

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

FULL SERVICE DEPUTY CONTRACT

This Agreement is made by and between the **COUNTY OF HIDALGO**, on behalf of the Tax Assessor-Collector, hereinafter referred to as "County", and **DAVID R. CANTU, PRESIDENT of BRIDGEPOINT INSURANCE AGENCY & PERMIT CENTER, LLC,** hereinafter referred to as "**Full Service Deputy**".

WHEREAS, The **Full Service Deputy** desires to act as an agent of the Tax Assessor-Collector pursuant to "Texas Transportation Code" Section 502.114, for vehicle registrations, registration renewals and title transfers.

WHEREAS, public convenience will be furthered by the ability of Full Service Deputy to act on behalf of the Tax Assessor Collector to issue registrations and title transfers.

NOW, THEREFORE, in consideration of Ten Dollars (\$10.00), the obligations and covenants contained herein and other good and valuable consideration, the receipt of which is hereby acknowledged, the County and the Full Service Deputy hereby agree as follows:

1. The County shall supply the Full Service Deputy with an inventory of license plates and supplies as needed for issuance, however, in no case shall the County issue to the Full Service Deputy any number of plates and supplies that exceed the amount authorized in numbered paragraph 2 hereof. The Full Service Deputy's inventory of license plates and stickers shall be maintained at the location(s) as listed on Exhibit "A".

2. In order to guarantee the faithful performance of the duties of the Full Service Deputy hereunder and to insure that all funds coming into the possession or control of the Full Service Deputy by virtue of this Agreement are paid over to the County, the Full Service Deputy agrees to post a surety bond or cash deposit in the amount of \$100,000, naming the Hidalgo County Tax Assessor-Collector as obligee on said bond. Said bond shall be continuous in form, and subject to termination only with thirty (30) days written notice to the Hidalgo County Tax Assessor-Collector, and shall be issued by a surety company or financial institution acceptable to the County. In addition to the bond, the Full Service Deputy shall place on record with the Hidalgo County Tax Assessor-Collector an irrevocable letter of credit in the amount of \$25,000 from a bank in Hidalgo County to guarantee payment of taxes and fees remitted to County Tax Assessor-Collector by check by the Full Service Deputy. Upon posting of said bond, or deposit and delivering the irrevocable letter of credit, the Full Service Deputy shall be entitled to issue registrations, registration renewals, and title transfers. In no event shall inventory in the possession of the Full Service Deputy exceed the amount of the surety bond or cash deposit.

3. Full Service Deputy shall have any and all persons designated to handle or in any way assist, in the issuance of registrations and renewals and license plates submit a fully executed and notarized personal inquiry waiver and authorization for release of confidential information in order to conduct a background check on said persons. Once the person passes the background check, the person shall take an oath of deputation to be given by the Tax Assessor-Collector to serve as authorized agents for the issuance of license plates and registrations. The Full Service Deputy shall not allow any of its officers, agents, or employees to participate in any manner in the handling or issuance of registrations or plates until said officer, agent or employee has been deputized by the Tax Assessor-Collector for acting under the terms of this Contract, and until all Full Service Deputy personnel are trained in accordance with the Hidalgo County Tax Assessor-Collector requirements, and follow all training programs required by the Hidalgo County Tax Office, before the issuance of said license plates and registrations, prior to deputation.

4. Full Service Deputy shall, in writing, designate one or more of its officers, agents, or employees, who have been deputized hereunder to serve as a receiving agent for the Full Service Deputy. The County agrees it will not furnish any plates and supplies for the account of the Full Service Deputy other than directly to the Full Service Deputy's receiving agent. Full Service Deputy assumes full liability for the safekeeping of all stickers, plates and supplies furnished by the County to the Full Service Deputy's receiving agent.

5. Prior to receiving any plates or supplies hereunder, Full Service Deputy shall, at its sole cost and expense, obtain and make operational all computer hardware and software, including The Texas Department of Transportation's Registration Title System (RTS) workstations to perform Full Service Deputy's duties hereunder, as directed by the County.

