



SERVICE FINANCE COMPANY, LLC

SFC MASTER
DEALER AGREEMENT

This Master Dealer Agreement is entered into between Service Finance Company, LLC (“SFC”) located at 555 S. Federal Hwy, Suite 200, Boca Raton, Florida 33432, a Florida Limited Liability Company, and _____ located at _____ (the “Dealer”) as of this _____ day of _____, _____

The parties agree to the following terms:

1. **Representations by Dealer.** In consideration of SFC ’s purchase of financing contracts, including, but not limited to the retail installment contract, security agreements and or other obligations ("Instruments") assigned or endorsed by an authorized signor for Dealer which are accepted by SFC and which arise out of the retail sale and delivery of merchandise and other equipment or Services ("Merchandise") by Dealer, **DEALER WARRANTS THE FOLLOWING:**

- a. The Instruments will represent bona fide sales and deliveries to the buyer (“Buyer”) named on the Instruments and Merchandise shall not be delivered to Buyer on a trial

555 South Federal Highway Suite 200

Boca Raton, Florida 33432

basis. A Buyer is any person who is obligated to pay for Merchandise under the Instruments.

- b. Sales and deliveries will be free from set off or counterclaim of any nature.
- c. The Buyer was of legal age and competent to execute the Instruments at the time of execution.
- d. The Instruments are not subject to the right of rescission or cancellation by the Buyer.
- e. Buyer will have paid, in cash, by credit card, or personal check, down payments shown on the Instruments. That there is no cash back or "refund" to the Buyer by the Dealer from the proceeds provided by SFC.
- f. Instruments must be fully completed. All Instruments must be provided to SFC on a timely basis so as to allow perfection of a purchase money security interest in the Merchandise.
- g. The person signing below has full power and authority to bind Dealer to the terms of this Master Dealer Agreement.
- h. The Merchandise purchased by Buyer will have been carefully and properly installed, inspected, and adjusted to factory recommendations and in the case where the city, county or state requires a building permit, said building has been pulled and finaled by the governing authority.
- i. The person who executes the Allonge assigning all of the Dealer's right title and interest in and to the Instruments to SFC shall be an employee of the Dealer and shall have full and complete authority to bind the Dealer with respect to such assignment . The Dealer shall deliver the original of the Allonge , fully executed, to SFC as a precondition to SFC's obligation to fund its purchase of the Instrument as provided hereinafter."
- j. Dealer has not made any oral or written warranties, guarantees, or promises regarding the Merchandise, without providing SFC a copy of all such warranties, guarantees, or promises.

555 South Federal Highway Suite 200

Boca Raton, Florida 33432

k. Dealer has complied with all warranties on the Instrument.

l. In the event Dealer is a member of or participant in an association of dealers designed to enhance Dealer's marketing and sales efforts in any form ("Association"), Dealer hereby authorizes SFC to obtain any and all information it may request with respect to Dealer, its owners, officers, employees and general business operations from the management of the Association from time to time prior to the execution of this Agreement and during the term hereof.

2. **Credit Application.** Dealer must submit to SFC a completed credit application on all prospective Buyers on HUD form 56001 or such other form as SFC may specify. Submission of such completed credit application constitutes Dealer's offer to sell the resulting Instrument to SFC. SFC will accept credit applications only for Buyers who qualify pursuant to FHA guidelines, and who have a verifiable residential telephone. SFC has full authority to accept or reject any credit application or require any additional information it deems necessary. Approvals, once issued in writing by SFC, are valid for no more than 90 days from the date of approval. By issuing an approval, SFC has indicated its agreement to purchase the resulting Instrument from the Dealer subject to the satisfaction, within SFC's sole and absolute discretion, of all SFC's requirements including, but not limited to, its receipt of completed originals of all documents required to be signed by Buyer and Dealer pursuant hereto or in connection with the financing of the Instrument (including wet signatures), all stipulations, the first payment pursuant to the Instrument and the completion of two telephone interviews with Buyer as required by FHA guidelines.

