

## **REPAIR SHOP AGREEMENT**

This Agreement ("Agreement"), entered into the date of submission (date and time stamped) via online application at [www.directrepair.net](http://www.directrepair.net) ("Effective Date") by and between repair shop applicant, an automobile collision repair shop business organized and existing according to the laws of the state where located and having its principal place of business at provided address during application process ("Repair Shop") and DirectRepair.NET ("DRP.net"), a VistaClaim company having its principal place of business at 2521 Technology Dr, Suite 213, Elgin, IL 60124

### **WITNESS THAT:**

**WHEREAS**, DRP.net seeks to offer its customers throughout the United States access to vehicle repair shops committed to quality repairs, timely completion of work, and customer convenience for an optimal cost; and DRP.net has selected Repair Shop to be part of its DRP.net Managed Repair Network ("DRP") to provide a very high level of service to its clients, policyholders and claimants.

**WHEREAS**, Repair Shop has collision repair facility or facilities and personnel who are qualified to provide collision services and repairs for DRP.net, its clients (as defined below) and their policyholders and claimants.

**NOW, THEREFORE**, in consideration of the mutual covenants contained in this Agreement, Repair Shop and DRP.net agree as follows:

### **1. DEFINITION AND INTERPRETATION:**

In the interpretation and application of this Agreement:

- a. **"Affiliate"** means any entity that directly or indirectly controls, is controlled by, or is under common control with DRP.net or a parent company
- b. **"Repairer"** is the person or company that executes this Agreement that operates the motor vehicle repair and vehicle appraisals business at the Shop and, where the context permits, includes the Repairer's employee's, vehicle appraisers, contractors, directors or agents, authorized to conduct the normal business of the Repairer that is relevant to this Agreement.
- c. **"Client"** means any client or customer of DRP.net, referred to the Repairer by DRP.net, or clients or customers that are policyholders and claimants that otherwise contact the Repairer directly due to the Repairer's affiliation with DRP.net.
- d. **"Images"** means photographic, magnetic, electronic or other acceptable images of the motor vehicles, registration/number plate. Beyond economic repair plate, VIN, Production Date, odometer and enough images to support the estimate for all damaged areas, including any significant Unrelated Prior Damage.
- e. **"OEM"** means original equipment supplied specifically for the motor vehicle by the manufacturer or by an approved original equipment parts supplier.
- f. **"Repairs"** means the repair and rectification of damage to the motor vehicle by the Repairer in accordance with the circumstances of the claim and within the conditions of this Agreement
- g. **"Shop"** means the designated Repair Shop or the Repairer.

### **2. TERM and TERMINATION**

- 2.1 **Term:** This Agreement is to remain in full force and effect from the Effective Date and shall continue unless terminated by 30 days advance notice of termination in writing served by either party upon the other. Termination of this Agreement is without prejudice to any parties pre-existing

rights and obligations which do not merge but continue to apply.

2.2 Termination without Notice. DRP.net may at its own discretion terminate this Agreement at any time with or without cause

2.3 Effects of Termination. Upon notice of termination of this Agreement for any reason whatsoever, the following procedures shall be followed: (a) from and after the date of notice of termination, the Repair Shop shall not, without DRP.net's consent, accept new repair assignments under this Agreement, and (b) upon DRP.net's request and discretion, the Repair Shop may continue to perform its duties and obligations under the terms of this Agreement until all repair assignments submitted to Repair Shop by DRP.net for repair work prior to the notice of termination have been completed to DRP.net's satisfaction. The Repairer is entitled to all payments due to Repairer for the repair assignments completed post termination.

### **3. LICENSES**

Repair Shop shall maintain and perform all services in accordance with all applicable laws and regulations. At DRP.net's request, Repair Shop shall provide proof that it holds all required local, state, and federal licenses.

### **4. REPAIR SHOP REPRESENTATIONS REGARDING FACILITIES/PERSONNEL**

Repair Shop represents it has and shall have, during the term of this Agreement, shop equipment and personnel capable of providing the following services:

- 4.1 Frame and unibody measuring and repair as well as a three (3) dimensional measuring system
- 4.2 MIG welding and properly trained and certified technician(s) to perform this service
- 4.3 Pressurized spray booth meeting current federal and local requirements
- 4.4 Paint matching, mixing, and application system capable of producing an original equipment manufacturer type of finish
- 4.5 Collision related mechanical service
- 4.6 Air conditioning service with the ability to evacuate, reclaim, and recharge A/C systems
- 4.7 Restoration of corrosion protection to OEM standards
- 4.8 Certified EPA training
- 4.9 Estimators must have or be in process of obtaining I-CAR or ASE certification in damage analysis.