6. Full Service Deputy shall collect the fees prescribed by the Hidalgo County Tax Assessor-Collector for each registration and set of plates issued (including applicable road and bridge fees). Fees collected for the issuance of stickers and plates by the Full Service Deputy shall not be co-mingled with any other funds in the possession of the Full Service Deputy. The Full Service Deputy shall, not less often than weekly, prepare and deliver to County, on the day each week specified by County, such reports as may be from time to time prescribed by County, and in the format and content so prescribed by County. Said reports shall include the quantity of registrations and plates issued by the Full Service Deputy, and shall be accompanied by full payment for all registrations and plates issued, including applicable road and bridge fees in the form of a check drawn on Full Service Deputy's customary bank. Failure to promptly deliver reports and payments as provided in this paragraph shall be grounds for the immediate termination of this Agreement, in which event Full Service Deputy shall immediately return to County all RTS workstations, plates and supplies.

7. Full Service Deputy shall, in connection with its weekly report, remit such amounts in accordance with numbered paragraph 6 hereof. Full Service Deputy assumes full responsibility for collection of all fees for title registrations, registration renewals and title

transfers handled by Full Service Deputy hereunder.

8. Full Service Deputy is subject to audit by the Hidalgo County Tax Assessor-Collector, Hidalgo County Auditor, the Texas Department of Highways and Public Transportation, the Comptroller of the State of Texas, any Certified Public Accountant, or any person or entity designated by any one or more of the same to determine compliance with this Contract as well as laws and regulations of any governmental entity having jurisdiction of the subject matter of this Contract, at any time during normal business hours of the Full Service Deputy, at the place of business of the Full Service Deputy designated in this Agreement. The Full Service Deputy's receiving agent shall be present and shall make available at the place of the audit all supplies or forms required.

9. Full Service Deputy shall deliver on a weekly basis to the Hidalgo County Tax Assessor-Collector the license report as required by numbered paragraph 6 hereof in the form as may from time to time be required by the Hidalgo County Tax Assessor-Collector. Any report which is not in order and which does not balance or conform to the usual requirements will be returned in its entirety for correction or clarification.

10. Full Service Deputy shall, upon receiving a delivery of license plates and supplies from the Hidalgo County Tax Assessor-Collector, verify that all plates and supplies invoiced matches the plates and supplies received before using any of the plates and supplies. Any discrepancies must be reported in writing no later than 12:00 noon on the next business day to the Hidalgo County Tax Office.

11. Full Service Deputy shall use the plates in numerical sequence, and any fees or charges for missing license plates and supplies which are not reported must be paid to County at the price calculated by the Hidalgo County Tax Assessor-Collector.

12. Registrations, registration renewals and title transfers are only to be issued to persons that present all papers and forms required to legally register, renew registration or transfer title to vehicles.

13. Any changes in the ownership of Full Service Deputy or the employer of Full Service Deputy, must be immediately reported in writing to the Hidalgo County Tax Assessor-Collector's Office. Any such changes will automatically nullify this agreement and a new agreement must be executed by the new owner(s) if the new owner(s) desires to continue to act as a license agent. It will also be necessary to audit any supplies on hand and a closing report shall be made by the current owner.

14. Full Service Deputy will provide access to the authorized representatives of the Hidalgo County Tax Assessor-Collector's Office to the area where registrations, renewals and license plates are sold and stored, and will provide the necessary assistance requested in auditing or checking license stickers, plates or supplies.

15. Full Service Deputy will verify proof of liability insurance before selling a registration, registration renewal, or license plates.

16. In order to serve as a license agent, Full Service Deputy agrees to abide by all rules, regulations, and requirements of the Hidalgo County Tax Assessor-Collector's Full Service Deputy Instruction/Policy Manual. Instructions may from time to time be amended.

