

CHECKLIST FOR NEW DEALER SIGN UP

Dealership: _____

- Signed Dealer Agreement
- ACH form and voided check
- Dealership contact sheet
- Corporate Resolution or LLC
- Sharefile Information sheet
- Dealer License

Independent Dealership only

- 2 years tax returns and current financial statement
- Proof of Insurance
- Photos of dealership
- Copy of 5 titles for units on the lot

Dealer Number: _____

MOTOR VEHICLE DEALER AGREEMENT

Agreement made this _____ day of _____, 20____, by and among Meritrust Federal Credit Union ("Lender"); and _____ ("Dealer"), a Oklahoma business entity, owned by _____ ("Owner").

1. Sale and Purchase of Consumer Credit Sales Contracts.

1.1 Assignment by Dealer.

Dealer and Lender agree that: (1) any and all contract referrals and/or sales assignments by Dealer to Lender from and after the date hereof; (2) evidencing consumer credit sales ("Contracts") by Dealer of new or used motor vehicles ("Motor Vehicle"); (3) to purchasers of Motor Vehicles named in the Contract ("Buyer" whether one or more); shall be subject to the terms of this agreement. Lender may, in its sole and absolute discretion, accept and purchase referrals and sales assignments offered by Dealer, or decline to do so. If declining, Lender will notify Dealer within seven (7) days after Dealer's referral to Lender. This agreement will supersede any prior agreement between Lender and Dealer; provided, however, that the provisions of any such prior agreement shall continue to apply to all Contracts sold and assigned by Dealer to Lender pursuant to such prior agreement.

1.2 Rate Sheet and Guidelines.

Lender will provide Dealer from time to time its rate sheet and guidelines ("Rate Sheet") for purchase of Contracts. Publishing its Rate Sheet will not bind Lender to the purchase or acceptance of any Contract. Submission or assignment of a Contract by Dealer to Lender constitutes Dealer's agreement to the rates and guidelines of Lender which are in effect as of the time of submission or assignment.

2. Dealer's and Owner's Representations, Warranties, and Covenants.

2.1 Representations, Warranties, and Covenants on Assignment.

Dealer and Owner jointly and severally represent, warrant, and covenant, with respect to each Contract referred and/or assigned pursuant to this Agreement, that:

- (1) The Contract is the product of a bona fide credit sale and is not subject to any counterclaim, defense, or set-off on Buyer's part;
- (2) The Dealer has made no oral or written promise, warranty, or representation that is not contained in the Contract;

- (3) When Dealer sold the vehicle the title was vested in Dealer free and clear of any liens, and is now free of any liens except the purchase money security interest the Buyer has granted or will grant to the Lender;
- (4) The security interest assigned by Dealer to Lender is genuine and enforceable, the Dealer has taken or will take all steps required to perfect the security interest under the law of the State where the vehicle is titled and the State where the vehicle is or will be registered by the Buyer, the vehicle is correctly and adequately described, and the Buyer and Lender are correctly and adequately described as owner and lienholder, respectively, including but not limited to the name and address of each;
- (5) The Contract Annual Percentage Rate (APR) and all truth in lending calculations and representations comply with applicable law and regulation and the amount and frequency of periodic payments is sufficient to pay the amount financed plus interest at the APR.
- (6) Dealer assigned and/or delivered to Buyer the manufacturer's statement of origin, title, bill of sale or other evidence of title necessary for Buyer to register the motor vehicle with Lender's lien, and delivered the motor vehicle to Buyer, at the time of sale;
- (7) Dealer accurately described and represented the vehicle in the Contract and did not misrepresent the motor vehicle to the Buyer in any way;
- (8) Dealer has complied with all applicable consumer protection, consumer lending, and all other applicable law and regulation, including without limitation Truth in Lending requirements, the Oklahoma Deceptive Trade Practices Act; the Federal Truth in Lending Act, the Magnuson-Moss Warranty-Federal Trade Commission Improvement Act, the Federal Trade Commission Act, the Federal Equal Credit Opportunity Act, the Federal Fair Credit Reporting Act, and all other federal, state, local, and other laws and regulations applicable to the Contract(s) and/or the assignment of the Contract(s) by Dealer;
- (9) To the best of the Dealer's knowledge and belief, the statements in the Buyer's credit application are true; and Dealer has not withheld any information from Lender which, if disclosed might reasonably cause Lender to decline to purchase the Contract;
- (10) Dealer has the right to make the Contract assignment and the Contract assignment is free and clear of any security interest, liens, or other encumbrances;
- (11) The Buyer made the down payment shown in the contract in full in cash; and no part of it was notes, post-dated checks, factory or dealer rebates, incentives or discounts;
- (12) All persons signing the Contract have the legal capacity to contract and the authority to enter into a contract;
- (13) The Buyer's signatures are genuine and were made in the presence of the Dealer or one or more agents, contractors, or employees of the Dealer;
- (14) Dealer completed all blanks in the Contract before Buyer signed it; the contract provides for returned check charges of the maximum permitted by law of the State where the Contract was signed, and if the Contract does not so provide, the Dealer will be responsible to Lender for such charges; and the dealer will be responsible for all other blanks not filled in the assigned Contract;