### **5. REPAIR SHOP REPRESENTATIONS REGARDING CUSTOMER SERVICE & QUALITY**

- 5.1 In providing guaranteed repair services to DRP.net and its Clients, Repair Shop shall perform all services in accordance with all applicable manufacturers' guidelines and specifications as well as any relevant regulatory safety standards and guidelines. Repair Shop represents and warrants that its facility is staffed by certified repair technicians available to provide service to DRP.net and its Clients, policyholders and claimants. Repair Shop agrees to complete all repairs within the turn-around-time completion schedule determined by DRP.net and its Clients. These requirements shall be memorialized in writing and signed by both parties as a schedule to this Agreement
- 5.2 Repair Shop shall guarantee to start repairs or other work provided hereunder within one (1) business day for drivable and two (2) business days for non-drivable vehicles upon receipt of the vehicle.
- 5.3 Whenever a vehicle referred by DRP.net requires replacement or a repair with a like, kind and quality part ("LKQ part") that is sometimes referred to as UOEM or Recycled, Repair Shop shall utilize an alternative parts locator specified by DRP.net and document the results. In the event that the alternative parts locator specified by DRP.net provides no reply, then Repair Shop shall employ a local LKQ parts search to identify available appropriate parts.

- 5.4 To facilitate receipt of assignments from DRP.net and its Clients, or developing appraisals and estimates, Repair Shop shall secure a license to use the estimating and referral software's designated by DRP.net and/or its clients Repair Shop will maintain an e-mail address to facilitate all communications with DRP.net and Repair shop shall allow re-inspection of all estimates, documents, and repair work at any time before, during and/or after the repair process.

**6. NO VOLUME**

DRP.net intends to utilize Repair Shop's appraisal services and repair services on an as-needed basis; however, DRP.net makes no commitment to Repair Shop to provide for any minimum amount of work.

**7. FEE TO DRP.NET**

An administration fee is due annually (nothing in 1<sup>st</sup> year) and payable by Repairer or the Repair Shop in connection with business annually assigned by DRP.net to the Repairer or Repair Shop in accordance with this Agreement. The Repair Shop expressly understands and agrees that this fee is to compensate DRP.net for its resources and manpower applied in order to maintain its DRP.net program of which the Repair Shop is a part of, and for the assignment of each Repair work and not by way of any inducement to DRP.net to gain additional business. The Repairer and DRP.net have mutually agreed to a fee set forth in **Attachment A**, which may be increased by DRP.net from time to time. If the Repair Shop does not agree to such increase, it may terminate this Agreement in accordance with the termination provisions of section 2. DRP.net will at its discretion decide on the work assignments to the Repairers, which shall be based on their repair performance, geographic location, and the needs or choice of its clients.

**8. CHANGE IN MANAGEMENT/OWNERSHIP/ESTIMATORS**

In the event that Repair Shop has a change in ownership, or estimator, Repair Shop shall **immediately** notify DRP.net of such changes.

**9. CONFORMANCE WITH DRP.net PROCEDURES AND GUIDELINES**

Repair Shop shall follow DRP.net's recommended estimating Best Practices Document as attached within the VistaClaim portal and incorporated herein as well as any client specific practices provided to the Repair Shop by DRP.net, by reference. DRP.net reserves the right to amend Best Practices at any time with 30 days' notice to Repair Shop.

**10. GUARANTEE**

10.1 The Repair Shop warrants, guarantees and represents to DRP.net that at the date hereof and at all times during the continuation of this Agreement: (1) the quality of its workmanship, for as long as the customer owns the vehicle (wear and tear excepted) and (2) the Repair Shop's standard guarantees on materials and parts. A copy of the guarantee will be provided to the vehicle owner by Repairer.

10.2 All persons engaged by Repair Shop for the purposes of carrying out Repairs pursuant to this Agreement have the license as required by law (local & federal), experience, qualifications and equipment to properly carry out the required Repairs. The Repairs will be carried out in a safe, sound and professional manner.

10.3 In addition, the Repair Shop agrees to work with DRP.net in cases where the owner moves more than 50 miles away and additional repair issues need resolution. Repair Shop will work with DRP.net and/or its representatives (DRP.net shop, independent appraiser, non-network shop) to review and correct any issues and Repair Shop will pay the corrective repair shop directly for those repairs. Additional repairs required will follow the standard supplement process.

