



Dealer-Lender Agreement

This Agreement made and entered into at _____, _____,
(Dealer City) (Dealer State)
this _____, 20_____, by and between the party providing financing,
(Today's Date)
for the sale of motorcycles and automobiles ("UNITS") hereinafter called the "Lender" and
_____ hereinafter called the "Dealer".
(Dealer's Name)

WTNESSETH THAT the parties (Lender and Dealer) hereto **AGREE** as follows:

1. The Lender's service company, Lotus Preferred Funding, Inc, will make available to the dealer loan credit applications, retail installment contracts and security agreements for promissory notes and disclosure statements, rates and other documents and information pertaining to the program on Units for the purpose of facilitating the Dealer's sales for the financing of new and used units.
2. A retail buyer of the Dealer desiring to finance a purchase of a unit will be given disclosures by Dealer and complete a loan at the Dealer's place of business or online at the Lender's website "www.lotuspf.com". Lender has the right to accept or reject the application. After approval by the lender, and upon delivery of the unit to the buyer, the Dealer is Authorized to deliver to the Lender all necessary documents required by the lender, including but not limited to the promissory note and the disclosure statement, or retail installment contract and security agreement, the Certificate of Title in the buyers name and the Lender's notation of lien thereon, or instruments necessary to obtain such title, and those required documents as illustrated on the Check List. Upon receipt of these documents in a form acceptable to the lender, the dealer will receive as a disbursement from the loan proceeds, the monies due from the transaction.
3. The Dealer has all necessary licenses or permits to perform its obligations hereunder and will maintain them. The Dealer hereby warrants each note, or sales contract and disclosure statement and loan credit application furnished hereunder to the Lender as being genuine and what they purport to be; that they arose from the sale of the Unit which has been delivered; that the terms of the sale stated therein are correct; that the unit being financed is clear of all encumbrances, other than that of the lender and is not subject to any claim or cancellation; that the borrower or borrowers have the legal capacity to the contract; and that the down payment is in cash unless otherwise clearly indicated. All sales transactions and obligations of the dealer hereunder are in full compliance with all applicable laws, rules and regulations, and policies of Lender.

If any of the foregoing warranties shall be found untrue or fraudulent, the Dealer shall pay to the Lender upon demand an amount equal to the net unpaid balance owing on the transaction involved, plus any transactional and/or legal recovery costs and expenses paid or incurred by the lender in remediation of such events.

4. This Agreement shall be effective as of the date of its execution by both parties, and shall apply to all loans made by the Lender hereunder, and also shall apply to all Dealer-type loans referred to the Lender by the Dealer, and made by the Lender prior to the effective date hereof. This agreement shall continue in force until terminated at the election of either party by thirty (30) days notice in writing to the other, provided however, that any such termination shall not affect the respective rights and obligations of the parties with respect to loans made by the Lender prior to the effective date of the termination.

5. This Agreement shall be binding upon and insure to the benefit of the parties hereto, and their respective successors and assigns. Dealer may not sell, transfer or assign this agreement without prior written consent of the Lender. Any amendment hereto must first be authorized, approved and signed by the Lender before it becomes effective.

6. Dealer will make its books and records pertaining to loans submitted to Lender available to Lender. Dealer will keep all information generated pursuant to this Agreement, including customer information or lists, confidential and will not use or disseminate any such information. Any bankruptcy or dissolution actions contemplated by the Dealer will first be communicated with the Lender with 45 days advance notice.

7. Dealer Representations and Warranties

- If the dealership is a limited liability company (LLC) or a corporation, it is and will remain in good standing in the state of its organization or incorporation, as applicable, and if such state is other than where any of Dealer's place of business is located, Dealer is and will remain qualified as a foreign organization or corporation, as applicable, in good standing in such state. Dealer has obtained the necessary approval from the company's members/managers or the necessary resolution of its Board of Directors, as applicable, and all other consents or approvals to enter into and execute the terms of this Agreement. Dealer will provide a copy and periodic updates of its license to Lender and will notify Lender of any adverse changes to its corporate license standing within seven (7) days of receipt.
- It is properly and currently licensed and/or bonded and/insured to finance and sell new and/or used motor vehicles and to perform all acts contemplated hereby in the state(s) where it conducts its business.
- All business practices, acts and operations of Dealer, including the sale and financing of insurance or any other coverage, the sale and financing of automobiles and all contracts and disclosures are in compliance with all applicable federal, state and local laws, regulations and ordinances, included but not limited to, the Fair Credit Reporting Act, the Equal Credit Opportunity Act and Regulation B, the Truth-in-Lending Act and Regulation Z, and applicable FTC rules and regulations.
- Any credit information supplied by Dealer or to the Buyer is true, complete and accurate to the best of the Dealer's knowledge.
- The Vehicle and all options therein are accurately described in the Contract, the title to the vehicle does not indicate that it is a salvaged vehicle, that the odometer has been rolled back, that the vehicle has had significant flood or other damage or any other fact that would have a significant adverse effect upon the value of the vehicle and such Vehicle was delivered by Dealer and accepted without condition or reservation by Buyer(s).