17. This Agreement may be voluntarily terminated by either party upon thirty (30) days written notice to the other party. If the Agreement is terminated, the Full Service Deputy shall return to the County all inventory of plates, together with supplies and payment for registrations, renewals and plates issued, and a final report within twenty four (24) hours after the termination date.

18. Breach of any obligation to be performed by the Full Service Deputy shall constitute a breach of the entire agreement and shall give County the right to immediately terminate this Agreement. The parties hereto agree that any breach by the Full Service Deputy shall be considered a substantial breach, and Full Service Deputy shall be notified by County of such breach by certified mail, return receipt requested, and by facsimile transmission at the following number: (956) 318-2733 Upon the receipt of notice (which shall be deemed to be three (3) days after mailing, if mailed) Full Service Deputy shall have twenty four (24) hours to return to County all outstanding inventory of plates, supplies, payment for plates and registrations, and registration renewals issued, and final reports.

19. In the event that any audit or report of the Full Service Deputy discloses that any plates, stickers or funds are missing or otherwise unaccounted for, the County shall be entitled to collect on the bond or declare forfeited the cash deposit for payment, and/or draw on the irrevocable letter of credit, apply the proceeds therefrom against the actual damages incurred by the County or any of its agents, employees, or public officials. In the event that this Agreement is terminated by the County for breach by the Full Service Deputy and the Full Service Deputy fails to return all funds, plates, and supplies within the time allowed in numbered paragraphs 19 and 20 hereof, the County shall be entitled to retain proceeds of the bond or cash deposit as liquidated damages and/or draw on the irrevocable letter of credit, or in the alternative, shall be entitled to seek recovery of actual damages.

20. The term of this Agreement shall commence upon receipt by the Hidalgo County Tax Assessor-Collector of the bond or cash deposit and the irrevocable letter of credit herein referred to, and shall continue in full force and effect thereafter until terminated in accordance with the terms hereof.


21. Any notices given under this Agreement shall be sufficient if in writing and mailed either by Registered or Certified Mail, return receipt requested, postage prepaid, to the parties as follows:

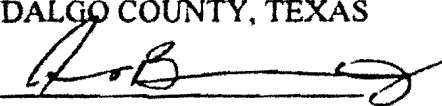
County: Armando Barrera, Jr.
Hidalgo County Tax Assessor-Collector
P. O. Box 178
Edinburg, Texas 78540-0178

Full Service Deputy: DAVID R. CANTU, PRESIDENT
BRIDGEPOINT INSURANCE AGENCY
& PERMIT CENTER, LLC
210 N. INT'L BLVD.
HIDALGO, TEXAS 78557
(956) 843-8747

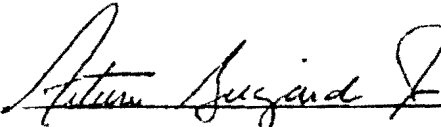
22. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof, and all prior agreements, written or oral, are hereby superseded. This Agreement shall not be amended or modified, except in writing signed by the Hidalgo County Tax Assessor-Collector. No official, agent, or employee of the County has the authority, expressed or implied, to orally amend or modify this Agreement. This Agreement may not be assigned by Full Service Deputy.

EXECUTED as of the 18th day of December, 2007.

By: 
Hidalgo County Judge

HIDALGO COUNTY, TEXAS
By: 
Armando Barrera Jr.
Hidalgo County Tax Assessor-Collector

ATTEST:


Hidalgo County Clerk

APPROVED BY
COMMISSIONERS' COURT
ON: DEC 13 2007

Full Service Deputy: DAVID R. CANTU, PRESIDENT
BRIDGEPOINT INSURANCE AGENCY
& PERMIT CENTER, LLC

By: 
DAVID R. CANTU, PRESIDENT

EXHIBIT A

BRIDGEPOINT INSURANCE AGENCY
AND PERMIT CENTER, LLC
210 N. INTERNATIONAL BLVD
HIDALGO, TEXAS 78557
(956) 843-8747