**11. SUBCONTRACTOR**

Repair Shop may only subcontract any of its obligations set out in this agreement to another appropriately licensed Repairer capable of performing quality repairs. Repair Shop remains liable for all of the subcontractor's work including the workmanship guarantee and pricing commitments. Repair Shop may sublet services, other than the

above mentioned, to a licensed subcontractor (such as wheel alignment, SRS diagnostics and repairs, electronic repairs, towing, etc.,) provided that the subcontractor is capable of providing the service with a guarantee and the Repair Shop stands behind such guarantee. Subcontractor services shall be paid retail pricing without markup. The Repair Shop shall provide DRP.net with documentation of the original invoices and receipt of amounts paid. Failure to provide original invoices may result in non-payment of sublet services. Repair Shop will ensure that the Subcontractor is held to the same standard for quality repairs and workmanship as per this Agreement, as if the work were done by the contractor itself under this Agreement. Repair Shop is responsible for all negligent acts/omissions of the subcontractor and any losses or injuries caused due to such negligent acts.

## **12. RECORDS**

Repair Shop will maintain all pertinent records and documentation set forth in **Attachment B** respectively, in one file for each vehicle repaired, and make them available for inspection and/or re-inspection for DRP.net during normal business hours for a minimum of two years.

12.1 Proof of Direction to Pay: Repair Shop shall secure assignments from DRP.net's customers directing Insurance Carrier to pay Repair Shop directly for repairs. Direction to Pay shall be maintained in the shops records and faxed to the assigning DRP.net Claim Office as required

## **13. INDEMNITY BY REPAIR SHOP.**

Repair Shop hereby agrees to and shall indemnify, defend, protect and hold DRP.net and its Affiliates, officers, directors, shareholders, policyholders, employees, representatives, agents, parent corporations, affiliated corporations and related entities (each of the foregoing being hereinafter referred to as the "DRP.net Indemnified Parties") free and harmless from and against any and all losses, claims, damages, actions, proceedings, arbitrations, investigations or threats thereof, and expenses related thereto (including reasonable attorneys' fees, disbursements, expert witness fees, and other reasonable costs and expenses of counsel) based upon a third party claim (including, for the avoidance of doubt, by any Client of DRP.net's and any Customer) relating to or arising out of any acts of, (a) negligence or willful misconduct; (b) Repair Shop's material misrepresentation or material breach of warranty; (c) any violation of applicable legal requirements by the Repair Shop, its agents or subcontractors; (d) the failure of Repair Shop, its agents or subcontractors to comply with its obligations under any repair guarantee; or (e) death or bodily injury resulting from defective repairs done by the Repair Shop, its agents or any of its sub-contractors; or (f) breach or default by Repair Shop, its agents or subcontractors of its obligations set forth in this Agreement or (g) fraud (including fraudulent misrepresentation) by the Repair Shop or its agents or subcontractors. The provisions of this Section 13 will survive the expiration or earlier termination of this Agreement.

Except as specified in this Agreement or any of its Exhibit or Schedule, if:

- (i) the Repair shop or any of its agents or subcontractors performs a Repair on a Vehicle which has not been authorized by DRP.net;
- or
- (ii) uses Replacement Parts where the Repair Shop is unable to provide upon demand to DRP.net proof of purchase,

the Repair Shop accepts all liability (including those arising from its agents or subcontractors) for any loss, actions, proceedings, claims, demands, costs, awards and damages arising directly as a result of such a Repair.

The Repair Shop shall secure and maintain comprehensive general liability insurance

## **14. INSURANCE**

Repair Shop shall secure and maintain at its sole expense:

- (i) Workers' compensation insurance with limits at least equal to statutory requirements,

- (ii) General liability insurance, including, without limitation, personal injury coverage, with policy limits of no less than \$1,000,000.00 per occurrence and \$2,000,000.00 in the aggregate for shops with 10 service bays or less, and for shops with 11 services bays or more the policy limits should be of not less than \$2,000,000 per occurrence \$5,000,000 aggregate for claims for damages because of bodily and personal injury (including death) and property damage and advertising injury, caused or in conjunction with the operation of Repair Shop's business, or arising out of acts or omissions of its employees, agents and/or any subcontractor or Independent Service Providers ,
- (iii) Garage Keepers Liability(GKL) (Broad Form)- with policy limits of not less than \$25,000 plus an additional \$10,000 per service bay ( The total number of work bays in the shop including wash bays, paint booth, appraisal bays, etc.)-- **The GKL should be written on a Primary GKL Form** and Not an Excess GKL form. Any and all such insurance policies shall be underwritten by reputable insurer(s) which are reasonably acceptable to Company, are properly licensed to do business and have an A.M. Best rating of "A" (IX) or better. The Certificate of Insurance must reveal in regards to General Liability and the Garage Keeper's Liability that DRP.net and its officers, directors, shareholders, agents, parent corporations, affiliated corporations and related entities are additional insureds. Prior to DRP.net's execution of this Agreement, and thereafter within ten (10) days from DRP.net's request therefore, Repair Shop shall provide to DRP.net either (a) copies of all relevant insurance policies, or (b) Certificates of Insurance reasonably specifying the policies required hereunder and must include naming: "DRP.net, Inc., its parent corporations, affiliated corporations and related entities" as an Additional Insured. DRP.net. The policies of insurance required hereunder shall not be cancelable or subject to reduction of coverage except upon thirty (30) days notice to Company.