- (15) Dealer gave the Buyer a fully executed copy of the Contract;
- (16) As of the date of the Contract, the vehicle covered by the Contract is insured for full collision and comprehensive coverage with a deductible no greater than that required by Lender at the time the contract was signed; and such coverage will be prepaid for at least 90 days from and after the date of delivery;
- (17) In the event of Buyer's voluntary Contract prepayment in full, or in the event of Lender's repossession of the vehicle after default under the Contract, or in the event of total loss by casualty or theft, Dealer will promptly pay to Lender the unearned portion of the premium for credit related insurance, such amounts to be calculated according to a method which complies with the law of the State where the Contract was made; provided, however, that Dealer's repayment by reason of Buyer's prepayment will not exceed 50% of the Dealer incentive relating to the Contract;
- (18) In the event of repossession of the vehicle after default under the Contract or in the event of total loss by casualty or theft, Dealer will promptly pay Lender the unearned portion of the extended warranty, GAP and other such add-ons purchased by the Buyer, such amounts to be calculated according to the applicable Contract, or if no method is specified, the Rule of 78's or other lawful method chosen by Lender;
- (19) All representations of value made by Dealer to Lender including but not limited to NADA printouts and "Like-Invoice Vehicle" documentation reflect the actual value of the Motor Vehicle which is subject of the Contract;
- (20) Dealer has treated Buyer fairly without regard to race, color, national origin, gender, religion, age, martial status, disability, or any other basis prohibited by law; and the conduct of the Dealer will not subject Lender to suit or administrative proceeding under any applicable State or Federal law or regulation, including but not limited to the Equal Credit Opportunity Act;
- (21) The Motor Vehicle securing the Contract has not previously been salvaged or dismantled, nor directly or indirectly repurchased by its manufacturer because of the manufacturer's inability to conform the vehicle to the manufacturer's warranty, and the vehicle has never been titled as a salvage or off-road vehicle;
- (22) Dealer will not accept payment on any Contract sold to Lender and will refer Buyer and Buyer's payments to Lender. Dealer grants Lender the power and authority to endorse Dealer's name on all such payments, and on the Contract and other documents necessary to carry out the purposes and intents of this agreement;
- (23) Dealer has taken reasonable steps to verify the true identity and social security number of each Buyer, including but not limited to inspection of photo identification;
- (24) Dealer did not negotiate the terms of the Contract with Buyer in any language other than English, without the prior written consent of Lender;
- (25) The contract submitted to Lender complies with the Lender's rate sheet in effect at the time the Buyer signed the Contract.
- (26) For Contracts with two or more Buyer not married to each other, the Buyer whose name appears first is the real party in interest expected to be in possession of the vehicle until the Contract has been paid in full.

2.2 **Dealer's and Owner's General Representations and Warranties.**

Dealer and Owners jointly and severally represent and warrant to Lender that:

- A. Dealer is incorporated, validly existing, and in good standing under the laws of the State of Oklahoma and it is qualified to transact business in Oklahoma.
- B. The making and performance by Dealer of this Agreement has been duly authorized by all necessary corporate action and will not violate any provision of the law or Dealer's articles of incorporation or by-laws, or result in the breach of or constitute a default under any agreement or instrument to which Dealer is a party or by which it is bound.
- C. All financial statements of Dealer previously furnished to Lender are, and any such statements furnished in the future will be, complete and correct and representative of the financial condition of Dealer.
- D. Dealer will retain copies of the Contract and related documents and comply with Lender's reasonable requests for legible photocopies of the Contract and related documents until such contracts have been paid and satisfied.
- E. Dealer completed all blanks in the Contract prior to obtaining Buyer's signatures and will indemnify Lender for all claims arising out of failure to do so.
- F. This agreement is enforceable against Dealer and Owners in accordance with its terms.
- G. This agreement is made in the State of Oklahoma.