3. **Purchase Price.** Dealer understands that SFC purchases Instruments at various discounts. Dependent on an individual Buyer's qualifications, discounts will increase incrementally with Buyer risk. SFC will determine the discount to be applied to each Instrument and include that information on the written approval provided to the Dealer pursuant to Section 2, above. Upon submission of satisfactory proof of any error in computing the purchase price of any Instrument, Dealer or SFC, as the case may be, shall reimburse the other for any sum due. In some cases SFC will offer a compressed discount to the Dealer Network.

4. **Non-Recourse.** SFC purchases approved applications without recourse to Dealer except where Dealer breaches any of the representations or warranties of Dealer as set forth in Paragraph 1 above.

555 South Federal Highway Suite 200

Boca Raton, Florida 33432

5. **Events of Default.** In the event Dealer breaches any of the representations contained in Paragraph 1 above, the following shall apply: (a) within 10 days of SFC's written request, Dealer will repurchase any Instrument which violates the terms of Paragraph 1 above, for the original amount advanced to Dealer, plus accrued interest at the contract rate and all related legal costs and other expenses that SFC has incurred and paid, less all payments previously made ("Repurchase Price"); and (b) if Dealer fails to pay the Repurchase Price within ten (10) days of SFC's written request, SFC may sell the Instrument by public or private sale on twenty (20) days notice or such notice as the law requires in accordance with the Uniform Commercial Code of the State of Florida. To the extent permitted by law, at such sale, SFC may bid for and purchase the Instrument and the net proceeds will be applied against the total amount owing on the Instrument. Dealer must pay any deficiency and is entitled to any surplus, after all costs and fees incurred by SFC are subtracted; and (c) SFC may elect to pursue any other legal remedy available to SFC either together with or instead of the remedies set forth above, including but not limited to, pursuing legal action against Dealer, and in such event Dealer shall pay all attorneys' fees, court costs, or other expenses incurred as a result of SFC pursuing such legal action.

6. **Documentation.** Dealer is responsible for the completion and collection of all loan documents and Instruments as required and provided in the documentation used by SFC and federal, state, or local lending laws or regulations governing commercial, agricultural or consumer use transactions, whichever apply to a particular situation.

7. **Purchase of Instruments.**

a) All of Dealer's right title and interest in the Instrument shall be purchased by, and transferred to SFC, as owner, as of the date of the Allonge executed by the Dealer and received by SFC. Upon receipt of the Allonge, SFC shall verify that all documents related to its purchase of the Instrument have been received, are correct, and Buyer is satisfied with the work performed.

b) In consideration of its purchase of the Instrument from the Dealer as set forth above, SFC will remit all amounts due Dealer (the face amount of the Instrument less the appropriate discount fee, filing fees (if any), insurance fee and mailing or other delivery charges) directly to the Dealer on the next

555 South Federal Highway Suite 200

Boca Raton, Florida 33432

scheduled funding date. SFC reserves the right to change the funding dates from time to time within its discretion.

8. **Condition of Payment.** If Dealer defaults under this Agreement or if SFC deems itself to be insecure with Dealer, SFC shall give written notice of such event to Dealer. SFC may withhold any amounts due to Dealer under this Agreement until such time as the problem has been cured.

9. **Right to Reject.** SFC reserves the right to reject any credit application or Instrument, which reflects any term other than the specified financing terms agreed upon by Dealer and SFC, does not meet the credit standards established by SFC from time to time, or does not meet FHA guidelines.

10. **No Agency.** Dealer and SFC acknowledge that they are not agents for one another and therefore they are not bound by any agreements made by one another with third parties unless prior written approval has been given. Dealer and SFC specifically agree to indemnify and hold one another harmless from any damages each may incur as a result of claims made by any third party in contravention of this paragraph, including recovery of any expenses and attorney fees incurred by either party to defend against such claims. SFC will provide a report listing each loan funded for the period and the earned commission. SFC may at its sole discretion pay fees on a monthly basis.