#### **15. USE OF NAME**

Repair Shop shall not use the name of DRP.net, or any of its Affiliates or its member or client companies in any advertising, publicity release, or other communication without the express written consent of DRP.net or such member company, respectively.

**16. OWNERSHIP AND PROPRIETARY INFORMATION** Repair Shop acknowledges and agrees that all policies, procedures, manuals, communications, lists and other information furnished by DRP.net pursuant to this Agreement, including rosters of DRP.net agents or other information related to DRP.net and its agents pertaining to this Agreement are confidential property of DRP.net and its clients. The terms of this Agreement between Repair Shop and DRP.net are confidential and Repair Shop is not to disclose, or divulge its contents to anyone in any manner without the express written consent of DRP.net except as may be required by law, or in a response to a subpoena.

#### **17. BAILMENT**

Repair Shop agrees that any additional damages to an owners vehicle while in the Repair Shop's care, custody and control will be the sole responsibility of the Repair Shop to handle and settle with the vehicle owner and/or their Insurer with the exceptions being, any damages caused to an owner's vehicle while in the Repair Shops care, custody and control due to any failure or delay caused by strike, lockout, labor shortage, fire, explosion, shipwreck, act of God or the public enemy, war, acts of terrorism, riot, interference by the military or governmental authorities, or compliance with the laws of the United States or with the laws or orders of any other government or regulatory authority, all of which being beyond the Repairer's control.

#### **18. DISCLAIMER**

DRP.net makes no representations or guarantees regarding: (1) the amount of work, if any, Repair Shop will receive as a member of the network; (2) whether the network will be a success; and (3) the amount of profits (if any) Repair Shop is likely to make rendering the Services.

#### **19. INSPECTIONS AND AUDITS**

Repair Shop shall permit DRP.net to perform quality control checks at Repair Shop's premises regarding Repair Shop's procedures, materials and quality of the final product. Repair Shop shall permit DRP.net to review Repair Shop's business records related to the Repairs including invoices and purchase orders for materials and parts.

**20. NOTICES**

In the event that either party will be required to provide notification to the other party, notice can be provided either party by mail, Fax or e-mail as mentioned hereunder:.

**DRP.NET:**

ATTN. VENDOR MANAGER

2521 Technology Dr, ste 213

Elgin, IL 60124

Phone 1-888-863-0001

Fax: 1-877-594-0244

Email: [claims@DRP.net](mailto:claims@DRP.net)

**IF TO THE REPAIR SHOP**

INFO AS LISTED IN APPLICATION PROCESS

**21. COVENANT NOT TO COMPETE**

In consideration of DRP.net entering into this Agreement with the Repairer, the Repairer on its own behalf, and on behalf of any of its directors, employees and agents, irrevocably covenants with DRP.net that it shall not during the term of this Agreement solicit any Repair business from any Clients of DRP.net.

**22. SUCCESSORS AND ASSIGNS:**

This Agreement is binding upon DRP.net and the Repairer and their respective successors and permitted transferees and assigns. DRP.net may assign or transfer its rights and obligations under this Agreement.

**23. GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois. Repairer hereby waives the right to a trial by jury in any action or proceeding based upon, or relating, to the subject matter of this Agreement; this waiver is knowingly, intentionally and voluntarily given.

**24 ILLEGALITY**

In the event that any of the terms of this Agreement become or are declared to be illegal or unenforceable by any court of competent jurisdiction or in the course of arbitration, such term(s) will be null and void and will be deemed deleted from this Agreement. All remaining terms of this Agreement will remain in full force and effect.

**25. GIFTS AND GRATUITIES**

Repair Shop represents that it has not been solicited for any gift or payment from DRP.net or any affiliate and that it has not made and will not make any gift or payment to DRP.net or any affiliate in connection with this Agreement (excluding the Fee as set forth in Attachment A or any Repair work related payment under this Agreement). DRP.net will immediately terminate this contract without notice, should the Repairer even attempt to offer any gift or payment to DRP.net or any affiliate in connection with this Agreement in order to induce or gain any favors or additional business from DRP.net.