2.3 **Dealer's and Owner's General Covenants and Agreements.**

Dealer covenants and agrees that:

- (1) Financial Information. Dealer will promptly, and in a form reasonably satisfactory to Lender, furnish Lender with such financial information of Dealer as Lender may reasonably request from time to time in order that Lender may monitor and evaluate Dealer's ability to perform its obligations hereunder.
- (2) Lemon Law. Dealer will comply with the responsibilities of an authorized dealer under Oklahoma law (including, but not limited to 15 O.S. §§ 901-902) and the law of such other State where the Contract is transacted, to conform a vehicle to any applicable warranty; and Dealer will repurchase the Contract from Lender for the balance due thereunder in the event the Buyer is entitled, in the good faith judgment of Lender, to a replacement vehicle or refund under the provisions of such law.
- (3) Incentives and Advances. Dealer understands that Lender will not research incentives, advances or related matters after the expiration of Six (6) months

immediately following the date of the Contract.

- (4) Claim against Dealer or Lender. In the event a claim is made against Lender for damages, or for offset of Lender's claim, arising out of alleged acts or omissions of Dealer, its agents or employees, or if Lender is joined as a party to any action alleging acts or omissions of Dealer, its agents or employees, the Dealer will hold harmless, indemnify and defend Lender with counsel of Lender's choice, at Dealer's expense. Within 14 days after demand by Lender, Dealer will repurchase the Contract from the Lender.
- (5) Repurchase Upon Breach of Warranty. In the event the Dealer, or any of its employees, agents, or representatives breaches any warranty or covenant of this Agreement:
 - (A) Lender may demand that Dealer repurchase the Contract or Contracts out of which the breach arose. Dealer agrees to pay the Lender the repurchase price by electronic transfer or certified funds within 14 days after Lender's demand.
 - (B) Dealer agrees to indemnify and hold Lender harmless from any and all loss including attorney fees and costs for which Lender may become liable by reason of Dealer's breach.
 - (C) This and all other Dealer obligations will survive cancellation or termination of this Motor Vehicle Dealer Agreement.
- (6) Contract Repurchase Price. The Contract repurchase price will be the unpaid balance of the Contract, plus premiums advanced by Lender for its collateral protection, less unearned finance charges and returned premiums, plus amounts then due under the Contract.
- (7) Attorney Fees and Expenses. If Lender must hire counsel to enforce one or more provisions of this Agreement, Dealer will pay Lender's reasonable attorney fees and expenses.
- (8) Authority to Execute Documents. Dealer irrevocably appoints Lender and each of Lender's officers as Dealer's attorney-in-fact to sign Dealer's name on any document necessary to perfect Lender's security interest in the collateral securing the Contract or to obtain registration or title to the collateral; and to endorse Dealer's name on checks or other negotiable instruments made payable to Dealer under terms of a Contract.

2.4 **Insurance Coverage.**

Every new and used vehicle described in a Contract purchased by Lender from Dealer shall, at the time of assignment, carry liability, collision, and comprehensive insurance coverages as set forth in this paragraph. In the case of liability coverage, the amount

of coverage shall not be less than the minimum required by applicable law. In the case of collision and comprehensive coverages, the amount of coverage shall not be less than the amount financed under the Contract, and the collision deductible shall be the amount required by Lender on the date the Contract was signed. Dealer will supply Lender with verification of initial coverage in force and effect at the time of assignment, in a form acceptable to the Lender, but Dealer will have no responsibility for verifying continuing coverage thereafter.

3. **Noncomplying Interest Rates.**

In the event a Contract is made by Dealer for an interest rate lower than that shown on Lender's the current Rate Sheet or by Dealer Trak, Route One or similar service for Contracts submitted through such service, Dealer grants lender recourse by withholding the interest difference from loan proceeds or Dealer incentives.