11. **Assistance.** If at any time during the term of an Instrument a Buyer does not make payments to SFC because of service problems, Dealer agrees to work with SFC to provide all reasonable assistance, when requested, to have Dealer perform one on site service call at no cost to either SFC or to the customer. If it is determined that the service problem is directly related to faulty installation or equipment/goods under warranty, Dealer will make all necessary corrections at no cost to SFC or Customer.

12. **Payments.** SFC shall receive all post-assignment payments from Buyers on assigned Instruments and Dealer may not accept payment unless SFC specifically authorizes it. Dealer must endorse and forward immediately to SFC all such checks or other payments received by Dealer.

555 South Federal Highway Suite 200

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SFC may endorse or cause to be endorsed Dealer's name on checks delivered as payments on Instruments in order to carry out the purposes of this Agreement. Dealer will make suitable and proper entries on its books showing the absolute sale of Instruments to SFC. SFC's title to Instruments and Merchandise covered by the Instruments is at all times to be superior to any right, title or lien of Dealer, if any, to Instruments and Merchandise.

13. **Amendment.** SFC has the right to change this Agreement from time to time, and the right to submit a new Master Dealer Agreement to Dealer at any time. If Dealer refuses to accept the changed terms or to execute the revised Master Dealer Agreement, SFC has the right to terminate this agreement and/or the Dealer Agreement if it deems this necessary. However, any change to this Agreement or any new Dealer Agreement which alters the terms of this Agreement, does not apply to Instruments SFC has purchased prior to the effective date of such change unless Dealer consents in writing.

14. **Confidential Information.** Each of the parties agrees to treat the terms of this Agreement and all information concerning the other party that is furnished or made available to a party in connection with this Agreement as confidential. However, Dealer grants SFC the right to provide information to its agents, partners, lenders and service providers regarding customer credit applications originated through the Dealer, whether approved credit, the grading of the credit, whether the Instruments were funded, delinquency information and other information which may be requested by or deemed appropriate and necessary by SFC.

15. **Dealer's Indemnification.** Dealer agrees to defend and indemnify SFC from and against (i) all claims, liabilities and obligations of every kind and description, including legal fees and costs incurred by SFC, arising out of or related to Dealer's business practices or arising out of Dealer's failure to comply with applicable laws and regulations, whether brought by a customer, regulatory agency or other person; (ii) all damage or deficiency resulting from any material misrepresentation, breach of warranty or covenant, or non-fulfillment of any agreement on the part of Dealer under this agreement; and (iii) all actions, suits, claims, proceedings, investigation, audits, demands, assessments, fines, judgments, costs and other expenses (including, without limitation, reasonable audit and attorneys' fees) incident to any of the foregoing.

555 South Federal Highway Suite 200

Boca Raton, Florida 33432

16. **Other Terms.** Dealer waives notice of customer nonpayment; protest and notice of protest of Instruments by a customer; notice of the acceptance of this Agreement; and all other notices and demands to which Dealer might otherwise be entitled by law. SFC may hold and apply any money, property, or Instruments of Dealer that come into SFC's possession to any amounts that Dealer owes SFC. If SFC fails to exercise any rights granted under this agreement, SFC does not waive such rights, but all rights and remedies are cumulative and not alternative. SFC is not responsible for the legal validity or sufficiency of any forms or other documents that may be furnished to the Dealer for Dealer's convenience. No waiver, modification, or change of this agreement is valid unless accepted by Dealer and SFC in writing. This Agreement and other transactions between the parties are governed and construed according to the internal laws of the State of Florida. Any legal action deemed necessary by any party shall be brought in the Circuit Court in and for Palm Beach County, Florida and the parties consent to the personal jurisdiction of that court. If a Dealer is brought in as a third party in a suit against a debtor, Dealer consents to the jurisdiction of the court where the suit is brought or other appropriate venue for debtor suits.

