or any related form or document under any law(s) of any state(s) and Retailer hereby agrees to bear and to assume, the sole and exclusive risk of examining any local law(s) which may affect the interpretation, enforceability or validity of the Note.

C. **Retailer Responsibilities**

1. Retailer agrees to comply with Universal's current ZERO Plan® Note Terms, a copy of which is attached as Exhibit A to this Agreement, which Universal may revise from time to time giving Retailer a minimum of thirty days notice.
2. Retailer will only offer customers who desire to participate in the ZERO Plan® program PPs administered by organizations ("Administrators") which have been approved in advance by Universal.
3. Within ten business days of the date of execution, Retailer will present to Universal for assignment and payment executed Notes which use Universal's then current ZERO Plan® Note & Contract form.
4. Within ten business days of the date of execution, Retailer will present the PPs which are the subject of such ZERO Plan® Notes to Administrators with Universal noted as the Lien Holder and will provide a copy of the PP to Universal along with the Note.
5. Retailer will comply with all of the Administrator's terms and requirements for the PP, will present the PP to the Administrators in the time required by the Administrators and will pay the full cost of the PP in the time required by the Administrators.
6. Retailer agrees to fully comply with the Federal Truth In Lending Act and all applicable state and local laws that pertain to consumer finance and the financing of PPs. This includes any state required licensing needed to sell Notes to Universal.
7. The ZERO Plan® is intended to provide that the customer will incur no finance charge when purchasing a PP. Retailer accordingly agrees to offer customers the same price on all PPs whether they choose to participate in the ZERO Plan® to finance a portion of the price or they choose to pay the full price in cash or its equivalent. Retailer agrees that under no circumstances will there be a price reduction on a PP offered to a customer who elects not to participate in the ZERO Plan®.
8. Upon cancellation of a PP by the customer or for a default by the customer under the terms of the Note, Retailer agrees to timely issue a check made payable to Universal for the lessor of (i)the Customer's account balance or (ii)the full pro rata refund of the PP retail sales price based upon time, and not upon elapsed miles and pursuant to any additional terms and conditions of the PP. Retailer acknowledges that Universal may agree to finance PPs that contain no cancellation provisions. In these cases the Retailer agrees to issue a pro rata refund of the unused product warranty or benefit bestowed at the time of sale to the customer. In all cases where a PP is financed with no cancellation provision the Retailer agrees to use a 60 month term to calculate the pro rata cancellation refund.

In addition, should the terms of a PP call for a reduction in the pro rata refund amount for any claims paid or pending under the policy, Retailer agrees to disregard these terms and pay the lessor of the Customer's account balance or full pro rata refund without regard to the reduction of the refund amount by the amount of any claims paid or pending. The Retailer acknowledges that the responsibility and obligation of the Retailer to issue the above defined full pro rata refund to Universal is not contingent on Retailer receiving any reimbursement from the Administrator, Warrantor, Manufacturer or insurer of the PP.

9. Retailer will pay to Universal all cancellation refunds upon demand. Should payment not occur within 30 days of demand a late payment fee will be assessed on the unpaid amounts of 2% per month of the unpaid amount until paid.

D. **Universal Responsibilities**

1. Within seven business days after receipt of a Note for a PP and the required forms, and providing there are no material errors on the documents, Universal shall pay to Retailer an amount equal to the unpaid balance on each Note for a PP it elects to purchase from Retailer, less Universal's fee.

E. **Indemnification and Damages**

1. In the event of any breach of any responsibility or representation of the Retailer, Retailer will re-purchase and accept a re-assignment of the Note from Universal by paying to Universal any amount due from the customer at the time of the Retailer's breach. The obligation of re-purchase and re-assignment includes, but is not limited to, where Retailer has failed to submit the subject PP to the Administrator or failed to pay the Administrator for the PP in a timely fashion or where Retailer fails to forward a refund triggered by a customer default or cancellation.
2. The Parties agree to indemnify and hold each Party harmless from any and all claims, costs, and expenses, including reasonable attorney's fees arising out of any customers' and/or other third parties' claim, action, suit or the like, relating in any way to the sale of a PP to the customer and the financing contemplated within.
3. The prevailing Party shall be entitled to reasonable attorney's fees and costs in any proceeding to enforce or collect under this paragraph and Agreement.

F. **Term and Miscellaneous**

1. This Agreement shall be effective upon its execution by the parties and is binding upon the parties' successors and assigns.
2. Either party may terminate this Agreement without cause on thirty days' written notice.
3. All Parties named below acknowledge joint and several liabilities for all obligations of each party under this Agreement.
4. Universal may terminate this Agreement immediately upon Retailer's breach of this Agreement, or for acts of fraud or intentional dishonesty directed to Universal or to Retailer's customers, including without limitation Retailer's failure to submit a PP to the Administrator or to pay the Administrator for a PP in timely fashion.
5. The provisions of this Agreement, including without limitation provisions concerning PP cancellation refund checks, will continue to govern all PPs purchased by Universal under this Agreement and not reassigned to Retailer after this Agreement is terminated.
6. The person executing this agreement has full power and authority to sign and deliver this Agreement as a corporate officer or Member for each of the corporations named below and thereby bind them hereto.

UNIVERSAL LENDERS LLC

Business Entities Listed Below

By: _____

Signature _____

Its: _____

Printed Name: _____

Printed Name: _____

Title: Corporate Officer or Member for each Corporation listed below.

Corporation Name: _____ Domicile State _____

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