4. **Dealer Incentives and Lender Rate Sheet.**

4.1 **Incentive Payment.**

Lender agrees to pay to Dealer an incentive for each contract assigned to and accepted by Lender. The amount paid to Dealer will be shown on the Lender's rate sheet effective as of the date of the Contract, and Lender will pay Dealer's incentive within 30 days after the date the Contract is submitted to Lender. It is understood that the incentive is not fully earned until 90 days after the date of the Contract. If within 90 days immediately following the Contract date a loan originated by the Dealer is prepaid, or charged off as a loss, or the collateral is repossessed, a prorated portion of the incentive will be repaid to the Lender based upon the number of days remaining until the incentive is fully earned by the Dealer.

4.2 **Modification of Incentive Payment.**

Lender may modify Dealer incentives from time to time relating to Contracts not yet assigned to Lender. The Dealer incentive will be as shown on the Rate Sheet in effect as of the date the Contract is assigned to Lender. Dealer will be deemed to have accepted the Dealer incentive shown on the Lender's Rate Sheet then in effect or shown by Dealer Trak, Route One or similar service at such time as Dealer refers a contract to Lender.

5. **Miscellaneous Provisions.**

5.1 **Term and Termination.**

This Agreement may be terminated at any time by either party, with or without cause, by giving not less than 30 days written notice of termination to the other party; provided, however, that each party's representations, warranties, covenants and agreements shall survive termination with respect to all Contracts referred, purchased, and sold hereunder prior to the effective date of termination.

5.2 **Prior Loss to Lender.**

Lender reserves the right to decline any assignment from Dealer for any reason, including but not limited to the following:

- A. The Buyer has previously caused a loss to Lender.
- B. Proof of identification of Buyer fails to meet Lender's requirements as established and modified by Lender from time to time.

5.3 **Entire Contract.**

This agreement is fully integrated and no other terms or conditions have been agreed by the parties other than those expressed in this document.

5.4 **Amendments.**

Lender may amend this agreement and its Rate Sheet and Guidelines, including but not limited to Dealer incentives, at any time by providing Dealer with written notice specifying the amendment. Notice will be transmitted to Dealer in such manner as lender reasonably calculates to provide actual notice of the amendment to Dealer, including but not limited to, email, ordinary mail at Dealer's address designated in his document, communication through DealerTrack, Route One, or similar service, or personal delivery. Dealer will be deemed to have accepted and agreed to such amendment at such time as it refers its first Contract to Lender after receipt of such notice.

5.5 **Confidential Customer Information.**

Dealer agrees to regard and preserve, as confidential, all information obtained by or disclosed to Dealer by Buyer, prospective Buyer or Lender including, but not limited to, name, address, telephone number, account number, policy information and any list of Buyer and to use such information solely in manner contemplated by this agreement in accordance with applicable federal and state laws and regulations that protect nonpublic personal information ('Privacy Laws'). Dealer further agrees to implement and maintain commercially reasonable processes and procedures for the storage, retention, and disposal of documents and storage media containing information protected by Privacy Laws. In the event that Dealer reasonably believes that any physical or electronic safeguards have been breached and that Buyer information or other information protected by Privacy Laws has been obtained without authority to use or view such information, Dealer will notify Lender in writing as soon as reasonably practicable. In addition, if Dealer receives information protected by Privacy Laws from Lender, Dealer will maintain records of its procedures for protection of that information and shall allow Lender to examine such records to ensure compliance with this clause.

5.6 **Survival.**

Dealer and Lender agree that any and all agreements, warranties, representations and obligations of either party, including but not limited to subparagraph 5.5 above and any Contract or separate assignment shall survive the purchase, repurchase of any Contract, and the termination thereof.

5.7 **Notices.**

Any notices, request or demands given, or made under this Agreement shall be deemed given or made when placed in the U. S. Mail, postage prepaid, and addressed as follows:

If to Lender: Dealer Liaison
 Meritrust Federal Credit Union
 151 N. Main
 Wichita, KS 67202

If to Dealer:

5.8 **Governing Law.**

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Kansas. Any legal action arising out of the provisions of this Contract shall be brought in Sedgwick County, Kansas, Eighteenth Judicial District Court.

5.9 **Binding Effect.**

This Agreement shall be binding on and inure to the benefit of the parties hereto and their successors, subsidiaries and parent entities. This contract is not assignable by Dealer or Owner without the prior written consent of Lender.

5.10 **Signature.**

A signature by PDF signature stamp will be sufficient to bind the person submitting the same as his or her own signature.

Executed as of the day and year first above written.