**26. COUNTERPARTS.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

**27. ASSIGNMENT.** Repair Shop may not assign any of its rights or delegate any of its duties under this Agreement without the express prior written consent of DRP.net. Accordingly, this Agreement shall be binding on the Parties and their respective successors and permitted assigns. Any assignment or subcontracting by the Repair Shop in contravention of this Section shall be void, but will not release the Repair shop of its responsibilities and obligations under this Agreement.

**28. WAIVER.** The forbearance or failure of one of the Parties hereto to insist upon strict compliance by the other Party with any provisions of this Agreement, whether continuing or not, may not be construed as a waiver of any rights or privileges hereunder. No waiver of any right or privilege of a Party arising from any default or failure hereunder shall affect such Party's rights or privileges in the event of a further default or failure of performance.

**29. NO MODIFICATION.** This Agreement may be modified or amended only by a duly authorized written instrument executed by the Parties.

**30. ATTACHMENTS.** The following are attached hereto and incorporated herein by reference and are deemed accepted and agreed to by the Repair Shop, upon electronic signing of this Agreement, except for Attachment B.

<u>ATTACHMENT A</u>	DRP.net annual program fee
<u>ATTACHMENT B</u>	Direction to Pay (DTP) / Guarantee- <b>Repair Shop must sign and return the DTP/Guarantee to DRP.net, prior to starting any work.</b>

**31. ENTIRE AGREEMENT:** This Agreement, together with all of the Attachments, any of which may be amended by the Parties from time to time as provided hereunder, constitutes the entire agreement and understanding of the Parties with respect to the subject matter hereof and supersedes all prior agreements, consents and understandings relating to the subject matter hereof. The Parties agree that there is no oral or other agreement between the Parties that has not been made a part of this Agreement.

**IN WITNESS WHEREOF**, the parties hereto have electronically executed this Agreement effective as of the date and time stamp of electronic submission.

**ELETRONICALLY EXECUTED**

On behalf of everyone at DirectRepair.NET, thank you for being a part of the network and please let anyone on the team know if there is anything we can do to help improve your experience.

## ATTACHMENT A

### **DRP.net Program Marketing Fee**

DirectRepair.NET is the most transparent Direct Repair Network in the industry today. While there is no “guarantee” of work, there is also no fee in the first year to ensure that the Repair Facility/Direct Repair Partner see value in the program for their management and marketing efforts to drive volume before they commit to the long term partnership and the repair facility can terminate this contract as outlined in Section 2 of this agreement.

In addition, there is no % of repair costs fees as seen on other programs; so all repairs are secured between the Repair Facility, the Insured and/or their Insurance Company. DirectRepair.NET has no liability over the Accounts Payable or Accounts Receivable of the actual repair costs itself.

All dates below are based on the initial application date as received via the online web portal. The Annual fee is as follows:

Year 1	No Fee (location size does not matter)
Year 2 and beyond	\$150 per repair location up to 5 locations
	\$125 per repair location for 6 to 10 locations
	\$100 per repair location for 11 locations and up



ATTACHMENT B

**Direction to Pay / Guarantee**

Date \_\_\_\_\_ Claim Number \_\_\_\_\_  
Customer \_\_\_\_\_  
Name \_\_\_\_\_ Claim Handler \_\_\_\_\_

Address \_\_\_\_\_  
City:, State, \_\_\_\_\_  
Zip \_\_\_\_\_

Home Phone \_\_\_\_\_ Final Estimate Amount \$ \_\_\_\_\_  
Deductible (if  
Business Phone \_\_\_\_\_ applicable) \$ \_\_\_\_\_

**Net Amount To Shop** \$ \_\_\_\_\_

Year	Make	Model	Vin Number

I (Print the Authorized Owners Name) \_\_\_\_\_, am completely satisfied with the Workmanship of all repairs and *authorize* payment on my claim as listed above to:

Shop Name	Shop Address

Authorized Owners Signature	Date

The above Repair Shop guarantees the workmanship of the repairs for as long as you own the vehicle. If for any reason, you are not fully satisfied with the workmanship of the authorized repairs and we determine that the repairs did not meet the I-CAR standards, we will assure the repairs are properly corrected. Simply contact the Repair Shop to report the problem.

This guarantee is exclusive of any wear, tear, deterioration, or mechanical breakdown. The guarantee extends only to repairs that are a result of the covered incident and does not cover prior repairs or subsequent unrelated damage. This guarantee is not transferable.

**Please fax this completed and signed form to DirectRepair.NET at 1-847-594-0244**