17. **Termination.** Either party may terminate this agreement immediately by giving written notice to the other party by certified mail, return receipt requested to the addresses shown above. Notice to SFC is deemed served when deposited in the United States mail addressed to SFC at the address set forth above. Notice to Dealer is deemed served when deposited in the United States mail addressed to Dealer at the address shown above. Any termination by any party has no effect on any obligations or any transactions relating to Instruments purchased prior to the effective date of termination.

18.. **Binding.** This Agreement binds and inures to the benefit of the successors or assigns of both SFC and Dealer.

19. **Facsimile.** Signed facsimile documents between SFC and Dealer related to this agreement shall be binding on both parties hereto. Provided, however, that all documents required to be signed by Dealer pursuant to FHA guidelines, or as required by Sections 2 and 7 above, shall be delivered to SFC as original documents with wet signatures.

555 South Federal Highway Suite 200

Boca Raton, Florida 33432

20. **Misc.** The information contained in the Dealer Application and in HUD form 55013 (“Dealer Applications”) is provided for the purpose of establishing a credit referral relationship with SFC and to enroll Dealer in SFC’s FHA Title I Program(the “Program”). The Dealer understands that SFC is relying on the information provided in the Dealer Applications to (i) decide whether to grant or continue credit to the Dealer’s customers who are seeking credit from SFC, or (ii) enroll Dealer in the Program. The Dealer represents and warrants that the information provided is true and complete and that SFC may consider these statements as continuing to be correct until a written notice of change is given to SFC by the Dealer. SFC is authorized to make all inquiries it deems necessary to verify the accuracy of the statements made herein, and to determine the Dealer’s credit worthiness. The Dealer grants permission to those to whom inquiry is made to provide all information requested by SFC. SFC is authorized to release information about its experiences with the Dealer and its customers.

21. **FHA Dealer Checks.** Dealers enrolled in the Program agree to return to SFC with the Buyer’s loan file the check issued by SFC jointly to the Dealer and Buyer duly countersigned by Buyer and Dealer. Dealer agrees to accept as payment in full the purchase price for the Instrument set forth in the approval document delivered to Dealer pursuant to Section 2, above. Any dealer presenting the aforesaid check for payment to anyone other than SFC will be liable to SFC for all amounts paid to the Dealer of any third party on account of said check together with all costs or fees incurred by SFC as a result of any governmental investigation or legal action of any nature related to the disposition of said check. In addition, the Dealer will be subject to immediate dismissal from the Program.

22. **Dealer Sponsorship and Review Process.** FHA requires that SFC perform annual reviews of the Dealer and its performance in the Program. The Dealer shall provide whatever information is requested by SFC prior to each annual review. SFC will review the material to confirm Dealer meets the then-current requirements of the Program. SFC reserves the right **AT ANY TIME**, to terminate the Dealer’s participation in the Program and such decision shall be within the sole and absolute discretion of SFC. SFC may elect to charge Dealer a yearly fee up to \$250.00 Dollars to cover expenses for said annual review . Dealer agrees to pay SFC upon demand, and acknowledges that SFC is authorized to deduct any fees which remain unpaid as of the purchase of any Instrument pursuant to this Agreement.

555 South Federal Highway Suite 200

Boca Raton, Florida 33432

23. **ACH Authorization.** The Dealer hereby authorizes SFC to initiate credit entries and, if necessary, debit entries and adjustments for any entries in error to the bank account indicated on the Dealer Application and the depository named therein, hereinafter called DEPOSITORY, to credit and or debit the same account.

This authority to remain in full force and effect until SFC and DEPOSITORY has received at least 30 days written notification of its termination by certified mail return receipt requested at SFC's address shown above. Said 30 day period shall commence upon SFC's receipt of said written notice.

Dealer Printed Name

By: _____

Signature

Printed Name and Title

Dealer Address, City State, Zip

Phone Number

Fax Number

Cell Number

email

Website

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Service Finance Company, LLC

By:

Printed Name and Signature Date

Service Finance Company, LLC

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