- The Credit Application, Sales Agreement and all supporting documents submitted for each Vehicle accurately reflects the items purchased, all options and the terms and conditions of such purchase and Dealer has not misrepresented the description or any of the terms and conditions of such purchase.
- Each purchase of a Vehicle funded by a Loan will arise out of the sale of vehicles which Dealer owned at the time of such sale free of any security interest and had legal right to sell, free and clear of all claims, counterclaims, offsets, defenses, and charges, except floor plan obligations, which Dealer will satisfy within 7 days upon vehicle sale.
- If applicable, the Note and Security Agreement will be signed by a legally eligible and legitimate Borrower who 1) had legal capacity, 2) is at least 18 years of age, 3) was not under the influence of alcohol or drugs and 4) was of sound mind to enter into a contract.
- Dealer warrants that he/she verified by all appropriate identification and authorization inquiries all borrowers entering the loan application process, including valid and current government-issued identification documents.
- Dealer will be responsible for the remittance of sales, use and other state taxes and fees due to the appropriate state or local agency as a result of each purchase of a Vehicle by a Borrower funded by a Loan.
- Dealer will not accept Loan payments from any Borrower; nevertheless, if they are received will immediately direct all such payments directly to LPF.

8. Consumer Privacy

In compliance with Gramm-Leach-Bliley Act, Dealer and Lender shall refrain from disclosing to any non-affiliated third party any information obtained from Dealer and Lender regarding Buyers or Borrowers, as applicable. Notwithstanding the foregoing, under limited circumstances, designated and approved third parties will be permitted to release such information provided that any such release is necessary to deliver, administer, or enforce such services which such designated and approved third parties provide to Lender and Dealer, and provided that any release of such information is made in strict compliance with Federal and state law. In addition, these designated and approved third parties also agree that they will not allow any such information to be used by any party other than by the officers, employees, and/or authorized agents of such designated and approved third parties, and then only as necessary to provide the services defined under this agreement.

9. Relationship

This Agreement does not create a partnership, joint venture, agency or employer/employee relationship between Dealer and Lender. Dealer is not granted any express or implied right(s) and/or authorities to legally bind Lender in any manner whatsoever.

10. Enforceability

If any provision of this Agreement is found to be illegal, invalid or unenforceable, it shall be ineffective only to the extent of such illegality, invalidity or unenforceability without invalidating the remaining provisions of this agreement. Should Lender waive or delay exercising any of its rights within this

agreement, such actions do not constitute a waiver of any other of the Lender's rights under this Agreement. This Agreement shall be binding upon Dealer, its successors, heirs, and personal representatives; provided however that no obligations or liabilities of Dealer hereunder can be assigned without prior consent and signed approval of Lender; this consent or lack thereof is at the sole and complete discretion of the Lender exclusively.

11. Indemnity

If any claim or defense of the purchaser against Dealer or the manufacturer of the item is asserted against Lender, if any covenant, warranty or representation in this Agreement is untrue or breached, if any credit application, contract or sales slip contains a misrepresentation or misstatement of material fact, if any person makes a claim against Dealer alleging facts which, if true, would be a breach of any covenant, representation or warranty contained in this Agreement, if Dealer makes any settlement on a contract or sales slip with a Purchaser without Lenders prior written consent, if Dealer discloses any part of this Agreement to a Purchaser, or if Dealer fails to perform any obligations it has under contract or sales slip, Dealer agrees to indemnify and save Lender harmless from all loss, costs and expenses arising there from (including, without limitation, reasonable attorney fees), and, if Lenders request, Dealer shall assume the burden of resisting or defending against any claim at Dealer's sole cost and expense.

12. Assignment

Lender may, without the prior written consent of Dealer, assign this Agreement to any subsidiary or affiliate if such assignment is the result of an internal corporate reorganization and the assignee has sufficient legal authority, and financial, managerial and operational capacity to perform the assignor's obligations hereunder. Dealer is not permitted to assign, transfer, set over, pledge or grant any interested in this agreement.

IN WITNESS WHEREOF, the Dealer has caused this Agreement to be executed by its officer duly authorized on the premises the day and year first above written, with the understanding that Lotus Preferred Funding, Inc shall maintain the original of this Agreement for signing, which shall constitute an executed original when signed by the Lender.

Name of Dealership _____

Dealership Authorized Print Name _____

Dealership Authorized Signature _____

Date _____

Name of Lender _____

Lender Authorized Print Name _____

Lender Authorized Signature _____

Date _____