Meritrust Federal Credit Union, "Lender"

By: _____

Position

Title

"Dealer"

By: _____

Signature

Printed Name

Title

By: _____

"Owner", Individually

RESOLUTION

_____, the undersigned, Secretary of _____,
a Corporation organized and existing under the law of the State of Oklahoma,
hereinafter called "Corporation" does hereby certify:

NOW, therefore, on _____, at a meeting of the Board of Directors of
_____ having adopted the following resolution by unanimous
consent, to wit:

RESOLVED: The following officers of the above named corporation or any person
designated herein is hereby authorized and empowered on behalf of this corporation to
transact business with Meritrust Federal Credit Union, and he/she is further authorized
to execute, acknowledge and deliver on behalf of this Corporation and in its name, any
and all notes, assignments, repurchase agreements, bills of sale, chattel mortgages,
conditional sales contracts, financing statements, security agreements, and any and all
other instruments which he/she may deem necessary or convenient in the transaction of
business of the above named corporation:

NAME (Printed)

SIGNATURE

TITLE

"RESOLVED FURTHER, that the foregoing resolution shall remain in full force and
effect until written notice of the amendment or rescission thereof shall have been
delivered to and receipted by Meritrust Federal Credit Union;"

That the foregoing resolutions are now in full force and effect.

IN WITNESS WHEREOF, the undersigned Secretary of said Corporation has set his/her
hand and affixed its corporate seal this _____ day of _____, 20_____.

Secretary

LIMITED LIABILITY COMPANY CERTIFICATE

_____, the undersigned members and managers of _____, a Limited Liability Company organized and existing under the law of the State of _____ (LLC) do hereby certify:

On _____, at a meeting of the Members, the LLC adopted the following resolution by unanimous consent of all LLC Members. The resolutions have not since been modified or revoked and do not conflict with any LLC governing agreements:

RESOLVED: The following members of the LLC, or any one of them, or any other person designated herein, is hereby authorized and empowered on behalf of the LLC to transact business with Meritrust Federal Credit Union; and is further authorized to execute, acknowledge and deliver on behalf of the LLC and in its name, the attached Motor Vehicle Dealer Agreement, any and all notes, assignments, repurchase agreements, bills of sale, chattel mortgages, conditional sales contracts, financing statements, security agreements, and any and all other instruments which the undersigned may deem necessary or convenient in the transaction of business of the LLC:

NAME (Printed)

TITLE

___ Member ___ Manager
___ Member ___ Manager
___ Member ___ Manager
___ Member ___ Manager

RESOLVED FURTHER, that the foregoing resolution is now and shall remain in full force and effect until written notice of the amendment or rescission thereof shall have been delivered to and received by Meritrust Federal Credit Union;

We, the Members and Managers of the LLC have signed this ____ day of _____, 20____.

Printed Name

Signature



Meritrust Credit Union
PO Box 2926
Wichita, KS 67201-2926
800.342.9278

Authorization for ACH Loan Funding

We hereby authorize Meritrust Federal Credit Union to initiate credit entries to our account indicated below and the financial institution named below, hereinafter referred to as Financial Institution, to credit the same to such account. We acknowledge that the origination of ACH transactions to our account must comply with the provisions of U.S. law.

Financial Institution Name

Address

Routing Number

Account Number

Type of Account: Checking Savings

This authority is to remain in full force and effect until Meritrust Federal Credit Union has received written notification from us. We understand that termination of this agreement must be performed in writing to Meritrust Federal Credit union and must occur a minimum of ten days before the next scheduled transfer date.

Print Individual Name

Print Corporation Name

Signature

Date

Attach Copy Here

Dealership & address: _____

Dealer Contact Information for delay and funding notices:

Primary Contact

Name: _____
Phone: _____
Fax: _____
Email: _____

Additional Contact

Name: _____
Phone: _____
Fax: _____
Email: _____

Additional Contact

Name: _____
Phone: _____
Fax: _____
Email: _____

Additional Contact

Name: _____
Phone: _____
Fax: _____
Email: _____

Circle which DMS system applies: Dealertrack or Route One

Funding with Meritrust

Meritrust will only accept contracts via ShareFile.

Go to...

- **[Meritrustcu.org/IndirectFunding](https://meritrustcu.org/IndirectFunding)**
- **Browse your computer for your file**
- **Click upload**

Questions?

Call Processing at 316-558-5014 or fund@meritrustcu.org